

CONTENTS**TOURISM CONCEPTS AND LINKAGES**

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UNIT 1 EMERGENCE AND EVOLUTION OF CONCEPT OF TOURISM

Structure

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1.0 Objectives

After reading this unit, you will be able to:

- discuss the history of tourism;
- explain various reasons responsible for the development of tourism;
- discuss the progress of tourism; and

1.1 Introduction

Tourism has entered in this millennium with the prospect of continued expression and greater importance in the world economy, facing many challenges. The significance of tourism is recognized in both developed and developing and beneficial agent of both economic and social change. Indeed, tourism has stimulated employment and investment, modified land use and economic structure, and made a positive contribution of the balance of payment in many countries throughout the world.

This ever expanding spirit of travel has lived on down the ages. In recorded history, there have been instances whereby one is able to know that man has been traveling throughout the ages. From the very early historic period, travel

has had a fascination for man. Much of the travel in the beginning was eagerly unconscious and rather a simple affair. This unit will give a detail of travel pattern through the ages.

1.2 Travel through the Ages

During a million years, changes in climate, dwindling food supplies or hostile invaders alone have made the people leave their homes to seek refuge elsewhere. Perhaps, it was the invention of the wheel, about five thousand years ago, which made travel possible followed by the invention of money by the Sumerians (Babylonia) that led to the development of trade and the beginning of a new era. The Phoenicians were probably the first real travellers in the modern sense as they went from place to place as travellers and traders. Almost at the same time, trade and travel developed in India where the wheel and money were already known at the time of the Indus Valley civilization (3000-1100 BC). Traditions of travel in India are, perhaps, the oldest in the world, the motive being primarily religion or trade. The great sages of the past retired to the Himalayas in the North or to the dense jungles of the South to meditate or set up their Ashrams (hermitages), which really were schools or universities of learning.

As early as the third millennium B.C., Egypt was a popular place for people from the then known world. The Babylonian King Shulgi who ruled Egypt 4,000 years ago is said to have boasted that he protected roads, built gardens and rest houses for respectable travellers. The Bible describes these ideas in the following words: "Many shall run to and fro and knowledge shall be increased". The ancient Greeks traveled short distances in small boats. Jason and the legendary Argonauts built a large ship to search for the Golden Fleece undaunted by dangers described in Homer's Odyssey. Herodotus, in 1th century B.C., toured Phoenicia, Egypt, Cyrenaica, Greece and the Black Sea and recorded the history, customs, traditions and practices of the people living in these areas. Philosophers – Thales, Pythagoras and Plato – all traveled to Egypt. Aristotle visited Asia Minor before starting his peripatetic school for wandering students. Greeks traveled to spas, festivals, athletic meets and to consult the Oracle at Delphi and the Asclepiads at Epidaurus. They traveled by mules and carts and stayed at wayside inns. A character in one of the works of that time asks for "the eating houses and hostels where there are the fewest bugs."

1.2.1 Travel for Trade and Commerce

Travel in the past, was not undertaken for the purposes of pleasure but was related to trade. Commerce and the activities associated with it. Travel for seeking fortunes was the strongest force behind moving out. Throughout the course of history, traders and merchants have traveled to far off places in order to trade with other nations. Even the travellers like Marco Polo and Christopher Columbus were primarily moving out in search of rich lands, which could provide them with additional resources. With the gradual opening of the trade routes, travel became easier as well as regulated. With time, the trade relations matured into cultural relations and helped in better understanding. This simultaneous

emergence of cultural barter system was a favorable development towards increase in travel activity during this period.

Phoenicians were amongst the earliest travellers in the modern sense. These were also the people who were credited for the invention of money. The medium of money was increasingly being used in various business and commercial dealings. The payment for travel to different centres as well as accommodation could now be done with greater ease. The element of 'organization' of travel came into light due to this reason.

It is noteworthy that early travel in the east or the 'orient' as it is called was also largely based on commerce. Travels to countries like India and China, which are very old civilizations, enjoyed the reputation of being countries of fabulous wealth. This reputation picked up even more strength when the Europeans headed towards Indian shores for the very purpose of trade and commerce.

Check Your Progress – I

Answer the following question.

1. You must have learnt about various factors responsible for the growth of tourism Worldwide. Please highlight some of these factors.

1.2.2 Travel for Seeking Knowledge

In the subsequent periods, the urge to explore new lands and to seek new knowledge about distant places, was yet another motive. Homers' literary work 'odyssey' records the travel undertaken by ancient Greek and Romans. There are many instances of great explorers like Magellan, Bartholomew Diaz and many others, who spent many formidable years of their lives in search of knowledge. Perhaps, these great explorers can be credited for being the pioneers of modern day travel.

1.2.3 Travel for Religious Purpose

During the middle ages, a significant dimension was taken by travel for religious purpose. It became a well established custom or motivation in many parts of the world. A large number of pilgrims were traveling to the main shrines of Europe and elsewhere. The adoption and spread of Christianity led to numerous pilgrims to the holy land. Religion became the unifying force and pilgrimages strengthened religious bounds. It was a means of forgoing unity and

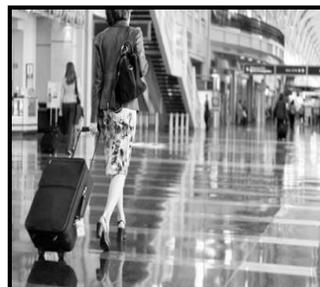
understanding between people from widely different regions. In India as well, pilgrims traveled across the country for solace and salvation since time immemorial. Emperor Ashoka (3rd Cent. BC) the great traveled a great deal in his eagerness to spread the principles of Buddha. His entourage first traveled to Nepal starting from Patliputra and then ventured to Lumbini on to Kapilavastu, ending at Bodh Gaya, where Buddha got enlightenment. Harsha Vardhan (7th Cent. AD) was another such emperor greatly influenced by the Buddhist scriptures. During his time, dharamshalas, rest houses, monasteries and temples were built for the pilgrims.

1.2.4 Roman Empire and Pleasure Travel

There is a close association of Pleasure travel with the Roman empire. Romans probably were the first pleasure travellers. Travel received a great stimulus from the good communication system and security of Roman empire. Romans developed a fine network of roads and developed new roads wherever they went. They recorded information giving knowledge about routes, the name of major roads, distances etc and published this in form of travel literature. Romans were able to travel over a hundred or more miles in a day using relays or horses. They journeyed to see famous temples, the monuments and the famous pyramids of Egypt. They also indulged in travel during holiday occasions, particularly the famous Olympics in Greece.



Another face of pleasure travel was the development of spas and seaside resorts during 16th and 17th Century AD. Medicinal baths (later named as spas) were very popular with the Romans. It was thought that the patients using the spas, would also require some diversions, so the resorts added facilities for pleasure and entertainment to their medical facilities. Entertainment and amusement like theatre, competitions, and festivals were often provided at the sites of spas. These spas become externally popular with travellers.



Development of seaside resorts is also linked with the growth the spas. Towards the later half of eighteenth century, people started realizing the curative effects of sea water along with the lure of sun, sand and sea waters. By the year 1861, major seaside resorts spring up in Britain, France Italy and a few more countries of central Europe. Millions of people visited these seaside resorts every year.

1.2.5 Renaissance and the Grand Tour

Yet another unimportant stage in history of travel was marked by renaissance. Italy was perhaps the most important country where Renaissance came as a huge wave. There was full scale development of urban system and network of roads. By the end of 11th century, Italy itself became the object of attention and gained the status of Europe's economic and cultural leader. But the political wars and disunity played an important part in the dissemination of the Renaissance

and development of 'grand tour'. Italy however remained as the intellectual capital of Europe. A growing number of young noblemen were being sent abroad to complete education in France and Italy.

The development of grand tourism followed a shift in the focus of culture and of economic and political power. The wealthy and educated visited countries that had passed their peak of prestige but were still venerated for cultural and historical reasons. The Romans visited Greece and the Eastern Mediterranean; the English visited Italy. The Grand Tourists respected the learning, antiquities and social refinements of the world. The 18th century is considered as the Golden Age of the Grand tour, especially, the years between 1763 and 1793. During this period, a great many poets, authors and intellectuals wanted to broaden their knowledge and learn new arts and crafts. The grand tourists paved the way for popular tourism of the nineteenth and twentieth centuries. A generally accepted itinerary was also laid down which involved a long stay in France and Venice, and then a return by way of Germany and the low countries via Switzerland. Of course, there were variations to this itinerary but this was the most popular tourist route.

1.2.6 Concept of Annual Holiday

The introduction of annual Holiday in Europe was yet another important landmark which enabled many people to undertake travel in large numbers during the 18th century. This concept was the forerunner to the paid holiday which later on was responsible for an extraordinary growth of tourism during the 18th century. The term holiday refers to the 'Holy Days' associated with religious observances. A feature of ancient Rome, public holidays were among the most enjoyable events of the period. The most important and enjoyable public holidays was known as 'saturnalia' literally meaning the feast of Saturn. Also in Europe, certain days commemorating religious festivals and saint's day became holy days on which there was holiday from work.



In England an act was passed during the reign of Edward the VI, "for keeping of holidays and fasting days" subsequently, public and semi-official offices in England frequently closed on certain saint's day. There were, however, no general public holidays until the time of Industrial Revolution. The concept of modern annual paid holidays is very largely an outcome of the past industrial revolution. In the present day parlance the word 'Holiday' is used generally in a secular sense meaning a respite from the routine of daily workday life and a time for leisure, recreation and amusement. There is no second thought to the view that, these very developments paved the way for development of travel in the subsequent periods.

1.2.7 Travel in the Nineteenth Century

The early part of the 19th century, witnessed a surge in technological development in England, and later in Europe and America. The technological advancement also had a profound effect on the transport sector which directly affects the movement of people. The introduction of newer means of transport, made traveling to distant places more practical and enjoyable.



1.2.8 Emergence of Railways

Railways is the perhaps the most used mode of transport today. However, the first rail link between Liverpool and Manchester was started in the year 1830. The newly completed railway track in England featured special provisions for carrying people in addition to freight. The rail network in the beginning was responsible for carrying goods from industrial centres to the centres of trade and commerce, but it initiated the process of carrying passengers, which later on became a mass movement. It was for the first time that the seaside resorts were within the reach of many people who otherwise have not been able to reach these places. Initially, the newly formed companies in England were concentrating in meeting the demands of trade and commerce instead of on the passengers. Gradually, the railway companies started to concentrate on carrying more passengers leading to trend of short day trips. This trend, later paved the way for organized excursions for public at special fares.



Check Your Progress – II

Answer the following question.

- 1. How technological changes in transportation cause growth in tourism?

Check your answer with the one given at the end of the unit.

1.2.9 Emergence of Organized Travel

The year 1841, saw the birth of organized rail travel. Thomas Cook, a Baptist preacher of Derbyshire was inspired with the idea of engaging a special train to carry the friends of temperance society from Leicester to Loughborough. A few weeks later, the idea culminated into collecting some 170 passengers, who made a journey at a specially reduced return fare of one shilling



per passengers. Encouraged by this success, Thomas Cook arranged similar ventures by chartering trains to places, which were now becoming popular. Due to this concept, Cook later came to be known as the greatest travel organizers. In fact, he is considered as the 'Father of Modern Tourism'. In the year 1843, nearly 3000 school children were taken on a trip from Leicester to Derby. From the year 1843 to 1863, Cook conducted circular tours of Scotland with almost 1,000 travellers a season. The success story of the Liverpool and Manchester railway reached the neighboring countries in Europe. Railway tracks were laid in France, Austria and Switzerland. Across the Atlantic, the tracks were laid in America which ushered in the spurt of travel to and from places where the tracks were laid. It was estimated that in the year 1881, the railways carried over 600 million passengers over the lines operated by over one hundred odd companies. The element of competition also crept in as the companies tried to make travel as comfortable as possible.

1.2.10 Luxury in Rail Travel

In the early 1870's further boost was given to travel by introducing comfort and pleasure in long distance journey. The first class railway travel was introduced by an American, G.M. Pullman, who developed the Pullman coaches with their luxury furnishings, and dining facilities. These coaches were manufactured in America and imported by some railway companies in England and other European countries.

The eastern countries were not far behind in catching up with this growth. It was on April 16, 1853 that the first train took off from Bombay to Thane, covering a distance of 33 kilometers. From this, small beginning, the railway system in India has grown into the World's second largest system under one management with the total length of network covering around 64,000 km



1.2.11 Sea Transport

While railways were responsible for encouraging inland travel, the steamship crossed the boundaries and made strides in intercontinental travel. Shipping made significant contribution to travel during the 19th century. A number of sailing ships were built in America and England. There was improved communication across the Atlantic with America which led to development of deep sea shipping. The history of the Canard steamship company in England demonstrates important features in the growth of North Atlantic shipping. Use of the ships in the cruising fashion for the charter and operation of cruises on a limited scale dates from the mid 19th century. The year 1869 brought about the possibility of a much-shortened route between the west and the east as a result of creation of Suez Canal which connected the Red Sea with the Mediterranean Sea.

1.2.12 Change in Pattern of Society

The second half of the nineteenth century, witnessed the growth of travel as a result of development of industrialized societies such societies in Western Europe and North America greatly felt the urge to travel purely for the purpose of rest and relaxation. This trend certainly gave way to what came to be known as the tourism phenomena in the later part of the century and in 20th century. The concept of modern day tourism emerged very much from the development of industrialized societies of the West. Infact, the figures point to the direct relationship between the development of industrialized societies and expansion of tourism traffic. Various official statements, observations by travel writers and other literatures also pin-point to this relationship.

Due to the industrial revolution the very concept of society underwent a Sea change. There was change in both economic as well as social systems prevailing at that time. There was emergence of the working class and sudden concentration of populations creating unhealthy conditions in towns and cities. However, there was little relief from routine of putting long hours of work in difficult working conditions.

Gradually, the industrialization brought in better working conditions and increase in material wealth for a large number of workers. Now, even these workers could avail holidays for rest, relaxation and pleasure an urgent need was felt to develop more holidays. There was substantial increase in purchasing power and disposable income which led to growth of pleasure zones. Many tourist resorts were developed to cater to the increasing needs of people who could afford a holiday. In the later 19th century, the Italian Riviera also gained popularity along with the English and the French.

1.2.13 Travel in the 20th Century

Pleasure travel continued to expand in the 20th century as well. The main features of modern tourism can be listed as:

- Changes in mental attitudes towards pleasure seeking.
- Recognized value to travel for education.
- Increase in material wealth.
- Social prestige associated with travel.
- Need to find relief from working routine.
- Improvement in passenger transport system.

Up to the first quarter of the 20th century, pleasure travel was essentially a luxury commodity meant for the privileged sections of the society having time as well as purchasing power. In view of this a number of associations related to travel and hospitality also formed which organized excursions, holidays camps, family rest and holiday homes for the like mind people.

A temporary halt to tourist movement came during the quarter of 20th Century due to the abruption of the First World War. As such the war saw a considerable decline in tourist travel not only within Europe but also all over the world. But this decline was soon surpassed as the travel activity soon reached the pre-war peak levels. Early post-war period also brought prosperity coupled with large scale migration and increased demand for international travel. An increasingly

importance role was played by the development of mass communication system like the television, radio and press. It paved the way of increasing travel by way of widening knowledge and interest of a large number of people about other countries. The post-war period also witnessed attitudinal changes which influenced the volume and value of tourism. It was responsible for breaking down international barriers, resulting in the fostering of an ideal, optimistic, peaceful internationalism – just the climate in which tourism is likely of flourishes the most. There was also a rise in standard of living of the working and middle class. Tourists began to appear in countries where tourism had been virtually unknown a few years earlier.

1.2.14 Motorized Road Transport

The motorized private and public road transport and the improved road conditions led to a tremendous growth of travel. The ten years after the First World War saw the first great impetus in the invention of the private motor car and coach.

The motor car revolutionised the holiday habits of the Europeans and Americans. Further, there was provision of good motor roads which led to the development of both domestic and international tourism. It was in the last quarter of the nineteenth century, that increasing attention was paid to the desirability of holiday with pay so the concept of mass tourism emerged along with the introduction of holidays with pay. The introduction of annual paid holidays is very largely of English origin. By the year 1939, some 11 million people were covered by the Holidays with Pay Act. The concept of paid holidays led to:

- Great mobility of population
- Creation of new industries
- Broadening the horizons of people
- Growth of many towns of distinctive functions.

The international labour organisation's convention on paid holidays was an innovation well ahead of time because only few European countries had the provision of paid holidays till then. Paid holidays are now established all over the world and act as an active stimulant for travel growth. However, this wave of prosperity and peace was disturbed by economic destruction and political instability due to the Second World War during 1939 to 1945. But again rapid development was witnessed in the activity, both on domestic as well as international level. There was a three fold increase during 1911-61. Also, the year 1976 saw an increase of more than 90% over the year 1961 with 220 million international tourist arrivals in the World. But again this boom was intervened by the economic crisis of 1973-74. It was not a long slowdown.



1.2.15 Growth of Air Travel

Another post-second World War phenomenon was the introduction of air transport for the masses. There was tremendous increase in speed, safety and comfort-provided by the new civil aircrafts due to which there was noticeable increase in long distance travel. In the year 1912, two-class travel was introduced and there was also an increase in the aircraft capacity, which meant improved economy.



But the mostly dramatic event was the advent of jet travel in 1918 which added the dimension of speed, comfort and efficiency. Air travel grew at a phenomenal rate after 1960. Continuous advancement is being made since then by adding the elements of sophistication and luxury. Further, the supersonic aircrafts like the Concorde have added glamour to this industry. Yet another development during this period was the concept of inclusive tours and charter flights. The main causes of rapid growth of tourism can be summed up as:

- Economics reasons
- Social factors
- Technological advancement

1.3 Summary

Travel has existed since the beginning of time when primitive man set out, often traversing great distances, in search of food and shelter necessary for his survival. Throughout the course of history, people have traveled for purposes of trade, religious conviction, economic gain, war, migration and other equally compelling motivations. In the Roman era, wealthy aristocrats and high government officials also traveled for pleasure across the world. Seaside resorts located at Pompeii and Herculaneum in Italy afforded citizens the opportunity to escape to their vacation villas in order to avoid the summer heat of Rome. Travel, except during the Dark Ages, has continued to grow, and throughout recorded history, has played a vital role in the development of civilizations.

Tourism as we know it today is distinctly a twentieth-century phenomenon. Historians suggest that the advent of mass tourism began in England during the industrial revolution with the rise of the middle class and relatively inexpensive transportation. The creation of the commercial airline industry following the Second World War and the subsequent development of the jet aircraft in the 1910s signaled the rapid growth and expansion of international travel. This growth led to the development of a major new industry. In turn, international tourism became the concern of a number of world governments since it not only provided new employment opportunities, but it also produced a means of earning foreign exchange.

Tourism today has grown significantly in both economic and social importance. The fastest growing economic sector of most industrialized countries over the past several years has been in the area of services. One of the largest segments of the service industry, although largely unrecognized as an entity in some of these countries, is travel and tourism. According to the World Travel and Tourism Council 'Travel and Tourism' is the largest industry in the world on virtually any economic measures including; gross output, value added, capital investment, employment and tax contribution.

1.4 Answers to Check Your Progress

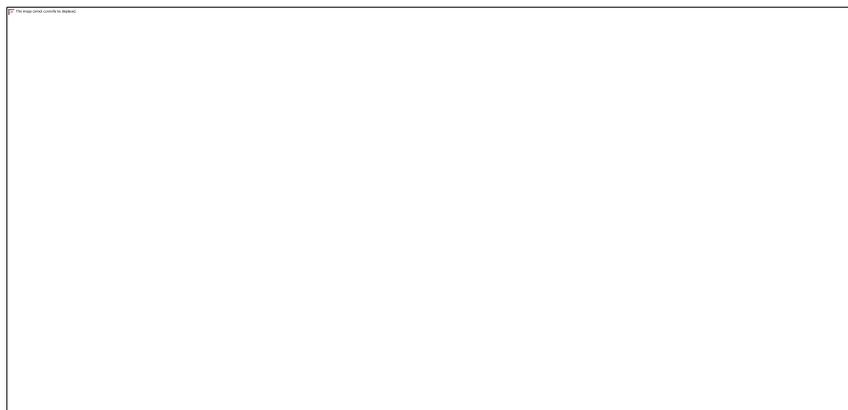
- (I) Refer to Section 1.2 to 1.2.1
- (II) Refer to Sub - Section 1.2.8

1.5 Suggested Readings

- A.K. Bhatia – **Tourism Development – Principles and Practices**
- K.K Sharma – **Tourism and Development**
- P.C. Sinha – **Tourism Transport and Travel Management**
- William C. Gartner – **Tourism Development – Principles, Processes and Policies**

1.6 Review Questions

1. How did people travel in the ancient times?
2. How did railway change the pattern of travel?
3. What were the most revolutionary changes in the early nineteenth century which transformed travel?
4. What is the size and magnitude of the international tourism worldwide?



UNIT 2 UNDERSTANDING BASIC TERMINOLOGY OF THE TOURISM

2.0 Introduction

In this lesson you will understand about the essential features of tourism industry, the tourism and hospitality industries have evolved both a complex structure and a language of their own as they have grown into major sectors of most countries economies. We are giving below a comprehensive and detailed list of the various travel terminology frequently used within this industry both by the industry people and by the guests or customers.

2.1 Objectives

- To familiarize you with different terminologies of tourism
- To explain the meaning and definition of tourism
- To find out the difference between Travel and Tourism
- To explain the definition of a Visitor, Tourist, Excursionist
- To identify who all are included in the definition of tourist
- To explain the different terms used in Tourism .

2.2 Technical Terminology of Tourism

- **Accommodation Sector:** The sector of the travel and tourism industry which provides commercially available lodging and sometimes food and beverage and entertainment for travelers. Businesses in this sector include hotels, motels, guest house, lodges and resorts etc.
- **Accreditation:** A procedure to establish if a tourism business meets certain standards of management and operation.
- **Actual Flying Time:** The total period of time a passenger is actually in the air from take off to landing. This time may be calculated on the basis of a single flight or as a total resulting from a number of connecting flights through to a destination.
- **Add-on:** any component of a package tour that is not included in the package price

- **Adventure tourism:** A form of tourism in natural areas that incorporates an element of risk, higher levels of physical exertion, and the need for specialized skills.
- **Adjoining Rooms:** Two or more rooms immediately adjacent to each other but without a connecting door.
- **Advertising:** Any activity designed to spread information with a view to promoting the sales of marketable goods and services.
- **Adult:** Fares and entry fees for tourism services commonly vary on the basis of age, with adult prices being higher than those for children. The definition varies, within international airlines, using the term to mean any person who has reached his or her 12th birthday as at the date of commencement of travel.
- **Adventure Tourism:** The nature based tourism in an unusual, remote and exciting environment. A type of tourism which presents a challenge to the tourist as it requires testing of the tourist's skills and physical fitness.
- **Affinity Group:** A group bound together by a common interest or affinity. Where charters are concerned, this common bond makes the members eligible for charter flights. One must have been a member of the group for six months or longer. They must travel together, on the departure and return flight, but they can travel independently where ground arrangements are concerned.
- **Agent:** one who acts or has the power to act as the representative of another. Most frequently in travel anyone other than a principal, such as a retail travel agent, receiving agent, ticket agent, local operator or wholesaler.
- **Air Corridor:** Air routes established either by government regulation or by international agreement.
- **Airline:** Any air transport enterprise offering or operating a scheduled international air services.
- **Airline reporting conference (ARC):** a consortium of airline companies, who by agreement provide a method of approving authorized agency locations for the sale of transportation and cost-effective procedures for processing records and funds to carriers. Not all airlines are ARC companies.
- **Air Sea:** A tour or travel itinerary, which involves the use of both sea and air fare.
- **Air Tariff:** Series of three publications providing information on Airline fares and their calculation for over 80 carriers worldwide. These publications are produced by a coalition of Airlines, specifically Air Canada, British Airways, Japan Airlines, Quantas Airways etc.
- **Air Taxi:** Small aircraft providing transport on a demand basis over relatively short distances.

- **A la Carte:** A menu which provides a choice of dishes or items each of which is individually priced.
- **All-inclusive:** A form of package holiday where the majority of services offered at the destination are included in the price paid prior to departure (e.g. refreshments, excursions, amenities, gratuities, etc).
- **Alternative tourism:** In essence, tourism activities or development that are viewed as non-traditional. It is often defined in opposition to large-scale mass tourism to represent small-scale sustainable tourism developments. AT is also presented as an 'ideal type', that is, an improved model of tourism development that redresses the ills of traditional, mass tourism.
- **Amenities:** Features which enable a visitor to enjoy various attractions and which draw him to a country and for the use of which he normally has to pay. These refer to recreational and entertainment programmes, cultural and art centres, hotels, restaurants, transport services etc.
- **American plan:** A room rate that includes breakfast, lunch and dinner.
- **Assets:** Something of value that will provide future benefit or utility, can be used to generate revenue. Usually owned, so simply described as 'things we own'.
- **Attraction:** a natural or man-made facility, location, or activity which offers items of specific interest to tourists.
- **Auditing:** A process to measure and verify the practices of a business.
- **Average room rate:** the total guest room revenue for a given period divided by the number of rooms occupied for the same period. Since it can be related to investment, this statistic is frequently used as a measure of economic feasibility.
- **Back to back:** term used to describe tours operating on a consistent, continuing basis, usually without time between.
- **Baggage:** Personal property of passengers or crew carried on an aircraft by agreement with the operator.
- **Baggage Accompanied:** The baggage carried on the same aircraft as that on which the passenger is carried.
- **Bed and breakfast:** (B & B) overnight accommodations usually in a private home or boarding house, with a full American-style or continental breakfast included in the rate, often without private bath facilities
- **Benchmarks:** Points of reference or comparison, which may include standards, critical success factors, indicators, metrics.
- **Biodiversity:** a variety of wildlife in an area
- **Block:** a number of rooms, seats, or space reserved in advance, usually by wholesalers, tour operators, or receptive operators who intend to sell them as components of tour packages.
- **Bulk fare:** fare available only to tour organizers or operators who purchase a specified block of seats from a carrier at a low, non-commissionable price

and then have the responsibility of selling the seats, including a commission in their marked-up price.

- **Business Travel:** Travel for commercial rather than leisure purposes. Business travel is sometimes used as a cover-all to include what are sometimes referred to as the “MICE” markets – meetings, incentives, conferences and exhibitions.
- **Cafeteria:** a food-service operation of a limited menu, in which customers carry their own trays to seating.
- **Capacity management:** A process that seeks to ensure that their organisations operate at optimum capacity whilst maintaining customer satisfaction levels.
- **Cargo:** Equivalent to the term ‘goods’, meaning anything carried or to be carried in an aircraft, other than mail or baggage, provided that unaccompanied baggage moving under an airway bill is also Cargo.
- **Carrier:** Transportation Company such as an airline, motorcoach, cruise line, or railroad which carries passengers and/or cargo carrying capacity: the amount of tourism a destination can handle.
- **Carrying capacity:** The amount of visitor activity that a site or destination can sustain.
- **Cash flow:** monies available to meet the company’s daily operating expenses, as opposed to equity, accounts receivable, or other credits not immediately accessible
- **Chain of distribution:** The means by which products (package holidays in this instance) are distributed from producers (principals) to consumers (tourists), often via wholesalers and retailers (tour operators and travel agents).
- **Charter:** A legal contract between an owner and an organisation for the hire of a means of transport for a particular purpose. An individual traveller will use an intermediary to arrange to be carried on the transport. Often applied to a flight which is the result of a charter.
- **Circle trip:** a journey with stopovers that returns to the point of departure
- **Closeout:** finalization of a tour, cruise, or similar group travel project after which time no further clients are accepted. Any unsold air or hotel space is released, and final payments are sent to all suppliers.
- **Coach Tour:** A guided bus tour for a group of holiday makers that follows a scheduled itinerary. Visitors purchase all arrangements from the Inbound Tour Operator prior to arrival.
- **Code of Ethics / Conduct / Practice:** Recommended practices based on a system of self regulation intended to promote environmentally and/or socio-culturally sustainable behaviour.
- **Commercial recreation system:** recreational products, services, and facilities created and operated by privately owned businesses or corporations as opposed to public facilities

- **Commission:** the percentage of a selling price paid to a retailer by a supplier. In the travel industry, travel agents receive commissions for selling tour packages or other services.
- **Complimentary room:** a guest room for which no charge is made. Complimentary rooms with a tour group are usually occupied by the tour manager or driver.
- **Computer reservation systems (CRS):** Computerised Reservation Systems used for inventory management by airlines, hotels and other facilities. CRSs can allow direct access through terminals for intermediaries to check availability, make reservations and print tickets.
- **Concierge:** a hotel employee who handles restaurant and tour reservations, travel arrangements, and other details for hotel guests
- **Confidential tariff:** a schedule of wholesale rates distributed in confidence to travel wholesalers and agents. Better known as a net rate.
- **Conservation:** Can be broadly interpreted as action taken to protect and preserve the natural world from harmful features of tourism, including pollution and overexploitation of resources.
- **Continental plan:** a hotel rate which includes a continental breakfast with the overnight room stay.
- **Contract:** a legally enforceable agreement between two or more parties
- **Convention or Conference Bureau:** Usually a publicly funded organisation charged with the promotion of a town or region for conferences, meetings and exhibitions.
- **Co-op tour:** a tour which is sold through a number of wholesalers, cooperatives, or other outlets in order to increase sales and reduce the possibility of tour cancellations.
- **Cost-benefit analysis:** Full analysis of public and private costs and benefits of project.
- **Costing:** the process of itemizing and calculating all costs the tour operator will pay on a given tour. Costing is usually the function of the operations manager.
- **Cost-plus pricing:** A method of pricing where an amount, to cover profit, is added to costs to establish the selling price; this is an internally orientated pricing method.
- **Cultural Authenticity:** Ensuring the appropriate dreaming stories, spiritual beliefs, history, ceremony and art is attributed to the relevant area.
- **Cultural tourism:** Travel for the purpose of learning about cultures or aspects of cultures.
- **Culture:** The sum total of ways of living by a group of human beings that is transmitted from one generation to another.
- **Customer:** "An organization or a person that receives a product" (ISO, 2000a: 10).

- **Customized tour:** a tour designed to fit the specific needs of a particular target market
- **Customs:** the common term for a government agency charged with collecting duty on specified items imported into that country. The agency also restricts the entry of persons and forbidden items without legal travel documents
- **Cut-off date:** designated day when the buyer must release or add commitments to their event or tour
- **Day rate:** a reduced rate granted for the use of a guest room during the daytime, not overnight occupancy. Often used when someone needs a display room, office, or is in-transit due to odd airline schedules.
- **Degradation:** Any decline in the quality of natural or cultural resources, or the viability of ecosystems, that is caused directly or indirectly by humans.
- **Deluxe tour:** in travel usage, presumably of the highest standard
- **Departure tax:** fee collected from the traveler by the host country at the time of departure
- **Deposit policy:** a specified amount or a percentage of the total bill due on a specified date prior to arrival
- **Destination:** the place to which a traveler is going. In the travel industry, any city, area, or country which can be marketed as a single entity for tourists.
- **Dine-around plan:** a plan that permits tourists to dine at a variety of restaurants using vouchers and coupons on a tour
- **Direct spending:** money that goes directly from a tourist into the economy of the destination
- **Discretionary income:** Money received from employment or other sources which can be freely spent on leisure pursuits (such as travel and tourism) after general living costs, taxation etc. are taken into consideration.
- **Distribution:** The process employed to provide customers access to the product. For travel products distribution focuses largely on the ways in which the customer can reserve or purchase the product.
- **Diversification:** The process of developing new products for new markets, in order to achieve business growth.
- **Domestic escorted tour:** a packaged, pre-planned itinerary, including the services of a tour manager (escort) within a traveler's own country
- **Domestic tourism:** Travel within the country of residence.
- **Double-room rate:** the full price of a room for two people (twice the double-occupancy rate)
- **E-Commerce:** Internet facilitated commerce, using electronic means for promoting, selling, distributing, and servicing products.
- **Ecosystem:** A dynamic system of plant, animal, fungal and micro-organism communities, and the associated non-living physical and chemical factors.

- **Eco Tour:** a tour designed to focus on preserving the environment of environmentally sensitive areas.
- **Ecotourism:** Ecologically sustainable tourism with a primary focus on experiencing natural areas that foster environmental and cultural understanding, appreciation and conservation.
- **Embarkation:** The boarding of an aircraft for the purpose of commencing a flight, except by such crew or passengers as have embarked on a previous stage the same through-flight.
- **Endangered species:** in severe danger of becoming extinct in the near future unless immediate steps are taken to protect the species
- **Energy conservation:** Positive initiatives to reduce the consumption of energy to the minimum level required.
- **Environment:** the diverse community activities and cultures of a country's inhabitants, as well as its scarce and sensitive natural resources
- **Environmental impact assessment:** A study undertaken to assess the effect of an action upon a specific environment or the social or cultural integrity of a community.
- **Environmental management systems:** Systems established by tourism organisations with the aim of mitigating negative environmental impacts.
- **Escort:** A person usually employed or subcontracted by the tour operator who accompanies a tour from departure to return, acting as a troubleshooter. This term is often incorrectly interchanged with courier, conductor, host, manager, director, or leader, since each term designates different duties although they do perform the escort function.
- **European plan:** A type of hotel rate that consists of the price of the room only, no included meals
- **Excursion:** journey where the traveler returns to the original point of departure
- **Exotic plants:** Plants whose genetic stock comes from beyond the area in which they are found.
- **Extensions :** An arranged sub-tour offered optionally before or after a tour or cruise at an extra charge
- **Externalities:** Those costs or benefits arising from production or consumption of goods and services which are not reflected in market prices.
- **FAM tour:** an abbreviation for familiarization tour which is often a complimentary or reduced-rate travel program for travel agents, tour operators, travel writers or others to acquaint them with a specific destination or attraction, thereby helping to stimulate sales
- **Fauna:** all the animals of a particular area
- **Fixed expense:** an expense related to the tour as a whole, which does not vary with the number of passengers such as a meal or a per person entrance to an attraction

- **Flag carrier:** a transportation carrier designated by a country to serve international routes
- **Flora:** all the plants of a particular area
- **Folio:** an itemized record of a guest's charges and credits, maintained in the front office till departure, and can be referred to as guest bill or guest statement
- **Force majeure:** This is an unforeseeable or uncontrollable situation or train of events that would excuse a breach of contract.
- **Franchise:** the right to market a product or service, often exclusively for a specified area by a manufacturer, developer, or distributor in return for a fee.
- **Frequent Independent Traveler:** FIT: custom designed, pre-paid tour with many individualized arrangements. Also used as foreign independent traveler
- **Front office:** office situated in the lobby of a hotel, the main functions of which are (1) control/sale of guest rooms, (2) providing keys, mail, and information, (3) keeping guest accounts, rendering bills/payments, and (4) providing information to other departments
- **Full house:** a hotel with all guest rooms occupied
- **Full-service restaurant:** a food-service establishment with several menu selections and table service
- **Function room:** room used for functions, also called banquet room
- **Gateway:** the point of access to a country or region, usually an airport or seaport, although certain frontier points and railway stations can be given the designation
- **Globalisation:** Generally defined as the network of connections of organisations and peoples across national, geographic and cultural borders and boundaries. These global networks are creating a shrinking world where local differences and national boundaries are being subsumed into global identities. Within the field of tourism, globalisation is also viewed in terms of the revolutions in telecommunications, finance and transport that are key factors currently influencing the nature and pace of growth of tourism in developing nations.
- **Greenhouse effect:** The trapping of the sun's thermal radiation by gases and water vapour, keeping the surface of the earth warmer than it would be otherwise.
- **Group Inclusive Tour:** A tour which includes group air and ground arrangements for a minimum of 15 persons. They may or may not stay together as a group for both the land and air portion of the trip.
- **Group leader:** an individual, acting as liaison to a tour operator, acts as escort
- **Group tour:** a pre-arranged, pre-paid travel program for a group usually including all components.

- **Guaranteed tour:** a tour guaranteed to operate
- **Guest account:** an itemized record of a guest's charges and credits
- **Guide:** (1) a person qualified to conduct tours of specific localities or attractions (many reliable guides are licensed), (2) an airline, bus, railroad, or ship manual of schedules and fares, usually printed seasonally
- **Guided tour:** a local sightseeing trip conducted by a guide
- **Head tax:** fee charged for arriving and departing passengers in some foreign countries
- **Heritage:** Things of value that are inherited which people want to keep. Heritage can be natural, cultural, tangible, intangible, personal or collective. Natural heritage is often conserved in places such as reserves and national parks. Cultural heritage practices are often conserved through ongoing traditions and practices.
- **High conservation value:** Recognition of the great significance of a natural or cultural site.
- **High season:** the period of the year when occupancy/usage of a hotel or attraction is normally the highest. High usage invariably means higher prices for rooms or admission. Also referred to as on-season or peak season.
- **Host:** (1) a representative of the group (organizer) that may arrange optional excursions and answer questions but does not have escort authority (2) liaison to the tour operator or tour manager, or (3) a representative who provides only information or greeting services or who assists at the destination with ground arrangements without actually accompanying the tour.
- **HRM:** Human Resource Management, concerned with the strategic management of human resources to achieve a competitive advantage.
- **Hub and spoke tours:** tours which utilize a central destination with side trips of varying length to nearby destinations
- **Human-made attraction:** an attraction created by people
- **Immigration:** the process by which a government official verifies a person's passport, visa or origin of citizenship
- **Impacts:** Effects, which may be either positive or negative, felt as a result of tourism-associated activity. Tourists have at least three kinds of impacts on a destination: economic, sociocultural and environmental. Tourism also has effects on tourists, in terms of possible attitude and behaviour changes.
- **Impromptu Travel:** No arrangements booked in country of destination prior to travel. (Another name for FIT travel).
- **Inbound tour operator:** company specializing in domestic tours for foreign visitors in the strictest sense. Can also be used interchangeably with receptive operator.
- **Inbound tour:** group of travelers whose trip originated in another city or country

- **Incentive tour:** (1) a trip offered as a prize, particularly to stimulate the productivity of employees or sales agents, or (2) the business of operating such travel programs
- **Incidentals:** charges incurred by participants of a tour, but are not included in the tour price
- **Inclusive tour:** tour in which all specific elements – transportation, airfare, hotels, transfers, and other costs – are offered for a flat rate. An inclusive tour does not necessarily cover all costs such as personal items and telephone.
- **Independent tour:** an unescorted tour sold through agents to individuals. For one price, the client guaranteed air travel, hotel room, attraction admissions and (typically) a car rental.
- **Indigenous species:** A species that occurs at a place within its historically known natural range, and forms part of the natural biological diversity of a place.
- **Indirect air carrier:** generally synonymous with charter tour operator. A tour operator, travel agent, or other promoter who (under federal regulations) contracts for charter space from a carrier for resale to the public. In theory, indirect air carriers act as independent, risk-taking entrepreneurs, promoting their own product
- **Info-mediaries:** Organisations which provide websites/electronic guides as an information resource, sharing other resources such as web links to organisations that sell tourism/travel. The infomediary may be an organisation or company in its own right, or may form part of an individual company's or organisation's customer service
- **Information systems:** Systems that use information technology to capture, transmit, store, retrieve, manipulate, or display information.
- **Infrastructure:** Construction needed to support economic development.
- **Innovative best practice:** A practice that is considered to be of the highest quality, excellence, or standing – a leader in the field.
- **Intangibility:** The characteristic of not being touchable: a good is tangible whereas a service is intangible
- **Intermediary:** An organisation within the chain of distribution whose function is to facilitate the supply of a given product from producers to consumers. In the travel industry examples are travel agencies and tourism information offices.
- **Intermediate carrier:** a carrier that transports a passenger or piece of baggage as part of an inter-line movement, but on which neither the point of origin or destination is located
- **Intermodal tour:** tour using several forms of transportation such as airplanes, motorcoaches, cruise ships, and trains to create a diversified and efficient tour package

- **Interpretation:** An educational process that is intended to stimulate and facilitate people's understanding of place, so that empathy towards, conservation, heritage, culture and landscape is developed.
- **Interpretation:** Revealing the significance and meanings of natural and cultural phenomena to visitors, usually with the intent of providing a satisfying learning experience and encouraging more sustainable behaviour.
- **Introduced species:** A translocated or alien species found at a place outside its historically known natural range, as a result of the intentional or accidental dispersal by human activities. Includes genetically modified organisms.
- **Itinerary:** the travel schedule provided by a travel agent or tour operator for the client. A proposed or preliminary itinerary may be rather vague or very specific. A final itinerary spells out all details, including flight numbers, departure times, and similar data, as well as describing planned activities.
- **Land operator:** a company that provides local services, see also ground/receptive operator
- **Lead time:** advance time between initiating a tour and its departure date
- **Leadership:** Influencing and directing the performance of group members towards the achievement of organisational goals
- **Leg:** portion on a journey between two scheduled stops
- **Leisure travel:** Travel undertaken for pleasure and unrelated to paid work time.
- **Length of stay:** No of nights spent in one destination. Most tourist boards seek to find ways of increasing visitors' length of stay
- **Letter of agreement:** a letter from the buyer to the supplier accepting the terms of the proposal. This may also be the supplier's initial proposal that has been initialed by the buyer
- **Lifecycle:** The particular pattern through which a destination evolves.
- **Limits of acceptable change:** Environmental indicators that can monitor changes over time as a consequence of tourism.
- **Load factor:** average number of seats occupied, e.g. motorcoach or air
- **Local:** belonging to a particular place or region
- **Low season:** that time of the year at any given destination when tourist traffic, and often rates, are at their lowest. Also referred to as off-peak or off-season.
- **Macro business:** a large, formal business that employs many people
- **Manifest:** final official listing of all passengers and/or cargo aboard a transportation vehicle or vessel
- **Market orientated pricing:** A method of pricing that benchmarks prices against competitors when deciding on price.
- **Market segment:** the concept of dividing a market in parts

- **Market segmentation:** Market segmentation is a marketing approach that encompasses the identification of different groups of customers with different needs or responses to marketing activity. The market segmentation process also considers which of these segments to target.
- **Markup:** (1) difference between the cost and the selling price of a given product; (2) difference between the net rate charged by a tour operator, hotel, or other supplier and the retail selling price of the service.
- **Mass tourism:** Traditional, large scale tourism commonly, but loosely used to refer to popular forms of leisure tourism pioneered in southern Europe, the Caribbean, and North America in the 1960s and 1970s.
- **Master account:** the guest account for a particular group or function that will be paid by the sponsoring organization
- **Master bill:** all items contracted by the operator and supplier that will be paid by the operator
- **MAVERICS:** Characterisation of tourists of the future as multi-holidaying, autonomous, variegated, energised, restless, irresponsible, constrained and segmented.
- **Mediation:** An attempt to settle a dispute using a neutral third party
- **Meet and greet:** pre-purchased service for meeting and greeting a client/group upon arrival in a city, usually at the airport, pier, or rail station. Service may include assisting the client/group with entrance formalities, collecting baggage, and obtaining transportation to the hotel
- **Micro business:** a small, often informal, business that employs very few people
- **Minimal impact practices:** Deliberate human behaviour that reduces the negative impact of people or objects on the environment to a minimum.
- **Minimum charge:** the amount that each customer must pay no matter what is consumed. For example: a two-drink minimum in a club.
- **Mode of travel:** The type of transport used to make a journey between an origin and a destination, and can include walking and cycling as well as all forms of mechanical transport.
- **Monitoring:** The ongoing review and assessment of the natural or cultural integrity of a place in order to detect changes in its condition with reference to a baseline condition.
- **Motel:** A place which provides wayside amenities for tourists travelling by road, by automobiles. It provides under one roof all usual facilities expected by the tourist including attached bath.
- **Motivation:** Internal and external forces and influences that drive an individual to achieving certain goals.
- **Motorcoach tour operator:** a company that creates tours in which group members are transported via motorcoach on a planned itinerary of stops
- **Mystery tour:** a tour to an unpublished destination -- passengers get a surprise!

- **Natural area:** Areas that exist in or are formed by nature which are not artificial, and can include cultural aspects.
- **Natural attraction:** a tourist attraction that has not been made or created by people
- **Natural disaster:** a destructive force (e.g. earthquake, flood, volcanic eruption)
- **Nature Tourism (Nature-based tourism):** Ecologically sustainable tourism with a primary focus on experiencing natural areas.
- **Negligence:** Failing to exercise what is legally considered to be reasonable care.
- **Net wholesale rate:** a rate usually slightly lower than the wholesale rate, applicable to groups when components are specifically mentioned in a tour brochure. The rate is marked up by wholesale sellers to cover tour costs.
- **No show:** guest with confirmed reservations who does not arrive and has not canceled
- **No-frills:** A low-cost scheduled travel package based on minimising operator service and costs, which are passed to the consumer as a low price.
- **Non-profit:** Non-profit organisations are those which are driven by non-financial organisational objectives, i.e. other than for profit or shareholder return.
- **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.
- **Off-peak:** a period in which a hotel or attraction is not in its busiest season
- **Off-site management:** Provision of pre-visit (or otherwise off-site) educational and interpretive materials to raise awareness of management issues and encourage minimal impact behaviour.
- **On-demand public transportation:** transportation services, such as taxicabs that do not have regular schedules
- **On-site assessment:** A site-visit by a quality systems member to verify material submitted during the accreditation application.
- **On-site management:** Management of visitor impacts and behaviour on-site through the use of signs, formed tracks or board-walks, barriers and the physical presence of management staff.
- **Open jaw:** an arrangement, route, or fare, authorized in a tariff, granting the traveling public the privilege of purchasing round-trip transportation from the point of origin to one destination, at which another form of transportation is used to reach a second destination, where a passenger resumes the initial form of transportation to return to the point of origin. Used for airline travel mainly

- **Operations management:** "The ongoing activities of designing, reviewing and using the operating system, to achieve service outputs as determined by the organization for customers" (Wright, 1999).
- **Operations:** performing the practical work of operating a tour or travel program. Operations usually involves the in-house control and handling of all phases of the tour, with both suppliers and clients.
- **Option date:** the date agreed upon when a tentative agreement is to become a definite commitment by the buyer
- **Option:** tour feature extension or side trip offered at extra cost
- **Organisation:** A deliberate arrangement of people to achieve a particular purpose
- **Outbound operator:** a company which takes groups from a given city or country to another city or county
- **Outbound tour:** any tour that takes groups outside a given city or country, opposite of inbound
- **Outfitter:** a business that provides services or equipment at a recreational facility
- **Overbook:** accepting reservations for more space than is available
- **Override:** a commission over and above the normal base commission percentage
- **Pacing:** The scheduling of activities within an itinerary to make for a realistic operation and give a certain balance of travel time, sightseeing, events and free time
- **Package tour:** a combination of several travel components provided by different suppliers, which are sold to the consumer as a single product at a single price
- **Package:** (1) pre-arranged combination of elements such as air, hotel, sightseeing, and social events put together and sold at an all-inclusive package price; (2) to package, meaning to combine elements as above into an all-inclusive package product
- **Packager:** an individual or organization that coordinates and promotes the package tours and establishes operating guidelines for the tour
- **Passport:** government document permitting a citizen to leave and re-enter the country
- **Pax:** industry abbreviation for passengers
- **Peak fare, rate, or season:** highest level of charges assessed during a year
- **Perishability:** The characteristic of being perishable. In tourism the term is used to describe, for example, a particular hotel room on a specific night or a particular seat on a specific flight: they cannot be 'stored' and sold later, so they are perishable.

- **Personal disposable income:** The amount an individual has left over for personal expenditure on goods and services, after payment of personal direct taxes, national insurance and pension contributions.
- **Physical evidence:** The tangible evidence of a service, including everything which can be seen, touched, smelt and heard.
- **Pollution:** Harmful effects on the environment as a by-product of tourism activity. Types include: air; noise; water; and aesthetic.
- **Port of entry:** point at which persons enter a country where customs and immigration services exist
- **Positioning:** The process of ensuring potential customers have a desired perception of a product or service, relative to the competition.
- **Pre- and post-trip tours:** optional extension packages before or after a meeting, tour or convention
- **Pre-formed group:** a tour group in existence prior to the tour, the members of which share a common destination and purpose
- **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.
- **Price elasticity of demand:** A relationship between the changes in prices charged for a good or service (here taken as hotel rooms) and the change in the amount demanded.
- **Pricing:** decision-making process of ascertaining what price to charge for a given tour, once total costs are known. Pricing involves determining the markup, studying the competition, and evaluating the tour value for the price to be charged; function performed by the operations manager.
- **Process control:** A systematic use of tools to identify significant variations in operational performance and output quality, determine root causes, make corrections and verify results (Evans and Lindsay, 1999:345).
- **Process design:** Involves specifying all practices needed, flowcharting, rationalisation and error prevention (Rao et. al., 1996:540-541).
- **Process improvement:** A proactive task of management aimed at continual monitoring of a process and its outcome and developing ways to enhance its future performance (James, 1996:359).
- **Process management:** Planning and administering the activities necessary to achieve a high level of performance in a process and identifying opportunities for improving quality, operational performance and ultimately customer satisfaction. It involves design, control and improvement of key business processes (Evans and Lindsay, 1999:340).
- **Process:** "A set of interrelated or interacting activities which transforms inputs into outputs" (ISO, 2000a:7).

- **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 (ISO, 2000a:7)
- **Profit:** The excess of revenue over expenses, if expenses exceed revenues in a given period the organisation will make a loss.
- **Proof of citizenship:** a document, necessary for obtaining a passport, that establishes one's nationality
- **Protected area:** Any area of land and/or sea dedicated to the conservation, protection and maintenance of biodiversity and natural and cultural resources, which is managed through legal or other means.
- **Protected:** guarantee by a supplier or wholesaler to pay commissions, plus all refunds to clients, on pre-paid, confirmed bookings regardless of subsequent cancellation of a tour or cruise.
- **Public policy:** Is whatever governments choose to do or not to do (Thomas Dye 1992: 2). Such a definition covers government action, inaction, decisions and non-decisions as it implies a very deliberate choice between alternatives (see Hall and Jenkins 1995).
- **Rack rate:** regular published rate of a hotel or other travel service
- **Recreational:** Recreational or leisure tourism takes a person away from the humdrum of everyday life. In this case, people spend their leisure time at the hills, sea beaches, etc.
- **Regulation:** Control through formalized processes.
- **Release:** (1) signed form giving the tour operator permission to use a person's name, picture or statement in an advertisement; (2) to give up space, as in returning unsold airline reservations
- **Renewable energy:** Energy sources that are practically inexhaustible. For example solar, hydro and wind energy.
- **Requirements:** Stated, generally implied (as a custom or common practice for the organisation, its customers and other interested parties) or obligatory needs (ISO, 2000a).
- **Resort:** a hotel, motel or condominium complex located in an area associated with recreation and leisure, such as the mountains or the seashore. Normally offer facilities for sports and recreational activities.
- **Responsibility clause:** that section of a brochure that spells out the conditions under which a tour is sold. The clause should name the party responsible for the tour financially.
- **Responsible tourism:** Type of tourism which is practised by tourists who make responsible choices when choosing their holidays. These choices reflect responsible attitudes to the limiting of the extent of the sociological and environmental impacts their holiday may cause.
- **Restoration:** Returning existing habitats to a known past state, or to an approximation of the natural condition, through repairing degradation,

removing introduced species, and revegetating using native locally occurring species.

- **Retailer:** (1) travel agents or (2) one who sells directly to the consumer
- **Revenue expenditure:** The cost of resources consumed or used up in the process of generating revenue, generally referred to as expenses.
- **Revenue management:** Revenue management is a management approach to optimising revenue, often based on managing revenues around capacity and timing (yield management), for different market segments or from different sources of funding.
- **Risk monies:** funds that an agency would not recoup should a tour not take place, such as nonrefundable deposits, promotional expenses, and printing costs
- **Room service:** food or beverages served in a guest's room
- **Rooming list:** the list of names or passengers on a tour or other group travel program, submitted to a hotel/motel. The names are not alphabetized as on a flight manifest, but rather room by room indicating who is rooming with whom. Twin-bedded rooms, singles and triples are usually listed in separate categories.
- **Run-of-the-house rate:** flat rate for which a hotel or motel agrees to offer any of its available rooms to a group. Final assignment of the rooms is the discretion of the hotel.
- **Sales:** Revenue from ordinary activities: not necessarily cash.
- **Seasonality:** A phenomenon created by either tourism supply or demand (or both) changing according to the time of the year.
- **Sector:** a part or branch of the whole industry that provides particular goods and/or services
- **Series operator:** a travel agent, wholesaler, tour operator, or broker who blocks space in advance for a series of movements over a given period of time, not necessarily on a back-to-back basis
- **Service:** work done for the benefit of another
- **Service charge:** (1) a specified percentage of a hotel's daily rate (usually 10% or 15 %) charged to the guest, who in return is relieved of the responsibility for tipping; (2) a fee charged to a client by a travel agent in addition to the commissions paid to him or her by the principals
- **Service delivery:** the manner in which customer needs are met
- **Service encounter:** The moments of interface between customer and supplier
- **Service marketing mix:** The addition of People, Physical Evidence and Process to the four areas of activity more usually associated with marketing products,: Price, Place, Promotion and Product.
- **Service provider:** a person or company that supplies a particular service

- **Service:** non-physical, intangible attributes that management controls, including friendliness, efficiency, attitude, professionalism, and responsiveness.
- **Servicescap**e: The location in which the service encounter takes place
- **Shore excursion:** a land tour, usually available at ports of call and sold by cruise lines or tour operators to cruise passengers
- **Short haul:** 1-3 hour flight
- **Shoulder season:** period when there is neither a high nor low demand for a destination, usually falling in the spring or fall months for most areas
- **Single supplement:** an extra charge assessed to a tour purchased for single accommodations
- **Site destination selection company:** company that investigates and suggests potential meeting sites to suit corporate or association needs
- **Skills gaps:** Employers perceive existing employees have lower skill levels than needed to achieve business objectives, or where new, apparently trained and qualified for specific occupations, entrants still lack requisite skills.
- **Skills shortages:** Lack of adequately skilled individuals in the labour market due to low unemployment, sufficiently skilled people in the labour market but not easily geographically accessible or insufficient appropriately-skilled individuals.
- **SME(s):** Small and Medium Enterprises
- **Souvenir:** a product purchased by a tourist as a reminder of a holiday
- **Special event tour:** a tour designed around a particular event, e.g.: Mardi Gras
- **Special interest tour:** a tour designed to appeal to clients with a curiosity or concern about a specific subject. Most special interest tours provide an expert tour leader and usually visit places and/or events only relevant to that interest.
- **Stakeholder:** Any person, group or organisation with an interest in, or who may be affected by, the activities of another organisation.
- **State travel office:** an official government agency or privately run, non-profit organization responsible for travel development and promotion of a state or province
- **Statute:** The law as made by parliament. A statute is made up of many parts called 'sections' or 'provisions'. -----
- **Step-on guide:** an independent guide who comes aboard a motorcoach to give an informed overview of the city or attraction to be toured
- **Strategic information systems:** Systems designed to support the strategic management decision processes and implementation.
- **Strategy pyramid:** A visual way of representing the different levels of the strategy conceptualisation and implementation process. The most general

assumptions are shown at the apex and the practical, implementation actions are at the base.

- **Subcontractor:** a local operator who provides services for a wholesaler
- **Suppliers:** Individuals, companies or other organisations which provide goods or services to a recognisable customer or consumer.
- **Surety bond:** insurance to guarantee that an insure will carry out the specific work he or she was hired to do
- **Sustainable:** something which can be kept in the same or a better condition for the future
- **Sustainable development:** Development carried out in such a way as to meet the needs of the present without compromising the ability of future generations to meet their needs.
- **Sustainable tourism:** According to the World Tourism Organisation, this is "envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled with maintaining cultural integrity, essential ecological processes, biological diversity, and life support systems."
- **Sustainable tourism:** Tourism that can be sustained over the long term because it results in a net benefit for the social, economic, natural and cultural environments of the area in which it takes place.
- **Sustainable tourism:** Tourism that is economically, socioculturally and environmentally sustainable. With sustainable tourism, sociocultural and environmental impacts are neither permanent nor irreversible.
- **Tariff:** (1) fare or rate from a supplier; (2) class or type of a fare or rate; (3) published list of fares or rates from a supplier; (4) official publication compiling rates or fares and conditions of service
- **Themed Tour:** a tour designed around a specific theme such as fall foliage, also a special interest tour
- **Tour Basing Fare:** a reduced-rate excursion fare available only to those who buy pre-paid tours or packages. Tour basing fares include inclusive tours, group inclusive tours, incentive tours, contract bulk inclusive tours, and group round-trip inclusive tours.
- **Tour Broker:** a person or company which organizes and markets tours
- **Tour Catalog:** a publication by tour wholesalers listing their tour offerings
- **Tour Conductor:** see tour manager/director
- **Tour Consultant:** individual within an agency selling and advising clients regarding a tour. The consultant is sometimes a salesperson with particular expertise in escorted tour sales.
- **Tour Departure:** the date of the start by any individual or group of a tour program, also used in referral to the entire operation of that single tour.
- **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 Leader:** usually a group leader, also see escort
- **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,
- **Tour Manual:** (1) a summary of facts about a company's rules, regulations, and official procedures; (2) a compendium of facts about a destination, including its attractions, accommodations, geography, and special events, used by destination marketing organizations to attract tour operators and visitors and their area
- **Tour Menu:** a menu that limits group clients to two or three choices at a special price
- **Tour Operator:** a person or company which creates and/or markets inclusive tours and subcontracts with suppliers to create a package. Most tour operators sell through travel agents and/or directly to clients.
- **Tour Option:** any component of a package tour that is not included in the package price, but may be purchased as an added feature to extend the length of the package or enhance the trip.
- **Tour Order:** a coupon given to the purchaser of a tour package, identifying the tour, the seller, and the fact that the tour is pre-paid. It is used as a form of proof of payment and receives vouchers for meals, portage, transfers, entrance fees, and other expenses. Also see tour vouchers.
- **Tour Organizer:** person who locates and creates groups for preformed tours. The tour organizer is often compensated only with a free trip
- **Tour Vouchers:** documents issued by tour operators to be exchanged for tour components, also called coupons
- **Tour:** any pre-arranged journey to one or more destinations
- **Tourism :** Tourists are temporally visitors staying over twenty-four hours in the country visited, whose journey is in one of the following categories; leisure, recreation, holiday, sport, health, study, religion, business, family, friends, mission, meetings.
- ✓ Excursionists include temporary visitors staying less than twenty-four hours in the country visited, including cruise passengers.
- ✓ This distinction between the two kinds of visitors is important, as excursionists require less planning for accommodations, but more with regard to transportation and shopping facilities.
- **Tourism:** the all-embracing term for the movement of people to destinations away from their place of residence for any reason other than following an occupation, remunerated from within the country visited, for a period of 24 hours or more

- **Tourism Demand:** Tourism Demand is defined as the spending of Indian and non-resident visitors on domestically produced commodities. It is the sum of tourism domestic demand and tourism exports.
- **Tourism Domestic Demand:** Tourism Domestic Demand is the spending in India by Indian visitors on domestically produced commodities.
- **Tourism Employment:** Tourism Employment is a measure of employment in tourism and non-tourism industries. It is based on an estimate of jobs rather than “hours of work”. Thus, someone who works 10 hours a week counts for as much, by this measure, as someone who works 50 hours a week.
- **Tourism Flows:** The major movements of tourists from specific home areas to destinations.
- **Tourism Geography:** the knowledge of countries, regions, major cities, gateways, famous icons, monuments, building structures, and geographical features such as rivers, seas, mountains, deserts and time zones
- **Tourism income multiplier (TIM):** Exaggerated effect of a change in tourism expenditure on an area's income.
- **Tourism Industry:** a group of businesses that provide services and facilities for consumption by tourists.
- **Tourism Infrastructure:** roads, railway lines, harbours, airport runways, water, electricity, other power supplies, sewerage disposal systems and other utilities to serve not only the local residents but also the tourist influx (suitable accommodation, restaurants and passenger transport terminals form the superstructure of the region).
- **Tourism product:** different things to the various members of the tourism industry. To the hotel it is ‘guest- nights’. To the airline it is the ‘seats flown’ and the ‘passenger miles’. To the museum, art gallery or archaeological site, the product is measured in terms of the number of visitors. For the tourist the product is the complete experience resulting from the package tour or travel facility purchased, from the time they leave home until their return.
- **Tourism satellite account:** System of accounting at national or regional level which reveals the total direct impact of tourism on the economy.
- **Tourism System:** A framework that identifies tourism as being made up of a number of components, often taken to include the tourist, the tourist generating region, the transit route region, the tourist destination and the tourism industry (Leiper, 1990)
- **Tourism:** The definition of tourism used in the national tourism indicators (NTI) is that adopted by the World Tourism Organization and the United Nations Statistical Commission: “the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.”

- **Tourist:** one who travels for a period of 24 hours or more in a place other than that in which he or she usually resides, whose purpose could be classified as leisure (whether for recreation, health, sport, holiday, study or religion), business, family, mission or meeting
- **Tourist attractions:** Tourist attractions are defined as being destinations for visitors' excursions which are routinely accessible to visitors during opening hours. Visitors can include local residents, day-trippers or people who are travelling for business or leisure purposes. Formal definitions exclude shops, sports stadia, theatres and cinemas, as these meet a wider purpose, although in practice tourists may consider the excluded categories to be tourist attractions.
- **Tourist Card:** a kind of visa issued to tourists prior to entering a country (required in addition to a passport or other proof of citizenship).
- **Tourist Facility:** a feature created for utilisation by tourists
- **Tourist Route:** a route developed to attract tourists to an area to view or experience something unique to that area (e.g. wine route, whale route, heritage route, battlefield route)
- **Tourist Trend:** a general tendency to visit a country, region or destination or to pursue a specific tourist activity
- **Tourist:** Anyone who spends at least one night away from home, no matter what the purpose.
- **TOWS Matrix:** Uses a SWOT analysis to develop strategies by matching strengths with opportunities, using opportunities to reduce weaknesses, using strengths to overcome threats, and reducing weaknesses and avoiding threats.
- **Tracking:** a cause of action or method of monitoring, such as tracking the number of tours that come into a specific destination
- **Transfer:** local transportation, sometimes including portage, as from one carrier terminal to another, from terminal to a hotel, or from a hotel to an attraction
- **Transit Visa:** visa allowing the holder to stop over in a country to make a travel connection or brief visit.
- **Transit:** process of changing planes without going through security and/or customs.
- **Travel Agent / Agency:** a person or firm qualified to arrange for all travel components.
- **Travel Kit:** A sort of container which contains accessories or tools. Travel kit contains various type of materials like folders, pamphlets, exhibits, presentation items, give away etc. which helps travel manager in promotional activities.
- **Upgrade:** to move to a better accommodation or class of service.
- **Value season:** a time of year when prices are lower than peak, also called low or off-season

- **Variability:** Because the production and the consumption of a tourism experience are inseparable and because differing circumstances and people will affect each experience, those experiences are prone to variance and create a challenge for tourism managers to achieve consistency of standards.
- **Variable Cost:** a cost that changes according to how many people take a tour, such as motor coach expenses.
- **VAT/TVA/MWS/GST:** acronyms for value-added tax, a tax system which adds a fixed percentage of taxation on products and services at each step of production or service delivery. Common in Europe and Canada.
- **Virtual organisation:** Organisation in which major processes are outsourced to partners.
- **Visitor :** Visitor' is defined as a person who travels to a country other than that in which he has his usual residence but outside his usual environment for a period not exceeding twelve months and whose main purpose of visit is other than the exercise of an activity remunerated from within the place visited.

Visitors' are sub-divided into two categories:

- ✓ **Same-day visitors:** Visitors who do not spend the night in a collective or private accommodation in the country visited.
- ✓ **Tourists:** Visitors who stay for at least one night in a collective or private accommodation in the country visited.
- **Visa Waiver:** a program to eliminate the visa requirement for selected countries
- **Visa:** stamp of approval recorded in a passport to enter a country for a specific purpose
- **Visitors:** A broader category than 'tourist' includes tourists and same-day visitors.
- **Waitlist:** list of clients awaiting transportation or accommodations at times when they are not available, confirmed as a result of subsequent cancellations
- **Wholesaler:** a company that usually creates and markets inclusive tours and FITs for sale through travel agents. Although the term is used often as a synonym for tour operator there are several distinctions: (1) presumably sells nothing at retail while a tour operator often does both; (2) does not always create his/her own products, while a tour operator always does; (3) is less inclined than a tour operator to perform local services.
- **Working Capital:** Operational assets and liabilities needed for everyday operation, e.g. cash or bank overdraft, stock and trade creditors, known as net current assets/liabilities.
- **World heritage site:** a site designated by UNESCO as being of special historical, cultural or natural importance

- **Yield Management:** "A revenue maximization technique which aims to increase net yield through the predicted allocation of available ... capacity to predetermined market segments at optimal price" (Donaghy et al., 1997a).
- **Youth Hostel:** A building which offers clean, simple and inexpensive shelter to young people exploring their own country or the world, travelling independently or in groups for holiday or educational purposes.
- **Zoning:** Different eco-systems may be zoned in terms of their robustness to pressures from tourism in an attempt to mitigate environmental damage.

UNIT 3 COMPONENTS & ELEMENTS OF TOURISM

- 3.0 Introduction
- 3.1 Objectives
- 3.2 Services and Tourism
- 3.3 Characteristics of Tourism
- 3.4 Basic Travel Motivators
- 3.5 Factors influencing the growth of tourism
- 3.6 Components of Tourism
- 3.7 Elements of Tourism
- 3.8 Geographical components of Tourism
- 3.9 Benefits and costs of Tourism
- 3.10 Summary
- 3.11 Glossary
- 3.12 Self Assessment Exercise
- 3.13 Further readings



3.0 Introduction

Tourism has developed into a truly worldwide activity that knows no political, ideological, geographical, or cultural boundaries. Tourism is an amalgamation of many things into a composite whole. In this unit you will study the Characteristics of Tourism, the basic travel motivators and factors influencing the growth of Tourism.

In the second half of the unit you will study the major components and elements of Tourism. If any one of the component or element is missing the unified whole phenomenon of Tourism is affected.

3.1 Objectives

- To understand the characteristics of Tourism
- To understand the basic Travel Motivators
- To Identify the factors influencing the growth of Tourism
- To identify and understand the components of tourism
- To identify and understand the elements of Tourism
- To highlight the costs and benefits of Tourism

3.2 Services and Tourism

Service and tourism go hand in hand. However, as we begin our study of tourism, it is important to know that these activities make a significant economic impact on almost every nation in the world! Services are growing at a faster rate than all agricultural and manufacturing business combined. In fact, tourism related businesses are the leading producers of new jobs world wide.

Tourism has developed into a truly worldwide activity that knows no political, ideological, geographical, or cultural boundaries. For a long time tourism

was disparate and fragmented, but with maturity it has become gained a professional identity. It has formed lobbying groups such as the World Travel and Tourism Council, which includes airlines, hotel chains, and travel agents among its members and concentrates on making tourism of an economic value to the host countries. The future prospects for tourism are brighter than ever as people continue to travel for work or pleasure. “ Given its historical performance as luxury good during expansions and a necessity during recession, travel and tourism future economic prospects look quite bright”. The growth and popularity of tourism activities has not been accidental.

Tourism has become more than just another industry; it has developed into an important part of the economic foundation of many countries. The positive benefits of tourism activities in periods of economic stagnation or decline have not gone unnoticed. Tourism activities have historically demonstrated a general upward trend in numbers of participants and revenues. Even during times of recession, travel and tourism expenditures continue to rise.

Tourism is an economic activity where tourist is a consumer. Tourism is concerned with the consumption of people. Thus tourism involves consumption and expenditure of tourist at a place other than where he reside. The aim of the leisure traveller is not earning income at a destination but spending income at a destination. The effect of tourism expenditure is the same as the effect of resident population’s expenditure. Only in international tourism, foreign exchange earnings are important for the tourist receiving country.

3.3 Characteristics of Tourism

Tourist product is the total of services and products consumed by the tourist. International transportation is an integral part of the tourist product.

Tourism, at management level is the composition of economic activities that are geared to satisfy the needs of the travelers. Due to existence of many different products, services involved in tourism, one cannot specify and define a distinct tourism industry. But rather there are industries, sectors and services catering for the needs of the travelers. **There are few characteristics of tourism differentiating it from other economic activities.** These are:

- **Tourism is an invisible export activity.**

Tourism is recorded in the statistics as ‘**invisibles**’. Tourists consume what they consume at their countries with emphasis on recreation and leisure services and goods

- **Products and services are complementary**

The demand in tourism is not for a specific product but rather for a bundle of services and consumption commodities. The services which comprise the final tourist product are different from each other and at first look they seem to be independent of each other. That is why destinations assume they can control the tourism demand and the prices of the tourist products they offer to international markets. Different tourist services are complementary and closely related to each other forming a final tourist product for the tourist. Accommodation at a

destination depends on the existence and availability of suitable transportation to and from the destination. Catering is mostly dependent on accommodation.

In the cultural tourism market the tourist products of different countries may complement each other such as religious and archaeological tours to Turkey, Egypt, Israel and Greece.

- **There is no distinct industry solely producing for tourism.**

There is no such production activity to be called as tourism industry or sector. (The use of tourism industry term is preferred than tourism sector in line with the internationally accepted usage). Services, commodities and products produced for tourism and offered to tourists have distinct characteristics. Production, sale and consumption in tourism take place concurrently.

- **Tourism products are perishable**

Tourism service and tourist product can not be stored for future and it should be consumed when it is available or other wise it is lost forever. There is no inventory of the product. Like, a bed in a hotel or seat in an aircraft that is not sold at a certain date is lost forever. Hence the tourism products are **perishable**.

- **Direction of transaction is reverse**

In tourism there is an exchange of goods and services between the tourist generating centers and destinations. The direction of flow in tourism is reverse of the trade good. In tourism the consumers are shipped to the location where the services, commodities and good are located.

- **Intermediaries in consumption**

The demands of the tourists and their consumption of tourist products and services are realized through intermediaries. The products can be consumed with the help of intermediaries. Examples of intermediaries, at firm level are tour operators and travel agencies; **at personnel level** are guides and hotel or restaurant staff in service.

- **Tourist product is fragmented**

The tourist product is defined as a package tour. The product components of a package tour are: International transportation, Destination / Ground-Land services, Local transport / Transfers, Accommodation, Catering, Recreation, Guiding, Thus it affects many sectors of the economy.

- **Travel in an experience**

Travel is an experience, there is no tangible product in tourism. The tourist buys an intangible service that could not be tested before the actual consumption starts. It is an image-dream that is sold and experience to be lived. Image and experience necessitate the involvement of intermediaries in consumption process; either firms or individuals. It is vital that an intermediary helps the tourist to experience the image and consumption. The only tangible assets in tourism are souvenirs.

- **Demand is volatile / unstable and Seasonal**

Tourism is an unstable export. It is affected by, Economic and political conditions – war, strike, political crisis etc. and to the behavior of tour operators and travel agencies; Preferences of tourists; Natural disasters, epidemics etc. Tourism demand is concentrated in summer months both in mass tourism and in cultural

tourism. Seasonal concentration is linked to the use of natural tourism resources of a country and is severe in the Mediterranean destinations. Seasonality is also observed at some countries in winter such as Austria, Switzerland. Indian Destinations have lean season and peak season depending upon the favorable climatic conditions at the destination. Peak season means more tourist coming in some specific months and lean season means less number of tourist coming in some specific months.

- **Enterprises in tourism industry**

Tourism is mostly composed of too many small and medium sized enterprise. There are few giant firms, conglomerates in the industry which affect the tourism industry structure. They dominate the international tourism industry and international tourism market. Just a very few number of enterprises are capable of catering to all the needs of all tourists. Mostly the industry is composed of many small and medium sized enterprises.

CHECK YOUR PROGRESS – II

1. Why tourism product is considered perishable. Support your answer by citing example of a hotel room and a seat in on aircraft.
 2. Why is it said that the transaction direction in tourism is reverse
 3. Is Indian tourism affected by seasonality?
-

3.4 Basic Travel Motivators

Travel motivations vary. Travel motivations are heterogeneous. Travellers travel for many different reasons. These motivations can be influenced by irrational subjective factors as well. Travel service suppliers try to serve the needs of a very heterogeneous travel demand and try to produce products for a wide appeal.

Various attempts have been made to study as to why people wish to travel or become tourists. McIntosh has stated that basic travel motivators may be grouped into the following four broad categories:

- (i) **Physical motivators**, which are related to physical relaxation and rest, sporting activities and specific medical treatment; all are connected with the individual's bodily health and well-being.
- (ii) **Interpersonal motivators**, which are related to a desire to visit relatives, friends, or to meet new people, or simply to escape from the routine of everyday life.
- (iii) **Status and prestige motivators**, which are identified with the needs of personal esteem and personal development, these are related to travel for business or professional interests, for the purpose of education or the pursuit of hobbies.

Apply your knowledge

1. Analyse your family and friends recent or upcoming travel plans and compare them to the examples in the unit for reason.

3.5 Factors Influencing the Growth of Tourism

Socio-economic factors like income, mobility, age, education and cost are crucial in the evolution of demand. Together with leisure these are responsible for determining the growth of international tourism. The most comprehensive list of factors influencing the growth of tourism however comes from Louis Erdi (1970) of the Swiss Federal University. The list includes:

- (i) Greater affluence and more leisure for an increasing number of people, particularly in the developed countries.
- (ii) The emancipation of the young, and the relatively higher wages they possess (when they have no family responsibilities), enabling them to travel.
- (iii) Transport facilities especially air, very much better and cheaper, and there is a high rate of car ownership.
- (iv) An enormous growth in international business, necessitating travel.
- (v) Package tours allow people, not used to making their own arrangements, to travel with an easy mind, and are of good value because of bulk buying of transport and hotel accommodation.
- (vi) Relief from adverse climatic conditions in the home country may be found abroad.
- (vii) Travel has become a status symbol.
- (viii) Conferences and business meetings are proliferating.
- (ix) Better education has interested a large section of the public in cultural tourism.
- (x) World exhibitions and trade fairs have become very popular.
- (xi) Publicity has become more and more aggressive, whetting the appetite of even the most unwilling to travel.
- (xii) Ideological pressure groups (political, cultural, scientific, etc.) hold more and more annual conventions, etc.

3.6 Components of Tourism

The tourist industry can be described as shown in Figure 3.1 Accommodations include all forms of lodging, even camping and caravanning, and all types of food and beverage services. Shopping encompasses any form of retail purchase, such as souvenirs, arts and crafts, clothing, groceries, and others. Activities comprise services such as entertainment, sports, sightseeing, local tours, cultural events, festivals, and gambling. Transportation includes all forms by land, air, or water.

The entire tourism industry rests on a base of natural resources, which must be wholesome and attractive, preferable possessing unusual natural beauty and appeal to vacationers. These natural resources must be adequate in dimension to avoid crowding, and they should be free from such hazards as pollution, dangerous or poisonous plants, animals, or insects. Similarly, development of tourism should be on sites free from natural disasters, such as floods, droughts, or earthquakes. Thus there are four major components of Tourism. Namely

- Accommodation
- Transportation

- Attractions (Natural, Built and Cultural Resources)
- Support Services (Services enabling shopping and other activities)

Strictly speaking, tourism is typically not defined as an industry. Even though there is no Standard Industrial Classification (SIC) code for tourism, it is a major economic activity. There is a market for a demand for travel, lodging food, shops, entertainment and other tourism services. This demand has created the need for tour operators, travel agents airlines, cruise ships, buses, accommodations, food and beverage facilities, and other **Tourists Suppliers and Activities**

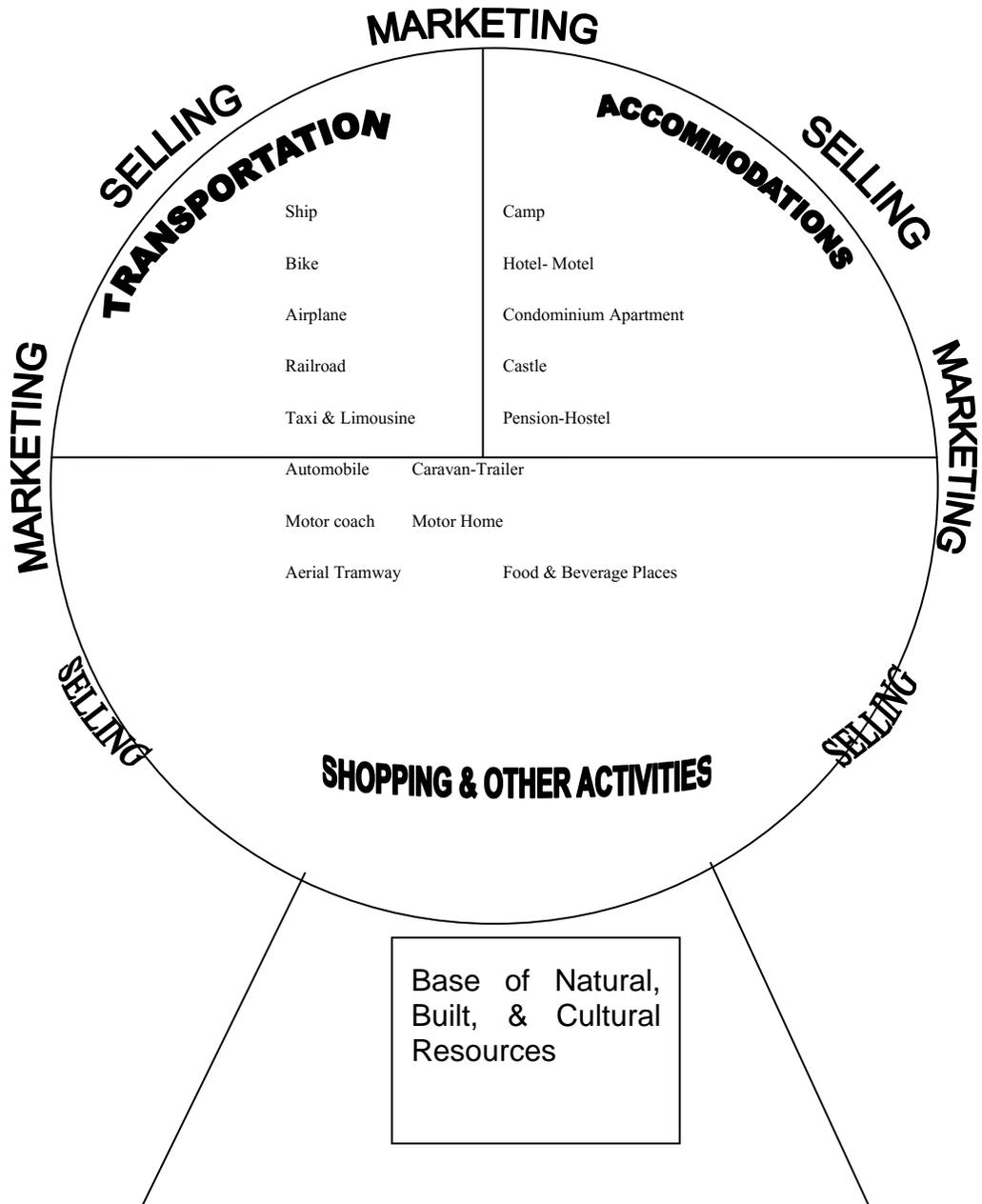


Figure 3.1

The best tourism products will not sell themselves, but must be marketed through vigorous efforts. Those providing the products are the principal marketers. But travel agents, tour companies, associations, and other intermediaries are important lines in the marketing and distribution system.

Tourism is fragmented industry with many parts and varied activities. As a young industry, it has not yet achieved the cohesiveness necessary for all components to work together for the common good. Each segment makes its own contributions to the total tourism picture, yet the segments are interrelated and depend on each other. For example,

the success of a Colorado ski resort depends on transportation to bring skiers to the slopes, housing to accommodate them restaurant to feed them, and other services (medical facilities, après-ski lounges, and retail shops) to take care of their needs. Most of the enterprises affiliated with skiing are small. Although they are operated as independent businesses, they do in fact depend on each other and serve as small parts of the total picture. This dependence calls for cooperative effort and similar policies; however the fact that the business often compete in the each other for the consumers dollars make cooperation difficult. Many of them are fiercely independent, dominated by their own self-interest. As tourism grows and matures, the industry will become more united and speak with a single voice on major issues. Firms will become larger and the weak links in tourism chain of services will be eliminated. Thus the future of tourism promises to be bright, dynamic and exciting

Peter's inventory of tourist attritions

1. Cultural: Sites and areas of archaeological interest;
Historical buildings and monuments;
Places of historical significance;
Museums; Modern culture; Political and educational Institutions; Religious institutions.
 2. Traditions: National festivals Arts and hadicrafts;
Music;Folklore Native life and customs.
 3. Scenic: National parks; Wildlife, Flora and fauna; Beach resorts; Mountain resorts.
 4. Entertainment: Participation and viewing sports
Amusement and recreation parks; Zone and oceonariums; Cinemas and theatres;
Night life; Cuisine.
 5. Other attractions: Climate; Health resorts or spas; Unique attractions not available elsewhere.
-

According to Robinson, the attractions of tourism are, to a very large extent, geographical in their character. Location and accessibility (whether a place has a coastal or inland position, and the ease with which a given place can be reached) are important. Physical space may be thought of as a component for there are those who seek the wilderness and solitude. Scenery or landscape is a compound of landforms, water and the vegetation and has a relation to the amount of sunshine, temperature and precipitation (snow as well as rain. Animal life may be an important attraction, firstly, in relation, to bird watching or viewing them in their natural habitat and, secondly, for sporting. Landscape in the form of their settlements, historical monuments, variety of cultural features, ways of life, folklore, artistic expression, etc. Provide valuable attractions to many.

3.7 Elements of Tourism

The four basic components of tourism, namely, transport, attraction, accommodation and support services are very important components. However, in addition to basic components, there are certain elements or ingredients which are also crucial to tourism. These elements are the fundamental attractions of tourism. These include:

- (a) Pleasing weather**
- (b) Scenic attractions**
- (c) Historical and cultural factors**
- (d) Accessibility**
- (e) Amenities**

Pleasing Weather

One of the most important and crucial attractions of any tourist place is fine weather with warm sunshine. For holidaying, good weather is a particularly important ingredient since it plays an important role in making a holiday a pleasant or an unpleasant experience. Millions of tourists from countries with extremes of weather visit sea beaches in search of fine weather and sunshine. Sunshine and clear sea breeze at the beaches have attracted many since a very long time. In fact, development of spas and resorts along the sea coasts in many countries were a result of travelers' urge to enjoy good weather and sunshine. In Europe, countries like France, Italy and Spain. Italy has built Sardinia along the Adriatic and Mediterranean coasts taking advantage of brilliant sunshine. Many of the Mexican resorts, resorts of Pacific and California, Florida, and Hawaiian Islands in the United States are yet other example of what good weather can do. All these areas in fact capitalizing on good weather have become important tourist spots.

Areas with attractive winter climates, winter warmth and sunshine are also important centers of tourist attraction. Many areas have become important winter holiday resorts attracting a large number of tourists. Around these winter resorts, a variety of winter sport facilities have been installed to cater to the increasing needs of tourists. In countries with tropical climates, many upland cool areas have been developed as hill station resorts. Climate then is of particular significance to tourism as areas with good climatic conditions can be potential tourist areas.

Scenic Attractions

Scenic attractions like good weather are very important factors in tourism. Scenery or the landscape consisting of mountains, lakes, waterfalls, glaciers, forests, deserts, etc. are strong forces attracting people to visit them. Breathtaking mountain scenery and the coast scenery exert a strong fascination for the tourist. The magnificent mountain ranges provide an atmosphere of peace and tranquility. Tourists visiting the northern slopes of the Alps in Switzerland and Austria and the southern slopes in Italy and also the Himalayan mountain slopes of India and Nepal for the first time cannot but be charmed by their physical magnificence. Great natural wonders such as the Grand Canyon in the United States, the Giants Causeway of Northern Ireland, the Niagara Falls, the Geysers of Iceland, the glaciers of Alps, the forests of Africa, the mighty rivers, the lakes and the deserts are a source of great interest to many tourists and have become the basis of an expanding tourist industry.

Historical and Cultural Factors

Characters of historical and cultural interest exert a powerful attraction for many. Since many centuries these have had a profound influence on the traveller. Large number of tourists are attracted every year by the great drawing power of Stratford-on-Avon in England because of its association with Shakespeare, or the city of Agra in India because of its famous Taj Mahal or Pisa in Italy because of its famous leaning tower. Thousands of Americans and Canadians visit Europe because of its long historical heritage; besides, many view Europe as their original homeland and have a sentimental attachment to it. Any foreign visitor to England must visit London not because it is the largest city in the country and the capital, but because of its historical associations and traditions and its many cultural attractions. In a similar way the visitor in France includes Paris in his itinerary as he does Rome and Moscow in a visit to Italy and the Russia respectively. Many countries which are developing tourist industries are using the legacy of their historical past as their major tourist attractions. In India, the world-famous caves of Ajanta and Ellora are an example. These caves are India's oldest and most beautiful testimony of religious architecture and painting, and are man-made caves hewn out of rocky mountains conceived and executed some 2000 ago.

Accessibility

Accessibility is a very crucial factor as it is a means by which a tourist can reach the area where attractions are located. Tourist attractions of whatever type would be of little importance if their locations are inaccessible by the normal means of transport. If the tourist attractions are located at places where no transport can reach or where there are inadequate transport facilities, these become of little value. The tourist attractions which are located near to the tourist generating markets and are linked by a network of efficient roads and can be easily reached by air receive the maximum number of tourists. The distance factor also plays an important role in determining a tourist choice of a destination. Longer distances cost much in the way of expenses on travel as compared to short distances. An example can be that of India. **3.9 million** tourist arrivals for a country of the size of India may look rather unimpressive. However, if one looks at certain factors

like the countries distance from the Europe, Canada, Japan and Australia, one may conclude that the long distance is rather one of the factors responsible for low arrivals. It costs a visitor from these countries quite a substantial amount. Europe and North America continue to be the main generating and receiving areas for international tourism, accounting for as much as 70 per cent and 20 per cent respectively of international tourist arrivals. The intra-regional tourism (tourism between countries of the same region) has an appreciable influence on the distribution of world arrivals. Of the total international tourist movements within Europe and North America, at least 80 per cent are intra-regional. In the Americas the United States and Canada alone account for nearly 50 per cent of all international tourist traffic in the regions, where intra-regional international tourist movements are therefore also predominant. In Europe, intra regional tourism accounts for over 80 per cent of international tourist movements. Easy accessibility thus is a key factor for the growth and development for tourist movements.

Amenities

Facilities are a necessary aid to the tourist center. For a seaside resort, facilities like swimming, boating, yachting, surf-riding, and such other facilities like dancing, recreation and amusements are important for every tourist center. Amenities can be of two types: **natural**, e.g., beaches, sea bathing, possibilities of fishing, opportunities for climbing, trekking, viewing, etc. and **man made** e.g., various types of entertainments and facilities which cater for the special needs of the tourists. Excellent sandy beaches, sheltered in sunshine having palm and coconut trees and offering good bathing form very good tourist attractions. Certain other natural amenities such as spacious sheltered water for the purpose of sailing, or the opportunities for fishing and shooting are also very important.

Accommodation

Accommodation is very basic to any tourist destination. The demand for accommodation away from one's home is met by variety of facilities. The term is loosely used to cover food and lodging. The types of accommodation have undergone considerable changes since the last 25 years. There has been a decline in the use of boarding houses and small private hotels. The larger hotels are managing more or less to keep their share of holiday trade, especially in big metropolitan areas and popular tourist areas. Elsewhere, particularly in more traditional holiday resorts and in some seaside resorts in Europe, these are having a lean time. In recent years some changes have been reflected in the type of accommodation and there has been a growing demand for more informal types of accommodation. New types of accommodation, particularly holiday villages, apartment houses, camping and caravan sites and tourist villages etc. have become very popular in recent years.

Accommodation may in itself be an important tourist attraction. In fact, a large number to tourists visit a particular tourist region or a town simply because there is a first class luxury hotel or a resort which provides excellent services and facilities. Some countries like Switzerland, Holland, Austria, France and Belgium have gained reputation for providing excellent accommodation with good cuisine. Many hotel have gained reputation for their excellent food, services and facilities.

The French Government for instance, paved the way for tourist development of Corsica by launching a big hotel building programme.

3.8 Geographical Components

H. Robinson, in his book *A Geography of Tourism* published in the year 1979 has brought out a list components of tourism which have been termed as geographical components of tourism. These are brought out in the following table:

Geographical Components of Tourism

1. Accessibility and location
2. Space
3. Scenery
 - (a) landforms. e.g., mountains, canyons, coral reefs, cliffs, etc.
 - (b) water . e.g, rivers, lakes, waterfalls, geysers, glaciers, the sea.
 - (c) Vegetation. e.g., forests, grasslands, moors, deserts, etc.
4. Climate: Sunshine, clouds, temperature conditions, rain and snow.
5. Animal life
 - (a) Wildlife, e.g., birds game reservations, zoos.
 - (b) hunting and fishing
6. Settlement features:
 - (a) Towns, cities, villages
 - (b) Historical remains and monuments
 - (c) Archaeological remains.
7. Culture: ways of life, traditions, folklore, arts and crafts etc.

3.9 Benefits and Costs of Tourism

Tourism brings both economic and noneconomic benefits and costs to host communities. The benefits occurring to the traveler, such as the contribution of pleasure travel to rest and relaxation, the educational benefit, the understanding of other people and cultures, and the physical and mental well-being of the traveler.

There is no question that tourism delivers benefits, but tourism is not perfect. There are costs and benefits, and they do not accrue equally. Many of the social costs incurred are difficult or impossible to measure. Books such as *The Golden Hordes*, *Tourism: Blessing or Blight*, and *The Holiday Makers* point out some of the unpleasant aspects of tourism.

Improperly planned and developed tourism can create problems. The demands of tourism may come into conflict with the needs and wishes of local residents. Thoughtless development, inappropriate development, over development, or unfinished development can easily damage the environment.

Tourism has been blamed for polluting beaches; raising the price of labor, land goods, and so on; spoiling the countryside; contaminating the values of native people; crowding; congestion; noise; litter; crime; loss of privacy; creating social tensions; environmental deterioration; lack of control over destination's future and low-paid seasonal employment. These problems are common to many forms of development and in many cases represent dissatisfaction with change for the

status quo or over development. They emphasize the need for a coordinated overall economic development plan of which tourism will be one part.

We must accept that tourism is neither a blessing nor a blight, neither Poison nor panacea. Tourism can bring great benefits but it can also bring social problems. The world has experience in how to increase the benefits of tourism, and at least some experience in how to lesson social problems. What has to be done is to balance the benefits and costs to come up with the best cost/benefit result. Tourism students and executives must have a clear understanding of both the positive and negative impacts of tourism on the quality of life of a nation, a province or state or a community. What are the positive aspects? The negative aspects? We need a balance sheet.

First we look at the **plus side** of the ledger.

- Provides employment opportunities, both skilled and unskilled, because it is a labor intensive industry.
- Generates a supply of needed foreign exchange
- Increases incomes
- Creates increased gross national product
- Can be built on existing infrastructure
- Develops an infrastructure that will also help stimulate local commerce and industry
- Can be developed with local products and resources
- Helps to diversify the economy
- Tends to be one of the most compatible economic development activities available to an area, complementing other economic activities.
- Spreads development
- Has a high multiplier impact
- Increases governmental revenues
- Broadens educational and cultural horizons and improves fallings of self-worth
- Improves the quality of life related to a higher level of income and improved standards of living.
- Reinforces preservation of heritage and tradition
- Justifies environmental protection and improvement
- Visitor interest in local culture provides employment for artists, musicians, and other performing artists, enhancing the cultural heritage.
- Provides tourist and recreational facilities that may be used by a local population
- Breaks down language barriers, sociocultural barriers, class barriers, racial barriers, political barriers, and religious barriers.
- Creates a favorable worldwide image for a destination
- Promotes a global community
- Promotes international understanding and peace

On the minus side of the ledger we find a number of problems that can be created by tourism, especially by its over development.

- Develops excess demand for resources
- Creates the difficulties of seasonality

- Causes inflation
 - Can result in unbalanced economic development
 - Creates social problems
 - Degrades the natural physical environment and creates pollution
 - Degrades the cultural environment
 - Increases the incidence of crime, prostitution, and gambling
 - Increases vulnerability to economic and political changes
 - Threatens family structure
 - Commercializes culture, religion and the arts
 - Creates misunderstanding
 - Creates conflicts in the host society
 - Contributes to disease, economic fluctuation and transportation problems
- Like all change, tourism exacts a price. However, it is here it is huge and it needs to be planned and managed.

3.10 Summary

In this unit we have examined the subject of tourism, its characteristics and basic travel motivations. The rapid growth in the movement of people, both domestically and internationally, has brought about an industry of vast proportions and diversity. Also it is universal found in all countries of the world, but in greatly varied qualities and proportions.

There are four major components of Tourism Accommodation, Transportation, Attraction and Support services. In addition to these components there are certain elements like pleasing weather, scenic attraction, historical and cultural factors, accessibility and amenities which are also crucial to tourism.

3.11 Glossary

Accommodation – A place where tourist stay e.g. hotels, motels, resorts, caravans, camps etc.

Transportation – Means of travelling from one place to another. It can be airplane, car, coach, rail, ship, hovercraft etc.

Attractions – Base of Natural, built or cultural resources of a Destination.

Support Services - anything which provides supporting facilities and service to tourist e.g. multiplexes, malls, gifts and souvenir shops, art and crafts shop, restaurants, theme parks etc.

Travel Motivators – Anything which motivates (encourages) a person to go for tourism.

Invisible – Which can not be seen

Intermediaries – Middle man e.g. travel agents.

Fragmented – Divided.

Accessibility – Approachability of a place

3.12 Self Assessment Exercise

- Q1- What are the characteristics of Tourism.
- Q2- Which are the basic travel motivators according to McIntosh.
- Q3- What are the factors influencing the growth of tourism.
- Q4- Elaborate on each and every components of Tourism.
- Q5- Which are the major elements of Tourism.
- Q6- What are the geographical components of Tourism.
- Q7- What are the benefits of Tourism.
- Q8 What are some negative aspects of Tourism

3.13 Further Readings

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UNIT 4 DIFFERENT APPROACHES TO STUDY TOURISM

Structure

- 4.0 Introduction
 - 4.1 Objectives
 - 4.2 Changing Facets Of Tourism
 - 4.3 Different Approaches To Study Of Tourism
 - 4.3.1 Institutional Approach
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4.0 Introduction

Welcome to the study of a dynamic group of industries that have developed to serve the needs of travellers worldwide – **tourism!** Tourism is the business of travel. Whether we are travellers or we are serving travelers needs, this exciting and demanding group of visitor services industries touches all our lives.

In this unit you will understand the different perspectives on the study of tourism, know the meaning of the term 'tourism', 'visitor', 'tourist', 'excursionist', 'transit traveller' and the difference between travel and tourism. You will also come to know of different definitions adopted by different countries on the term 'tourist'.

4.1 Objectives

- To understand the need to study Tourism in view of the changing scenario.
- To familiarize you with different perspectives on the study of Tourism.
- To explain the meaning and definition of Tourism.
- To find out difference in travel and tourism
- To explain the meaning and definition of a Visitor, Tourist, Excursionist, Transit Visitor.
- To identify who all are included in the definition of tourist.

4.2 Changing Facets of Tourism

Human beings are innately curious concerning the world in which we live. We yearn to know what other places look like - what the people, their culture, the animals and plant life, and landforms may be elsewhere. Today, higher levels of education and the influence of television and other communication media have combined to create in us a much greater awareness of our entire world. We are now in global economy and our industries must be globally competitive. We must think globally. Material prosperity in many countries, with accompanying higher standards of living, has made travel attainable for hundreds of millions of us. Although travel can be undertaken for many reasons, the most common are pleasure, business, and study. In this block we explore the multiplicity of social and economic phenomena that bring about and are created by this vast world wide industry.

The subject of travel is exciting and fascinating. Human beings have been moving from place to place for about 1 million years. Our early ancestors, *Homo erectus*, originated in eastern and southern Africa. But remains of these same forms of early humankind have also been found in China and Java (Indonesia). It has been estimated that migrations of this type took about 15,000 years, but this is a brief span of time in the long history of humanity. Various theories have been proposed regarding the motivation for such amazing journeys. Foremost is that these wanderings were in search of food and to escape from danger. Another theory is that people observed the migrations of birds and wanted to know where the birds came from and where they were going. Recently, in the most dramatic discovery of its kind ever made, the preserved body of a man dubbed the "iceman," who died 5,000 years ago, was found in the ice in mountainous northern Italy. Some of the scientists studying his body and accoutrements have concluded that he was returning to his home in what is now Switzerland from a journey to the south of what is now Italy.

Since the times of the wanderings of ancient peoples, we have been traveling in ever-widening patterns about the earth. From the days of such early explorers as Marco Polo, Ibn battute, Christopher Columbus, Ferdinand Magellan, and James Cook to the present, there has been a steady growth in travel.

Tourism is one of the world's most rapidly growing industries. Much of its growth is due to higher disposable incomes, increased leisure time and falling costs of travel. As airports become more enjoyable places to pass through, as travel

agency services become increasingly automated, and as tourists find it easier to get information on places they want to visit, tourism grows.

The Internet has fuelled the growth of the travel industry by providing on line booking facilities. It has also provided people with the power to explore destinations and cultures from their home personal computers and make informed choices before finalizing travel plans. With its immense information resources, the Internet allows tourists to scrutinize hotels, check weather forecasts, read up on local food and even talk to other tourists around the world about their travel experiences for a chosen destination.

This new trend has made the tourism job very challenging. The holiday makers want a good rate of return on their investment. They are to be lured with value additions and improved customer service. This also put emphasis on the regular flow of manpower with specific skills at the appropriate levels to match and cater to global standards. The success of the hospitality industry comes from provision of quality rooms, food, service and ambience. There is no doubt that fitness has increasingly become a larger part of everyone's life. And business and leisure travellers alike look to maintain their fitness goals while away from home. Awareness should be created about the environment and education. A collective effort and co-operation with powerful networking are the need of the hour. People should be acting as the watchdogs of the society as far as environmental issues are concerned. Eco-tourists are a growing community and tourism promotions have to adopt such eco-practices which could fit this growing community.

Another growing trend in the tourism scene is the Incentive Market and the scope of the destination to attract conferences and convention traffic. Here the prospects are better for those destinations where state of the art infrastructure has been developed along with a safe and clean image.

Tourism today is much more than just developing products. It is more about quality, insightful thinking and ability to have global information about technology, partners, contacts and responding quickly to global and regional trends. The fundamental task before tourism promoting is to facilitate integration of the various components in the tourism trade as active participants in the nation's social and cultural life. There is a long road ahead. All must work towards a society where people can work and participate as equal partners. Tourism should be a vehicle for international cooperation and understanding of the various civilizations and a harbinger of peace.

From the foregoing we can see how fast the face of tourism is changing and how challenging the job of travel agencies is now. There is therefore a need for proper training of the personnel working in the industry through thorough and detailed study of the subject. A unified approach to the subject is also needed since at present people from different fields have been studying tourism from different perspectives.

4.3 Different Approaches to the study of Tourism

Tourism commonly is approached through a variety of methods. However, there is little or no agreement on how the study of tourism should be undertaken. The following are several methods that have been used.

Institutional Approach

The institutional approach to the study of tourism considers the various intermediaries and institutions that perform tourism activities. It emphasizes institutions such as the travel agency. This approach requires an investigation of the organization, operating methods, problems, costs, and economic place of travel agents who acts on behalf of the customer, purchasing services from airlines, rental car companies, hotels, and so on.

Product Approach

The product approach involves the study of various tourism products and how they are produced, marketed, and consumed. For example, one might study an airline seat - how it is created, the people who are engaged in buying and selling it, how it is financed, how it is advertised, and so on. Repeating this procedure for rental cars, hotel rooms, meals, and other tourist services-gives a full picture of the field. Unfortunately, the product approach tends to be too time consuming, it does not allow the student to grasp the fundamentals of tourism quickly.

Historical Approach

The historical approach is not widely used. It involves an analysis of tourism activities and institutions from an evolutionary angle. It searches for the cause of innovations, their growth or decline, and shifts in interest.

Managerial Approach

The managerial approach is firm oriented (microeconomic), focusing on the management activities necessary to operate a tourist enterprise, such as planning, research, pricing, advertising, control, and the like. It is a popular approach, using insights gleaned from other approaches and disciplines. Regardless of which approach is used to study tourism, it is important to know the managerial approach. Products change, institutions change, society changes, this means that managerial objectives and procedures must be geared to change to meet shifts in the tourism environment. The *Journal of Travel Research* and *Tourism Management*, leading journals in the field, both feature this approach.

Economic Approach

Because of its importance to both domestic and world economics, tourism has been examined closely by economists, who focus on supply, demand, balance of payments, foreign exchange, employment, expenditures, development, multipliers, and other economic factors. This approach is useful in providing a framework for analysing tourism and its contributions to a country's economy and economic development. The disadvantage of the economic approach is that

whereas tourism is an important economic phenomenon, it has noneconomic impacts as well. The economic approach does not usually pay adequate attention to the environmental, cultural, psychological, sociological, and anthropological approaches.

Sociological Approach

Tourism tends to be a social activity. Consequently, it has attracted the attention of sociologists, who have studied the tourism behavior of individuals and groups of people and the impact of tourism on society. This approach examines social classes, habits, and customs of both hosts and guests. The sociology of leisure is a relatively undeveloped field, but it shows promise of progressing rapidly and becoming more widely used. As tourism continues to make a massive impact on society, it will be studied more and more from a social point of view.

Geographical Approach

Geography is a wide-ranging discipline, so it is natural that geographers should be interested in tourism and its spatial aspects. The geographer specializes in the study of location, environment, climate, landscape, and economic aspects. The geographer's approach to tourism sheds light on the location of tourist areas, the movements of people created by tourism locales, the changes that tourism brings to the landscape in the form of tourism facilities, dispersion of tourism development, physical planning, and economic, social, and cultural problems. Since tourism touches geography at so many points, geographers have investigated the area more thoroughly than have scholars in many other disciplines. Because the geographers' approach is so encompassing dealing with land use, economic aspects, demographic impacts, and cultural problems, a study of their contributions is highly recommended.

Interdisciplinary Approaches

Tourism embraces virtually all aspects of our society. We even have cultural tourism, which calls for an anthropological approach. Because people behave in different ways and travel for different reasons, it is necessary to use a psychological approach to determine the best way to promote and market tourism products. Since tourists cross borders and require passports and visas from government offices, and since most countries have government-operated tourism development departments, we find that political institutions are involved and are calling for a political science approach. Any industry that becomes an economic giant affecting the lives of many people attracts the attention of legislative bodies (along with that of the sociologists, geographers, economists, and anthropologists,) which create the laws, regulations, and legal environment in which the tourist industry must operate, so we also have a legal approach. The great importance of transportation suggests passenger transportation as another approach. The fact simply is that tourism is so vast, so complex, and so multifaceted that it is necessary to have a number of approaches to studying the field, each geared to a somewhat different task or objective. Figure 4.4 illustrates the interdisciplinary nature of tourism studies and their reciprocity and mutuality.

The Systems Approach

What is really needed to study tourism is systems approach. A system is a set of interrelated groups coordinated to form a unified whole and organized to accomplish a set of goals. It integrates the other approaches into a comprehensive method dealing with both micro and macro issues. It can examine the tourist firm's competitive environment, its market, its results, its linkages with other institutions, the consumer, and the interaction of the firm with the consumer. In addition, a system can take a macro viewpoint and examine the entire tourism system of a country, state, or area and how it operates within and relates to other systems, such as legal, political, economic, and social systems.

4.4 The Importance of Managerial Perspectives to the Study of Tourism

Now due to higher disposable incomes, increased leisure time and falling cost of travel, the Tourism industry has shown a very high growth and since tourism is a service industry it comprises of a number of tangible and intangible components. The tangible elements include transport system-air, rail, road, water and now, space; hospitality services accommodation, food and beverage, tours, souvenirs; and related services such as banking, insurance and safety and security. The intangible elements include: rest and relaxation, culture, escape, adventure, new and different experiences.

As there are number of bodies involved the need arises for a management of services related to this industry and so the study of Tourism acquires a great practical necessity and usefulness. Tourism industry is very fast growing and this industry involves activities and interests of Transport Undertakings, Owners of Tourist Sites and Attractions, Various tourist Service Providers at the tourist destinations and Central and Local Government, etc. Each of these serves both the resident population and the tourists and their management must reconcile the needs of tourists with the needs of the resident population. So it becomes important to study tourism from the perspective of Management, since the management of various bodies in this industry is invaded.

4.5 What is Tourism?

When we think of tourism, we think primarily of people who are visiting a particular place for sightseeing, visiting friends and relatives, taking a vacation, and having a good time. They may spend their leisure time engaging in various sports, sunbathing, talking, singing, taking rides, touring, reading, or simply enjoying the environment. If we consider the subject further, we may include in our definition of tourism people who are participating in a convention, a business conference, or some other kind of business or professional activity, as well as those who are taking a study tour under an expert guide or doing some kind of scientific research or study.

These visitors use all forms of transportation, from hiking in a wilderness park to flying in jet to an exciting city. Transportation can include taking a chairlift up a Colorado mountainside or standing at the rail of a cruise ship looking across

the blue Caribbean. Whether people travel by one of these means or by car, motorcoach, camper, train, taxi, motorbike, or bicycle, they are taking a trip and thus are engaging in tourism. That is what this block is all about-why people travel (and why some don't) and the socioeconomic effects that their presence and expenditures have on a society.

Any attempt to define tourism and to describe its scope fully must consider the various groups that participate in and are affected by this industry. Their perspectives are vital to the development of a comprehensive definition. Four different perspectives of tourism can be identified:

1. *The tourist.* The tourist seeks various psychic and physical experiences and satisfactions. The nature of these will largely determine the destinations chosen and the activities enjoyed.
2. *The businesses providing tourist goods and services.* Business people see tourism as an opportunity to make a profit by supplying goods and services that the tourist market demands.
3. *The government of the host community or area.* Politicians view tourism as a wealth factor in the economy of their jurisdictions. Their perspective is related to the incomes their citizens can earn from this business. Politicians also consider the foreign exchange receipts from international tourism as well as the tax receipts collected from tourist expenditures, either directly or indirectly.
4. *The host community.* Local people usually see tourism as cultural and employment factor. Of importance to this group, for example, is the effect of the interaction between large numbers of international visitors and residents. This effect may be beneficial or harmful or both.

TOURISM

Thus, tourism may be defined as the **sum of the phenomena and relationships arising from the interaction of tourists, business suppliers, host governments, and host communities in the process of attracting and hosting these tourists and other visitors.**

Tourism is a composite of activities, services, and industries that delivers a travel experience: transportation, accommodations, eating and drinking establishments, shops, entertainment, activity facilities, and other hospitality services available for individuals or groups that are traveling away from home. It encompasses all providers of visitor and visitor-related services. Tourism is the entire world industry of travel, hotels, transportations, and all other components, including promotion, that serves the needs and wants of travelers. Finally, tourism is the sum total of tourist expenditures within the border of a nation or a political subdivision or a transportation-centered economic area of contiguous states or nations. This economic concept also considers the income multiplier of these tourist expenditures.

One has only to consider the multidimensional aspects of tourism and its interactions with other activities to understand why it is difficult to come up with a meaningful definition that will be universally accepted. Each of the many definitions that have arisen is aimed at fitting a special situation and solving an

immediate problem, and the lack of uniform definitions has hampered study of tourism as a discipline. Development of a field depends on (1) uniform definitions, (2) Description, (3) analysis, (4) prediction, and (5) control.

Modern tourism is a discipline that has only recently attracted the attention of scholars from many fields. The majority of studies have been conducted for special purposes and have used narrow operational definitions to suit particular needs of researchers or government officials; these studies have not encompassed a systems approach. Consequently, many definitions of “tourism” and “the tourist” are based on distance traveled, the length of time spent, and the purposes of the trip. This makes it difficult to gather statistical information that scholars can use to develop a database, describe the tourism phenomenon, and do analyses.

The problem is not trivial. It has been tackled by a number of august bodies over the years, including the League of Nations, the United Nations, the World Tourism Organization (WTO), the Organization for Economic Cooperation and Development (OECD), the National Tourism Resources Review Commission, and the U.S. Senate’s National Tourism Policy Study. The following review of various definitions illustrates the problems of arriving at a consensus. We examine the concept of the movement of people and the terminology and definitions applied by the World Tourism Organization and those of the United States, Canada, the United Kingdom, and Australia. Later, a comprehensive classification of travelers is provided that endeavors to reflect a consensus of current thought and practice.

World Tourism Organization

The International Conference on Travel and Tourism Statistics convened by the World Tourism Organization (WTO) in Ottawa, Canada, in 1994 reviewed, updated, and expanded on the work of earlier international groups. The Ottawa Conference made some fundamental recommendations on definitions of Tourism, travellers, and tourists. The United Nations Statistical Commission adopted WTO’s recommendations on tourism statistics on March 1, 1993.

TOURISM WTO has taken the concept of tourism beyond a stereotypical image of “holiday-making.” The officially accepted definition is: “**Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.**” The term **usual environment** is intended to exclude trips within the area of usual residence and frequent and regular trips between the domicile and the workplace and other community trips of a routine character.

Main Characteristics of Tourism identified from the Definition

1. Tourism arises from a movement of people to, and their stay in, various destinations.
2. There are two elements in all tourism: the journey to the destination and the stay including activities at the destination.

3. The journey and the stay take place outside the usual place of resident and work, so that tourism gives rise to activities, which are distinct from those of the resident and the working population of the places, through which the tourist travels and in which they stay.
4. The movement to destinations is of temporary, short term character, with the intention of returning to the usual environment within a few days, weeks or months.
5. Destinations are visited for purposes other than taking up permanent resident or employment remunerated from within the places visited.

CHECK YOUR PROGRESS-I

1. Which of the following activities can be put under the term Tourism?

- a) Ms. Tina goes to the nearby market to shop for groceries.
- b) Mr. Ajay who stays in Faridabad, goes to Nehru Place to pay his phone bills.
- c) Mr. Raj, a resident of Delhi, goes to Mumbai and takes up a job there.
- d) Ms. Sita a resident of Mumbai, goes for a weekend to Goa.

4.6 Definition of 'Tourist'

The 19th Century Dictionary defines 'tourist' as a "person who travels for pleasure of traveling, out of curiosity, and because he has nothing better to do." The term 'tourist', the Oxford Dictionary tells us, was used as early as the year 1800. According to the Dictionnaire Universal, the 'tourist' is a person who makes a journey for the sake of curiosity, for the fun of traveling, or just to tell others that he has traveled.

The term 'tourist' in the sense of a pleasure tour is, however, of recent origin. In the words of Jose Ignacio De Arrilliga, "tourism in its first period was considered as a sport or rather as a synthesis of automobiles, touring, cycling camping, excursions and yachting. In the early nineteenth century, the term 'tourist' assumed a meaning of 'one who makes a tour or tours', especially one who does this for recreation or who travels for pleasure, object of interest, scenery or the like."

Definition by League of Nations

All the above definitions of the terms 'tourist' are of general nature and, therefore, could not serve the purpose of measurement. It was, however, the League of Nations which did a pioneering work in defining the term for the purposes of statistical measurements. Realising the importance of collecting tourist statistics and of securing international compatibility, the Committee of Statistical Experts of the League of Nations in the year 1937 established the definition of the term 'tourist'. The League of Nations with the concurrence of member countries defined the term 'foreign tourist' as: "Any person visiting a country, other than that in which he usually resides, for a period of at least 24 hours"

The following persons were to be considered tourists within this definition:

- Persons traveling for pleasure, for domestic reasons, for health, etc.
- Persons traveling to meetings, or in a representative capacity of any kind (scientific, administrative diplomatic, religious, athletic, etc.)

- Persons traveling for business purposes.
- Persons arriving in the course of a sea cruise, even when they stay for less than 24 hours. (The latter should be reckoned as a separate group, disregarding if necessary their usual place of residence.)

The following categories were not to be regarded as tourists:

- (i) Persons arriving, with or without a contract of work, to take up an occupation or engage in any business activity in the country.
- (ii) Persons coming to establish a residence in the country.
- (iii) Students and young persons in boarding establishments or schools.
- (iv) Residents in a frontier zone and persons domiciled in one country and working in an adjoining country.
- (v) Travellers passing through a country without stopping, even if the journey takes more than 24 hours.

The above definition was confirmed by the United Nations in the year 1945 and it was as stated that the 'tourist' was a person who stayed in a foreign country for more than 24 hours and less than 6 months for any non-immigrant purpose. The definition was adopted by many countries for the compilation of travel statistics.

United Nations-Rome Conference

In 1963, the United Nations Conference on International Travel and Tourism held in Rome considered a definition and recommended that it be studied by the United Nations Statistical Commission. A revised definition was prepared and adopted. The conference considered an overall definition of the term 'Visitor', which for statistical purposes describes:

Any person visiting a country other than that in which he has his usual place of residence, for any reasons other than following and occupation remunerated from within the country visited.

This definition covered:

- (i) Tourists, i.e., temporary visitors staying at least twenty four hours in the country visited and the purpose of whose journey can be classified under one of the following headings:
 - (a) Leisure (recreation, holiday, health, study, religion, and sport);
 - (b) Business, family, mission, meeting.
- (ii) Excursionists, i.e., temporary visitors staying less than twenty-four hours in the country visited (including travelers on cruises).

The above definition excludes travelers who, in the legal sense, do not enter the country (e.g., air travelers who do not leave an airport's transit area). The Expert Statistical Group on International Travel Statistics convened by the United Nations Statistical Commission recommended in 1967 that countries use the definition of 'visitor' proposed by the United Nations Conference on International Travel and Tourism in Rome in 1963. The Group considered that it would be desirable to distinguish within the definition of visitor a separate class of visitors, who might be described as 'day visitors' or 'excursionists' defined as consisting of visitors on day excursions and other border-crosses for purposes other than employment, cruise passengers, and visitors in transit who do not stay overnight in accommodation provided within the country. The special characteristic of this

category of visitors distinguishing it from the main class of visitor, is that there is no overnight stay. In 1968 the Commission approved the Rome definition.

The various definitions discussed above have gradually received general acceptance. According to recent studies published by the World Tourism Organisation, nearly 75 percent of the countries world over use these definitions in collection of international travel statistics.

Main Characteristics of Tourist identified from the Definition

1. He takes up his journey of his own free will.
2. He takes up the journey primarily in search of enjoyment.
3. The money spent on the visit is the money derived from home, not money earned in the places of visit.
4. He finally returns to his original starting point.

CHECK YOUR PROGRESS-II

1. From amongst the persons listed below who all are included in the definition of a Tourist?
 - a) Mr. Chand, a resident of Delhi goes for a two-day conference to Hyderabad.
 - b) Ms. Rina, a resident of Mumbai goes for a heart transplant to America.
 - c) Ms. Mina, a resident of Delhi takes a flight for America and the flight has a stopover of 36 hours in Singapore. Is she a tourist in Singapore?

4.8 Definitions of tourist adopted by different countries

India

The definition of 'foreign tourist' adopted by the Government of India's Tourist Department as per the recommendations of the United Nations Conference on International Travel and Tourism, Rome, 1963 is as follows:

"A foreign tourist is a person visiting India on a foreign passport, of whose journey can be classified under one of the following headings "

1. leisure (recreation, holiday, health, study, religion and sport.)
2. Business, family, mission, meeting.

The following categories are, however not regarded as foreign Tourists:

1. Persons arriving with or without a contract, to take up an occupation or engage in activities remunerated from within the country;
2. Persons coming to establish residence in the country;
3. Excursionist i.e., temporary visitor staying less than twenty four hours in the country (including travelers on the cruises).

The following are not included in statistics:

1. Nationals of Pakistan and Bangladesh;
2. Nationals of Nepal entering India through land routes along Indo-Nepal border;
3. All foreigners entering India from Bhutan by land

Definition of a domestic tourist in India

Domestic Tourist- A person who travels within the country to a place other than his usual place of residence and stays at hotels or other accommodation establishment run on commercial bases or in dharamshalas or stays with friends and relative and uses sightseeing facilities, or goes on a pilgrimage for a duration of not less than 24 hours or one night and not more than 6 months at a time for any of the following purposes:

- Pleasure (holiday, leisure, sports and so on)
- Pilgrimage, Religious and Social functions.
- Study and Health.

The following are not regarded as domestic tourists:

- Persons arriving with or without a contract to take up an occupation or engage in activities remunerated from within the state center.
- Persons visiting their home town or native place on leave or a short visit for meeting relations and friends, attending social and religious functions and staying in their own houses or with relatives and friends and not using any sightseeing facilities.
- Foreigners resident in Indian.

Here we observe that as per the India definition, a traveler must hold a foreign passport to be included in the category of an International Visitor; this implies that Indians settled abroad and holding Indian Passports will not be counted as International Visitors when they come to India for recreation, business or other such purposes. However, nonetheless they are counted as Domestic Visitors and so here we see that coategorisation is based on nationality rather than place of residence. But as per WTO definition they should have been included in the list of International Visitors. From this we can clearly see the difference in the Indian definition and the one given by WTO.

United States

The Western Council for Travel Research in 1963 employed the term visitor and defined a visit as occurring every time a visitor entered an area under study. The definition of tourist used by the National Tourism Resources Review Commission in 1973 was: "a tourist is one who travels away from home for a distance of at least **50 miles (one way)** for business, pleasure, personal affairs, or any other purpose except to commute to work, whether he stays overnight or returns the same day."

The **National Travel Survey** of the U.S. Travel Data Center in 1994 reports on all round-trips with a one-way route mileage of **100 miles or more**, and since 1994 on all trips involving one or more nights away from home, regardless of distance. Trips are included regardless of purpose, excluding only crews, students, military personnel on active duty, and commuters.

Canada

In a series of quarterly household sample surveys known as the Canadian Travel Survey which began in 1978, trips qualifying for inclusion are similar to those covered in the National Travel Survey in the United States. The

main difference is that in the Canadian survey, the lower limit for the one-way distance is **50 miles** (80 kilometers) rather than 100 miles. The 50-mile figure was a compromise to satisfy concerns regarding the accuracy of recall for shorter trips and the possibility of the inclusion of trips completed entirely within the boundaries of a large metropolitan area such as Toronto.



The determination of which length of trip to include in surveys of domestic travel has varied according to the purpose of the survey methodology employed. Whereas there is general agreement that commuting journeys and one-way trips should be excluded, qualifying distances vary. The province of Ontario favors 25 miles

In Canada's international travel surveys the primary groups of travelers identified are nonresident travelers, resident travelers, and other travelers. Both nonresident and resident travelers include both same-day and business travelers. Commuters are included and are not distinguished from other same-day business travelers. Other travelers consist of immigrants, former residents, military personnel, and crews.

United Kingdom

The National Tourist Boards of England, Scotland, and Northern Ireland sponsor a continuous survey of internal tourism, the United Kingdom Tourism Survey (UKTS). It measures all trips away from home lasting one night or more, taken by residents for holidays, visits to friends and relatives (non holiday), or for business, conferences, and most other purposes. In its findings the UKTS distinguishes between short (1 to 3 nights) and long (1+nights)-duration holiday trips.

The International Passenger Survey collects information on both overseas visitors to the United Kingdom and travel abroad by U.K. residents. It distinguishes five different types of visits: holiday independent, holiday inclusive, business, visits to friends and relatives, and miscellaneous.

Australia

The Australian Bureau of Industry Economics in 1979 placed length of stay and distance travelled constraints in its definition of tourist as follows: “A person visiting a location at least **10 km** from his usual place of residence, for a period of at least 24 hours and not exceeding twelve months.”

In supporting the use of the WTO definitions, the Australian Bureau of Statistics notes that the term “usual environment’ is somewhat vague.” It states that “visits to tourist attractions by local residents should not be included” and that visits to second homes should be included only “where they are clearly for temporary recreational purposes.”



Check Your Progress –lii

1. Mr. Rohit, an Indian goes to work in America and after five months he comes to India and visits the Jagannath Temple in Orissa. As per the definition is he an International Tourist?

4.7 Comprehensive Classification of Traveler

Traveler Terminology of International Tourism Underlying the foregoing conceptualization of tourism is the overall concept of **traveler**.

Traveler is defined as “**any person on a trip between two or more countries or between two or more localities within his/her country of usual residence.**”

Travelers may be included in tourism statistics or may not be. **All types of travelers engaged in tourism are described as visitors**, a term that constitutes the basic concept of the entire system of tourism statistics.

Visitors are persons who travel to a country other than the one in which they generally reside for a period not exceeding 12 months, whose main purpose is other than the exercise of an activity remunerated from within the place visited. Visitors are subdivided into **two categories**:

- **Tourists**, i.e., temporary visitors staying at least twenty four hours in the country visited and the purpose of whose journey can be classified under one of the following headings:
 - Leisure (recreation, holiday, health, study, religion, and sport);
 - business, family, mission, meeting.
- **Excursionists**, i.e., temporary visitors staying less than twenty-four hours in the country visited (including travellers on cruises).

The above definition excludes travellers who, in the legal sense, do not enter the country (e.g., air travelers who do not leave an airport's transit area – **Transit Visitor**).

The drawback of definition of a Visitor as per WTO is that it does not talk about visits made within the country. For these purposes a distinction is drawn between a Domestic and International Visitor

- **Domestic Visitor** – A person who travels within the country he is residing in, outside the place of his usual environment for a period not exceeding 12 months.
- **International Visitor** – A person who travels to a country other than the one in which he has a usual residence for a period not exceeding 12 months.
- **Cruise Passenger** – He is a visitor who arrives in the country aboard cruise ships and who does not spend a night in an accommodation establishment in the country.

The broad class of travelers categorized as migrants, both international and domestic, is also commonly excluded from tourism or travel research. They are excluded on the grounds that their movement is not temporary, although they use the same facilities as other travelers, albeit in one direction, and frequently require temporary accommodation on reaching their destination. The real significance of migration to travel and tourism, however, is not in the one-way trip in itself, but in the long-run implications of a transplanted demand for travel and the creation of new travel destinations for separated friends and relatives.

World Tourism Organisation Classification of Travellers

Notes:

- (1) *Visitors who spend at least one night in the country visited.*
- (2) *Foreign air or ship crews docked or in lay over and who use the accommodation establishments of the country visited.*

- (3) *Visitors who do not spend at least one night in the country visited although they may visit the country during one day or more and return to their ship or train to sleep.*
- (4) *Normally included in excursionists. Separate classification of these visitors is nevertheless recommended.*
- (5) *Visitors who come and leave the same day.*
- (6) *Crews who are not residents of the country visited and who stay in the country for the day.*
- (7) *When they travel from their country of origin to the duty station and vice-versa (including household servants and dependants accompanying or joining them).*
- (8) *Who do not leave the transit area of the airport or the port. In certain countries, transit may involve a stay of one day or more. In this case, they should be included in the visitor statistics.*
- (9) *Main purposes of visit as defined by the Rome Conference (1963).*

Other groups of travellers are commonly excluded from travel and tourism studies because their travel is not affected by travel promotion, although they tend to compete for the same types of facilities and services. Students and temporary workers traveling purely for reasons of education or temporary employment are two leading examples. Another frequently excluded group consists of crews, although they can be regarded as special subsets of tourists and excursionist.

Check Your Progress-IV

1. Ms. Mina, a resident of Delhi takes a flight for America and the flight has a stopover of 36 hours in Singapore. Is she a tourist in Singapore?

4.9 Differences between Travel and Tourism

Though the words Travel and Tourism are synonymous and used interchangeably but Tourism is a wider concept and encompasses a lot more than travel alone. Travel implies journeys undertaken from one place to another for any purpose including journeys to work and as a part of employment, as a part of leisure and to take up residence; whereas Tourism includes the journey to a destination and also the stay at a destination outside one's usual place of residence and the activities undertaken for leisure and recreation. All tourism includes some travel, but not all travel is tourism. A person may often travel for a wide variety of purposes of which tourism is only one. However if properly handled, a part of the travel for non tourism purposes can be motivated into travel for tourism as an additional purpose. For example a person on a journey as a part of employment to a place with one or more tourist attractions like a spot of scenic beauty or historical significance, a pilgrimage, a lake, etc. can be induced to spare some time and money for a short visit and or stay for tourism purposes alone. In this sense every traveler is a 'potential' tourist and is upto the mangers of the industry to tap this 'potential ' and convert the traveler into an 'actual' tourist.

Check Your Progress-V

1. When gypsies go from one destination to another, is that covered under travel or tourism?

2. If Mr. Ravi, working in a software company in Delhi, is transferred to Bangalore would it be covered under travel or tourism?

3. If Mr. Ravi, who is transferred to Bangalore from Delhi, decides to go for a weekend to Mysore would it be travel or tourism?

4.10 Summary

In this lesson we have seen how travel and tourism has changed over time and acquired new dimensions with the development of various facilities and infrastructure. The rapid growth in the movement of people, both domestically and internationally, has brought about an industry of vast proportions and diversity. Also, it is universal-found in all countries of the world, but in greatly varied qualities and proportions.

The economic importance and future prospects are also worthy of careful study. These considerations lead to the ways in which the study of tourism can be under taken. There are a number of basic approaches to the study of tourism, and in this book we include all of them in the various chapters. By the time you complete the block you will know a great deal about the social and economic implications of tourism, and you will have developed a keen interest in our world and fascinating panorama of places, peoples, cultures, beauty, and learning that travel provides in such abundance.

4.11 Glossary

Recreation – The action and activities of people engaging in constructive and personally pleasurable use of leisure time. Recreation may include passive or active participation in individual or group sports, cultural functions, natural and Human history appreciation, non formal education, pleasure travel, sightseeing and entertainment

Tangible-something that you can touch and see.

Intangible-something that your can only feel.

Perspective- outlook.

4.12 Self Assessment Exercise

1. Identify and describe four perspectives contained in the definition of tourism, in terms of your home community.
2. Why do bodies such as the United States need specific tourism definitions? Why does a state or country need them? A county? A city?
3. What approach to tourism study does this course take? Which approach interests your most?

4. Have travel patterns changed a great deal in the past 20 years? What elements have not changed?
5. Why are geographers, sociologists, anthropologists, and economists interested in tourism?
6. What is the definition Tourism?
7. Who all are included in the definition of a tourist as per WTO?
8. What is the difference between:
 - Travel and Tourism
 - Domestic and International Tourist.
 - A Tourist and an Excursionist.

4.13 Further Readings

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UNIT 5 TYPES AND FORMS OF TOURISM

Structure

- 5.0 Objectives
- 5.1 Introduction
- 5.2 Mass Tourism
- 5.3 Emerging Forms of Tourism or Alternate Tourism
 - 5.3.1 Sustainable Tourism
 - 5.3.2 Medical Tourism and Health Tourism
 - 5.3.3 Volunteer Tourism
 - 5.3.4 MICE tourism
 - 5.3.5 Theme park tourism
- 5.4 Alternative Tourism – A New Approach for Tourism Promotion
- 5.5 Summary
- 5.6 Self assessment Questions
- 5.7 Sources and Further Readings

5.0 Objectives

This unit aims at to understand and know the various Alternative Tourism or Emerging forms and how this can be helpful in tourism promotion. After going through this unit you will be able to

- Analyze tourism as a developmental strategy
- Differentiate between mass tourism and alternate tourism
- What is mass tourism
- What is alternative tourism
- What are various emerging tourism forms
- How these alternative forms can be helpful in tourism promotion

This unit has the purpose of understanding what 'Forms of Tourism' . To understand this concept we should explore what tourism is and begin classifying in some way the diverse types of tourism. The diverse tourism types are created from the experiences that tourists want to experience; such are the cases of the nature tourism, cultural tourism, adventure tourism, among others. Each type of tourism is a way to give a denomination to a new market niche for a different experience. Such is the case of the two big types of tourism: Mass Tourism, and Alternative Tourism.

In order to understand the emerging trends in tourism industry we have to understand first of all what is mass tourism and why this is being replace by alternate tourism or so called as emerging trends.

5.1 Introduction

Tourism is probably as old as that of mankind. However, as an organized, regular and multidimensional business activity it qualified for the status of an industry in the post second world war period. Since then it has grown to be an industry of worldwide importance and one of the most important sector and the largest commodity in international trade in number of countries. For too long, tourism has been regarded as unworthy of serious consideration or analysis, and as providing only 'candy floss' jobs. However, over the years, the tourism phenomenon has attracted almost the entire world and has become a painless procedure for transfer of real resources from industrially capital surplus developed countries to low income developing countries and vice versa. It is a very important source for maximizing scarce foreign exchange either positively or negatively to the balance of payments. It has become a "major employer, taxpayer, and physical and political presence in many jurisdictions."

5.2 Mass Tourism

Mass tourism is a concept that is very commonly and lavishly used. But what does it mean exactly? The basic elements of mass tourism are:

- Participation of large number of people
- Mainly collective organization of travelling
- Collective accommodation
- Conscious integration of holiday maker in a travelling group.

Mass tourism refers to the participation of large numbers of people in tourism, a general characteristic of developed countries in the twentieth century. In this sense the term is used in contrast to the limited participation of people in some specialist forms of tourist activity, such as yachting, or in contrast to the situation in developing countries or in countries with extreme inequalities of income and wealth or indeed, to the limited extent of tourist activity everywhere until a few decades ago. Mass tourism is essentially a quantitative notion, based on the proportion of the population participating in tourism or on the volume of tourist activity.

- ❖ The participation of large numbers of people in tourism, whatever the tourist activity may be;
- ❖ The holiday is mainly standardized; rigidly packaged and inflexible.

The driving forces behind mass tourism are said to be the desire to get away from everyday life and the search for the four Ss: 'sun, sea, sand and sex' or 'sun, ski, snow and sex'.

Mass tourism is responsible for the unprecedented growth of tourism industry in modern days. One cannot just deny the economic benefits generated by tourism in the form of income generation by tourist expenditure, employment creation, foreign exchange earnings, tax receipts, social benefits, tourism multiplier, transaction multiplier and many more. Notwithstanding the good effects of tourism in economy, art and architecture and society one cannot overlook the adverse consequences of mass tourism.

5.3 Emerging Forms of Tourism or Alternate Tourism

The various emerging tourism forms can be explained as follows:

5.3.1 Sustainable Tourism

The World Commission on Environment and Development (The Brundtland Commission) brought the term 'sustainable tourism development' into common use in its seminal report (1987) called "Our common future".

"Sustainable Development is the development that meets the needs of the present with out compromising the ability of future generations to meet their own needs."

The definition within it two concepts

- The concept of 'needs', especially the needs of the poor.
- Ability to meet the present and the future needs.

"Basically, when we talk of sustainable development, the easiest definition is what we, the present generation, have inherited a certain amount of ecology and environment surrounding in terms of land, water and air; when we leave it to the next generation, we should leave it a least in the same condition, if not in a better condition than what we inherited. This is the sum and substance of sustainable development, putting it in elementary terms."

Sustainable Tourism: Basis, Definition and Principles

In order to ensure destinations benefit from tourism and do not suffer the negative impacts identified, this section introduces the concept of sustainable tourism and presents principles that may be used to guide the overall planning and development process.

The Basis of Sustainable Tourism

Over the past two decades, the inter-relatedness of all earth and human systems has become abundantly clear. It is understood that no human action ever occurs in total isolation from other natural systems. There is a growing awareness of the reality that humans are dependent on the limited and finite resources of the earth. This was very clearly identified at the World Summit on Sustainable Development.

Among the principles and imperatives that promote and enhance the vision of sustainable futures are the following:

- ❖ Prudent use of the earth's resources within the limit of the planet's carrying capacity.
- ❖ Devolution of top-down decision-making responsibilities to a broader range of the destination's stakeholders.

- ❖ The abatement of poverty and gender inequalities and respect for fundamental human rights.
- ❖ Enhancement of the quality of life through improved health care, shelter, nutrition and access to education and income-generating skills.
- ❖ Preservation of biodiversity and life support systems for all natural habitats.
- ❖ Preservation of indigenous knowledge and ways of living, and respect for the spiritual and cultural traditions of different peoples.

These principles have been discussed in a number of statements and declarations of the World Tourism Organization (WTO) including:

- ❖ Manila Declaration on World Tourism, 1980.
- ❖ Acapulco Documents on the Rights to Holidays, 1982.
- ❖ Tourism Bill of Rights and Tourism Code, Sofia, 1985.
- ❖ The Hague Declaration on Tourism, 1989.
- ❖ Lanzarote Charter for Sustainable Tourism, 1995 (jointly with UNEP, UNESCO, EU).
- ❖ Statement on the Prevention of Organized Sex Tourism, Cairo, 1995.
- ❖ Global Codes of Ethics for Tourism, 1999.
- ❖ Quebec Declaration on Ecotourism, 2002.

To fulfill these imperatives, governments and other societal agents are struggling to find an appropriate balance between different and sometimes apparently conflicting needs and value systems. Achieving sustainable tourism development requires that the private and public sector and the community cooperate as partners in working toward a sustainable society.

Individual tourism resource management decisions need to be made with the increased understanding of all these dimensions if the goal of sustainable futures is to be attained. Achieving sustainable futures requires the development of appropriate tourism on a continuum where growth decisions, development viewpoints and sustainability issues are balanced with the environment and economy.

Defining sustainable Tourism

The World Tourism Organization defines sustainable tourism in the following manner:

“Sustainable tourism development meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems.”

While tourism is welcomed almost universally for the benefits and opportunities it creates, there is a growing recognition of the need to see tourism in its environmental context, to acknowledge that tourism and the environment are interdependent, and to work to reinforce the positive relationship between tourism, the environment and poverty reduction.

Guidelines and Principles for sustainable Tourism

Many destinations are now pursuing strategies, which aim to ensure a sensitive approach when dealing with tourism. Many of these strategies are based on a formal expression of principles for sustainable tourism. A list of guidelines, techniques and principles is presented below that are important for national governments, destinations and organizations who wish to be guided by the ethics of sustainable and responsible tourism. These guidelines and principles include:

(a) Participation: Residents of a community must maintain control of tourism development by being involved in setting a community tourism vision, identifying the resources to be maintained and enhanced, and developing goals and strategies for tourism development and management. Residents must participate in the implementation of strategies and the operation of the tourism infrastructure, services and facilities.

(b) Stakeholder Involvement: Tourism initiatives should be developed with the help of broad-based community input. Participants could include local NGO groups and institutions, volunteer service groups, the poor, women, municipal governments and their economic development departments, tourism associations, visitor bureaus, town business associations, regional representatives of provincial tourism development and any other party which might be involved in or impacted by tourism.

(c) Local Ownership: Tourism development must provide quality employment for community residents. The provision of fulfilling jobs has to be seen as an integral part of any tourism development at the local level. Part of the process of ensuring quality employment is to ensure, as much as possible, the tourism infrastructure (hotels, restaurants, shops, etc.) is developed and managed by local people. Experience has demonstrated that the provision of education and training for local residents and access of financing for local business and entrepreneurs are central to this type of policy.

(d) Establishing Local Business Linkages: Linkages must be established among local businesses in the tourism industry in order to ensure tourism expenditures stay within the destination rather than leak out to purchase imported goods and services for tourists. Local involvement in tourism facilitates the development of linkages among the service and goods providers within the tourism destination.

(e) Sustainability of the Resource Base: Sustainable tourism development has to provide for intergenerational equity. Equitable distribution of costs and benefits of tourism development must take place among present and future generations. To be fair to future generations of tourists and the travel industry, society should strive to leave a resource base no less than the one inherited. Sustainable tourism development must, therefore, avoid resource allocation actions that are irreversible.

(f) Community Goals: Harmony is required between the needs of a visitor, the place and the community. This is facilitated by broad community support with

a proper balance between economic, social, cultural and human objectives, and recognition of the importance of cooperation between government, host communities, the tourism industry and non-profit organizations involved in community development and environmental protection.

(g) Cooperation: Cooperation between local attractions, businesses and tourism operators is essential given that one business or operation can be directly affected by the performance or quality of another. Models of partnerships must be explored in the areas of planning, management, marketing and funding for tourism ventures.

(h) Carrying Capacity: There is a definite need for the impact assessment of tourism development proposals to distinguish between plans, which encourage mass versus quality tourism. The capacity of sites must be considered, including physical, natural, social and cultural limits. Development should be compatible with local and environmental limits, and operations should be evaluated regularly and adjusted as required.

(i) Monitoring and Evaluating: Guidelines have to be established for tourism operations, including requirements for impact assessment. There should be codes of practice established for tourism at the national, regional and local levels. There is also a need to develop indicators and threshold limits for measuring the impacts and success of local tourism ventures. Protection and monitoring strategies are essential if communities are to protect the very resources that form the basis of their tourism product to protect the environment (the tourism resource base) on which it depends.

(j) Accountability: The management and use of public goods such as water, air and common lands should ensure accountability on behalf of users to ensure these resources are not abused.

(k) Training: Sustainable tourism development requires the establishment of education and training programmes to improve public understanding and enhance business, vocational and professional skills especially for the poor and women. Training should include courses in tourism, hotel management, creation and operation of small businesses and other relevant topics.

(l) Positioning: Sustainable tourism development involves promoting appropriate uses and activities to reduce poverty and draw from and reinforce landscape character, sense of place, community identity and site opportunities. These activities and uses should aim to provide a quality tourism experience that satisfies visitors while adhering to other principles of sustainable tourism.

5.3.2 Medical Tourism and Health Tourism

The very concept of health tourism is quite an old one, but it's just that now the concept has been promoted as a full fledged tourism product. Earlier it used to be only a part of the whole travel experience. This is good news for the hospitality industry since an affluent population that is determined to stay well and stress free is an expanding and profitable market for those who are conscious to stay healthy.

There is no single accepted definition for health tourism, but a simple description comes from Mary Tabachi of Cornell University's School of Hotel Administration. According to her,

“Health Tourism is any kind of travel to make yourself, or a member of your family, healthier”.

Most health tourism today focuses on two areas:

- 1) Pampering and
- 2) Wellness

Pampering involves offering people an experience that makes them feel good-services such as massages, herbal wraps and exfoliating scrubs. Wellness involves helping healthy people prevent problems so they stay well, both physically and mentally. Sometimes this means offering diagnostic testing to identify potential problems. More often, guests who have self-identified concerns are taught how to relieve stress, change eating habits, reduce the likelihood of sports injuries or improve their sex lives.

Health Tourism has a promising future in the land of *Ayurveda* where the first plastic surgery was performed by Sushruta about 2000 years ago. Kerala is a heaven for health seekers as it offers authentic ayurvedic treatments. Infact, it has pioneered health and medical tourism in India. The state has made concerted efforts to promote it in a big way, which has resulted in a substantial increase in visitor arrivals into the state. Kerala and ayurveda have virtually become synonymous with each other. The bias towards health tourism in Kerala is so strong that Kerala Ayurveda centres have been established at multiple locations in various metro cities. Kerala participates in various trade shows and expos wherein the advantages of this traditional form of medicine are showcased. The states equable climate, natural abundance of herbs and medicinal plants, and the cool monsoon season are best suited for ayurveda's curative and restorative packages. On the world level, Thailand is famous for spa treatments. Another facet of Health Tourism in India is the popularization of Yoga the world over. Yoga has gained all the more importance because of exponents like Swami Ramdev and B.K.S. Iyengar. One can practice Yoga for all sorts of seasons:

- 1) To remain fit
- 2) to stay healthy/ recover your health
- 3) To balance nervous system
- 4) To calm your busy mind
- 5) To live in a meaningful way

It is believed that Yoga helps one in finding the very source of happiness, beyond pleasure and pain. It leads to 'self-realization' and seeks to recover one's full potential.

This highlighted importance of Yoga, which has also been recognized and accepted by international celebrities like Halle Berry, Prince Charles and others, is a matter of pride for the Indians. Every year in the month of March,

International Yoga Festival is held on the banks of River Ganga at Rishikesh which attracts people from far and wide. Infact, Rishikesh is called the 'Yoga Capital' of the world as it attracts those who are in search of mental peace in the midst of humdrum of modern life. There are many ashrams in Rishikesh offering courses on meditation, Yoga and Hindu philosophy. Another luxury resort in the Himalayas is the Ananda Spa, which lists in the top 5 spas of the world.

Although health and medical tourism are used interchangeably many a times, but there is a marked difference between the two medical tourism essentially deals with the surgical part of curing. Talking particularly about India, it has come a long way as the facilities in India are of international standards at a much cheaper rate, which is encouraging patients from neighboring countries, Middle East, UK and even USA for specialized treatments. India's healthcare industry is worth \$23 billion (4% of GDP). The industry is expected to grow by around 13% per year for the next four years.

A cost of medical procedures seems out of control in the west, patients are becoming medical tourists to India. Surgeries in India cost one-fifth of what they cost in USA. Given the availability of top of the live facilities related to hospital and diagnostic, this has become a virtual growth sector. According to CII, India has a potential of attracting 1 million health tourists per annum, which could contribute \$ 5 billion to the economy. Recently enacted fiscal and non-fiscal incentives by the government are set to further stimulate development of health sector.

The various surgeries offered by multi-specialty hospitals in India are :

- 1) Bone Marrow transplant
- 2) Cosmetic surgery
- 3) Gynecology and obstetrics
- 4) Joint replacement surgery
- 5) Neurosurgery
- 6) Osteoporosis
- 7) Refractive surgery
- 8) Vascular surgery
- 9) Cardiac care



Due to considerable difference in cost of treatments, some clinics such as Kaya skin clinic have seen a 200% increase in overseas clients in the east six months (cosmetic surgery). Not far behind is the concept of Dento Tourism Increasing number of tourist are curing their teeth while touring India. Here, the focus is mainly on 45-60 age group, because it is at this age that dental problems begin and the patients also have enough savings to spend on travel and leisure as well.

5.3.3 Volunteer Tourism

Volunteer tourist, using the most widely used definition is someone, who for various reasons, volunteer in an organized way to undertake holidays that

might involve the aiding or alleviating the material poverty of some groups in society, the restoration of certain environments, or research into aspects of society or environment. Quite often, volunteer tourism is considered as one of the most noble way to tour and as a form of tourism, which most likely will follow the strict standards of sustainability and will even be catalyst of peace. When sustainability of tourism is concerned, there are not any official rules to be followed. Nevertheless, all the dimensions of sustainability, socio-cultural, ecological and economical being the most important ones, can be found from the example of volunteer tourism.

According to Brown – Morrison, emergence of volunteer tourism is the result of increased recognition of the negative impacts of mass tourism. This is quite common way to explain the rise of so called *alternative* tourism, to which group also volunteer tourism has been linked.

Volunteer tourism surely belongs to the group of the new, alternative forms of tourism. Nevertheless it is possible to find some characteristic, which to some extent keep volunteer tourism apart from the other members of the group, which include for example adventure tourism, eco tourism and extreme tourism. By its motivators, volunteer tourism differs from many other newer forms of tourism. These motives are obviously linked to factors pushing tourists to make a tour, which includes volunteering. These consist on *internal* factors, which are derived from person's values and history and somehow echo the person's self-identity. Nevertheless, like tourism in general, also volunteer tourism can be motivated by *external* pull factors. Host community may for example find solutions to their shortage of workforce from foreign tourism and this might lead to situation where tourists are actually treated as inexpensive workers rather than tourists.

In general, the idea of volunteering lies in the direct interactive experience between hosts and guests. This process should lead to value change and should also make influence on the lifestyles of both sides. This interaction is mutual and although the discussion on volunteer tourism usually concentrates on tourists who volunteer while travelling, it must not be forgotten that there are a huge number of people in the host destinations who voluntarily work for tourism and just like volunteer tourists, share a combination of altruistic and leisure related motives.

5.3.4 MICE TOURISM

MICE = Meetings, Incentives, Conferences, and Exhibitions.

The acronym MICE is applied inconsistently with the “E” sometimes referring to Events and the “C” sometimes referring to Conventions. MICE is used to refer to a particular type of tourism in which large groups planned usually well in advance are brought together for some particular purpose.

Most components of MICE are well understood, perhaps with the exception of Incentives. Incentive tourism is usually undertaken as a type of employee reward by a company or institution for targets met or exceeded, or a job well done.

Unlike the other types of MICE tourism, Incentive tourism is usually conducted purely for entertainment, rather than professional or educational purposes.

MICE tourism usually consists of a well planned agenda centered around a particular theme, such as a hobby, a profession, or an educational topic. MICE tourism is a specialized area with its own trade shows and practices. MICE events are normally bid on by specialized “convention” bureaus located in particular countries and cities and established for the purpose of bidding on MICE activities. This process of marketing and bidding is normally conducted well in advance of the actual event, often several years. MICE tourism is known for its flawless planning and demanding clientele.

The MICE segment has emerged as a substantially high component of growth in inbound tourism. Most countries constantly endeavour to attract MICE clientele through bids for various International Conventions/Conferences/Seminars and the like.

The international organizations/societies keep on organizing their regular conferences and conventions in different destinations in the world. In order to give a boost to the MICE tourism, the Govt. of India has decided to extend the benefits under Market Development Assistance (MDA) Scheme, administered by the Ministry of Tourism, to ‘Active Members’ of India Convention Promotion Bureau (ICPB) towards bidding for International Conferences/Conventions, thereby bringing more MICE business to the country.

5.3.5 Theme Park Tourism

Theme parks are settings in which all of the entertainments and facilities are designed around a particular subject or idea. To give them a tourist appeal these settings are given shape of an amusement park. The biggest theme/amusement park of world is Disney World Orlando (Florida USA), which attracts more than 40 million visitors annually. In the 1950s and 1960s Walt Disney Productions, Ltd., was one of the major producers of films for theaters and television. As the scope of his enterprises expanded, Disney retained as much artistic control as possible. The company was involved in the publication of books for children and the syndication of comic strips, most of them featuring such characters as Donald Duck and Pluto, the dog. In 1955 Walt Disney Productions, Ltd., opened a huge amusement park called Disneyland in Anaheim, California. Featuring historical reconstructions, displays, and rides, it became a famous tourist attraction. Disney World opened near Orlando, Florida, in 1971.

The Lost World: Jurassic Park Part II, motion picture about an island populated with real dinosaurs. Released in 1997, this science-fiction adventure is the sequel to the box-office hit Jurassic Park (1993), in which a mad scientist built a dinosaur theme park on a remote island. Although those dinosaurs were destroyed, there are some left on another island. Dr. Sarah Harding (played by Julianne Moore) and Dr. Ian Malcolm (Jeff Goldblum) travel to the island to observe the dinosaurs and try to prevent Roland Tembo (Pete Postlethwaite) from rounding the beasts up and taking them to a theme park in the United States. The weather turns bad, the dinosaurs become violent, and one of the angry beasts makes his way to Los Angeles, California.

5.4 Alternative Tourism – A New Approach for Tourism Promotion

Alternative tourism forms have caused a change in the tourism industry and have made tourism a more responsible tourism. The travel has now changed from established tourism destinations to unexplored travel destinations. The attitude of tourism industry has changed a lot. Earlier countries were concerned with number of visitors but now they are thinking of economic and social benefits of tourism. Due to alternative tourism, tourism industry has taken shape of all weather tourism. Tourist has also changed a lot. He is now a value conscious traveller, who is travelling for self improvement through vivid experiences.

Due to alternative tourism forms targeted customers are considered as data base rather than socio-economic groups. The place of one way communication has been taken by relationships through customer management techniques. With the promotion of alternative tourism the conventional ways of looking consumer behaviours are becoming outdated.

The alternative tourism can be seen as a new marketing technique to attract tourists, who belong to responsible class and are more focused in getting experiences. Thus it can be said that alternative tourism can be termed as a new approach in tourism promotion because of its benefits to local community, more and more diversification of tourism, dispersal of tourism from traditional places, and making tourism an all weather deal.

5.5 Summary

Tourism today is a major industry impacting a lot of small and medium businesses. It has many participants and players. It has some unique characteristics and throws challenges to all governments, due to its snowballing impact on the whole economy.

There is no doubt that tourism directly and indirectly influences national, regional and local economies. As you have read in the preceding lesson, tourism development has various potentially beneficial economic impacts that may positively influence the process of economic development in the destination country. The traditional forms of tourism were not apt at satisfying the varied and diverse motivations that people have behind traveling. However, earlier, the people used to settle for the traditional 'sun, sand and sea' as they had little information about the unexplored opportunities and even the tour operations activities was not very organized. But with the advent of information Technology in virtually every field of our life and increased awareness level of the prospective travellers, the diversification of tourism is the answer to customers needs. These diversified forms are a step further in maximizing the travel experience of a tourist. Moreover it is said 'Change is the spice of life'.

Traditional mass tourism is not considered as more beneficial for local community whereas alternative tourism is termed as beneficial. Further it can act as a newer marketing concept, where opportunities for local community are present.

5.6 Self Assessment Questions

1. Discuss the characteristics of the tourism industry.
2. What do understand by mass tourism? Explain by taking example of famous tourist destination.
3. What are the various emerging trends in tourism industry?
4. Discuss the concept of Alternative Tourism.
5. Highlight some important alternative tourism forms, which are popular in India.
6. How alternative tourism can act as a new approach for tourism promotion?
7. Identify some alternative forms of tourism that can be promoted in India

5.7 Sources And Further Readings

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UNIT 6 FACTORS AFFECTING GROWTH OF TOURISM

Structure

- 6.0 Objectives
 - 6.1 Introduction
 - 6.2 Development of Tourism
 - 6.3 Traditional Tourism Resources
 - 6.4 Non Traditional Resources
 - 6.5 Paradigm Shift in Tourism Industry
 - 6.6 Factors for Diversification of Tourism Industry
 - 6.7 Summary
-

6.0 Objectives

After reading this unit, you will be able to:

- discuss the traditional resources of tourism;
 - discuss the non traditional resources of tourism;
 - explain the paradigm shift in tourism industry; and
 - describe the factors responsible for the diversification of tourism resources.
-

6.1 Introduction

Tourism enters the new millennium with the prospect of continued expression and greater importance in the world economy, facing many challenges. The significance of tourism has been recognized in both developed and developing countries. There is a widespread optimism that tourism might be a powerful and beneficial agent of economic and social changes. Indeed, tourism has stimulated employment and investment, modified land use and economic structure, and made a positive contribution to the balance of payment in many countries throughout the world. Above all tourism is not only growing in numbers (From 25 million in 1950 to 842 million in 2006) rather there has been noticed a considerable growth in the dimension of tourism as well. Tourism has gradually moved from the traditional resources towards the non-traditional resources. 'Diversification' is the buzz word in Tourism in the present scenario. Tourists' attention is shifting from established destinations such as sea beaches to emerging destinations. Tourism has become a multiple activity focused with integration of shopping and recreation, entertainment and education, culture and business. New travel patterns reflect changes in consumer behaviour, economic strength of source markets, new destinations and political realignments. There is a new tourism 'wave' arising from developing Asian economies with less travel

constraints. The trend of short breaks is also increasing. There is also a trend toward high yield and extended vacations that are purpose driven by education, wellness or other forms of motivation. Leisure destinations are not providing a greater menu of activities to accommodate the increasingly wide range of interests desired by the individual consumer and the family. Destinations and products have become weather independent whereas the markets have also become less weather dependent.

If we go through the annals of human behaviour it seems that travel was one of the oldest human activities. It existed even before the recorded history, when the man was roaming in search of food and shelter during pre-historic period. From the very earliest historical period, travel has fascinated mankind in various ways. Much of travel in the beginning was largely unconscious and rather a simple affair. Travel in the distant past was not a thing of pleasure as is the case now. The travellers of the ancient period were merchants, pilgrims, scholars who went across the world out curiosity exploration and exciting experiences. Trade and commerce was however sole motivating factor in the ancient past, which made people travel to distant lands in order to seek fortunes. Travel got a big boost with the opening of the trade routes as the travellers from distant lands started moving about in large numbers and visited many places for the business purposes. Thus opening of new trade routes provided market places to merchants and these trade relations matured into cultural relations and better understanding of each other's way of life. Various arts, culture and customs exchanged and science, technology, religious faiths also experienced influence of each other.

6.2 Development of Tourism

The importance of tourism industry can well understand as it promotes national integration, builds better international understanding besides generating a vast employment opportunities. The economy of many countries like Singapore, Thailand and France etc. is solely based on tourism. One of the major characteristics of modern society is the emergence of phenomenon of travel and tourism on mass scale. Almost all inventions and innovations in the world have in some way contributed to the increased ability of people to travel. Today, people talk of visiting capitals and exotic places around the world almost as an everyday happened stance. Our world has become a world where countries and communities are in contact with each other. Today, tourism is at its peak. It is more highly developed than it has even been.

People have always traveled, but with the periods creation of amenities and facilities on highway's. But before this people were concerned with the daily task of living; their idea of a trip was to their neighbor's farm, or to the local town market. The transition from a rural society to an industrial one brought with it the tourism phenomenon. In fact, one characteristic of industrial and post-industrial society is the onset of leisure time associated with travel.

The first major change in modern history came with the Industrial Revolution. Modern machines and techniques brought people into the cities. As we moved to an urban society, changes in religious organizations and in rural kinship system

led to the formation of recreational groups. Leisure pursuits became a new aspect of our society. There was a change from the concept that “the idle mind is the devil’s workshop” to the realization that leisure is a human right if not a God-given one.

The use of computers in recent years has resulted in what we may call a second industrial revolution. Computers have not only increased our ability to work quickly and produce more, they have given us even more leisure time and better incomes with which to pursue other interests. Although attitudes towards our work ethic and our free time are changing, most people still feel that they must work hard and play hard; that their leisure pursuits, which may be healthy and restful, should also keep them busy

6.3 Traditional Tourism Resources

Let us now have a look at the traditional resources that were mainly responsible for tourist movement in the past. These resources can be headed as:

Religious Religious tourism is as old as “human civilization” is. It was during the Buddhism era when people started travelling to the places, which were related to the life span of Gautam Buddha. The travel of people to Monasteries and education centres like Nalanda University give shape to religious tourism. Religious tourism has a different mode, each community, ethnic group at the ground level different form each other. They have their own way of worship and rituals.

Religious activities are undertaken by pilgrims of different faiths and beliefs including Hindus, Muslims, Christians, Sikhs, Buddhists, Jains, and Jews. They visited quite a large number of religious places in search of solace, salvation and renunciation. Some of the places which were familiar among pilgrims of Hindu and Buddhists become the notable centers of mass visitors of modern India.



Pleasure and holiday

The Romans probably were the first pleasure travellers in the world. Travel became quite sophisticated by the time Christ was born. There are reasons to believe that pleasure travel also developed at the same time in China, India and Japan. The Romans used to travel up a hundred miles a day by using relays of horses, taken from rest posts five to six miles apart. They traveled to see the temples in the Mediterranean area and the Pyramids of Egypt. They also journeyed to medicinal baths, called “spas”, and seaside resorts. The Roman Empire had an excellent network of roads. Plutarch spoke of “globe trotters, who spent the best part of their lives in inns and boats.” Persons of means traveled in little (littiga) four-wheeled wagons or chariots. Others used carts or public coaches. Some Roman cargo ships carried a few passengers. Private vessels could be marvelously luxurious. The vessel that carried the beautiful queen Cleopatra to meet Mark Antony reportedly had billowing scarlet silk sails, silver

tipped oars, decks draped with royal purple cloth. Holiday tourism was also on cards during ancient times but this was given a new shape in nineteenth century by Thomas Cook when he introduced the concept of ‘Organized Tour’.

Visiting friends and relatives

This was one of the older concepts of tourism, in which people visit from one place to other, to meet their friends and relatives, reasons may be to attend some special ceremonies etc.

Sun, sand and sea

Travel in the past was mainly dependent on going to beach or seaside resorts or hill stations. Such resorts provided rest and relaxation to tourist from the daily chores of life. Such resorts also provided entertainment and recreational facilities like health clubs, carious, other sport, games for children etc. Hence, they combined different activities at one place for providing a wholesome time to families.



Aboriginal sites

People in the past used to visit places especially concerned with their origin.

Quest to visit learning centre

In ancient and medieval period people used to take trips to famous learning centres like Ashrams, institutions and centers disseminating knowledge and information for the betterment of human being.

Check Your Progress – I

Answer the following question:

1. List out some the traditional tourism resources in India.

Check your answer with the one given at the end of the unit.

6.4 Non Traditional Resources

However, with the passage of time, a paradigm shift has been noticed from traditional to non-traditional tourism resources resulting in diversification of the tourism products. During the past decade, particularly in the new millennium, a number of dimensions have been added to the tourism product.

1. Alternative forms of tourism:
 - Medical Tourism
 - Health tourism
 - Ecotourism
 - Ethnic Tourism
 - Rural/Farm/ Village Tourism
 - Golf Tourism
 - Theme Parks Tourism
 - Spiritual Tourism
 - Adventure Tourism
 - Camping Tourism
2. Business and MICE



Check Your Progress – II

Answer the following question:

1. Highlight some of non traditional tourism forms preferred by tourist traffic.

Check your answer with the one given at the end of the unit.

6.5 Paradigm Shift in Tourism Industry

The following are major factors for paradigm shift in tourism industry:

Diversification in Travel Pattern: There is evident change in old and modern travel pattern. Earlier there was flow of tourists from east to west, now it is North-South flow. People now taking trips to within their region, which lead to end in the Atlantic dominance. This paradigm shift suggests the Asia-Pacific dominance. There is also a shift in duration of tour from long tour to short stay; reasons may be lack of time and development in transportation facilities. Now travel is considered as a free trade.

Diversification in Destinations: The travel has now changed from established tourism destinations to unexplored travel destinations. Emergence of China, African countries and India in global tourism map are the best examples of this shift in destination choice.



Diversification in Industry Nature: The nature of tourism industry has changed a lot. Earlier countries were concerned with number of visitors but now they are thinking of economic and social benefits of tourism. Earlier there was a lot of competition among countries but now they are opting for intelligent cooperation. Product was the major dominating factor in old tourism, which is now based on customer orientation.

Diversification in Products: Earlier travel was limited to natural environment and people were interested in single activity and biggest constraint on tourism was seasonality. Now the product has changed to artificial environment and people are opting for multiple activity based tours. Modern tourism is now has taken shape of all seasons tourism.

Diversification in Developer Control: The developers control over tourism has also changed with time. There was the time of political lobbying, which now changed to approvals via referendum. These days' developers are giving more importance to jobs and small businesses rather than just going for more and more economic impacts of tourism. We have changed our focus from environment protection to environment improvement. Earlier tourist arrival was considered as cultural intrusion, where as it is now considered as a major force for heritage protection.

New Concern of Promoters: Present concern is now on developing franchise opportunities, meeting investors' needs through economic simulation. Tourism is now on top priority list of states' budget and other related stakeholders.

Change in Consumer Attitude: Tourist has also changed a lot. He is now a value conscious traveller, who is traveling for self improvement through vivid experiences.

Shift in observing technologies: The observing technologies have also changed from simple print media to interactive media and maps has been replaced by GIS and GPS technology.

Pragmatic Marketing Style: This is one of the best thing happened to tourism. Now targeted customers are considered as data base rather than socio-economic groups. The place of one way communication has been taken by relationships through customer management techniques.

Check Your Progress - III

Answer the following question:

1. Explain the paradigm shift in tourism industry

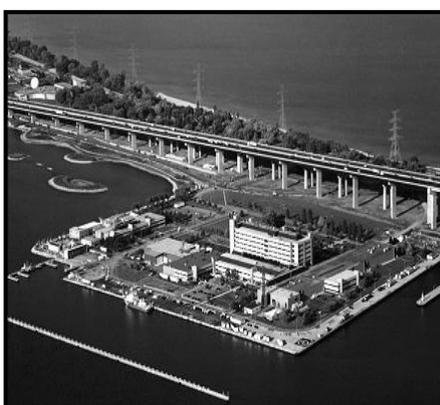
Check your answer with the one given at the end of the unit.

6.6 Factors for Diversification of Tourism Industry

The major factors for tourism industry expansion can be listed as:

- Increased urbanization
- Desire to escape from daily routine
- Growth of information and technology
- Growth of transport facility leading to greater mobility and accessibility
- Increased disposable incomes
- Change in age-wise composition of tourist with the dominance of 18-50 age groups.
- Change in family set-up like late marriages, Prevalence of DINKs (Double Income No Kids), and emergence of nuclear families etc.

It would not be wrong to say that, the above listed factors and the diversification process of tourism are complementary to each other. On one hand, the demand for newer forms of tourism arise because of the above factors and readiness of people to experiment and on the other hand, the initiators, (developers) want to offer something unique and novel to the prospective travellers. Therefore, in the present scenario, a prospective traveller has a variety of options for fun and recreation.



6.7 Summary

Travel has existed since the beginning of time when primitive man set out, often traversing great distances, in search of food and shelter which provided him cloths, food and other necessary help for his survival. Throughout the course of history, people have traveled for purposes of trade, religious conviction, economic gain, war, migration and other equally compelling motivations. In the Roman era, wealthy aristocrats and high government officials traveled for pleasure and recreation across Europe and Asia. Seaside resorts located at Pompeii and Herculaneum afforded citizens the opportunity to escape to their vacation villas in order to avoid the summer heat of Rome. Travel, except during the Dark Ages, has continued to grow, and throughout recorded history, has played a vital role in the development of civilizations.

Tourism as we know it today is distinctly a twentieth-century phenomenon. Historians suggest that the advent of mass tourism began in England during the industrial revolution with the rise of the middle class and relatively inexpensive transportation. The creation of the commercial airline industry following the Second World War and the subsequent development of the jet aircraft in the 1950s signaled the rapid growth and expansion of international travel. This growth led to the development of tourism industry. Today tourism became the concern of a number of countries since it generates not only provided new employment opportunities, but it also produces foreign exchange.

Tourism today has grown significantly in both economic and social front. The fastest growing economic sector of most industrialized countries over the past several years has been in the area of services. One of the largest segments of the service industry, although largely unrecognized as an entity in some of these countries, is travel and tourism. Changing life styles of the people and the opening up of the economy has contributed to the growth of tourism industry. With the advent of globalization travel barriers have been broken and there is flow of free trade. Tourists' attention is shifting from established destinations such as European countries to emerging destinations as Asia-Pacific countries. Tourism has become a multiple focused with integration of shopping and recreation, entertainment and education. New travel patterns reflect changes in consumer behaviour, economic strength of source markets, new destinations and political realignments. In modern tourism industry there is diversification from traditional tourism resources (Sun, sand, sea, religion, leisure, holiday etc.) to non traditional resources like alternative tourism forms and business tourism.

6.8 Answers to Check Your Progress

- I. Refer to section 6.4
- II. Refer to section 6.5
- III. Refer to section 6.6

Suggested Readings

- A.K. Bhatia – **Tourism Development – Principles and Practices**
- K.K Sharma – **Tourism and Development**
- P.C. Sinha – **Tourism Transport and Travel Management**
- William C. Gartner – **Tourism Development – Principles, Processes and Policies**

6.9 Review Questions

1. What do you understand by traditional tourism resources?
2. List out some areas of diversification in tourism industry?
3. Which are the factors that change the nature and business style of tourism.
4. What are the various non traditional tourism forms?
5. Identify some unexplored places in your vicinity, and how tourism can be developed at these places.

UNIT 7 RECREATIONS, LEISURE & TOURISM INTER-RELATIONSHIP

Structure

7.0 Objectives

7.1 Introduction

7.1.1 General Concepts of Tourism

7.2 Tourism: Definitions

7.2.1 Tourism Re-defined

7.2.2 Relationship between 'Leisure', 'Recreation', and 'Tourism'

7.3 Classification of Tourism

7.4 Elements of Tourism

7.5 Conceptual Discussions

7.6 Global Tourism Scenario

7.7 Future of Tourism Industry

7.8 Summary



7.0 Objectives

After reading this unit, you will be able to:

- explain the nature of tourism;
- discuss the elements, classification of tourism industry;
- discuss the relationship among tourism, recreation and leisure;
- describe the difference between travel and tourism; and
- explain the trends and prospect of tourism.

7.1 Introduction

Travel is one of the oldest activities. It existed even before the recorded history, when the man was roaming in search of food and shelter. From the very earliest historical period, travel has fascinated mankind in various ways. Much of travel in the beginning was largely unconscious and rather a simple affair. Travel in the distant past was not a thing of pleasure as is the case now. The travellers of the past were merchants, pilgrims, scholars in search of ancient texts and even a curious wayfarer looking forward to new and exciting experiences. Trade and commerce was however sole motivating factor in the ancient past, which made people travel to distant lands in order to seek fortunes. Travel got a big

boost with the opening of the trade routes as the travellers from distant lands started moving about in large numbers and visited many places for the business purposes. Thus opening of new trade routes provided market places to merchants and these trade relations matured into cultural relations and better understanding of each other's way of life. Various arts, culture and customs exchanged and science, technology, religious faith also experienced influence of each other.

Today we are living in an advanced economic era. The only country having a sound economic status can enjoy freedom by all ways. The concept of developed and developing nations is nothing but an economic criteria depending upon the living standards of these countries. To get financial sound status all countries are making their efforts, during sound financial position many countries have started nearly blind race of industrialization, which raised a big problem of environmental pollution. So the need of such industry felt which could earn maximum foreign exchanges being least pollutant. The quest ends with the promotion and development of tourism industry, which is the second largest industry of the world. The most significant characteristic of this industry is that it is least pollutant

for which it is also called "Smokeless Industry". The importance of this industry can well understand as it promotes national integration, builds better international understanding besides generating a vast employment opportunities. In fact, the whole economy of many countries like Singapore, Thailand and France etc. is solely based on tourism. One of the major characteristics of modern times is the



phenomenon of travel and tourism. Almost all inventions and innovations in the world have in some way contributed to the increased ability of people to travel. Today, people talk of visiting capitals and exotic places around the world almost as an everyday happenstance. It is seldom one goes to a party or social function without hearing people talking about far off places they have visited or intend to visit soon. Our world has become a world where countries and communities are in contact with each other. One major avenue through which this contact is made is tourism. Today, tourism is at its peak. It is more highly developed than it has even been.

People have always travelled, but in the first few thousand years of human history only a select few could do so. Most people were concerned with the daily task of living; their idea of a trip was to their neighbor's farm, or to the local town market. The transition from a rural society to an industrial one brought with it the tourism phenomenon. In fact, one characteristic of industrial and post-industrial society is the onset of leisure time associated with travel.

The first major change in modern history came with the Industrial Revolution. Modern machines and techniques brought people into the cities. As we moved to an urban society, changes in religious organizations and in rural kinship system led to the formation of recreational groups. Leisure pursuits became a new

aspect of our society. There was a change from the concept that “the idle mind is the devil’s workshop” to the realization that leisure is a human right if not a God-given one. Still, old habits die hard, and whether conscious or unconscious, many people still think of idleness as wrong.

The use of computers in recent years has resulted in what we may call a second industrial revolution. Computers have not only increased our ability to work quickly and produce more, they have given us even more leisure time and better incomes with which to pursue other interests. Although attitudes towards our work ethic and our free time are changing, most people still feel that they must work hard and play hard; that their leisure pursuits, which may be healthy and restful, should also keep them busy.

7.1.1 General Concepts of Tourism

Krippendorf explored the identification of leisure as one of the major influences of an industrial society. He indicated that man in an industrial society is concerned with three primary things: work, habitat, and leisure. The industrial society can be understood to have four subsystems that relate to these concerns: (1) its values, (2) its economy, (3) its government and (4) its environment or resources. In turn, each of these parts of society can be analysed further. Its values stress wealth and consumption. The economy can develop into super companies and a concentration of wealth. The environment can be treated as having either limited or infinite resources. Government’s policies have direct influence on the lives of its people. According to Krippendorf’s analysis, people travel so they can better endure their work and home life. Krippendorf documented a growing feeling among people that society is going through such profound changes that it will no longer be a society known for its work. He stated that the post-industrial society will be one that:

Should put the art and quality of life before the standard of living. Values such as freedom, participation, autonomy, and the desire for self-fulfillment are gaining priority in the hierarchy of needs. The professional careers, security, and salaries are losing importance. One begins to realize that man has an overabundance of money and possession, but that he does not have enough time. People are rediscovering the meaning of time. He concluded with the statement that, although the character of travel will change as society changes, tourism will contribute to the desire for a better life and help in building a better society.

The study of tourism has become very complex. To understand it better, there is a need to consider the various points of view held by many participants in the field including tourists, businesses, governments of tourist generating countries (subsequently referred to as tourist governments), host governments, and the host communities.

Tourists: Tourists have a set of need and wants that travel fulfils. These needs and wants depending upon the tourist’s time, money, cultural background, and social characteristics. The needs and characteristics of tourists help determine the destinations and activities chosen.

Business: The opportunity to provide services and products that meet the needs and desires of tourists, either to assist them in transportation or at the destination is a market function, referred to as the tourist industry. The tourist industry is divided into its components of transportation, accommodations, shopping, and activities. All these components, from a duty-free store in an international airport through festivals, super bowls, hotels, or rides in horse carriages are highly organized.

Tourist Governments: Economically and politically governments view tourism as a competitive export – money flows from their country or region to another. To some governments, particularly socialist nations, the flow of money is very important to their economy and stability, and must be carefully controlled.

Host Governments: Host governments enjoy the benefits of tourism – income, jobs, and tax revenues.

Host Communities: It is on the local community level that tourism has its greatest impact, both positive and negative. Tourists not only bring income, jobs, and cultural interaction, but they also bring environmental concerns.

While each of the five groups have differing complex viewpoints that require considerable effort to understand, their interaction increases the complexity of tourism, and together they make the world grow closer and more congenial.

The conceptual framework of tourism can be divided into 4 parts:

- Dynamic element
- Service element
- Functional element
- Consequential element

1. Dynamic Element – The Tourism Phenomenon: The tourism phenomenon is an extraordinary occurrence, which developed historically from an activity of the privileged few to a mass cultural lifestyle, accepted as a basic need of our modern world. It is characterized by constant change, producing personal, social, and physical benefits, that holds great promise for human growth and development in society.

2. Service Element – The Tourism System: The tourism system is an open-ended arrangement of components logically related or practically connected so as to enable people to use tourism resources. These components produce the results or opportunities that are a reflection of the characteristics and behaviour of tourists, otherwise called the demand component. On the other side is the supply component, which includes the destination environment and tourism services. Connecting these two components of tourism is the linking component, which includes promotion, transportation/ tour operations, distribution channels, and pricing strategies.

3. Functional Element – Tourism Management: Tourism management is the art of successfully accomplishing all the functions required fulfilling a goal, including, but not limited to, the major tasks required to operate and control the

tourism system that includes tourists, hosts, business concerns, nonprofit organizations, and governments.

4. Consequential Element – Tourism Impacts: The goal of the tourism system is to achieve outcomes that attain the best and most favorable balance of benefits and costs when all the tourism components are combined. Throughout the process the essential elements of hospitality needs to be preserved and maintained in a cultural authentic manner as possible. Hospitality is defined as the act, practice, or art of being friendly, kind, and socialites of guests, with appropriate concern for their health, comfort, security, and overall happiness. The exchange of cultural and human experience through tourism should be provided in the most harmonious manner, so that the needs of both the tourism and the host are met with equal care. When all involved in the tourism phenomenon “think globally and act locally in a responsible manner,” this optimum goal is achieved.

7.2 Tourism: Definitions

A variety of definitions exist for what we call tourism. Thus, it is important to know exactly what we are talking about when we say “tourism” for several reasons. The development of attractions and facilities required increasingly large amounts of money. A decision to build or not build depends upon numbers of potential users. Is there a large enough market to support such a project, be it a hotel, restaurant, or theme park? If we can arrive at a common definition of tourism, travel, and tourist then we are better able to use the number of data to determine whether or not to build, where to advertise, which destinations are growing or fading. In short, our business decisions will be better if they are made with a full understanding of what exactly we are talking about.

Tourism is not just one industry, although tourism gives rise to a variety of industries. Tourism is an activity engaged in by people who travel.

International Tourist

1. League of Nations: It is generally agreed that definitions of a tourist are unsatisfactory. According to the League of Nations in 1937, a “foreign tourist” is ‘any person visiting a country, other than that in which he usually resides for a period of at least 24 hours’.

The following individuals are considered tourists: persons travelling for pleasure, for family reasons, for health, etc.; persons travelling for meetings, or in representative capacity of any kind (scientific, administrative, diplomatic, religious, athletic, etc); persons travelling for business reasons; persons arriving in the course of a sea cruise, even when they stay less than 24 hours (the latter should be regarded as a separate group, disregarding if necessary their usual place of residence).

The following individuals are not regarded as tourists: persons arriving, with or without a contract of work, to take up an occupation or engage in any business activity within that country; other persons arriving to establish a residence in that country; students and other persons in boarding establishments or schools; residents in a foreign zone and persons domiciled in one country and working in an adjoining country; travelers passing through a country without stopping, even if the journey takes more than 24 hours.

The definition of 'foreign tourist' was largely one of time-staying in the country for more than 24 hours. Exceptions were made for those on a sea cruise. The motivations for travel, to be included as a tourist, were rather liberal. As long as people were not arriving to take up work or not students they were called 'tourists' whether their purpose was business or pleasure.

2. IUOTO: In 1950 the International Union of Official Travel Organizations (IUOTO), which later became the World Tourism Organizations suggested two changes to the above definition. The organization recommended that 'students and young persons in boarding establishments or schools' be regarded as tourists. It also suggested that excursionists and transit travelers not be defined as tourists. The IUOTO believed that the term 'excursionist' should be given to someone traveling for pleasure in a country in which he or she normally does not reside a period of less than 24 hours as long as the person was not there to work. A "transit traveler" could actually be in the country longer than 24 hours. According to the IUOTO this term referred to "any person travelling a country even for a period of more than 24 hours, without stopping, or a person travelling a country during a period of less than 24 hours, provided that the stops made are of short duration and for other than tourism purposes.

3. United Nation's Rome Conference: In 1963 the United Nations Conference on International Travel and Tourism in Rome recommended a definition of the term "visitor" to include any person who visits a country other than the one in which he or she lives for any purpose other than one which involves pay from the country being visited. Specifically, conference members noted that visits could be for the following reasons: (1) leisure, recreation, holiday, sport, health, study, religion; (2) business, family, friends, mission, meeting.

4. United Nations Department of Economic and Social Affairs: In 1978 the Department of Economic and Social Affairs of the U.N. published guidelines that included a definition of the term "international visitor." The agency recognized that international visitors were those who visited a given country from abroad (what we might call inbound tourists) and those who went abroad on visits from a given country (outbound tourists). It indicated that the maximum period a person could spend in a country and still be called a visitor would be one year.

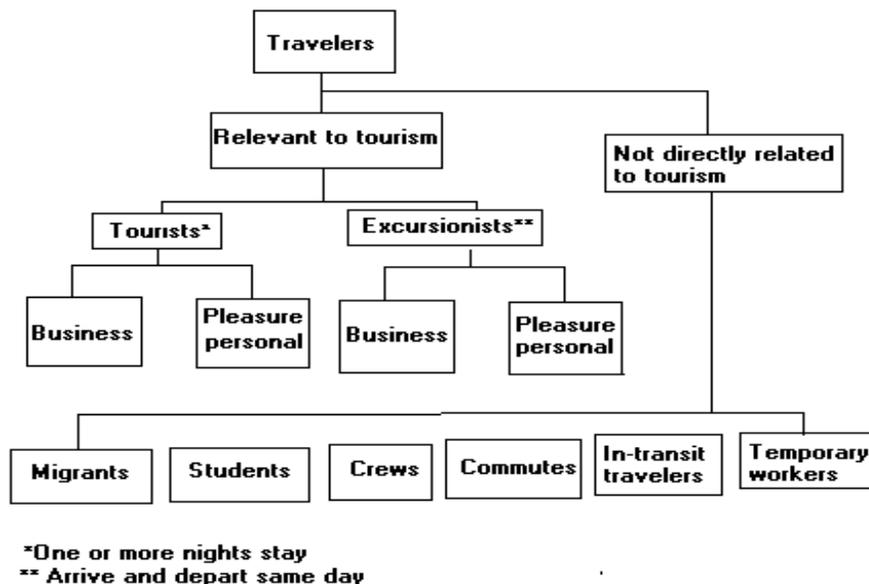


Figure – 1: Classification of Travellers

Source: Robert Christie Mill and Alastair M. Morrison, (1985), *The Tourism system: An Introductory Text*, Englewood Cliffs, N.J.: Prentice-Hall, p. 100.

Most countries at the national level accept the United Nations’ definition of visitors. The classification of travellers adopted by the World Tourism Organizations is shown in Figure 1.1. Briefly, an international tourist is someone who spends at least one night, but not more than one year, in a country other than his or her own. The tourist can be there for a variety of reasons but not for pay from the country being visited. A person who meets the above criteria but who does not stay overnight is called an excursionist.

Domestic Tourist

World Tourism Organization: World Tourism Organization has also proposed a definition for “Domestic tourist” that is based on length of stay:

Any person residing within a country, irrespective of nationality, travelling to a place within this country other than his usual residence for a period of not less than 24 hours or one night for a purpose other than the exercise of a remunerated activity in the place visited. The motives for such travel may be: (1) leisure (recreation, holidays, health, studies, religion, sports); (2) business, family, mission, meeting.

A domestic excursionist is someone who meets the above definition but who does not stay overnight.

National Tourism Resources Review Commission: In 1973 the National Tourism Resources Review Commission published its landmark study of tourism in the United States. In it, the commission proposed that a domestic tourist was one

who traveled away from home for at least 50 miles one way. The travel could be for any reason except commuting to work. The Canadian government specified that a tourist is one who travels at least 25 miles outside his or her community.

Definitions of Tourism

Because of the complexity and importance of tourism in the world, there is a need to define it so as to better understand it. A definition would be the tourism is the sum of all the relationships arising from the interaction of tourists, businesses, tourist governments, and the host government and communities.

H. Robinson (1976) described a tourist as a person traveling for more than a day to any place other than where he normally lives. George Young (1973) utilizes a broader definition, saying that a tourist is someone who travels away from home. W. Hunziker defined tourism in 1942 as “the sum of the phenomena and relationships arising from the travel and stay of non-residents, in so far as they do not lead to permanent residence and are not connected with any earning activity.” In (1975), the department of Hotel, Catering and Tourism Management at the University of Surrey in England, adopted a broader view; “Tourism denotes the temporary, short-term movement of people to destinations outside the places where they normally live and work and their activities during the stay at these destinations. Much of this movement is international in character and much of it is a leisure activity” (Hudman & Hawkins, 1987). A.J. Burkart and S. Medlik (1981) suggest both the journey and stay, outside the normal place of residence and work, if it is temporary, can be defined as tourism.

All the different definitions of tourism are evidence of how complex this subject is. In 1937, the League of Nations realized the importance of collecting tourism data. It suggested that tourists be considered as those people traveling for a period of twenty-four hours or more in a country other than the one in which they usually reside. The committee assigned to the task by the League of Nations regarded tourists as those traveling for pleasure, health and domestic reasons; those traveling to international meetings; those travelling for the purpose of business; and those arriving in a country by a sea cruise regardless of the length of stay, which was in many cases less than twenty-four hours.

People not regarded, as tourists are those entering a country to work, reside, or go to school. Also not considered tourists are people living near frontiers who work in an adjacent country, or travellers passing through a country without stopping. This was revised at a United Nations Conference on International Travel and Tourism in Rome in 1963 as follows: the term “visitor” describes any person visiting a country for any reason other than following an occupation enumerated within the country visited. Visitors were divided into two categories.

Tourists are temporally visitors staying over twenty-four hours in the country visited, whose journey is in one of the following categories; leisure, recreation, holiday, sport, health, study, religion, business, family, friends, mission, meetings.

- Excursionists include temporary visitors staying less than twenty-four hours in the country visited, including cruise passengers.
- This distinction between the two kinds of visitors is important, as excursionists require less planning for accommodations, but more with regard to transportation and shopping facilities.

In most cases the terms travel and tourism are used as synonyms, although some writers have tried to draw a fine line between the two. Douglas Frechtling former Director of the U.S. Travel Data Centre, uncomfortable with both terms, devised a definition for the term “traveller” as one who takes a trip of at least one hundred miles away from home and returns. The term tourism has become more popular for government agencies. Many states in the United States, the provinces and territories in Canada, as well as various countries, are using the term “tourism” in their agency titles. For example, there is the British Tourist Authority, the U.S. Travel and Tourism Administration, the Tourism Industry Association of Canada, and the World Tourism Organization (WTO). The everyday use of “tourist” is usually associated with some sort of pleasure trip, while “traveler” usually has a broader meaning to include trips for both pleasure and business. All definitions have three common elements at either the domestic or international level. They are:- Movement between two or more places (origin and destination);

- Purpose; and
- Time (temporary).

Most organizations have established a minimum mileage between two places to qualify as tourism. The explanations of the word tourist exclude certain types of trips. The U.S. Travel Data Centre excludes travel as part of an operation crew on some form of public transportation such as airplane or train, the journey to work, and student travel to and from school. In general, most measurements and definitions exclude migrant workers and other temporary workers, students, and immigrants. The time element, referring to the length of time that a visitor is in an area, is divided into two categories: less than twenty-four hours and at least twenty-four hours. The basic concept is that tourists or travelers will return to their original residence having visited an area for the purposes defined as a trip.

7.2.1 Tourism Re-defined

On 4 March **1993**, the **United Nations Statistical Commission** adopted **WTO's** recommendations on tourism statistics. This endorsement represents a milestone for the tourism industry. Standard definitions and classifications provide decision makers with a common basis for accurately measuring the economic impact of tourism. Essentially, **WTO** has taken the concept of ‘tourism’ beyond a stereotype image of ‘holiday making’. The officially accepted definition in the report is:

“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, business and other purposes”.

The report distinguishes the following types of tourism:

- Domestic tourism, involving residents of a country visiting their own country.
- Inbound tourism, involving non-residents visiting a country other than their own.
- Outbound tourism, involving residents of a country visiting other countries.

These three basic forms of tourism can in turn be combined to derive the following categories of tourism:

- Internal tourism, which comprised domestic tourism and inbound tourism,
- National tourism, which comprises domestic tourism and outbound tourism, and
- International tourism, which comprises inbound and outbound tourism.

Underlying the above conceptualization of tourism is the overall concept of 'Traveler' defined as "any person on a trip between two or more countries or between two or more localities within his/ her country of usual residence". All types of travellers engaged in tourism are described as 'visitors' – a term that constitutes the basic concept for the whole system of tourism statistics.

A 'Visitor' is defined as a person who travels to a country other than that in which he has his usual residence but outside his usual environment for a period not exceeding twelve months and whose main purpose of visit is other than the exercise of an activity remunerated from within the place visited.

Visitors' are sub-divided into two categories:

- Same-day visitors: Visitors who do not spend the night in a collective or private accommodation in the country visited.
- Tourists: Visitors who stay for at least one night in a collective or private accommodation in the country visited.

7.2.2 Relationship between 'Leisure', 'Recreation', and 'Tourism'

The words 'Leisure', 'Recreation' and 'Tourism' are often used to express similar meanings. What exactly is the relationship between these words? Leisure is a measure of time left over after work, rest, sleep and household chores. Leisure is the time when an individual can do what he likes to refresh his/ her spirits. Recreation means a variety of activities, which a person could choose to refresh his/her spirit. It may include activities as diverse as a game of golf, watching television or travelling abroad.

Tourism, therefore, is simply one of these activities, which a person could undertake to refresh his/her spirit. It places tourism firmly as a part of recreation activities spectrum of a person

**Table - 1
Interrelationship between Leisure, Recreation and Tourism**

LEISURE TIME				WORK TIME
Leisure: Free time available to a person after work, sleep and household chores. Recreation: Activities engaged upon during leisure time Recreation activities can be				
Home-based activities – watching TV, reading, gardening, etc.	Daily leisure – going to cinemas, theatres, restaurants or calling on friends.	Weekend leisure – day trips, picnics, visiting nearby tourist attractions, weekend trips, etc.	Tourism – temporary movement from: home and work, place to a place where you do not normally reside and engaging in activities available there	Business travel

Source: Seth P.N. (1999), Successful Tourism Management, New Delhi: Sterling. P-16.

7.3 Classification of Tourism

Tourism can be classified into six distinct categories according to the purpose of travel.

- **Recreational:** Recreational or leisure tourism takes a person away from the humdrum of everyday life. In this case, people spend their leisure time at the hills, sea beaches, etc.



- **Cultural:** Cultural tourism satisfies the cultural and intellectual curiosity and involves visits to ancient monuments, places of historical or religious importance, etc.
- **Sports/ Adventure:** Trips taken by people with a view to playing golf, skiing in the mountains or hiking, fall within this category.
- **Health:** Under this category, people travel for medical treatment or visit places where there are curative possibilities, for example, hot springs, spas, yoga, etc.
- **Convention Tourism:** It is becoming an increasingly important component of travel. People travel within a country or overseas to attend conventions relating to their business, profession or interest.
- **Incentive Tourism:** Major companies offer Holiday trips as incentives to dealers and salesmen who achieve high targets in sales. This is a new and expanding phenomenon in tourism. These are in lieu of cash incentives or gifts. Today, incentive tourism is a 3 billion dollar business in the USA alone (Seth, 1999)



7.4 Elements of Tourism

Tourism is an amalgamation of diverse elements all of which are essential for providing a memorable enriched experience to the final consumer i.e. the tourist. The 5 such basic components/elements are as follows:-

1. Accessibility: The reach ability of a destination from the point of origin of a tourist is called accessibility. In other words, accessibility implies the connecting of one place to another through a mode of transport. It is a means by which a tourist can reach the area where attractions are located. If the tourist attractions are located at places where no means of transport can reach, or where there are inadequate transport facilities, the place becomes of little value. A place can be accessible by the use of an easy and convenient mode of transportation.

Broadly speaking, there are 4 modes of transportation:-

- Air
- Land
- Water
- Rail



These modes of transport can be used for both internal and external transportation.

External Transportation means moving from the point of origin to the final destination. **e.g.** A tourist leaves from Delhi to Singapore by air or moving from Delhi to Goa as a final destination by air, road or rail shall be called as External transportation.

Internal Transportation means traveling within a destination. **e.g.** Using any of the mode of transport for sightseeing at Singapore or Goa , transfers from airport to hotel and excursions.

2. Accommodation: A provision for stay overnight provided to the tourists is known as accommodation. It includes all types of lodging units viz Hotels, Motels, resorts, guesthouses, camping sites etc.

3. Attractions: Attractions of a particular destination make the prime reason for leisure travel for any tourist. Had there been no place of interest at a destination, tourists would never visit that place. Attractions can be natural or man-made. **e.g.** Dal lake in Srinagar is an example of Natural attraction whereas Taj Mahal in Agra is an example of a man-made attraction.

4. Activities: Anything that a tourist indulges himself into, at the destination is called an activity. **e.g.** Boating, adventure sports, fishing, swimming etc. Activities rejuvenate a tourist and add spice to his overall



experience.

5. Amenities: Services/facilities which enable a visitor to enjoy various attractions/activities at the destination and which draw him to that place and for the use of which he normally has to pay. Facilities are those elements in the tourist product, which are a necessary aid to the tourist centre. The facilities complement the attractions.

These include:

- Accommodation,
- Various types of entertainments
- Picnic sites & recreation
- Rafting or surfing equipments, fishing net and rods, Spa, sauna, Jacuzzi in the hotel etc.



7.5 Conceptual Discussions

Travel versus Tourism

To a layman, the terms Travel and Tourism may appear to be synonymous, but in reality it is not so. Travel means going from one place to another, whereas tourism is travelling with some determined motive. Tourism is a core activity that involves other activities like travelling (transport), accommodation (hotels), and local sightseeing tours etc.

“Every traveller is not a tourist but every tourist is a traveller”.

This statement shows that tourism comprises of all kind of travel whereas travel is just one part of the multifarious tourism Industry. Tourism comprises of all those industries which directly or indirectly help a tourist in fulfilling his demands at a destination. Therefore, travel of any form is it air, land or water, in simple words is a displacement or movement of a person from one place to another for business, leisure or holiday purpose. This displacement will get converted into tourism only when the tourist stays overnight at the destination travelled and thus adds to the economy of that place directly or indirectly.

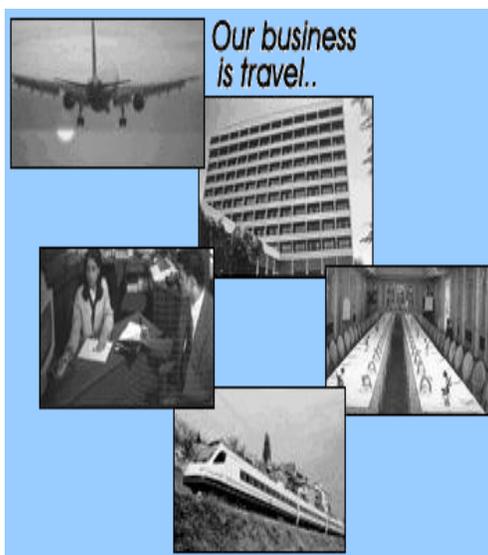


For instance, if a person starts his journey from Chandigarh to visit Shimla and his mode of transport is surface, and then his entire journey from his point of origin (Chandigarh) would be considered as travel. However, tourism is a broader concept than travel. All the activities of that person right from the time he leaves his place of residence from Chandigarh to visit Shimla, his stay at the latter for more than 24 hours, the sightseeing he undertakes there and various other interrelated pursuits he indulges himself into, at the destination till the time he comes back to Chandigarh would be called as Tourism. Further, travel enhances boundaries, opens up the mind, and clears prejudices. Tourism provides

employment benefits in backward areas, and helps make better roads, water, power and communication available to more people, raising standards of living.

7.6 Global Tourism Scenario

Travel & Tourism is the world's largest industry and creator of jobs across national and regional economies. Tourism ranks in the top five export categories for 83 per cent of countries, notably in Europe, the Middle East and the Americas, and is the leading source of foreign exchange in at least one in three developing countries. Countries with the highest ratios of tourism receipts to GNP are typically small island nations. Although much of the gross tourism receipts (i.e. 50-70 per cent) "leak" out of these countries in order to pay for imported tourism inputs, the ratio of net receipts to GNP remains much higher than for larger countries. The fact remains that



Tourism is not just one industry; it is many industries in one. Worldwide travel and tourism create a new job every 10 seconds. Out of every nine persons, one person earns a living from tourism, one out of every ten inhabitants of this planet is a tourist and thus, the predictions say that Travel is expected to grow 50 percent faster than any other sector of world employment.

WTTC (World Travel and Tourism Corporation) Research Shows that between 2001 and 2011:-

- World Travel & Tourism is expected to generate US\$6,201.5 billion of economic activity
- Total tourism demand shall be around US\$10,678.5 billion by 2015.
- Travel & Tourism Demand is expected to grow by 5.4% in 2008 and by 4.6% per annum, in real terms, between 2008 and 2015.
- Global Gross Domestic Product will increase from 10.7 per cent to 11 per cent;
- Global employment contribution will increase from 207.1 million to 260.4 million or 9 per cent of total global employment;
- The global value of tourism related exports will increase from US\$ 1,063.8 billion to US\$ 2,538.3 billion



- or 12.8 per cent of global export value; and
- Global capital investment in tourism will increase from US\$ 657.7 billion to US\$ 1,434 billion or 9.3 per cent of global investment.

World Tourism Growth in 2007

The year 2007 has started on a higher than expected note for global tourism. From January through April, international tourist arrivals worldwide rose by over 6% to 252 million, representing an additional 15 million arrivals as against the same period in 2006, according to the latest UNWTO World Tourism Barometer.

Asia and the Pacific (+9%) achieved the strongest growth, followed by Africa (+8%), the Middle East (+8%) and Europe (+6%). Although arrivals to the Americas (+4%), showed the slowest growth rate among the world regions during the first four months of 2007, this performance is nevertheless very positive as the region doubled the 2007 forecast growth (+2%).

Drivers of Tourism Growth

Continuing world prosperity has clearly been a main driver. Emerging markets and developing economies in general, and especially those of Asia, maintained their extraordinary strength. Meanwhile, in continental Europe, and in Germany in particular, economic growth has picked up encouragingly. With increasing disposable income and factors such as the continued development of low cost airlines making travel available for larger shares of population, international tourism seems on track for another year of above average growth.

Regional Outcome

Although Europe (+6%) is the world's most visited and most mature destination region, its arrivals growth rates in 2005 and 2006 were not far short of the worldwide average. And growth continued even more strongly through the first four months of 2007 supported by the sustained boom in the world economy – a boom in which Europe is now sharing more emphatically, with notably higher rates of GDP growth in the Euro zone.

Asia and the Pacific (+9%) stands out as the best performing region in the world in the first four months of 2007, confirming its role as one of the motors of international tourism expansion. The highest increase in arrivals was recorded by South Asia (+12%), while South-East Asia and North-East Asia (both at +9%) sustained the healthy growth of 2006. Only Oceania (+2%), bucked the strong growth trend.

The Americas (+4%) started 2007 by doubling last year's overall results. The region benefited from star performers Central America (+7%) and South

America (+9%), and particularly of those of North America (+4%), already far ahead of last year's 1% growth. This trend was not, however, widespread. The Caribbean (-2%) has been the only sub-region in the world to record a decline over the first four months of 2007, reflecting the impact of decreased arrivals from the USA in many of its destinations.

Preliminary results for the first four months of 2007 point to a stronger than expected increase in international tourist arrivals in the Middle East (+8% as against +6% for 2006), as destinations such as Egypt (+14%) posted extraordinary growth rates. Nevertheless this trend might still vary as available data is still limited.

Africa's continued its strong growth (+8%), though at a slightly lower rate than in 2006 overall when it reached +10%. Short-term prospects for the continent look very bullish. Particularly in Sub-Saharan Africa there is growing optimism, with increasing emphasis on human resources and product development to help tourism better contribute to poverty alleviation.

Outlook

Confidence in tourism's prospects as measured through the survey among UNWTO's Panel of Tourism Experts is higher than it has been since September 2004 – a year of peak growth. With economic growth expected at almost 5% for 2007 and again for 2008, which would be the fifth consecutive year of growth above the long-term average, increased economic prosperity is certainly one of the main reasons behind such high level of confidence. Both Europe and North America are approaching their high season, which goes some way to explaining also part of this optimism. Given the current European and world economic prospects, not to mention consumers' enthusiasm for travel, there is no reason to expect a radical slowdown in the growth of international tourism to European destinations in the next few months. The Caribbean and parts of North America are, not surprisingly, anxious about the 2007 hurricane season as well as about the uncertainty of the developments in the Western Hemisphere Travel Initiative (WHTI). In Asia and the Pacific, the outlook for the next four months looks promising. Short-term prospects for Africa look also bullish, while in the Middle East they vary sharply across the region. Nevertheless, though the Middle East is under significant tension, the region has shown high resilience so far as proven by the good results achieved during 2006 and the first months of 2007 by destinations such as Egypt, Jordan or the Gulf countries.

Present Trends in Global and Indian Tourism Industry

With increased technology the coming years the world would witness the emergence of fast transportation system all around the world.

- The modern information technology has led to the creation of more demand for tourism.
- The market for budget hotels has continued to expand during the last decade.
- Special Interest Tourism is growing at a fast pace. Activities like Visiting Theme Parks, Adventure Tourism, and Casinos are attracting more and more tourists.
- In order to attract repeat visitors, hotel industry is extending special emphasis on personal attention to their customers.
- Short break are becoming an increasing feature of modern lifestyles as travellers opt to take many more trips of shorter length. Increased frequency of transportation and its network is making it easy for people to reach far away destinations much faster.
- One of the major changes that are occurring in world tourism market is increasing size of mature travellers. The Baby Boom generation (Babies born post World War –II) will retire and will lead to the development of Ethnic, cultural and heritage tourism. On the same pattern senior citizens are also taking more and more trips.
- Environmental Issues are becoming more important for lodging properties and more green hotels are coming up. In green hotels guests saves millions of gallons of water and prevent the release of tons of detergents.
- With environmentalism becoming more important to more people, the size of ecotourist segment is increasing dramatically. A survey shows that 34 million Americans took a nature-based trip during their last vacation or plans to do so on an upcoming vacation.
- The early years of this millennium are marked by major social and economic shifts that have changed the way customer behave. Stimulated by increased knowledge, information and buying power, these shifts are creating aspirations or better life styles.
- One of the newest trends happening in global tourism is Single Holiday Tourists. As compared to Group Travel, people prefer to travel as single. Travel by Single Women travellers to India is increasing by 6 to 8 percent every year.
- With the increasing number of visitors to a common destination, managing visitors' requirements are becoming difficult for service organizations in the near future. Resulting in increased number of mergers, acquisitions, alliances and cooperative agreements.

- The participation of Non Governmental Organizations in heritage conservation and preservation of heritage properties is increasing throughout world.
- To tap domestic as well international health tourism market, hotel properties will develop or convert their hotels into spa resorts on the Ayurvedic and other rejuvenating concepts.
- In India foreign hotel chains are thriving on the concept of franchising. All international players are scouting for properties in India.
- Internationally branded hotels are coming to India. The country has caught the fancy of leading international groups.
- Business travel constitutes about 12 percent of the share of the global travel industry sweepstakes. According to industry estimates, the Indian business travel industry will touch 1 billion marks by 2010.
- On the pattern of Singapore, a number of amusement and theme parks are coming up around metro towns across the India.
- To develop tourism, Golf has been chosen as a thrust area and Indian Department of Tourism is working with major courses to attract potential golf tourists.

7.7 Future of Tourism Industry

Tourism is a trillion dollar industry worldwide and still growing. It employs more people than any other industrial sector and, in a world made smaller by a travel-conscious society, it makes a vital contribution to the economy of virtually every country on the globe. The future of tourism sector depends on protection of the earth's natural and cultural environments. Consequently, with proper planning, tourism can be an effective protector of the environment. WTO forecasts that international tourism will double by the year 2010, to nearly one billion arrivals a year. While this rapid growth will provide many opportunities for prosperity, it will also put a tremendous strain on tourism destinations: on beaches and mountain resorts; on small islands; on historic city centers; and on picturesque villages. It is in self interest to actively prevent the deterioration of these resources.

WTO's Tourism 2020 Vision forecasts that international arrivals are expected to reach over 1.56 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be interregional and 0.4 billion will be long-haul travellers. The total tourist arrivals by region shows that by 2020 the top three receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia.

East Asia and the Pacific, South Asia, the Middle East and Africa are forecasted to record growth at rates of over 5 percent per year, compared to the world average of 4.1 per cent. The more mature regions Europe and Americas are anticipated to show lower than average growth rates. Europe will maintain the highest share of world arrivals, although there will be a decline from 60 per cent in 1995 to 46 percent in 2020.

Check Your Progress – II

State whether it is true or false:

1. External Transportation means moving from the point of origin to the final destination.
2. Every traveler is not a tourist but every tourist is a traveler.
3. Tourism is a million dollar industry worldwide and still growing.
4. Travel and tourism is the world's smallest industry and creator of jobs across national and regional economics.
5. Tourism is a dialogue between Imagination and Destination.

7.8 Summary

The travel and tourism industry is fascinating with its aura of international glamour, excitement, and romance. Because it is global in scope, it must respond to many different social, political, economic, and legal environments. Travel is also a business, and as a business it demands from its personnel, certain skills and a sophisticated knowledge of the world. Like any business the travel and tourism industry must match its offering to prospective buyers. This economic activity of providing services to tourists includes a whole gamut of activities. Putting it other way round, **Tourism** means the practice of touring or traveling for pleasure or recreation and the guidance or management of tourists as a business. It is the sum total of the Activities of Persons traveling to and Staying in a Place outside their usual Environment for -- **more than 24 hours and less than 01 consecutive Year** for Leisure, Business and other Purposes is called **tourism**. Thus one can say that: “**Tourism is a Dialogue between Imagination and Destination**”

7.9 Answers to Check Your Progress

Check Your Progress – I

1. Work, leisure
2. 1. Dynamic element 2. Service element
3. Functional element 4. Consequential element
3. 1773
4. 4 March 1773
5. 1. Air 2. Land
3. Water 4. Rail

Check Your Progress – II

1. True
2. True
3. False
4. False

7.10 Suggested Readings

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7.11 Review Questions

1. What is the Krippendorf's analysis regarding travel and tourism?
2. How we can divide the conceptual framework of tourism?
3. What are the various elements in tourism?
4. List various definitions of tourism?
5. What are the various classifications of travellers?
6. What is the difference between 'visitor', 'traveller' and 'tourist'?
7. What are various types and forms of tourism?
8. What is the relationship between 'Leisure', 'Recreation' and 'Tourism'?
9. Elaborate the statement "Every traveller is not a tourist but every tourist is a traveller".

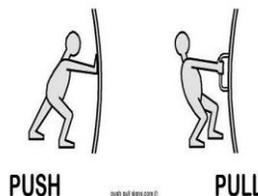
7.12 Exercise

1. Study and explore the tourism industry in your vicinity, and list the various participants involved in the industry and try to prepare a profile of tourism industry of your place on given four elements.
2. Visit a nearby tourist attraction in your vicinity and prepare a classification of visitors after interviewing them.
3. Interview your friends and relatives and classify them in accordance to type and form of tourism.

UNIT 8 CONCEPT OF PUSH AND PULL FORCES IN TOURISM

Structure

- 8.0 Objectives
- 8.1 Introduction
- 8.2 Tourism Industry
 - 8.2.1 'Push' and 'Pull' Factors in Tourism
- 8.3 Components of Tourism Industry
- 8.4 Destination
 - 8.4.1 Destination: Concepts and Models
 - 8.4.2 Destination Selection
 - 8.4.3 The Common features of Tourist Destination
- 8.5 Destination Life Span
 - 8.5.1 Destination Elements and Tourist Flows
 - 8.5.2 Destination Use by Tourists and Impacts
- 8.6 Tourist Visit and Impacts
 - 8.6.1 Economic Impacts-Benefits
 - 8.6.2 Negative Economic Impacts
- 8.7 Tourist Expenditure and Generation of Economic Benefits
- 8.8 Tourist Expenditure Pattern
- 8.9 Multiplier Effect and Tourism
 - 8.9.1 Different types of Multipliers
- 8.10 Summary



8.0 Objectives

After reading the unit, you will be able to:

- discuss the nature, structure and characteristics of tourism industry;
- explain the benefits and issues associated with tourist visit in a destination; and
- describe the destination use by tourists and evolution of benefits due to it;
- discuss the tourist expenditure and generation of economic benefits

8.1 Introduction

Tourism is one of the largest industries in the world. The industry is unique in many ways and has a complex structure and interrelationship among various components. Tourists visit the destination, which is a crucial component of tourism industry and the visit generates different types of impacts. The usage of the destination by the tourist is, hence, has lot of importance and relevance in the socio-economic context of a region. Hence, getting an idea about the structure of

tourism industry, components of it, the nature of interrelationship among the industries, use of the destination by the tourists and the consequent effects on the economy in and around the destination, etc. is crucial for a beginner in tourism studies. This unit has been designed with that aim.

8.2 Tourism Industry

Tourism industry is an amalgam of many industries. Tourism industry is defined as “the range of businesses and organizations involved in delivering the tourism product” and the businesses and organizations represent a key element in the tourism system. Complex linkages and interrelationships are existing among the various individual sectors of the tourism industry. For the generation of the phenomenon tourism, all the components of the industry have to act together and each has its own role and relevance. The industry has many characteristics and some of them are the following.



- Seasonality
- High ratio of fixed costs to variable costs
- Pricing flexibility
- Fluctuating demand
- Perishable nature of the products
- Fragmentation of the industry, which, allied to its geographical dispersal acts to discourage the formation of industry associations.
- Intermediaries play decisive role

In order to understand the nature of tourism industry, a glance over the concept of tourism system will be useful. Tourism can be considered as an activity as well as a process. Of the different approaches with regard to tourism system, the approach suggested by Leiper is simple and suitable for understanding tourism. He considered the phenomenon tourism as a system, which is functioning in various environments (such as Human, socio-cultural, economical, technological, physical, political legal etc). As explained above, this system is also having various parts/ elements, which are interacting with one another in generating the phenomenon tourism. As per this model, there are three major elements, and are illustrated below.

a. Tourists: - Tourist is considered as the main and most important element of the system. Without the presence of tourists, the system may not function at all.

b. Geographical Elements: - The various elements acting in the system related to geography are classified under this category. The front line geographical elements are further divided into three groups, which are as follows:

- **Traveler generating region.** It is the area where the tourists are emerging from and is represented as tourism emerging markets. For example, if a foreigner is coming to India for visiting various places from U K, then U K is

the generating region of that particular trip in relation to India various intangible factors present in this area 'push' to stimulate and motivate travel.

- **Tourist destination region:** This represents the 'end' of tourism, which the tourist is ultimately intended to visit. This region really attracts the tourists to engage in tourism. Leiper says that the 'pull' of the destinations energize the whole tourism system and demand for travel in the generating region.
- **Transit route region:** The area between tourist generating region and destination region is referred as the transit route region. This not only includes the short period of travel to reach the destination but also includes the stopovers, the intermediate places, which the tourist may visit enroute.

c. Tourism Industry: - This is the last element in the Leiper's model. As mentioned previously, tourism is a multi sector industry that comprises of diverse range of sub-industries, which means that tourism industry is an amalgam of different industries. These provide different kinds of products, which are essential for the tourism process. Hotels, Restaurants, Airlines, Travel agencies, etc are some vital components. Such components can be located in different parts of the system. Hospitality industry is found in the destination region. Transport sector is largely represented in the transit route region.

All the elements of the system interact with one another in various contexts like delivering the tourism products, transacting the products, etc.

8.2.1 'Push' and 'Pull' factors in tourism

A large number of factors can cause a person to engage in tourism and such factors can be classified on different basis. When we classify them on the basis of location, some of them can be located in the tourism-generating region and some can be found out in the tourist destination region. The factors present in the tourist-generating region have the capacity to force a person to engage in tourism i.e., income level of person. If a person has more amount of discretionary income, it may encourage him to participate in tourism activities. Such factors, which can be located in the tourist generating area, which may force a person to engage in tourism, are referred to as 'push' factors. Apart from the factor mentioned above, mobility, educational attainment, paid holiday entitlement, family size, work related stress, etc could also be categorized under this heading.



On the contrary, some of the factors are seen in the destination region. For example, the cultural attractions of a destination can allure a person to visit there. Such factors are called as 'pull' factors. Some examples for this category are, climate, infrastructure facilities and scenic beauty.

8.3 Components of Tourism Industry

The major sub sectors of tourism industry are the following.

- Destination and attractions
- Government organization
- Intermediaries
- Transportation
 - a. Road transportation
 - b. Railways
 - c. Air based transportation
 - d. Water based transportation
- Accommodation
- Entertainment and Recreation
- Shopping
- Hospitality
- Infrastructure

8.4 Destination

Destinations, as defined in the travel industry are specific areas that travellers choose to visit and where they may spend a significant amount of time. In the tourism system concept, destination is the end of tourism. Destinations are not simply transit or stopover points. The selection of a destination by a tourist depends upon the purpose and motivation for travel. Destination as distinct from origin or market refers to the place where tourists intend to spend their time away from home. This geographical unit visited by tourists may be a self-contained centre, a village or a town or a city, a region or an island or a country. Furthermore, a destination may be a single location, a set of multi-destinations as part of a tour, or even a moving destination such as a cruise.

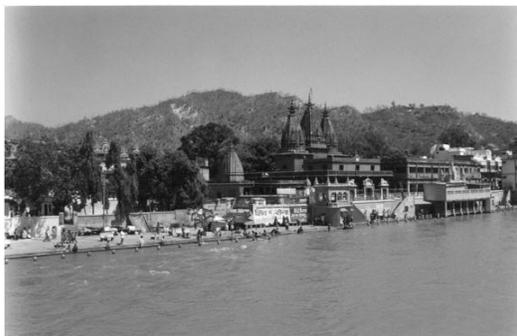
Geographically, destinations can be small areas to large continents. For example Khajuraho in Madhya Pradesh is a destination with a limited area, at the same time, India as a whole is also considered as a destination. It is the area where a good majority of the components of the tourism system can be located. For example, accommodation and food industry can be seen here. The attractions are part of this component of the system.

A destination and the attractions there must have 'pull' capacity to induce visitors to come. This area is highly prone to impacts of tourism-both positive as well as negative. Hence, care has to be taken at the time of development for maximizing the benefits and minimizing the negative impacts. The people residing in and around a destination also have a role in making the tourism successful. Destination as a product has been defined as 'an amalgam of three main

components: the attractions of the destination, the facilities over there and the accessibility to it. In recent years, environmental, cultural and social aspects have emerged as important dimensions in developing a destination.

8.4.1 Destination: Concepts and Models

Tourism is geographically complex, and its different products are sought and supplied at different stages from the origin to the destination. It is not easy to classify that since spatial and characteristics diversity among destinations has become so great. There are several models seek to describe the tourism system relevant to the destination. The tourism system model explained earlier may serve to explain the basic feature of the generating and receiving function of origins and destinations. The routes and linkages may carry tourists from one place to the other and back again or to some third place. And a destination may have multiple destinations in it.



Some other models like structural emphasize the relationships between origins and destinations particularly in Third world tourism in core-periphery terms. The market is concentrated upwards through the local, regional and national hierarchy with international transfer occurring between national urban centres either as origins or destinations in such models. Evolutionary models emphasize dynamic, change and evolving movements or the development of destinations. A range of such models are there, like from pleasure periphery, to psycho graphic positions of destinations, to the life cycle of a destination, with emphasis on structural evolution of destination through time and space.

8.4.2 Destination Selection

How does a tourist choose a destination? Several factors are there behind it.

“There is general agreement on the structure of the overall destination choice process as including some or all of the following: perceptions (belief formation) of destination attributes in the awareness set through passive information catching; a decision to undertake a pleasure trip (problem recognition/formulation); evolution of an evoked set from the awareness of set of destinations (search for alternatives) perceptions (belief formation) of the destination attributes of each alternatives in the evoked set through active solicitation of information (evolution of alternatives); selection of a destination(s); and post-purchase evaluation”.

Attractions, one important group of factors, are those elements that draw a tourist to a particular destination. Attractions are mainly seen as natural or man made. Scenery, climate or beaches are examples of natural attractions. Resorts or theme parks, etc. are the examples of man-made attractions. Amenities at the destination can be viewed as the elements within the destination or linked to it which make it possible for tourists to stay there and to enjoy and participate in

the attractions. They include basic infrastructure, accommodation, transportation catering services, entertainment shopping facilities and visitor information at the destination. Amenities do not usually in themselves attract tourists, but the lack of amenities might cause tourists to avoid a particular destination because there provide the basic facilities which are regarded as contributing to the quality of the destination. Accessibility of a destination is also a factor that contributes in the destination choice. Image of a destination also has a role in this context. Images can be regarded as “the ideas and beliefs, which tourists hold about the destinations”. These images become the main determinant for maintaining or eliminating a particular destination as a possible choice, once the list of all known alternatives is subjected to a winnowing process using more tangible considerations (such as time and money). Price, the sum of what it costs for travel accommodation and participation a range of selected services when there, is another important factor in destination selection. The major factors are explained in detail later.

8.4.3 The Common Features of Tourist Destination

The following common features of most destinations can be identified:

- Destinations are amalgams
- Destinations are cultural appraisals
- Destinations are inseparable that is tourism is produced where it is consumed
- Destinations are used not just by tourists, but also by many other groups.

Destination amalgam consists of attractions – whether they are having artificial features, natural features or events- that provide an invitation to visit. A tourist at a destination requires a range of amenities, support facilities and services. Accommodation, food and beverage sector of the destination not only provide physical shelter and sustenance, but also create the general feeling of welcome and a lasting impression of the local cuisine and produce. Apart from these, a range of retailing businesses will be there in a destination. Infrastructure and super structure are the alternative ways of looking at the components of the destination. Infrastructure represents all forms of construction above or below ground needed by an inhabited area. It is mainly in the form of transportation, utilities and other services. Tourists and visitors alike normally share it. Whereas superstructure is normally a private sector activity and it includes accommodation, built attractions, retailing and other structures. Destination can be naturally attractive like wild life sanctuary or they can be designed with man made or artificial attraction like amusement parks, historical complexes or holiday villages. People and their custom and life style including fairs, festivals, music, dance and ornamentation can also be staged as attractions. Destinations and attractions sometimes cover a vast area. They encourage linear tourism, which is popular with motorists and coach tours. More than the site or event, the attraction of a destination lies in the image that the potential tourist has of a particular place. In fact, the image of a destination depends on a variety of factors like attitude of host population, civic amenities, natural surroundings, accessibility, food, etc. The image is neither constructed nor deconstructed over night. It tends to build up over time. No destination can be popular unless it is accessible and offer services and amenities that the tourists demand. Essential

services are accommodation and food, backed up by local transport, activities and entertainments.

The development of a tourist destination is not an independent product rather is an amalgam of several products acting as components. The element of intangibility is a crucial one to the destination. Perishability, seasonality, inseparability and heterogeneity, the characteristics of tourism products, have much relevance in the core of tourism destination also. As explained earlier, tourism destination, apart from just a place, comprises of different components or elements. All such elements can be summarized into four groups, usually represented as 4 As. These As represent Attraction, Accessibility, Amenities and Ancillary services, Let us go into the details of each element.



a. Attractions: The explanation for attraction is given earlier. Attractions are the heart of the tourism industry. They are acting as motivators that make people want to take trips. Generally attractions are classified as either natural or man-made. Further classifications also be possible like, man-made attractions not designed to attract tourists (e.g.: Cathedrals, Archeological sites), man-made attractions designed to attract tourists (Eg. Theme park, Zoos), special events and festivals, complete natural environment attractions (eg. Beaches, seas, rivers), etc. Attractions have the 'pull' capacity by which tourists will be stimulated to engage in tourism and visit the particular place.

b. Accessibility: Accessibility refers to the easiness in reaching a destination. A destination must be accessible if it is to facilitate visits from tourists. Most of the tourists will not be attracted to a destination unless it is relatively easy to reach. This means that the destination can be reached easily. This connotes that various transportation facilities have to be there at the destination or near to the destination. An airport, railway station, Bus stand, etc. near to the destination will increase accessibility. From such transport centers, transportation facilities are also needed to reach the destination. The frequency of various transport services is also a factor having a role in accessibility of a destination. But in some cases like adventure tourism, lack of accessibility may be an attraction.

c. Amenities: Amenities are those essential services catering to the requirements of the tourists. In some cases, amenities are represented as infrastructure required for tourism. The amenities required for tourism include the facilities such as accommodation and food, local transport, information centers and the necessary infrastructure to support tourism such as roads, public utility services, and



parking facilities. The required amenities will vary according to the nature of the destination itself. In adventure tourism, the required number of amenities is very less. If it is more, the destination will lose its charm. In some cases amenities themselves will be the attractions. For example, the destination like France, which is famed for its regional foods, encourage tourists whose motive in traveling may be largely to enjoy the food.

d. Ancillary services: Ancillary services refer to the auxiliary or the supplementary services offered at the destination. Local organizations are the best example, which usually offer various services to the tourists. The main services normally provided by the local organizations are listed below.

- Promotion of the destination
- Co-ordination and control of development
- Provision of information and reservation services
- Giving advise to the local businesses
- Provision of certain facilities (e.g. Catering, sports, etc)
- Provision of destination leadership.

8.5 Destination Life Span

It has been reported that every destination has a life span and passes through various stages. Different arguments are there in this area, and some are against it. Butler has suggested a model representing the life span of a destination and is named as Tourism Area Life Cycle Concept (TALC). He has pointed out that there are six to seven distinguishable stages in the life cycle of a destination and the details of the stages are given below.

a. Exploration: Here a small volume of explorer type tourists who tend to shun institutionalized travel will visit the resort/destination. At this stage the destination may not have much accessibility and facilities.

b. Involvement: At this stage, local initiatives will begin to provide facilities and services for the visitors. The destination will gradually begin to develop. Outsiders will start to arrive and the volume of tourist arrivals will get momentum.

c. Development: By the development stage large number of visitors are attracted and the control of the tourism at the destination will pass out of the hands of the locals. Government will start large-scale promotion and private enterprises will rush to begin establishments. The rate of increase in tourist arrivals will be high.

d. Consolidation: In the later stages of the cycle, the rate of increase of visitor declines though the total numbers are still increasing. The resort, by now will be a full-fledged one.

e. Stagnation: By the stagnation stage, peak tourist arrivals have now being reached and the destination is no longer fashionable. Now it will be relying upon

repeat visits from more conservative travellers. The destinations will usually begin to show environmental, social and cultural problems at this stage.

f. Decline: By this stage visitors are being lost to newer resorts and the negative impacts will be on the increase.

g. Rejuvenation: Authorities of the destination, at this stage have to decide to rejuvenate/ re-launch the destination by looking at new markets/product diversification. Satellite destinations can also be developed. It has been found that rejuvenation strategies are difficult to implement.

8.5.1 Destination Elements and Tourist Flows

The above-discussed elements of destination have very high influence in tourist flows. As explained earlier, tourism destination is the most important sub-element of the tourism geographical element as per the Leiper's model of Tourism system. This area (Destination) consists of different 'pull' factors as far as tourism is concerned. Apart from it, some of the industrial components of tourism are distributed in the destination. Each component, in one way or other, is related to each of the element of the tourism destination.

Out of the elements of a destination, attractions are the most important category which have an appeal to the tourists. Much of the attractions of a destination is intangible in nature, and depends upon the image, which the potential tourist has of it. India will be seen by one group of travellers as exotic and appealing, while others will reject the destination because of the negative image due to many reasons or its alien culture. Different destinations will have different attractions and the appeal these make and the influence these exert will also be different. Anyhow as stated earlier, attractions share the maximum contribution in the total 'pull' factors of a destination. The attractions are the major factors in making customers'/tourists' view about the destination. Kerala has emerged as important destination in India recently and the share played by attractions of Kerala in the scenario is very high. Kerala encompasses many destinations with diverse attractions. Natural beauty, cultural diversity, greenery, etc. are very important components of Kerala's attractions and natural attractions like Beaches, Backwaters, etc are really capable enough to influence anyone from the world. Such specialties really have a big role in making a good image and positive tourists view about Kerala.



Accessibility is another important element of a tourism destination as well as a factor that has a big role in influencing a customer. In general cases, accessibility is an important factor for attracting tourists. But in some exceptional cases, the lack of much accessibility can also be an attraction. For example, an

adventurous tourist trekking trip to Agasthyarkoodam (a hilltop point in Kerala) doesn't require transport facilities. If the accessibility is very high, it has been reported that, in some cases, it may cause crowding and congestion which may lead to the loss of charm and ambience. It should be noted that the 'perception' of accessibility on the part of the travelers is often as important as a destination's actual accessibility. For example many people in Britain perceive Corfu as being more accessible than Cornwall, in terms of traveling time. Such perceptions will undoubtedly affect decision-making when tourists are planning their travel.

Amenities are the essential services catering to the requirements of the tourists at a destination. For experiencing tourism phenomenon, amenities are necessary. Stay, local transport, shopping, etc are vital components of tourism process. For enjoying the same, amenities are required. Amenities contribute to the image of a destination. Thus it has a part in attracting and influencing tourists. Some times amenities alone become attractions. The topless, double decker bus services in some cities of Europe, traditional food outlets in France, house boat transportation in the backwaters of Kerala, etc. can be cited as examples for the same. Ultimately, it can be said that, amenities are highly essential as far as tourism is concerned and these can also influence tourists in making decisions. Apart from amenities, the ancillary services provided at the destination also can exert influences in making decisions. Such services will create more positive image among tourists and have a big role in tourist flows and tourists' views on destinations.

8.5.2 Destination Use by Tourists and Impacts

Tourism is a multi-faceted, multi-dimensional activity with a large number of consequences on society, culture, environment and economical conditions of a country or a region. The second half of the last century has seen tremendous developments in the tourism sector, and initially it was considered as a smokeless, non-polluting industry. But later on, as years went by, tourism sector started to produce different issues in different spheres of life. The contribution of tourism towards the economic and regional development was quite significant. Thus, tourism produced both positive as well as negative impacts. Traditionally tourism has been viewed as a great force in promoting understanding among nations and within the national boundaries, facilitating national integration. Tourism has been accepted as an important catalyst for economic development recently only. The economic contribution is measured in different terms such as employment generation, foreign exchange earnings, income generation and output growth.

It is natural for people belonging to different cultures, life styles or social settings to interact and leave an impact on each other. In tourism this happens at a massive level. Tourists generally may try to explore the social life at the destinations, where as the local community may attempt to imitate the life-style of tourists. Friendship making, learning from each other, better understanding among people, etc are considered as positive impacts of tourism. At the same time, there are some impacts, which have been termed as negative impacts. Many examples can be cited world wide for the negative impacts of tourism in the social and cultural spheres of human life. Adopting pseudo behaviors, involving in drug and mafia activities, inspiring prostitution tendency, loss of local and

traditional culture, etc are considered as menaces due to tourism. Commercialization of art and art forms is another one, which can be added to the negative impacts of tourism. But, on the contrary, the preservation and maintenance of culture and cultural features are highlighted as very strong positive impacts of tourism.

Apart from the impacts in economy, society and culture of the host population, environment and ecology is another important area where tourism generates impact. Different kinds of tourism activities affect the natural and built environment. There is a complex interaction between tourism and the environment. Environmental impacts are inherently and irreducibly multi-dimensional. The OECD report on the environmental impact of tourism states: "A high quality of environment is essential for tourism while the quality of environment is threatened by tourist development itself, which is promoted because of its economic importance". In other words, tourism tends to destroy tourism itself. But at the same time, the opposite dimension of tourism industry-recreation in national park and conservation reserves-has been highlighted in tourism and environmental discussions.

Impact of tourism to some extent varies according to the type of visitors attracted to an area and their activities while they are at the destination. The impact of tourism on any destination will be determined by a wide variety of factors and the major of them are:-

- The volume of tourist arrivals
- The structure of the host community
- The types of the tourism activity.
- The fragility of the local environment
- Difference in socio-cultural characteristics between the hosts and the guests (local community and the tourists)

Apart from this, the interests of various stakeholders in preserving and maintaining local environment and culture are an important determinant in generating impact. The political factors, including policies also have the capacity to influence impacts of tourism. Tourism is functioning in different environments and all such have roles in determining impacts. The greater the economic and social diversity of the destination, the more facilities it has for visitors, the more easily it will accommodate additional tourists. In practice, it has been reported that the destination area's landforms and ecology, its economic and social structure and political organization, all determine the form and structure within which tourist activity produces specific local results. The carrying capacity of a destination has an important role in determining the impact of tourism. There are a variety of factors, which determine carrying capacity like social structure, culture, environment, political structure, tourist activities, tourist characteristics, etc. Such factors are classified as either local factors or alien factors. The local factors and alien factors, manipulated by planning and the management of tourism development, will result in impacts on the social structure, culture,

environment and economic structure. The details of carrying capacity and alien and local factors are explained later in this book. A schematic framework for identifying the relation between determinant factors and tourism impacts can be illustrated as follows.

The destination area's landforms and ecology and political organization determine the form and structure within which tourist activity produces specific local results. Given the interaction of the local and alien factors within the host environment the planning and management process should aim to secure the maximum positive benefits while incurring the minimum costs. Law (1985) has come up with a systems model (destination system model), which suggests that introducing or expanding tourism in any region/ area results in multifarious changes. Care has to be taken to control the factors leading to negative impacts and to enhance positive benefits. The following descriptions will give an idea about the various identified/reported positive and negative impacts of tourism.

In many economies, the travel and tourism sector has for sometime been recognized as a major area of activity which both draws upon the resources of those economies and affects their nature and development. In addition to this, tourism has been fit to use as a subject or agent of macroeconomic policies by the governments. Tourism often has a high involvement in policies related to employment levels or the balance of payments whose significance in modern macro economic management is high. The governments see tourism as an engine for economic development. The norms used in monitoring tourism are normally weighed on the upper side primarily for its role in foreign exchange earnings or tourism receipts. The economic benefits generate due to the spending by the tourists while they are on the tourism process. In the economic sphere, tourists spending can enhance an area by bringing wealth and catalyzing income, employment, enterprise and infrastructure development. In contrast to the benefits on employment foreign exchange earnings and others, tourism is generating some negative effects also. The positive and negative economic impacts are discussed in detail below.

Check Your Progress - I

State whether true or false.

1. Tourism is one of the smallest industries in the world.
2. Tourist is considered as the main and most important element of the system.
3. Transport sector is largely represented in the transit route region.
4. Geographically, destination can be large areas to small continents.
5. Khajuraho in West Bengal is a destination with a limited area.

Check your answer with the one given at the end of the unit.

8.6 Tourist Visit and Impacts

8.6.1 Economic Impacts-Benefits

A range of tourism economic benefits are identified and the very important of such are as follows.

Invisible Export

In the national context, tourism may have a major influence on a country's 'balance of payments'. A country's balance of payments reflects its transactions with the rest of the world, on part of its system of national and macro accounting. A country's balance of payments is important for the maintenance of the value of its currency in foreign exchange. Continuous balance of payment deficits for a country normally leads to an imbalance between the international supply of the country's currency and the international demand for it, in the direction of an excess supply. It may lead to the country's 'currency weakness'. Developing countries use the strategy of development of tourism as an invisible export.

International tourists are generally buying services from another country and are therefore paying for 'invisibles'. When a tourist from UK comes to India, there is an invisible payment of Germany's balance, while India's balance gets an invisible receipt. Tourist expenditure is as 'real' as any other form of consumption, and international tourist expenditure can be seen as an invisible export from the host country. Usually, countries try to maximize their travel receipts through promotional and marketing strategies. A tourist spends money on various heads. Accommodation, shopping, travel, entertainment, etc. are the major areas where tourist spends money. International tourist has to exchange the currency into that regional currency before making various purchases. Tourist can purchase goods and services from the host country by paying accepted international currencies also. Thus, the consumption of tourism products will generate activity, which can be compared to export, and even though most of the tourism products are intangible in nature.

In the case of domestic tourism, tourism expenditure is considered as an 'export' between the local regions, and perhaps an import substitute for the national economy. Domestic tourism encourages redistribution of income of the country.

Government Revenue

Tourism activity is used by certain economies as an important resource for generating government revenue. Tourism generates tax income, some of which is directly applied and some computed indirectly. Most of the taxes come in the form of sales tax on various items the tourist is purchasing, like cigarette, liquor, accommodation facilities, etc. Tourists are paying taxes indirectly also by the consumption of various imported items. When we consider the direct, indirect and induced effects of the expenditure by a tourist, it can be inferred that he is paying taxes to government in different ways.

Employment Generation

Tourism, in common with most personal service industries, is labour intensive. For developing and developed countries with high unemployment rate, tourism is

considered as an attractive alternative. Tourism involves a wide variety of industrial sectors, and this makes it particularly difficult to derive estimates concerning the number of employees associated with tourism. In addition to this, tourism has a diverse range of linkages between tourism sectors and other sectors of the economy. Thus the employment generation happens not only in tourism industry alone, but even in all the allied and other sectors with direct or indirect linkages with tourism activities.

Tourism products mainly consist of service products and they usually tend to generate more employment opportunities. The concept of multipliers has the same impact in the employment sector as in income. Tourists staying at a destination create jobs directly in the industry. Apart from this due to the effect of tourist's stay; many other sectors indirectly related to tourism will be influenced to create more job opportunities. The direct employment generation includes employment in travel agencies, tour operators, transport undertakings, accommodation establishments and enterprises engaged in marketing destinations. Indirectly tourism will cause employment generation in other sectors like financial institutions, organizations that supply raw materials to the tourism organization, etc. But still there are a variety of criticisms in this area in comparison with other industries such as; the tourism employment potential is seasonal, most of the jobs generated are only inferior employment, local population is often too small to fill the vacancies, etc. Counter arguments are these, but these are not discussed here in detail since such issues are beyond the scope of this.

Investment and Development

The development and growth of tourism in particular areas will attract more private and public investments. The private and public sectors may be induced to invest even more in that area and this is what economists call as "accelerator effect". Thus if tourism to an area booms and the value of TIM (Tourism Income Multiplier) is high, more investments in both tourism and allied industries can be expected. Superstructure development is an important aspect in relation to a destination at this juncture.

Income

Income is generated to the local community directly, indirectly and in induced forms. Income is created in different forms and in general it accrues from wages and salaries, interest, rent and profits. Since tourism industry consists mainly of service products, the greatest proportion is likely to be in wages and salaries as far as income generation is considered. And hence, the level of generation of income from tourism is closely bound up with the level of employment. Here the wage levels also have much importance. If it is high, income level will also be high. Income is also generated from interest, rent and projects on tourism business ranging from the interest paid on loans to an investor in infrastructure and superstructure to rent paid to a land owner for a car park or campsite. The sum of all incomes in an economy is called as 'national income' while the significance of tourism in a country's economy can be identified by its contribution on the proportion of national income.

8.6.2 Negative Economic Impacts

Tourist expenditure has a 'cascading' effect throughout the economy. The benefit it is giving to the economy is described above. But, there are some negative impacts, which have been under wide discussion for a long term. Some of them are discussed here.

Migration of Labour

When tourism development comes in rural areas, the possibilities will arise for migration of labour towards tourism sector. In such areas, primary sectors of production like Agriculture, Fishing, etc would have been the major source of employment before the arrival of tourism. But the introduction of tourism will generate employment opportunities there, and usually a share of the population employed in primary sector may move to tourism sector for employment since it may give jobs with better salary, etc. In tourism sector, they will be employed in non-skilled categories, but they might have been skilled employees in the former sector. This will affect labour in primary sector, which may suffer from lack of enough skilled labour. This will raise the cost of labour and ultimately the production cost. This scenario may happen in urban tourism also where labour units may be migrated from rural areas. The migrated labour units are likely to experience additional infrastructure pressure for health, education and other public services.

Opportunity Cost

The concept of 'opportunity cost' was introduced by D.I. Green and popularized by Professor Knight. The opportunity cost of given economic resources are the foregone benefits from the next best alternative use of those resources. i.e., the sacrifice or loss of alternative use of a given resource is termed as 'opportunity cost'. The use of capital resource (in developing and developed countries, it is often scarce) in the development of tourism related establishments preclude their use for other forms of economic development. Hence, opportunity cost has to be considered in measuring tourism economic impact.

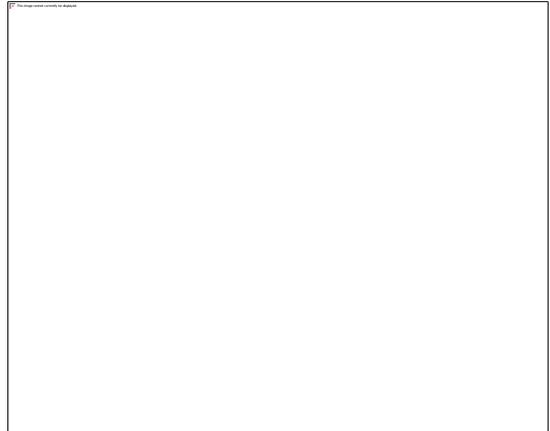
Displacement Effect

While estimating the economic impact of tourism an allowance should be made for the 'displacement effect' when tourism development substitutes one form of expenditure and economic activity for another, it is referred as 'displacement effect'. In the context of tourism, it is usually referred to when a new project takes away business patronage from an existing one.

8.7 Tourist Expenditure and Generation of Economic Benefits

Tourists spend money on a wide variety of goods and services. They spend money to purchase accommodation, food and beverage, transport, communications, entertainment services, goods from 'retail outlets' and others. A part of the money spent by the tourists will go out of the local economy for providing various services and goods. For example, a tourist is visiting India, and staying in a deluxe hotel, asks for Russian made Vodka, then the hotel will have

to supply the same. Here, the money spent for the same goes out of the local/national economy. At the time of economic impact measurement this leakage of money is referred to as 'import'. In tourism, the amount of leakage has to be taken into account so seriously and since, especially in developing and developed countries the leakage is high. Tourist Expenditure is defined as the "total consumption expenditure made by a visitor or on behalf of a visitor for and during his trip and stay at destination". The consumption of the goods and services may not necessarily be by the visitor himself and the expenditure may not necessarily be undertaken by the visitor himself. For example a groups tour, where expenditure can be done one or two individuals, not by all. International tourist expenditure is usually considered from the perspective of destination country for inbound visitors, and from the perspective of the origin country for outbound tourists. International tourism receipts are defined as "the expenditure of international inbound tourists, including their payments to national carriers for international transport". Expenditure pattern can be classified into three as pre-trip, on-trip, and post trip expenditures.



8.8 Tourist Expenditure Pattern

The money spent by a tourist will generate additional demand in the economy. A country is mainly benefited from tourism by the tourist expenditure. The economic contribution of tourism is an important area to be measured. This statistics concentrates in that area. All the expenditures by the tourists will be considered in this statistics except payments made to international airlines. The table given below gives an idea about tourism earnings (international tourism) statistics.



The full assessment of economic impact must take into account all the aspects including the following.

- Indirect and induced effects
- Leakage of expenditure out of the local economy
- Displacement and opportunity costs.

Table 8.1

India's Foreign Exchange Earnings from Tourism
(Foreign tourism receipts)

Years	Earnings (Rs. Cr.)
1991	4318
1992	5951
1993	6611
1994	7129
1995	8430
1996	10046
1997	10511
1998	12150
1999	12951
2000	14238

Source: Tourist statistics, Ministry of Tourism, Govt. of India.

Economic Benefits are generated not only in the tourism sector itself, but it passes to other sectors also. Thus economic benefits are generated in three levels. Direct, Indirect and Induced. The direct level measures the economic benefits coming to the tourism industry directly (in the frontline establishments). It is the value of tourist expenditure less the value of imports necessary to supply those 'front-line' goods and services. The direct impact is likely to be less than the value of tourist expenditure. The direct impact depends on the capability of the local economy to provide for tourist's demands from its own production sectors.

The establishments which directly receive the tourist expenditure also need to purchase goods and services from other sectors within the local economy. For example, Restaurants will have to purchase food raw materials from retail shops there. The suppliers to those frontline establishments will need to purchase goods and services from other establishments and the process continue.

The generation of economic activity brought about by these subsequent rounds of expenditure is known as the indirect effect. During the course of direct and indirect rounds of expenditure, income will accrue to local residents in the form of wages, salaries, rent, and interest and distributed profits. This addition of income to the local income will, in part, be reinvested in the local economy on goods and services, and this will generate yet further rounds of economic activity. This phenomenon is referred to as 'induced effect'. Thus, while we consider the economic impact of tourism, all the three kinds of economic effects have to be taken into account.

The calculation of level of tourist expenditure is easy, but at the same time, measuring of economic impact of tourism is far more complicated. Usually the estimation of economic impact based on tourist expenditure is inaccurate and misleading. At the national level, the world Tourism Organization (WTO) publishes annual tourist statistics for countries throughout the world. These statistics are only showing the tourism receipts/ foreign exchange earnings. This cannot be taken as a parameter for understanding economic impact. In order to translate tourist expenditure data into economic impact information, the multiplier concept has to be taken into account. Tourism benefits and impacts are not only occurring directly, but indirect and induced effects are there. Appropriate multiplier values have to be calculated for the full assessment of economic impact. Multiplier is one of the most widely considered economic concepts in tourism. Hence it is essential to learn the multiplier concept in tourism.

8.9 Multiplier Effect and Tourism

Multipliers are known as a means for estimating how much extra income is produced in an economy as a result of the initial spending or injection of cash. Concept of multiplier is based upon the recognition that sales for one firm require purchases from other firms within the local economy. This tells that the industrial sectors of an economy are inter dependant. Changes in the level of activity in one industry/ sector lead to changes in the level of activity in other industries / sectors. That means, it could crate a ripple effect, also called multiplier effect throughout the economy. The firms in the sector /industry, purchases not only the primary inputs such as labour, imports, etc, but also intermediate goods and services produced by other establishments within the local economy. In simple terms, the term multiplier refers to the ratio of two changes. Change in one of the key economic variables (such as income) to the change by the development. The multiplier can also be expressed in terms of the ratio of direct, indirect and induced changes in the economy to the initial (direct) casual change.

In the case of tourism the concept has much relevance. Tourist expenditure has a cascading effect throughout the economy. Because firms in the local economy are dependent upon other firms for their supplies, any change in tourist expenditure will bring about a change in the economy's level of production, household income, employment, government revenue and foreign exchange flows. Tourist multiplier measures such changes. The following diagram will represent the multiplier effect in tourism.

Tourist is spending money in the front-line establishments (Eg: Hotels, Airlines, etc), which provide the tourist with their goods and services. The money received by the organizations will be respent. A portion of the money will leak out directly from the economy in the form of 'imports'. For example, a hotel is purchasing a foreign-made liquor to supply to the tourist, then the money paid for the same will leak out of the economy. This phenomenon is usually represented as 'leakage'. These imports may be in the form of food and beverage also when the tourist eats, but that are not provided locally. Here the value of tourist expenditure that actually circulates in the local economy is immediately reduced. The remaining sum of money will be used to purchase locally produced goods and services, labour and entrepreneurial skills and to meet the government taxes, licenses and fees. From the local businesses also, the money is respent. Again some part of it leaks out of the local economy in the form of imports. Some part of it will go to the government. A good share of the money is again passed to the local business. Thus, the indirect impact arises. This process will continue. During each round of expenditure, some portion of money accrues to local residents in the form of income (wages, salaries and profits). Either households or businesses will save some of the money. This is also a form of leakage. If the money is respent again leakage happens and some part goes to government. This spending of income accrued as a result of the initial tourist expenditure will generate further rounds of economic activity and is referred as induced effect. Measurement of economic impact of tourism has to take into account the flow of money through various sectors of the economy and the corresponding generation of different rounds of expenditures, which include direct, indirect, induced effects.

8.9.1 Different Types of Multipliers

In order to translate tourist expenditure data into economic impact information the appropriate multiplier values have to be calculated. The term tourist multiplier refers to the ratio of two changes - the changes in one of the key economic variables such as output (income, employment or government revenue) to the change in tourist expenditure. There will be some value by which the initial change in tourist expenditure must be multiplied to estimate the total change in output. This change is referred to as output multiplier. Similarly, there will be a value that, when multiplied by the change in tourist expenditure, will estimate the total change in household income. This is referred to as income multiplier. The major types of multipliers are listed below.

Output multiplier

This measure the amount of additional output generated in the economy as a result of an increase in tourist expenditure. That means it measures the size of added output produced in primary and all the secondary rounds in an economy due to an increase in tourist spending. This is different from transactions multiplier which is concerned with the changes in total volume and value of sales.

Income Multiplier

This measures the additional income (wages, salaries, rent, interest, distributed profit, etc) created in an economy as a result of an increase in tourist

expenditure. Such an income is to be considered only in the form of disposable income, i.e., the income which is available to the households either to spend or save. It can also be measured as national income. Here, the income accrued to non-nationals is not included since major part of it is repatriated. On the other hand, the secondary economic effects created by the re-spending of non-nationals income within the area must be including within the calculations.

Employment Multiplier

This measures either the total amount of employment generated by the increased tourist expenditure or the ratio of total employment generated by this same expenditure to the direct employment alone (i.e., employment generated during the first round in the directly tourism- related sectors). Employment multiplier provides useful sources of information about the secondary effects of tourism, but their measurement involves more heroic assumptions than in the case of other multipliers, care is needed in their interpretation.

Government Revenue Multiplier

It is a measure of the impact of an increase in tourist expenditure on government, public revenue in all forms and from all sources. This multiplier may be expressed in gross terms – that is, the gross increase in government revenue as a result of an increase in tourist spending –or in net terms, when the increase in government revenue is reduced by the increase in government expenditures associated with the increase in tourist activity.

Check Your Progress - II

Filling the blanks:

1. are the heart of the tourism industry.
2. are those essential services catering to the requirements of the tourists.
3. Tourism is a, activity with a large number of consequences on society, culture, environment and economical conditions of a country or a region.
4. Domestic tourism encourages redistribution of of the country.
5. Tourism activity is used by certain economies as an important resource for generating

Check your answer with the one given at the end of the unit.

8.10 Summary

Tourism is has become the largest industry in the world, particularly in terms of employment generation. As the sector grows, the structure of it gets more complex. The tourism industry is considered as an amalgam of a range of industries with strong interrelationships. Destination is an important element of tourism industry and the reason de etre of tourism phenomenon. The flow of

tourists and the corresponding usage of it results in a range of impacts. The benefits of the usage of destination, particular economic are the main reason why tourism has been considered as an important industry in this modern world. This chapter discusses the nature, structure, and elements of tourism industry. The discussion also focuses on destination, tourist flow into a destination, benefits and impacts of such flows as well as the generation of economic benefits

8.11 Answer to Check Your Progress

Check Your Progress – I

1. False
2. True
3. True
4. False
5. False

Check Your Progress – II

1. Attractions
2. Amenities
3. multi-faceted, multi-dimensional
4. income government revenue.

8.12 Suggested Readings

- Cook, Roay, A; Yale, Laura, J; Marqua, Joseph, J (2002). Tourism: The business of travel, Pearson Edecation, Singapore
- Cooper Chris, Fletcher Jon, Gilbert David and Swanhill Stephen, (1993). Tourism-principles and Practices, Pitman with EL/BS, London.
- Davidson, Rob (1989). Tourism, Pitman Publishing, London.
- Gartner, William C, (1996). Tourism development: Principles, Processes, and policies, Van Nostrand Reinhold Co., New York
- Mcintosh, Robert W., et al., (1995). Tourism: Principles, practices, philosophies| John Wiley & Sons Inc., New York.

8.13 Review Questions

1. Explain the generation of economic benefit due to the usage of a destination by tourists.
2. Elaborate the applicability of multiplier effect in tourism.
3. Discuss in detail the structure of tourism industry.
4. Discuss in detail about the nature of tourist destination and the flow of tourists to it.
5. Identify a destination near to your place to discuss about the life span of it in detail.
6. Discuss in detail about the complex relationship among various components of tourism industry.

7. Visit a tourism destination nearby and identify the various types of industries associated with tourism over there and their role of them in the tourism process.



UNIT 9 MOTIVATION FOR TRAVEL & TOURISM

RELEVANCE OF MOTIVATION STUDIES

Structure

- 9.0 Objectives
- 9.1 Introduction
- 9.2 Push and Pull Factors in Tourism
- 9.3 Motivation to travel
- 9.4 When do people travel?
- 9.5 Determinants
 - 9.5.1 Determinants of demand
 - 9.5.2 Determinants of supply
- 9.6 Summary



9.0 Objectives

After going through this unit you would be able to answer as to:

- discuss why do people travel;
- describe the motivational factors behind undertaking a touristic pursuit;
- discuss when do people travel; and
- explain the determinants behind these motivational factors?

9.1 Introduction

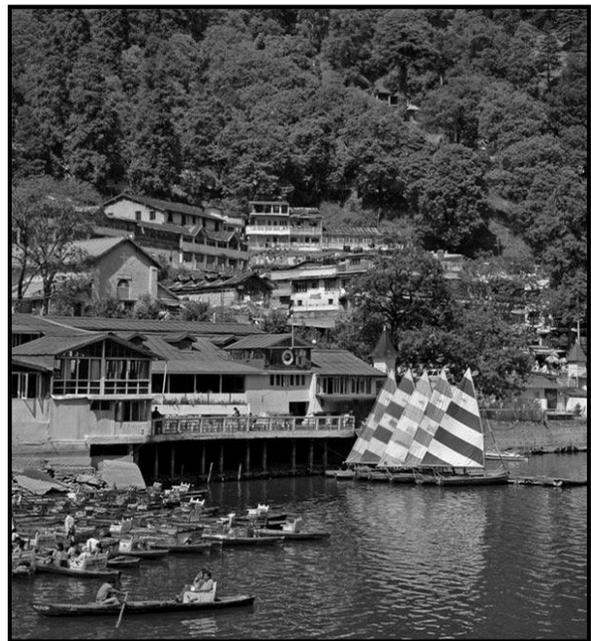
Travel has been a nomadic urge in man but due to 'antediluvian means of transport', 'lack of amenities, safety and security' and, 'non-availability of adequate means' during earlier phases of history, it largely remained the privilege of influential and well-to-do class of society who could afford to buy the conveniences. Middle ages, for the first time observed the emergence of a new class of travelers, i.e., adventures and explorers. Strongly motivated by 'curiosity' and 'quest for knowledge', these inquisitive souls, despite their limited means, used to set-out on long and arduous voyages, bravely facing the enroute risks and discomforts. Thus, daring spirits like Marco Polo, Columbus and Vasco-de-Gama added new dimensions to travel, in terms of activity, concept and philosophy. Renaissance in Europe followed by Grand Tours and subsequently, the development of spas, beaches and resorts as health destinations gave further momentum to travel and tourism. In fact with the varying socio-cultural, economic, environmental, political and technological dimensions the motivations and determinants have kept on, and will continue to be highly dynamic.

9.2 Push and Pull Factors in Tourism

Let us try to understand as to under what circumstances do we take a decision to travel? At any given time in our family life cycle, we experience different sets of liabilities and, of course, liberties. These differ in diverse

stages; like when we are settled in an occupation, drawing handsome salary, though married, but yet to extend our family; we enjoy more financial and social freedom and at this stage there are more possibilities of using our leisure time for touristic pursuits compared to the stage when we have kids, and that to at crucial juncture of their studies. Further, at times we are compelled by social obligations to undertake a journey; like some important function in our family or compulsory visit to some religious place. Many a times our profession makes it necessary to frequently go out of the place of work. Then there can be monotony due to the same routine. In present era stress and strain are also regarded as prominent factors. Whatever is the case, the fact is that at any given time many pressures keep on working on us to make us to realize that we have to take a break. All these pressures or reasons are generally called Push Factors.

Once we realize the need to get involved in some touristic pursuit and identify the exact need niche, we start collecting information about possible alternatives that can fit into our requirement spectrum and in the process we come across a number of options. For example, a person residing in Delhi might like to beat the heat in summers. Obviously the best way is to go to some hill station. Well, he might go to Nainital, Mussoorie, Shimla or, say, Jammu & Kashmir. Each of these places offer different attractions, have different tourism appeal, the expenditure might also vary from place to



place and the distance factor also comes into the frame. Depending upon our motives, budget and time available, we chose one or more than one out of these. In fact all these options have different tourismagnetism, or in simpler words posses diverse levels of attraction. These alternatives are kept in the category of Pull Factors. So, we have understood that any tourism related decision is the outcome of interplay between Push and Pull factors.

The amazing fact associated with tourism is that; in the first place, people travel to various destinations due to uncountable and unimaginable number of reasons; secondly, in most of the cases a touristic pursuit is an outcome of combination of more than one motive, meaning thereby is that when we select a destination we look for multiple purposes – for example, while planning to go for a vacation we, the Indians, probably would prefer to go to a place which can provide us (if we are going due to religious reasons) with opportunities to visit a (or number of) religious place (s) along with some other leisure, cultural

or natural attractions, in addition to friend or relative living nearby; and, most interestingly, the wants and needs might vary with additional trips to the same place. However, a person going to a destination due to only and only a single reason is called a Special Interest Tourist and the phenomenon Special Interest Tourism, commonly expressed by the abbreviation "SIT".

9.3 Motivations to Travel

As discussed above there can be thousands of reasons behind the travel especially meant for touristic purposes. And, honestly, it is extremely difficult to enlist all of these. Therefore, the various scholars from the field of tourism have suggested diverse categories to enlist the same. Following the categorization proposed by McIntosh, we will now learn about the various broad classes of motivations which are as follows:



- Socio-Cultural Motivators,
- Physical Motivators,
- Inter-Personal Motivators, and
- Status & Prestige oriented Motivators

To begin with, and keeping in mind the strongest appeal of Indian tourism, let us look into the first category, viz. Socio-Cultural motivators. Whenever one undertakes a journey due to something related to either religion (visit to shrines, or for example), or monumental attraction (e.g. Taj Mahal), or historical connections (Port Blair), or fairs and festivals (Suraj Kund Craft Mela or Goa Carnival), or social ceremonies (marriage), or to study the life style of a particular group etc., the movement is caused by this set of motivators. Meaning thereby is that the tourists seek either social or cultural experience in this case. Countries like India are depending upon their extra ordinarily rich cultural treasures to woo tourists from all around the globe.

The second category, i.e. Physical Motivators has three dimensions, viz. visit to a place to either challenge our physical strength, or participate in or simply watch some sport, or physical well being. This can be taken as the oldest set of motivators (Do you remember the organization of Olympic Games, and that too in B. C. period?). To challenge physical strength relates to getting involved in such activities where you require lots of stamina and courage, like the hard adventure sports. Adventure, undoubtedly, has gained a prestigious place in last two decades amongst the favorite activities. One because one explores new dimensions of ones' unlimited strength, and also due to the fact that adventure provides an opportunity to enjoy nature in its virginity. Being a part of any sporting event (active or passive) has been traditionally inherited by all of us – actively when we participate in this and passively in case of only watching the sport as audience. I would like to remind you the noisy groups

supporting their countries or teams that can be easily seen in cricket or football matches all around the world. In fact these people have tremendous impact not only on the economy of the area visited, but also on the general standard of living of the residents of the place because we have to have supporting infra and super structure to accommodate them (just think of the developments that are on the way to the forthcoming Commonwealth games to be organized in New Delhi). Thirdly, physical well being which has two dimensions, namely bodily health & spiritual vigor. You know, we have entered an era when a new term has been coined in tourism; this is Wellness Tourism. Getting rid of ailments in climatically favourable environs has always persuaded people to go to other places (like people used to go to SPAs in ancient periods) and the same trend is continuing even today. In fact India has taken great leaps in this field by offering quick and comparatively inexpensive treatments on one hand, and state of the art facilities on the other. Health tourism, thus, is another bright shining in the Indian skies. Let us not forget we are living in the country which is equally known for the Ayurvedic treatment, as well as for Yoga & Meditation.

Coming to the third category, i.e. Inter-Personal Motivators now. Its' a bit intricate to understand this particular one. When someone travels due to various very personal reasons, without being forced by external factors, these motivators are said to be working upon the person. Two most commonly observed phenomena in this category are:

- Visit to Friends & Relatives (VFR)
- Root Syndrome

VFR includes the persons who visit a given place to meet their near and dear ones. Very frequently occurring a phenomenon in our country too, VFRs' have their own importance in the growth of tourism, as well as economic contribution. Many a scholars hesitate in recognizing VFRs' as conventional tourists, but the fact remains that though such tourists depend upon their hosts for only one component of tourism industry, namely accommodation, they use majority of the remaining components as the other segments do. Think about the situation when you go to a friend of yours' residing in Shimla. Though you will stay with him, yet you will visit different attractions in and around Shimla, probably use taxis or coaches for your intra-destination travel, purchase some souvenirs as well, visit some restaurants etc. meaning thereby is that you will, as a tourist, contribute to the economy of Shimla.....and economic gains by the destination region is one of the major objective of tourism development.



Root Syndrome is the situation where one migrates to some other place and wishes to visit his or her native place as a tourist at some later stage. Another dimension to this consists of the later generations of these migrants who keep on hearing stories about the place they had belonged to and develop keen interest in experiencing the same thing(s) themselves also. For example the children of NRIs' coming to India to experience various colours and celebrations. In fact this is a very important segment, because they have high spending power and might come in large numbers, if properly approached with effective marketing and promotional strategies. China has made exceptional growth in this segment and that too in last two decades. Majority of the international tourists visiting China consist of Non Resident Chinese. Department of Tourism, Government of Uttar Pradesh has also launched a scheme to attract Non Resident Indians, viz. "Trace Your Roots". Other Indian states can also plan something on these lines to enhance their market base.

The forth category, proposed by McIntosh, revolves round Status & Prestige Oriented Motivators. There is a very old saying "travel to learn and learn to travel". In the present era of LPG (i.e. Liberalization, Privatization and Globalization) the whole world has become a small village where people from different backgrounds, and nationalities, have commercial interests and accordingly the idiom has to be amended a bit. Now it should be re-stated as "travel to learn & earn and learn & earn to travel". Obviously, knowledge and economic status are two most essential factors to fetch status and prestige in the society and, therefore, the number of such people is ascending year by year. Country like India have been major gainers of this phenomenon, where global investment has increased manifolds in last couple of years and as a consequence business oriented travel has also ascended.

Apart from the above, a section of the tourism experts is of the view that we must add one more category to the above list, which is Fantasy. In fact a lot of people undertake journeys for reasons different from the above mentioned ones. Many a times we dream about activities that are off-beat or unusual or are different from the routine ones. For example, the couples who go for honeymoon don't fall in any of the above mentioned categories, because their reasons to travel are different. Similarly, the persons who go to amusement parks mainly look for thrill and excitement. Then there are adventurous souls like space tourists who might be looking for the privilege of being the fore-runners in this field. In all the above cases, the travels are due to extremely unusual reasons- the reasons that are a part of far imaginations, the fantasies. We all keep on dreaming about bizarre things and at a point of time the curiosity crosses the bearable threshold of inquisitiveness to such an extent that we have to take some action to satisfy the need niche.

Check Your Progress – I

Answer following question.

1. Differentiate between Push and Pull factors in Tourism.

Check your answer with the one given at the end of the unit.

9.4 When do people travel?

Thanks to the ever greater automation, particularly on the industrial front, that more and more people have now disposable income and leisure time on the one hand, and strong desire to escape such by-products of industrialization and urbanization like noise pollution, over-crowding, routine, monotony and boredom on the other thus making travel and tourism both a 'convenience', as well as, 'compulsion' to the modern society (Kandari, 1984).



Let us now try to enlist some of the major prerequisites which are vital possessions required by any person to qualify to get involved in the phenomenon of tourism. These include, as briefly mentioned above:

Disposable Income: refers to that fraction of the income that is left with a person after fulfilling all the social, i.e. necessary, obligations and can be spent by him or her as per ones' own wish. Disposable income essentially has correlation with the motivations of the tourists, because this amount is to be spent on leisure activities.

Discretionary Time: means the period that remains with a person which he/she can spend as per his/ her own discretion or desire without having any outside influence. The more the discretionary time, the higher is the urge to get involved in touristic pursuits.

Need or Desire: are the factors that basically design and direct our motivations. When the persons travel due to need or compulsion; whether social, occupational, or well-being; the phenomenon falls in the category of "Compulsive Tourism" and in case of travel undertaken due to some desire, or combination of desires, the practice is termed as "Impulsive Tourism".

Social Sanctions: is the recent addition (of 90's to be specific) to the list of prerequisites for travel and tourism. These relate to all the three regions that constitute a tourism system, viz. Tourist Generating Region (TGR), Tourist Transit Region (TTR) and Tourist Destination Region (TDR). Social sanctions refer to the open-ness / flexibility / hospitability of the society of these three regions to either allow the people living at TGR to freely move out to other destinations or to explicitly welcome the ongoing or incoming tourists (w.r.t. TTR and TDR, respectively). Values, ethics, social norms, education level etc. are the governing factors of social sanctions.

9.5 Determinants

Determinants refer to the factors that shape or regulate demand or supply of tourism, i.e. are responsible for growth and development of demand and quantitative, as well as qualitative, supply provided by any destination. These are called determinants because these determine the typology and level of either demand or supply. Let us have an insight into some major ones related to demand and supply, respectively.

Undoubtedly, the origin of modern tourism and its speedy growth can be attributed to the remarkable achievements in the field of science and technology. To quote Singh (1975) 'modern tourism is a direct product of economic and social progress promoted by technological and scientific advances, higher real income, longer leisure time, demographic expansion and increasingly cheaper and varied tourist-plant facilities that provide the essential conditions for the growth of tourism'. Researches have proved that, "the inhabitants of large urban and industrial cities are most eager escapers from their environment on weekends and annual holidays" (Wahab 1971). Consistent innovations in the field of transport and communication have particularly contributed to the dynamically increasing propensity to travel. Now people have a natural access to faster, cheaper and safer means of transport and an equally effective communication system. 'Time-distance gap' in real terms has considerably narrowed-down, thus converting the world into a close neighborhood. Role of 'education' and 'awareness' too has been vital in promoting travel and tourism in a big way. To quote Hellen (1966), "The spread of education has created cultural awareness and has stimulated desire to travel". In fact, the frontiers of awareness have considerably enlarged over the years and as a result alongside, the usual cultural, political and business reasons, 'environmental', 'biotic', 'geographic', 'social', 'scientific', 'technological' and 'economic' perspectives, too, have begun to strongly motivate people to travel.

Development of newer attractions and destinations, improvement in tourist-plant facilities and services, availability of competitive tourist supplies both in terms of quality and prices and effective marketing strategies being adopted by tourism developers and private sector enterprises are further tempting more and more globe trotters to set-out on recreation, pleasure and/or adventure trips or explore nature and culture.

9.5.1 Determinants of demand

I. Income

Income is the most vital factor affecting demand, as this is directly proportional to the spending power of the persons. If the income rises, the demand for goods and services rise too. However this has a relation with the quality also. The demand for superior goods and services will rise with the increase in income. A careful analysis of tourist generating regions reveals that the top slots have been shared by the countries with strong economy and currencies.

II. The number and price of related services and products

The higher the price of alternative goods or services, the higher the demand will be for product or services in question. That means if the price of coffee rises then the demand for tea will increase.

Complements: as the price of complements rises, demand for the complements falls and so too will be the demand for the good in question. If the price of petrol rises then demand for cars will fall.

III. Tastes and Fashions

Tourism demand is highly dynamic and is extremely sensitive to the variations in tastes and fashions. Mainly World Tourism Organization, World Travel & Tourism Council and Ministry of Tourism, Government of India keep the record of the apparent trends that might affect the growth and development of tourism in the country. Tastes and fashions are usually affected by advertising, trends, health considerations etc.

**IV. Expectations of future price changes**

Prospects of fluctuations in prices of services and goods might influence the decision making to a large extent. If people expect prices to rise in the near future, they will try to beat the increase by buying early and vice versa. It has been observed that in many cases the tourism related decisions are deferred due to perceived (or actual) changes in prices. Generally any increase in prices has a short-term impact on demand. After a small span of time tourists accept the changes and once again retort to their planned schedules.

V. Population

The size and make up of the population has a reverberating effect on demand. In fact, the size of population is directly linked with propensity to travel (assuming that the economic health of the place good). Again, the age-wise distribution of tourists has a bearing with the type of demand. Like younger population might be interested in adventure based tourism products, where as the senior citizens are more inclined towards leisure tourism.

9.5.2 Determinants of Supply

I. Costs of production

Cost of production is the most important criterion which regulates the supply of tourism product, services or facilities. Cost, in case of tourism also, is inversely proportional to the volume of production. In simpler words, if an accommodation is experiencing 80% occupancy, the costs will reduce compared to the option

which has only 40% occupancy rate. Costs are affected by changes in input prices, wages, raw material, technology, organizational changes leading to increased/ decreased efficiency in addition to Government policies including taxes and subsidies.

Profitability of alternative goods in supply

If an entrepreneur makes a greater profit from accommodation units compared to that from tour packaging, supply of the later will decrease while that for former will certainly increase.

Environmental conditions, Nature, random shocks

The worst factors that affect supply in the field of tourism revolve around calamities, geo-political disorders, industry's working ambience etc. thus weather, earthquakes, wars and problems like industrial disputes are perceived as dark shadows in case of tourism industry.

Expectations from future prices

If the price of a good is expected to rise the supplier may hoard stock (reducing the supply now) in order to benefit later (increase in supply).

Profitability of goods in joint supply

Joint supply, in tourism sector, is a very common incident Meaning thereby is that suppliers of different components join hands to offer a complete and more satisfactory product. Tour packages are the best example to support this statement, where we find an effective involvement of hoteliers, transporters, guides & escorts, souvenir providers, entertainers and many more to ensure the supply of a package. Joint supply on one hand guarantees higher appeal in the product being hassle free & cost effective, and on the other assures sustainable business volumes to the suppliers.

Technology

A small stroll in the history reveals that with every technological advancement (may be in transport or communication or information technology) the supply in tourism industry has made steady strides. Simply because advanced technology ensures higher yields, quickness of service, better safety standards and, above all, lower production costs.

Check Your Progress – II

Answer following question.

1. List the various determinants of demand.

Check your answer with the one given at the end of the unit.

9.6 Summary

Well, the nitty-gritty of the discussion made in the foregoing text emphasizes upon, first of all, the very mechanism of traveling. Whenever we take a traveling decision we have clear-cut or well defined reasons to leave our place (s) and, concurrently the options in the form of destinations. As discussed in the first part of this Unit, the reasons to leave our place are described as push factors, while the options form a gamut of what have been described as pull factors.

In the second part inspirations behind the touristic pursuits, along with the stimulating factors have been discussed in details. To have an insight into this, the classification of the motivational factors suggested by McIntosh, in addition to Fantasy, was taken as the major criteria. This included four categories of motivators, viz. Cultural, Physical, Inter-Personal and Status & Prestige.

In the succeeding fraction, the very pre-requisites, i.e. the basic requirements; which are necessarily needed to be fulfilled by any person to qualify as a tourist; have been discussed. In simpler words, the role and importance of money, time, need or desire and social approval has been highlighted, which are must for the phenomenon of tourism to occur. And in the last part, all the variables related to society, economy, technology etc. that might influence the demand and supply in the field of tourism have been discussed. These include population, income, state-of-the-art in the field of technology, cost of production – to name a few. These variables are commonly known as determinants and are indicative of the levels of qualitative and quantitative demand and supplies.

9.7 Answer to Check Your Progress

- I. Push factors means all those factors which demotivate a person to visit a particular destination where as pull factor means all those factors which motivate a person to visit tourist destination e.g. pleasing weather, low price, seasonal discount etc.
- II. Income, Price, Tastes, Fashions and Population.

9.8 Suggested Readings

- Mill & Morrison - **The Tourism System**
- 2003, 2004, 2005 - **International Tourism Reports**
- T.V. Singh – **Tourism and Tourist Industry**
- Boyd, Harper, W. and Ralph - **Marketing Research: Text and Cases**
- A.K. Bhatia - **Tourism Development: Principles, Practices and Philosophies**
- JMS Negi - **Tourism Travel- Concepts and Principles**

9.9 Review Questions

1. Discuss various factors that influence travel decisions of the persons.
2. What do you understand by motivational factors? Write four examples of travel due to multiple motivational factors and a single motivator.
3. Elucidate upon the necessary requirements that make a person eligible to undertake the phenomenon of tourism? Can these vary in different socio-cultural and economic settings?
4. Throw some light on the importance and typology of determinants of tourism demand and supply.

9.10 Exercises

- Carryout a survey and enlist the prominent motivations that attract international and domestic tourists to major tourist destinations of your region.
- Contact twenty persons, who regularly go out for touristic purposes, from your neighborhood and prepare a list of the most important pre-requisites as per the responses given by them.

UNIT 10 TOURISM INDUSTRY: ORGANIZATION AND SCOPE

- 10.0 Objectives
- 10.1 Introduction
- 10.2 Travel Agency and Tour Operation
History of India
- 10.3 Definition of Travel Agency and
Tour Operator Business
- 10.4 Case Studies
 - 10.4.1 Travel Corporation (India)
Pvt. Ltd. (TCI)
 - 10.4.2 Students International Travel
Association (SITA)
 - 10.4.3 Cox and Kings India Ltd.
 - 10.4.4 Indo Asia Tours
 - 10.4.5 Thomas Cook India Ltd.
- 10.5 Le Passage to India
 - 10.5.1 Profile
 - 10.5.2 LPTI Products and Services
- 10.6 Summary

10.0 Objectives

After reading this unit, you will be able to:

- to explain the history of tourism;
- to discuss about the different tourism organizations
- to discuss their scope
- to discuss the history of organized travel business in India;
- to describe the travel agents and tour operators- definition and differences;
- to list the leading travel agencies and tour operators of India; and
- to discuss the travel programmes of leading travel agents and tour operators of India.

10.1 Introduction

Travel has existed since the beginning of time when primitive man set out, often traversing great distances, in search of food and clothing necessary for his survival. Throughout the course of history, people have traveled for purposes of trade, religious conviction, economic gain, war, migration and other equally compelling motivations. In the Roman era, wealthy aristocrats and high government officials also traveled for pleasure. Seaside resorts located at Pompeii and Herculaneum afforded citizens the opportunity to escape to their vacation villas in order to avoid the summer heat of Rome. Travel, except during

the dark ages, has continued to grow, and throughout recorded history, has played a vital role in the development of civilizations. This unit deals with the history of Indian travel agents and tour operations, we will discuss the case studies of TCI, SITA, Cox and Kings India Ltd., and Orbit – Travel and Trade Fairs. We shall also discuss the division of Orbit such as business tours, study tours, freedom tours, travel support etc.

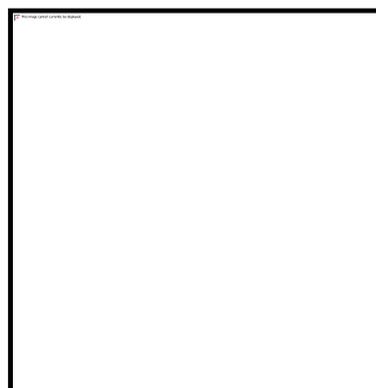
10.2 Travel Agency and Tour Operation History of India

Tourism today has grown significantly with both economic and social importance. The fastest growing economic sector of most industrialized countries over the past several years has been in the area of services. One of the largest segments of the service industry, although largely unrecognized as an entity in some of these countries, is travel and tourism. According to the World Travel and Tourism Council (1992), 'Travel and Tourism' is the largest industry in the world on virtually any economic measures including; gross output, value added, capital investment, employment and tax contribution.

Travel trade in India is relatively new. At the time of independence there was hardly any travel company in India worth the name in present context. The travel business in India in an organized manner started with the setting of the TAAI, Travel Agents Association of India in Mumbai. The Travel Agents Association of India (TAAI) was formed towards the end of the year 1951 by a group of twelve leading Travel agents, who felt that the time had come to create an Association to regulate the Travel industry in India. The primary purpose was to protect the interests of those engaged in the industry, to promote its orderly growth and development and to safeguard the rights of the traveling public. TAAI represents all that is professional, ethical and dynamic in our nation's Travel related activity and has been recognized as the voice of the Travel and Tourism industry in India.



With a membership data base of over 1800 Active; Allied and Associate members comprising of IATA accredited Travel Agencies; Airlines & General Sales Agencies; Hotels and Tour operators; TAAI is the largest Travel Association of India. Prior to it there were two major companies Thomas Cook and Sons and The American Express with their main branches and Indian companies, Jeena and Co., Lee and Muirhead India Pvt. Ltd., and N. Jamnadas and Co. Ltd., operating in India.



However the bulk of international tourists were handled by Thomas Cook and sons and the American Express. In 1920, Jeena and Company, the first Indian travel agency organized group tours abroad and in India for Indian travelers and it handled the first group of foreign tourists in 1950. However Jeena and Company and other two Indian travel agencies were merged into one composite travel company known as Travel Corporation of India Ltd, popularly known as TCI in 1961. After this there were a number of travel companies established in Indian such as SITA (1963) Thomas Cook India Ltd, American express, Cox and Kings, Ind. Travel and so forth.

Presently there are more than 500 travel companies on the approved list of Department of Tourism, government of India which are located in 100 cities of the country and many have promotional offices in abroad too. In addition of this there are a large number of non recognized travel agencies or registered with respective states, scattered in the country. In India there are more than 400 travel companies approved by the IATA, International Air Transportation Association and a number of them have more than one office or branches.

10.3 Definition of Travel Agency and Tour Operator Business

Generally we call travel agency a retailer that sells tourist products directly to the public on behalf of the product supplier and in return gets commission. According to the Airlines Reporting Corporation (ARC) a retail travel agency is defined as “ a business that performs the following functions- quotes fares, rates, make reservations, arrange travel tickets and accommodation, arrange travel insurance, foreign currency, documents and accepts payments.” The main source of revenue for the retail travel agency is the commission received from the vendors. However the rate of commission differs from organization to organization and travel component to travel component. In India the travel agency receives ninety percent of its revenue from commission and ten percent from the consultancy services.



Tour operator is an organization, firm or company who buys individual travel components, separately from their suppliers and combines them into a package tour, which is sold with their own price tag to the public directly or through the middlemen is called a tour operator. More precise tour operators are primarily responsible for delivering and performing the services specified in a given package tour. They can provide these services themselves as some have their own infrastructure like car/ coaches and hotels etc. or can obtain these from other suppliers. That's why they are called manufacturers of tourism products.

10.4 Case Studies

10.4.1 Travel Corporation (India) Pvt. Ltd. (TCI)

TCI is India's premier travel and tour organization, established in 1961. It has 25 offices in India and a total of 11 offices in USA, Canada, UK, Europe, China, Korea, Japan and Australia. TCI is a member of AFTA, ASTA, IATA, IATO, ICCA, JATA, PATA, TAAI, UFTAA and USTOA.

TCI's core activities are Inbound Tourism, Business Travel and Leisure Travel. Over 1000 professionals at TCI offer expert guidance and take care of your every requirement, giving you optimum value for money. TCI is a leader in the inbound tourism field and works closely with tour operators worldwide. Besides tours to popular destinations in India and neighboring countries, TCI specializes in special interest and



incentive tours, conferences and air charter / cruise ship ground operations. It operates its own Taj Tour and Delhi City Tour and is a G.S.A. for the Palace on Wheels and the Deccan Odyssey. TCI is one of India's largest outbound operators and is the G.S.A. in India for Globus & Cosmos Tours, Rail Europe, Greyhound, Amtrak, Rocky Mountaineer Vacations, Japan Rail and Disneyland Paris. TCI organizes customized vacations and package tours to worldwide destinations.

TCI's Corporate Travel Management Services include implant operations, travel insurance, foreign exchange, conferences and incentive tours for multinationals and leading companies in India. In keeping with worldwide trends, TCI Travel Net offers 24 X 7 travel services through toll free numbers and on-line bookings on www.tcindia.com. TCI has won the National Tourism Award for "Excellence in the Tourism Industry" in Category I every year since 1976, besides annual awards and recognitions.

TCI has a widely distributed network of over 2000 travel agents and tour operators worldwide and service over 2,50,000 travelers annually. TCI's strong resources deliver the best in the industry. TCI sells various products in India including all paces like North, South, East and West. The company sells tours in mountains, beaches, deserts, wildlife areas and organizes tours out of India too. In 2007 TCI merged with Thomas Cook.

10.4.2 Students International Travel Association (SITA)

A Division of Kuoni Travel (India) Ltd. - SITA Inbound is India's Number One Destination Management Company, operating Inbound Tours from all over

the World, with Tour Operations and Marketing activities centralized at the Head Office in New Delhi. The company's strength is service, backed by experience, reputation and network of 11 branch offices in India and 6 overseas offices with associate offices in Nepal & Sri Lanka. With marketing offices in London, Paris, Frankfurt, Milan, Barcelona, Lisbon and Stockholm, SITA is fully equipped to handle every guest query globally.

Since its existence SITA is handling incoming tourists to India from all over the world. SITA INBOUND organizes attractive and carefully planned tours of the Indian subcontinent for groups and individuals. Its key markets are Europe, UK and North America where it enjoys distinct leadership. It has ambitious growth plans and is actively targeting new markets like South America, East Africa & Austral-Asia. The operations and marketing activities of SITA are centralized at New Delhi and its networking with its offices is technology driven, with over 300 committed professionals offering personalized services. SITA has preferred rates with all the suppliers, which ensures that partnership with all overseas Tour Operators with SITA is mutually beneficial. A stringent Quality Control department monitors feedback from across the country and endeavors to constantly improve the caliber of service, endeavoring to provide a matchless travel experience to each and every guest.

History

Its history goes back to 1933 when in New York a bicycle tour arranged by John C Dengler set the pace for a small company called Students International Travel Association. The company soon became popularly known by its acronym – SITA – and launched itself into the orbit of world travel. After achieving unprecedented success in the U.S.A., SITA looked beyond the Atlantic to Europe and Asia – India. In 1956 the first office was setup at New Delhi and from then onwards SITA has traveled a long and arduous journey in the sphere of travel and tourism to be recognized worldwide as a reliable and efficient agency with integrity and offering quality service.

Starting with a staff of just three people, today the company is proud to have increased its fold to encompass over 250 professionals. Foreseeing a policy of Indianisation, in 1963, SITA was converted into a private limited company under the guidelines of the Companies Act 1956 and came to be known as SITA World Travel (India) Pvt. Ltd. With the rapid growth of the Incoming Tours business, SITA soon set its sights on foreign land, starting in 1972 with its first office in Paris. Thereafter the extension continued to Milan, Frankfurt, London, New York, Stockholm, Barcelona and Lisbon. At the same time SITA extended its sphere of activity to the neighboring SAARC countries with a presence in Sri Lanka (1982) and Nepal (1984). Further in 1993, it became a fully owned Indian public limited company and came to be known as SITA World Travel (India) Ltd. Between 1970 and 1994, the company achieved a spectacular growth rate of 3062%. The foreign exchange earnings showed a monumental increase of 6041%. This remarkable progress was the result of adhering to well-defined business principles and goals over the years as well as providing services backed by experience, network and reputation. The company's excellent rapport with the

Government, International & Domestic Airlines and Hotels chains was a valuable asset.

SITA Indian Trails is a business unit of Kuoni Travel India (P) Ltd. and specializes in Incoming Services for foreign tourists traveling to India, Nepal, Sri Lanka & Bhutan. It handles tailor-made individual tours, group series, ad-hoc special groups as well as incentives. In 2003, with a staff of 40, SITA Indian Trails handled over 20,000 foreign tourists with a turnover of US\$ 7 million. The operations are streamlined with three market-focused departments: English Department, European Department and Far East Department.

Committed to excellence, the staff is IT-savvy, experienced and multilingual. Speaking English, French, German, Spanish, Italian, Japanese, Chinese and Korean, they cater to the individual needs of international clients from all walks of life in their own respective languages. The quality of services is further enhanced by the presence of our dedicated staff all over the country, which form an indispensable network of transport and communication. The offices are located in cities like: New Delhi, Agra, Bangalore, Chennai, Cochin, Goa, Jaipur, Jodhpur, Kathmandu, Khajuraho, Mumbai, Thiruantapuram, Udaipur and Varanasi.



10.4.3 Cox and Kings India Ltd.

Cox & Kings is the longest established travel company in the world. Its distinguished history began in 1758 when it was appointed as general agents to the regiment of Foot Guards in India under the command of Lord Ligonier. By 1878, C&K were agents for most British regiments posted overseas, including the Royal Cavalry, Artillery and Infantry, as well as the Royal Wagon Train and the Household Brigade. The Royal Navy was next and in 1912, The Royal Air Force came under its wings. Between 1750's and 1950's, Cox & Kings was witness to an exciting era in Indian history, and, in its own way, helped to shape it. Today, Cox & Kings is a premium brand in all travel related services in the Indian subcontinent, employing over 800 trained professionals.

At present, the COX & KINGS group has offices in UK (2 offices), USA, Japan, Germany, Italy, Turkey, Pakistan and Nepal. In India, Cox & Kings has offices in Mumbai, New Delhi, Chennai, Bangalore, Calcutta, Ahmedabad, Cochin, Hyderabad, Pune, Goa and Jaipur and one satellite office in Andheri in Mumbai and Gurgaon in Delhi.

10.4.4 Indo Asia Tours

Indo Asia Tours was founded in February 1987 by a dedicated group of professionals, experienced in every facet of tourism in the Indian sub-continent, and each with more than a decade of experience behind him. It is an owner managed organization, hence good personalized services, prompt replies and competitive rates are its benchmarks. The company is headquartered in Delhi, besides having branch offices in Mumbai, Bangalore, Chennai and Kathmandu. The company has 45 sub agents all over the Indian subcontinent. The company is registered and recognized by the Ministry of Tourism, Govt. of India and is members of a number of international organizations, like ASTA, PATA, DRV, COTAL, IATO. Since inception the company has experienced rapid but steady growth and presently handles tourists from 19 nations of the Globe. Ever since its inception, the company has regularly received The National Tourism Award for Excellence in Travel Industry from the Govt. of India.

The Company has been awarded No. 3 position in the First Category by Department Of Tourism, Government of India in 2001-2002.

The Company at a Glance

Tourist Guide The company knows that the success of any tour largely depends on the good tourist guide. For this it has a group of in house professionals doing the escorting job with the tourist group. They speak different foreign languages and keep themselves abreast with the latest information. This results in very satisfied clients who keep repeating their visits to various parts of this sub-continent.

Transport Division

The company has its own fleet of 12 modern (Indian make) buses. The bus sizes vary from 10 to 35 seats. All busses are air-conditioned and have very comfortable seats. All are well experienced, service oriented and has been with the organisation for the last 10 years. The company has also a small fleet of new medium size cars.

**Hotel Division**

The company owns three hotels. These are 3 star properties located in Jaiselmer, Bikaner and in Madikeri (Karnataka -South India). The company has plans to build a hotel in Hassan (Karnataka) and yet another one in Hampi - a World Heritage Site in the State of Karnataka. The company has plan to have these hotels operational in the year 2008.

10.4.5 Thomas Cook India Ltd.

During John Mason Cook's 1881 visit to India, he set up the company's first Indian office in Mumbai. He courted senior government officials and he negotiated special rates with railway officials. On his return, India was officially added to Cook's Travel Empire with the publication of a shilling brochure entitled Cook's Indian Tours. It contained an extensive programme of tours and numerous tips for the first-time visitor. The number of tourists visiting India was initially small, but Cook's position was enhanced by several official commissions. In 1887, the firm was invited to make arrangements for senior British officials and Indian princes to attend Queen Victoria's golden jubilee celebrations in London. In the 1890's Cook's set up the Indian Princes Department for the sightseeing purpose of Royal family members. Also in 1887, following overtures from the viceroy, Cook's began organizing the transport of Indian Muslims on the annual pilgrimage to Mecca. They had previously been subjected to terrible conditions and extortion's, and Cook's brought welcome order to the proceedings. The agreement was terminated by the Indian Government in 1893.

Subsequently, it expanded to the cities of Kolkata, Bangalore, Delhi and Chennai, under the aegis of Thomas Cook Overseas Limited. The current company, Thomas Cook (India) Limited (TCIL) came into existence with effect from November 1, 1978. TCIL made its public issue in February 1983.

Size

Present in 19 cities across 67 locations in India Over 1100 employees

Thomas Cook (India) Limited- National Network

TCIL has offices in Mumbai, Pune, New Delhi, Gurgaon, Chandigarh, Agra, Ahmedabad, Bangalore, Baroda, Bhubhaneshwar, Chennai, Cochin, Goa, Hyderabad, Jaipur, Jalandhar, Kolkata, Trivandrum and Vishakapatnam. TCIL has Foreign Exchange Counters at the international airports of Mumbai, New Delhi, Kolkata, Chennai, Cochin and Trivandrum, open 24 hours and 365 days a year to cater to the needs of the international and domestic traveler. TCIL also has a round-the clock Foreign Exchange counter at the New Delhi Railway Station.

Leisure Travel

The Leisure Travel division promotes domestic inbound and outbound holidays. The business is already one of the top two names in the leisure travel in the country.

The Tour Operating sub-division operates over 40 Group Inclusive Tours (GIT) to leading destinations in all 10 continents and also promotes Free Individual Travel (FIT) to over 100 countries around the globe. It also offers domestic tours in the country. In order to offer Indians a full range of holidays, the company has also forged ties with the best names in the leisure business such as Globus & Cosmos, Rail Europe and Star Cruises.

The Incoming Services sub-division caters to the needs of tourists visiting India from all over the world. This division currently caters to the needs of over 50,000 foreign tourists in India and is one of the top two names in the country for incoming services. It handles tourists in all segments including Charters, FIT, regular and ad hoc groups and incentives. In fact Thomas Cook India is the undisputed market leader for the charter segment of the industry which gives it access to lowest hotel and transport rates in the country. The Conferences & Convention cell provides a number of large international conferences in India and has been recognised as the leading conference organiser in India.

Foreign Exchange

Thomas Cook (India) Ltd is a leading foreign exchange provider and offers a wide range of innovative products and services. These include Cash Passport, a reloadable global card that enables travellers to withdraw local currency from more than 800,000 Visa ATMs across 144 countries worldwide; Wire transfers of funds worldwide, using the SWIFT network; MoneyGram money transfer service for quick money transfers to India from anywhere in the world.

Thomas Cook has bank notes in 25 currencies and travellers cheques and foreign currency drafts in major currencies such as US Dollars, Pounds Sterling, Euro, Australian Dollars, Swiss Francs, Japanese Yen and Canadian Dollars. Their customers include persons travelling on business, leisure, employment, medical treatment, further studies and migration. Thomas Cook is also the largest player in the bulk foreign exchange business handling bulk currency volumes for the countries leading banks and moneychangers. This branch has over 20 money exchange bureaus at the Mumbai, Delhi, Kolkata, Trivandrum, and Cochin International Airports, which operate 24 hours a day to provide foreign exchange services to travelers at gateway locations.



Corporate Travel Management

In this segment, Thomas Cook effectively “manages” the travel budgets of several large national and multinational companies such as TCS, Reliance Industries, Godrej, Sanmar, Mahindra British Telecom, Texas, Instruments, Mastek and Tata Motors.

Thomas Cook sets up ‘On-sites’, which are CRS-linked and offers comprehensive end to end travel solutions.

Insurance

Thomas Cook (India) Ltd. is the only travel company in India to have a registered license to sell insurance and offers its own Travel Insurance branded products Viz. Travel Care, Scholar Care, Family Care, Corporate Care and Travel Perks

exclusively designed for different customer segments like, Leisure Traveller, Students, Family, Corporate & Frequent Flyers.

Incentives and conferences

Corporate Marketing & Incentive is one of Thomas Cook's Travel divisions to cater to the needs of the corporate clientele. For many organizations and establishments, incentive travel has become a tool to motivate their employees at work. The company specializes in providing travel arrangements with high quality services for individual as well as organization from different industries. Our clientele include Multi National Companies, academic institutions, government bodies, exhibition organisers, community clubs, resident committees and etc.



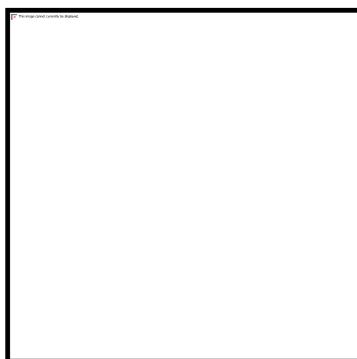
Available Products and Services

Group Air-ticket booking

Group Hotel Accommodation Arrangement

Seminars/Conference

Tailor-Made Incentive



Business Travel

Thomas Cook effectively "manages" the travel budgets of several large national and multinational companies. The company's large volumes and immense buying power help the agency in effectively managing the travel budgets of several MNC's, blue-chip companies and multinational banks to their advantage. Thomas Cook knows the needs of the corporate traveler like no-one else does, and provides businesses a complete basket of products for all their travel needs including the followings:

- Air Reservations
- Hotel Reservations
- Car rental
- Passport/Visa Service
- Foreign Exchange
- Conference/Incentive tour arrangements



Its branches specialize in offering tailor-made Travel Policies for each corporate, thereby bringing savings on spend, by focusing on areas such as:

- Travel Policy Review
- Travel Planning and Budgeting
- Joint definition of preferred vendors and joint negotiation of preferred rate programs
- Consolidation of Spends onto limited number of preferred suppliers

- Travel Policy Compliance
- Corporate MIS generating details as required by the Corporate
- Streamlining of Ordering Procedure
- Review Procedure to review the corporate on pre-determined intervals

The company's Travel Insurance products under the brand Travel Care is high on service excellence, world-wide coverage and value for money.

- Issue of policy for the ages between six months to 70 years.
- No medical certification required for any individual irrespective of age and destination.

Any pre-existing ailments or medical conditions are not covered under this policy.

Check Your Progress

Answer the following questions.

1. Travel Corporation (India) Pvt. Ltd. (TCI) was established in the year -----.
2. SITA Indian Trails is a business unit of ----- Travel India Pvt. Ltd.
3. Indo Asia Tours was founded in -----.
4. Thomas Cook (India) Limited (TCIL) give into existence with effect from -----.

Check your answer with the one given at the end of the unit.

10.5 Le Passage to India

10.5.1 Profile

Le Passage to India Tours and Travels Pvt. Ltd. is the country's fastest growing destination management company. Set-up in August 2002, Le Passage to India is already amongst the top two inbound tour companies in a short span of time. The company is specialized in package tours and tailor made holidays for groups and discerning individual travelers to whom it offers a wide range of specially designed products. With its headquarters in New Delhi, the company is managed by over 200 travel professionals with over 500 years of collective travel experience. The well-knit motivated team of committed people who have in-depth knowledge of the business and unspoken passion to promote tourism in the Indian subcontinent ensures that all guests are well looked after. The philosophy is



simple and aims to apply strong management practices in an atmosphere of collaboration and intellectual honesty. Le Passage to India is recognized by the Department of Tourism, Government of India. The company mission is to make "Travel" a truly magical experience with the vision to make the company India's top Travel Company

Aims

- To be India's most trusted travel company
- Exceed customer expectation of service – "wow" on every smile
- Be the employer of choice
- Foster partnerships with client & supplier
- Meet shareholders expectations

10.5.2 LPTI Products and Services

The company sells and promotes various kinds of tours in India under following headings:

- **Cultural tours-** This category shows the best essence of India including south India, Rajasthan, Golden Triangle (Delhi- Agra and Jaipur), North India and combination of India with Nepal.
- **Incentive tours-** The tour to Golden Triangle in this category is the best incentive tour by the company.
- **Special interest-** Under this category the company offers architecture and Handicraft tours.
- **Adventure and wildlife-** This category offers the tours in Ladakh and wildlife areas of Coorg. The elephant safari at Corbett National Park is another attraction of this category.
- **City Stopovers-** Under this category the company offers 04 metropolitan cities of India with 3-4 days itinerary.



10.6 Summary

In this unit you have discussed:

- Tourism is very important tool for the world economy and it has tremendous potential for the employment generation.
- Tourism is a business concept and a strong tool for the social development
- The development of tourism in India has come up with the efforts of Travel Agents Association of India.

- The details and case studies of leading travel agencies and tour operators of India.
- The different products and services offered by selected travel agencies.

10.7 Answers to Check Your Progress

1. 1961
2. Kuoni
3. February 1987
4. NOV 1, 1978.

10.8 Suggested Readings

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- Website of TCI, www.tci.com
- Website of Cox and Kings, www.coxandkings.com
- Website of SITA, www.sitaindia.com
- Website of Indo Asia Tours, www.indoaisa-tours.com
- Website of Thomas Cook India, www.thomascook.co.in
- Website of Le Passage to India, www.lepassagetointia.com

10.9 Review Questions

1. Why the tourism business is important?
2. What is the role if TAAI?
3. Define the business functions of travel agency and tour operator.
4. Write a short note on the history of travel agency business in India.
5. Explain the growth and development of SITA.
6. Explain the organizational update of Travel Corporation of India Ltd.
7. Write a detailed note on the insurance services provided by Thomas Cook.
8. Describe the different package of Le Passage to India.
9. Write short notes on Indo Asia Tours and Cox and Kings.
10. Write a detailed note on the development of Orbit and its contribution as a leading trade fair organizer in India.

**UNIT 11 TOURISM INFRA STRUCTURE: TYPES AND
TYPOLOGIES**

Structure

- 11.0 Introduction
- 11.1 Objectives
- 11.11 Need for development of Infrastructure
- 11.3 Touristic Infrastructure
- 11.4 Touristic Superstructure
- 11.5 Role of State in development and maintenance of Infrastructure and Superstructure.
- 11.6 Types of Tourism
 - 11.1 On the basis of origin and destiny
 - 11.2 On the basis of Movement Pattern
 - 11.3 On the basis of Seasoned character of Tourism
 - 11.4 On the basis of
 - 11.5 On the basis of Sociological Aspect
 - 11.6 On the basis of Socioeconomic aspect of demand.
 - 11.7 On the basis of socioeconomic aspect of demand.
 - 11.8 On the basis of purpose of visit.
- 11.7 Forms of Tourism
 - 11.7.1 According to member of Passengers
 - 11.7.2 According to arrangements
 - 11.7.3 According to duration
 - 11.7.4 According to means of Transportation used
 - 11.7.5 According to effect on Balance of Payment
 - 11.7.6 According to Quantitative basis
 - 11.7.7 According to Qualitative Basis.
- 11.8 Summary
- 11.9 Glossary
- 11.10 Self Assessment Exercise
- 11.11 Further Readings

11.0 Introduction

In this unit you will understand the meaning and importance of touristic infrastructure and superstructure in growth and development of tourism at a destination. You will also come to know the role played by public and private sector in development of infrastructure and superstructure. The second half of the unit explains the various basis of classification of tourism. To understand the phenomenon of tourism better, it has been classified into various types and forms of Tourism

11.1 Objectives

- To understand the meaning of touristic infrastructure and superstructure.
- To study what and superstructure.
- To study what is included in touristic infrastructure.
- To study what is included in touristic superstructure.
- To explain various forms of Tourism.
- To explain various types of Tourism.

11.2 Need for development of Infrastructure

The term 'tourist' infrastructure denotes to all those built in services which are essential for modern social life and economic development. It includes all the transport facilities such as roads, railways, and airports, water supplies and sewerages systems, supplies of energy such as electricity and gas and communication facilities. These services are commonly supplied by the public authorities.

Touristic infrastructure means the development of the accommodation sector, transport system, touristic sports, travel agencies, tour operators, the entertainment industry, arts and crafts, the souvenir industry and so on. Basically, infrastructure includes all forms of construction on and below ground required by any inhabited area in intensive communication with the outside world and as a basis for extensive human activity within. Economists frequently put stress on the development of the touristic infrastructure as it is the pre-requisite for its accelerated economic growth. And that is why it is observed that high level of capital investment in building infrastructure is a characteristic of all the developing countries. The existing infrastructure in India does not cope with the need of serving the touristic economy. In this connection provision of hotels and other supplementary accommodation facilities can be regarded as the key-note to promote tourism in India.

Touristic infrastructure is an essential feature of the developing economy for its rapid growth and development. Tourism is one of the important factors for eradication of unemployment, earning foreign exchange and it also plays a vital role in the regional development of nation. In the rural areas where anticipated returns on public and private investment of the development of nation. In the rural areas where anticipated returns on public and private investment of the development of the touristic activity by itself in reality may turn out to be nil, if the employment is not realistically planned and done in stages. Therefore, one must be cautious in planning the provision of touristic infrastructure in these areas. The economic exploitation of these areas by tourists generally depends on the natural and economic resources of vast regions more difficult to access, frequently involving problems of connection infrastructural work, the supply of consumers goods and skilled labour etc.

The influx of tourists have accentuated the need for touristic infrastructure. The discovery and development of the new tourist resorts involve increase in the movement of people, goods and services to the under developed

regions. The construction of hotels, production of goods and services etc. largely depend on and is determined by available touristic infrastructure.

The discrepancy between the existing infrastructure and the growing requirement of the economy reveal the importance of building tourist infrastructure. The development of tourism may entail a more complete utilisation of the system of infrastructure and of services and in turn improve the productivity of related investment.

The building up of touristic infrastructure is aimed at extending inter-regional economic ties which promote and accelerate the formation of domestic market. Expansion of transport system increases the ties of the countryside with the tourist spots and promotes the disintegration of the natural economy. The territory is an asset which must be exploited for the benefit of the entire economy. The importance of the transport facilities has a great impact on the socio-economic conditions of a developing economy. It is observed that weakness of transport links between various tourist places in the exterior is a feature of the developing economy which is also one of the factor responsible for their mounting economic difficulties.

There is a need to open new tourist spots, important from the point of view of domestic as well as foreign tourists, with a simultaneous transport construction. Shortage of capital and difficulties of planning in condition of economic backwardness has been on the way of building suitable infrastructure for the development of tourism. In addition to this, it is also observed that the existing capacities of the infrastructure because the demand for means of transport is subjected to big seasonal fluctuations. It is noticed that large hotels and transport facilities are utilised for shorter periods and the rest of period they are partly used. Thus there is a question of efficient use of existing infrastructure. Since the maintenance of the whole infrastructure in condition of tropical climate, monsoons, and short temperature fluctuation is expensive, its use to optimums capacity is very acute in building new infrastructure.

It is realized that while exploitation of land water resources for agricultural development constitutes the important bas for the regional development of the nation, touristic riches of the country offer an additional element of considerable significance for the economic development of the region.

India faces a lot of problems in building the necessary touristic infrastructure which plays a crucial role in accelerating economic development. The state should exert all pervading pressures on there entire economy to make good hotels, transports, power electricity and all other services needed for this propose. An increase in the production of the electric power meets the basic requirements of the economy and above all promotes the development of the industry. As the industry develops, the demand for electric power rises. The development of tourism requires such factors like financial resources and technical personnel for large scale exploration and evaluation of the tourist areas. This will certainly determine the possibility of modern tourism.

Lack of technical personnel's has also been one of the greatest bottleneck in smooth running of this highly specialized industry. There are

already for regional technical institutes at Delhi, Mumbai, Kolkata and Chennai and number of Food Craft Centers are also run, which are training young men and women to take assignment mainly in the accommodation sector. There is a growing need for personnel in the field of tourism management. Tourism education has largely been neglected, but the proper and efficient functioning of tourist industry requires a complete knowledge about the latest techniques developed in the field. In the frame work of planning , the integrated economic development in the regions, it is of utmost importance to accord priority to the construction of a regionally adequate infrastructure along with the measures of land and water resources development of the regions. There is also urgent need for a detailed research relating to the different aspects of tourist industry, in order to lay a sound base for its future development.

11.3 Touristic Infrastructure

An integrated package of infrastructural facilities water power, road, air transportation, tourist attractions etc as give in figure 11.1 , is the basic urgent requirement for India to achieve its goal. Boosting tourist traffic in this country and others in the region depended largely on the extent to which these minimum facilities are provided to the tourists.

The place of tourism in national planning varies according to the priority accorded to it. Many countries regard it as luxury industry and accord it a low priority in their national plans. The plans of nation are based on the priorities, infrastructure, inputs available and the importance of balanced socio economic development. The successful setting up of the tourist industry is dependent basically upon the growth and development of the general economic infrastructure of the nation.

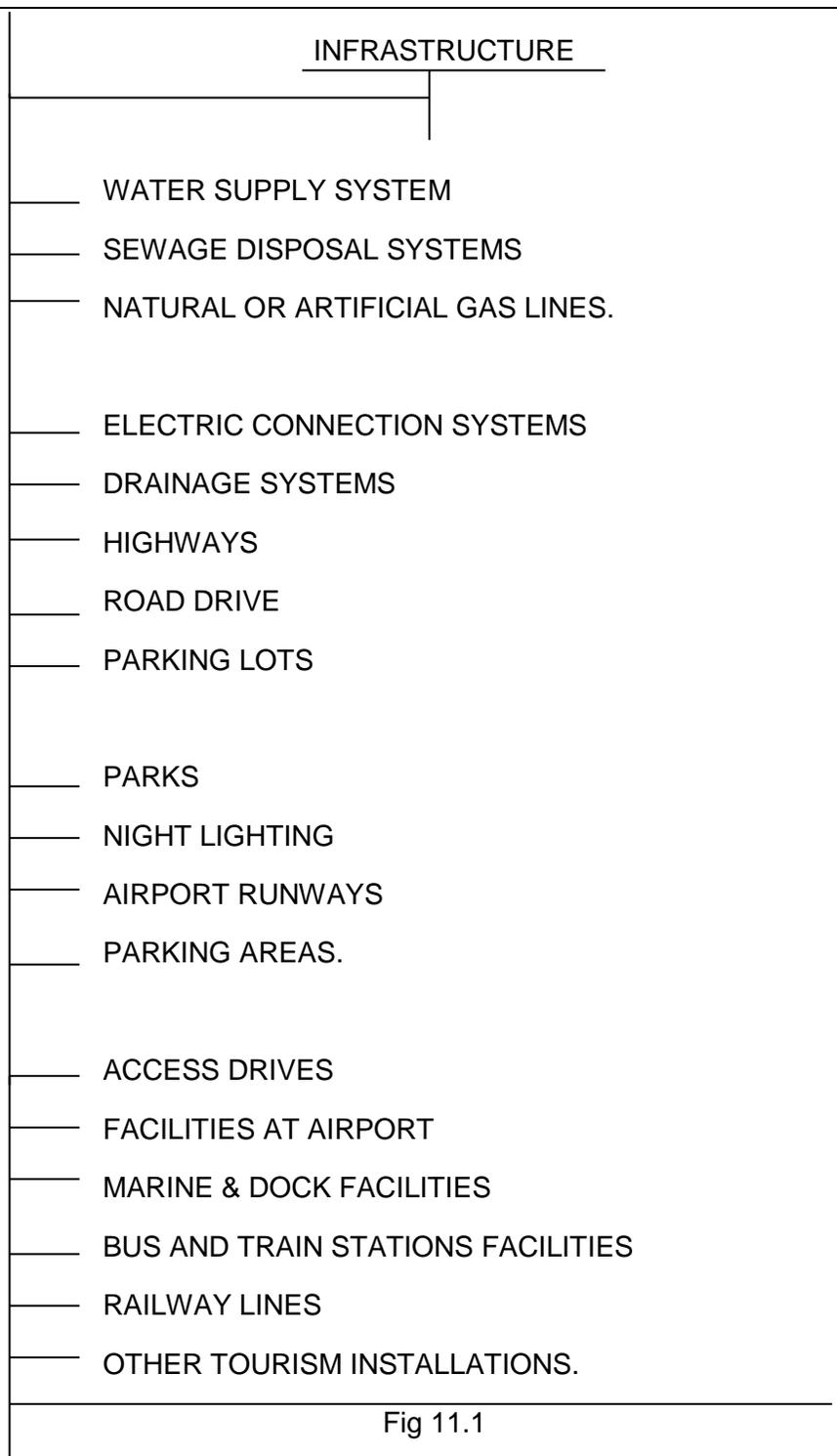
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The infrastructure requirements may be divided into the following groups:

- Those which provide lines of access and communication with the outside world.
- Those which enable the movement of people at the destination.
- Those which supply essential services of lighting, heating power, water, drainage and sewage disposal for the development.

Tourist may reach a particular destination by road, rail or water or by air or by a combination of these modes of transportation. To provide the necessary infrastructure may accordingly call for the construction of the roads, railway lines, harbours, and airport runways. These all are required to carry the required volume of traffic to and from the tourist areas. There is also a need for telecommunication and other means of communication. The access work has to be extended to provide means of communication and movement within the area.

In addition, network of utility services extending over the whole area of development has to provide for the public conveniences and night lighting etc.



The underground and service installations described above are of paramount importance to successful tourism. Construction of these require considerable period of time.

It is best to build roads of adequate dimension initially instead of small inadequate road which later have to be torn up and replaced with better and more adequate facilities. Great care should be taken in the construction of roads. They should be hard, all weather surfaced, be properly graded and drained. They should be safe and built to international standard. Service installations such as road side facilities, road side parks, road side picnic facilities, rest park which include toilet facilities, scenic turnouts, auto repair and service facilities are all needed for tourism.

The airport runway should be build to international standard. The runways may be used for the new super-jets and there may not be heavy expenditure on modifications in future. Roadside parks, picnic tables, rest areas, scenic turnouts and similar road side park type facilities should be regularly maintained to keep the park in a neat orderly condition.

Service stations should be providing in sufficient quantity. The attendants at these stations should be courteous, hospitable and friendly. They must have the knowledge of tourist stations in their immediate vicinity and advise the tourists concerning accommodation, shopping and entertainment in their community.

11.4 Touristic Superstructure

The super structural services are also needed for tourism development. It include, access facilities for transport (airport terminals, rail and coach stations) hotels, motel and other accommodation units, café, bars and sport recreational facilities and entertainment. Most of the super-structural facilities are provided by private companies or individual entrepreneurs central state and local governments also give financial and other aids for these facilities as given in figure 11.11 and 11.3.

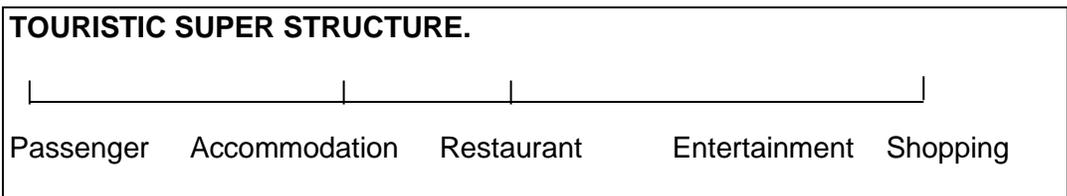


Fig. 11.2

Touristic superstructure comprises all the individual facilities within a tourist area and consists of passenger traffic terminals, accommodation, hotel motel, catering and entertainment and shopping etc. These are mostly costly of all the elements as they involve the construction of building. Most of these facilities are provide by individual developers and operators. These are planned individually or may be components of an overall plan. Passenger traffic terminals, airport building and terminal, port facilities, railway, bus and coach terminals etc. are usually planned in conjunction with the related infrastructure. The capacity of a destination is

determined by the capacity of its accommodation units. There is a need to establish a optimum, accommodation capacity which is economically viable for the operators and in turn for the economic prosperity of the community. Other facilities like catering, entertainment and shops does not represent much of the planning problems. These are readily provided by commercial entrepreneurs. The nature and Variety of these facilities matters much and goes to the root of the nature of the tourist destination. In almost all the tourist planning, these facilities are being regulated. Special care should be taken of the architectural design of building. The hotel building should be distinctively designed in accordance with the local environment. The tourists immerse themselves in an environment totally different from that which they are accustomed to in their every day life. Air-conditioning, central heating, and plumbing and other modern comfort amenities must also be used in the building of the hotel.

Accommodations are of great importance for successful tourism. They are fundamental to tourism. The hotel must provide the various types of physical facilities, prices ranges locations and services offered which meet the expectations, wants and needs of the travelers. The demand for accommodations varies according to the social class, price that the guest are willing to pay, level of prices and similar other consideration. Suitable accommodation should be available for all segments of the market. In planning accommodations, the point to be noted are the nature of the environment, the destination itself, the expected markets, the mode of transportation the type activities engaged in at the destination etc. Before any investment in hotels and similar lodging facility is made, the traveling and vacation habits of the prospective guests should be carefully studied.

Construction of large luxury hotels and development of holiday resorts could come into the picture as of part of a comprehensive approach. Shortage of hotel accommodation has been one of the inhibiting factors in the development of tourism in India, and whatever accommodation is available is concentrated in the certain metropolitan cities and hill stations. There are many tourist attractions. where are no suitable accommodation facilities. We require both primary and secondary type of accommodation.

Check Your Progress-I

Which of the following fall under infrastructure and which fall under superstructure.

Airport terminal

Railway track

Hospital

Resort

Post Office

Water supply pipelines

Sewerage disposal systems

Bus Stand

Railway station

Road

Electricity Supply lines.

Stadium

Police station

Water treatment plants

Multiplex

Run way at the airport.

11.5 Role of Maintenance of Infrastructure and Superstructure

All the states have started taking part in almost all the sphere which are related to the welfare of the public. Tourism is no exception to this. The state creates services which are indirectly useful to tourism. It encourages and supports the private sector and creates a few pilot schemes. The importance of tourism in the national economy is gaining a place in almost all the countries of the world. It is an expanding industry. Expansion of tourism increases the level of employment by creating new jobs. Construction of new building is one of the part of tourism activities which constitutes a capital investment and provides work for a number of people. There is a market for certain products produced in the country and with the application of multiplier effect and accelerated effect, almost all the section of the society are benefited.

Thus tourism is a public utility infrastructure. The public authorities have an important role in the creation of necessary infrastructure for tourism. Tourism infrastructure consists of all the units that exist for handling tourist traffic. Tourist demand cause the creation of transport and communication facilities, urbanism, irrigation, etc., resulting in a general economic improvement of benefit to all the inhabitants.

Intervention by public authorities to support and promote national tourism, has assumed a completely new appearance over the last few years. State intervention takes the form of setting up bodies for controlling tourism activities by giving financial support to private organizations operating in the sector for setting up advertising agencies abroad, for creating tourism study centers and for the development of research and survey in order to gain a better knowledge of internal and external markets.

Tourism infrastructure is usually understood to include:

- *Supply of network and mains*: This includes water, electricity, gas, telecommunications, sewers, garbage etc.
- *Basic public utilities and services*: This is the administration of religious places, health, education, culture, commerce, police etc.

The infrastructure ensures the operation of facilities essential to modern life like health, communication, supplies, administration safety etc. To meet the needs of tourist, it is not enough to see that they reach their destination comfortably and quickly and are suitably housed and fed. They make trip for a particular purpose. Such facilities therefore, should be afford able to them. Along with transport and accommodations there is a whole range of supplementary units for the utilisation of tourist resources. Some events i.e. international games, exhibitions, conferences lead to the construction of several permanent structure. After the event is over, the buildings remain and are used for other purposes.

A country wishing to receive tourists must give them the best of reception by making available the necessary public services. Roads are needed for travel. Car park, beaches, health services, security, services, port post and telephone facilities are very much needed. At any place the tourists may be in the need of

al these facilities. These services should be provided in such a way that tourists do not feel any inconvenience and the quality should be of at least of that standard which the tourists enjoy in their own country.

Some of the infrastructure helping tourism may not have been created for purely tourist purpose, but their smooth running will help for the reputation of the country in the field of tourism. Water, gas and electricity services should be provided. There must be postal connections and places must have medical facilities. For example, clinics should be established at winter resorts, children's nurseries and game rooms have to be built. The economic activity of a country benefits from the existence of correct infrastructure. This is particularly for the countries which are at developing stage.

In addition to the above, the state also provides specialized tourist equipment at the resorts e.g. equipment at ski-resorts, small pleasure ports and air field in the tourist areas. These installation are beyond the scope of private enterprise as the initial investment is much higher as compared to the returns. The setting up of a museum, restaurants, work of art and safeguarding the countryside can only be financed by public funds.

Thus we find that the state takes number of activities which are a must for tourism development in a country. Some of these activities are social responsibilities and some of them are beyond the scope of private sector.

The extent of the state's role in tourism varies according to the conditions and circumstances peculiar to each country. The Politiceconomic-constitutional system, socio-economic development degree of tourism development etc. vary from nation to nation. In general, in almost all the centrally planned economies, the state is the sole initiator, executor and administrator of all tourism programmes.

11.6 Types of Tourism

Tourism is an economic product meeting the demand of the human beings and as such its market is created according to fluctuation of supply and demand. The majority of the demand of tourism enumerate the motives which can prompt a person to make a journey for tourist region. These motives are varied and do exercise a decisive influence on the destination of the journey. Thus the diversity of touristic motivations generate the various types of tourism. The types of tourism can be categorized under the various heading.

❖ On the Basic of Origin and Destiny

Tourism is not limited within the boundaries of a nation. Tourists may travel to a foreign country or within their own borders. The following types of tourism are found in the tourist flow patterns within a national boundary

- ***Inbound Tourism:*** In this category are included the tourists received by a certain country from other countries, the later being the origin country of the tourist.

- **Outbound Tourism:** There are many persons of a country who go abroad. Out going tourism comprises of tourists normally residing in the country and going abroad.
- **Domestic Tourism:** The national inhabitants of a country travel occasionally to other places within their national territories. The movement of tourist within the country of nationality is known as domestic tourism.

❖ On The Basis Of Movement Pattern

The tourists stay in a place for a long time or they travel continuously and spend little time in various tourist places. On the basis of how the tourists spend their time, the following distinctions can be made.

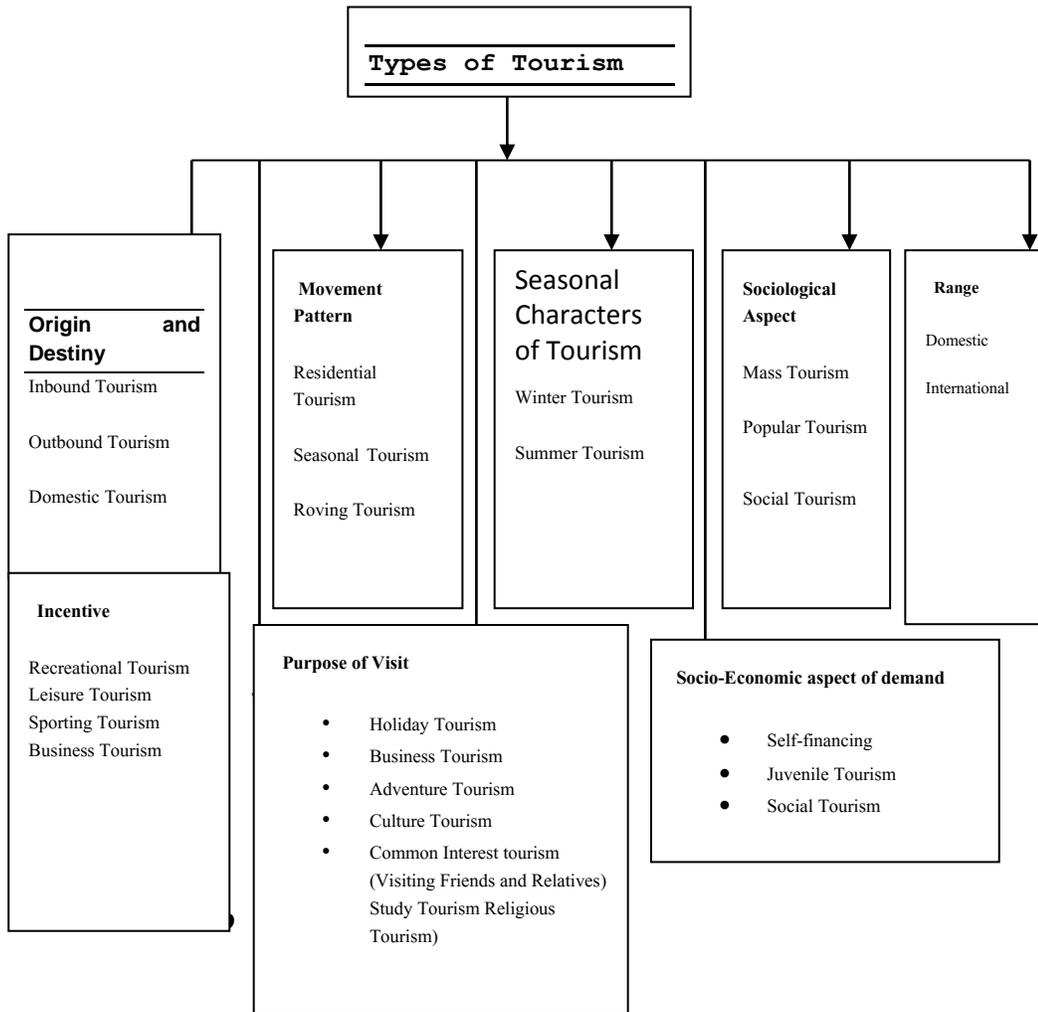
- **Residential Tourism:** Residential tourism comprises of those tourists who have a holiday period of over on month and spend it in one specific tourist place. These tourist choose the quieter and peaceful places with a mild climate. Residential tourism usually takes place in the peak season i.e. the highest point of the total demand.
- **Seasonal Tourism:** Seasonal tourism comprises of those tourists who have a holiday period of not more than one month. These tourists also remain in one specific place for not more than month. The main point of difference in the residential and seasonal tourism is the time factor.
- **Roving Tourism:** There are certain categories of tourists who travel throughout their holiday period. They travel from places to places and never spend more than 5 nights anywhere. They are continuously on the move. Their purpose of travel is different from those of residential and seasonal tourists. They are most wide spread in spring and autumn:

❖ On The Basis The Seasonal Character Of Tourism

There are various factors influencing the mass tourists flows during a particular season. Some of the incentives for travel for a sporting nature depend on natural conditions and the seasons - hunting, fishing, winter sports etc. There are also religious festivals-fairs, art and music, festivals, trade fairs exhibitions which attract the tourists during a particular season. The following types of tourism belong to this category.

In most of the European countries, this tourism takes place in the month of December to March. Winter tourism have two prime incentive-the search for snow and search for sunshine.

- **Summer Tourism:** Summer tourism takes place during the summer months. The main incentives for this type of tourism are sun-shine and bathing, preferably in the sea. In he European countries, it is a very varied type of mass tourism. It has low average quality than that of other seasons.
- **Circumstantial Tourism:** It is a localised tourism as it is attracted by traditional festivals of a religious artistic, sportive, folklorish nature.



❖ **On the Basis of the Incentives**

There are various incentives which generate the tourist flow patterns. Therefore, tourism may be classified as follows:

- **Recreational Tourism:** Tourists who wish to devote their holidays to rest, to recuperate their physical and psychic and who wish to refresh themselves when tired are included in the categories of recreational tourism. There's is the longest stay in tourist resorts which generate relaxation to them - by the sea, in the hills, in the rest centers which ensure for them the sought after comfort. Their main preference is the climatic resorts. The tourists having intellectual incentives, want to see new things, know new people, their history, art and local customs and their natural surroundings are also included recreational tourism.
- **Pleasure Tourism or Leisure Tourism:** It includes those tourists who leave on holiday for a change of climate out of curiosity, to relax, to see something new, enjoy good scenery, unfamiliar folk lore, the quiet and noisy modern tourist centers. Some tourist of this category find pleasure in traveling from the fact of

constantly changing places and surroundings. The constant expansion of industrialization and automation, the anonymity and hectic pace of life, and the growing lack of leisure in a frequently irksome routine job lead men today to look to leisure activities and travel as escape from the pressures and strains they are subjected to. These tourists look for peace and quietness in their surroundings.

- **Sporting Tourism:** Like sport itself, tourism is a mass phenomena of this century. Like sports too, it is only natural in its potential neither good nor evil in essence and can be positive in its effects only if it is subjected to wise planning and guidance. This tourism is motivated by the wish to practice sports. Water and winter sports, hunting and fishing are in good demand. In this case there are big sports foot ball, hockey, boxing championship etc. which attract the country not only the sportsmen concerned, but also thousands of followers and other interested people. There are also sporting tourism of the devotees. There are winter sports, natural, mountain climbing, trekking, hiking, sailing, golf, hunting, fishing, sports, canoeing, water skiing, skating, under sea fishing, dancing, beach games, mini-golf, hydro-cycling, and the various indoor amusements which offer fun and diversion. Countries which are well placed to develop sports have a good scope for tourist flow. They can get good benefits from the sporting tourism. For the elite sportsmen, tourism in one of the strongest motivating forces. "Citius, Altius, Vor Tius" is all very well, but more enjoyable in Tokyo than in Birmingham or Belgrade. The thought that a high performance will qualify one for world travel is perhaps the major motivation for the top flight athlete.

India is place for existing sports. Polo is played at the important clubs in the principal cities of India. Skiing in Himalayas, golf courses, yacht clubs, trekking, sun bathing water sports are some of the specialties in the field of sports.

- **Business or Technical Tourism:** According to some theoreticians, sociologists and economists a business journey cannot be regarded as tourist journey because it lacks the voluntary element'. According to them, business journeys are professional journeys and do not leave to the person concerned either the choice of desination or time of his journey and thus the fundamental idea of liberty of the individual in tourism is absent. On the other side, all the definition of tourism include business journeys under tourism.

Business tourism implies not only the professional journey of industrialist but also all other journeys to fairs and exhibitions or of technical achievements which awaken or rather generate interest among people who have nothing in common with the profession in question. The inclusion of business journey into tourism is also due to the fact that businessmen behave not only as consumers but often during their free time, as real tourists by profiting from the attractions offered by the country.

❖ On The Basis Of The Socio-Economic Aspects Of Demand

Tourism can again be classified on the basis of the economic aspect of demand:-

- **Self-financing Tourism:** It includes the tourists who finance their own tour to satisfy demand. All the incoming, outgoing and domestic tourism belong to this category. Self-financing tourism is profitable both for the private tourist enterprise and for the national economy.

- **Juvenile Tourism:** This classification of tourism is based on the informative and educative objective of tourists.
- **Social Tourism:** Social tourism is found in sector of the population whose income level does not permit to meet their demands. Social tourism is made feasible with the help of and through all sorts of facilities provided by the state and by some of the private enterprises. It is observed that the benefit of social tourism goes to the national population as most of the tourism to this category belong to domestic tourism and very few to outgoing tourism.

❖ According to Range

Tourism may also be classified according to its ranges:-

- **Domestic Tourism:** In this case people travel outside their normal domicile to other areas within the country. People find it easy to travel domestically because there are no language, currency and documentation barrier.
- **International Tourism:** It is a kind of tourism wherein people travel to a country other than in which they normally live and which forms separate national unit within its own political and economic system. Due to the different currencies internal tourism has repercussions on the balance of payments as each country has to balance its transactions with the rest of the world. There are also obstacles put by the authorities for crossing the national frontiers, with the result, there is need for documentation – passports visa and other conditions of entry and movement. This all regulates the flow of the tourists. Now a days, due to the improvement in the language skills, currency and customs and the growing free movement of people between developing countries, the distinction between domestic and international tourism is diminishing.

❖ On the Basis of Purpose of Visit

Tourism can also be classified on the basis of purpose of visit of the tourists:-

- **Holiday Tourism:** There is a now a significant demand recorded by the tourist industry for active holidays, both national and international. In some pursuits i.e. climbing and skiing, the element of risk is uppermost. Old resorts based their attractions on holidays and sports. In holiday camps, a great majority of people showed a desire for a physical recreation and there was strong correlation between good behaviour and sports participation. It is seen that optional vacation planning improved attitudes towards physical activities, both during holiday and on returning home. People have a great interest in hobbies holidays. Family walks and common cagation, as well as camping and many of the family tourist recreations are valuable.

- **Business Tourism**

- **Common Interest Tourism**

It includes tourists with other specific purposes for their journeys and some-times sub-divided further into:

- *Visit to friends and relatives.*
- *Study tourism*
- *Religious tourism and*
- *Miscellaneous purpose tourism.*

❖ On the Basis of Sociological Aspects

Some other terms have been often applied more or less discriminately to tourism, in particular, mass, popular and social tourism, to which it is desirable to attach more precious meaning at the outset.

- **Mass Tourism:** When large numbers of people participate in tourism, it is called as mass tourism. It is essentially a quantitative motive and is based on the proportion of population participating in tourism or on the volume of tourist activity.
- **Popular Tourism:** It is qualitative motion and by its nature it may give rise to mass tourism. It denotes activities meeting with a wide acceptance by people, because of their attractiveness and availability. The acceptance by people may be as it meets their needs or tastes and is availability at a low price.
- **Social Tourism:** Social tourism is the type of tourism produced by those who could not be able to meet the cost without social interventions i.e. without the assistance of an association to which the individual belongs, or by the states.

Problems in the Development of Social Tourism

The worker throughout the world is being allowed paid holidays either by law or by collective agreement. Large number of workers are obliged to spend their holidays at home partly because of lack of means for tourist expenses and partly because of lack of means for tourist expenses and partly because of lack of information, transport difficulties and shortage of suitable accommodation. All those problems can easily be solved through organized social tourism. The financial difficulties can be overcome through subsidies and saving schemes, experience and information can be solved through package deals with carriers and accommodation problem can be solved through contracts with resorts. Thus organized social tourism can bring tourism within the reach of many who would otherwise be unable to travel. The problem of finance can be dealt with by the use of saving fund. The trade union can take an active part in the saving schemes. The members of these unions can contribute and in holiday time they may be allowed to withdraw a little larger than deposits. The saving fund scheme is very useful in Belgium, France and Australia. There can be some holiday funds which can be organized jointly by some unions and employers, with the participation of transport and hotels and transport enterprises and the state or local authorities. In France, works committees subsidize travel and run holiday homes for the workers, partly by organizing contributions. In Netherlands, some employers grant holiday bonus of upto 2% of the annual wage, in addition to normal holiday pay.

In the United Kingdom, holiday bonuses are also granted to the workers. The amount is fixed in proportion to length of services. In Belgium, workers are paid a "holiday wages" which under the law must be double the normal wages, and employer some time grants cash benefits for travel. In Russia, the trade unions pay the whole or most of the lodging expenses in workers rest homes. In Poland the state pays part of expenses of travel and accommodation. In New Zealand, the state employees are benefited from price reduction hotels. Another form of financial assistance is the provision facilities such as holiday centers or through

state subsidy or tax allowance. In France, nonprofit making associations for population education, sports, culture and tourism are exempted from the turnover tax and entertainment tax. The state gives assistance in the form of equipment for camps and for youth organizations. In East Germany, the authorities finance the investment of all services. In Norway, state loans are awarded either interest free, or at reduced rate for the development of holiday centers.

In the case of transport difficulties, transport companies often cooperate in special reduced fare schemes. Chartered flight can help a lot in reducing a travel cost to the individuals. In USA some carriers operate credit schemes as “ Travel now pay later”. In Federal Republic of Germany, 33% for group of 25 or more and even greater reductions for students, school children or youth organizations are provided for railway travel. In Belgium cheap rail tickets are issued to the workers and their families during the holiday season on presentation of a social security card or certificate from the employer. In Hungary 50% reduction is offered to all person entitled to holidays with pay. In Czechoslovakia, a free rail ticket is attached to the workers holiday form.

The problem of accommodation is another difficulty for the development of social tourism. Hotels being beyond the reach of low income groups. From the point of view of social tourism, supplementary accommodation is very important. Holiday centers for workers have been established by a number of trade unions and employers. In Argentina, a number of trade unions and employers. In Argentina, a number of holiday centers have been established in beauty spots at sea-side consisting of special boatels, bungalows, and chalets. These are provided with some other recreational facilities. In Switzerland, there are number of holiday centers for social tourism. There is a famous health resorts Leysin-with the progress of medicine, it was meant that it world gradually diminish but with the cooperation of certain organisation , the resort was adopted to attract a new type of tourists. Small golf courses, a swimming pool, tennis court and arrangements of schemes were establishment and sanatoria and hotels were converted to meet the new demand. Caravan camps and hotels are popular with young tourists. Camping has the advantage of being one of the least expensive form of holiday. Financial aid is given to camps by the state in France and other countries. In Greece, camps are operated by some large industrial firms for the benefit of their employees. In most of the countries, these camps are run by camping clubs and youth movement.

As regards the lack of information, the public authorities, trade unions and the national tourist organisation and other bodies must give attention for supplying the information's of the special attraction of different resorts. In USA, there are information offices in large cities. These offices issue publication advising workers for spending their holiday. In Canada bulletins are issued to the trade union offices and other organisations.

“We have been greatly impressed by the importance attached to social tourism in the concept of the developing economy of our country. The object of social tourism is not only to provide holidays to people of the lower income groups who normally are unable to afford them, but to fit them into schemes of the newly developed ideas of paid holidays for workers, assistance in the youth travel movement as well as to the movement of pilgrims throughout our land. Our

objective is the welfare state. The welfare state depends for its existence upon the willing cooperation of the working classes and the peasantry who form 98% of the population of our country. The welfare state has to function for their benefit and would have no meaning if it did not. One of the objectives of the welfare state must necessarily be of paid holidays to workers and subsidized travel for the youth of our country. It is one of the essential items and is a kind of education for the young people to be able to see their country, meet the people of cultural interest as well as of industrial importance. It is only thus that the lack of understanding of each other's needs, of the different people that live in this country, can be put to an end. Further such social tourism would create deep interest and enthusiasm for the great industrial revolution, we are witnessing. Planned economy has to be brought home gradually to large masses of our people by affording them an opportunity of seeing our industrial plans in action. So visit to Nangal Bhakra, to the steel plants, to Sindri Chittaranjan. Bangalore and other centers must necessarily be arranged on a confessional basis for those wanting to see the sites and acquaint themselves with the spot of the great industrial revolution. ”

In 1958, the Standard and Rate Structure Committee recommended that ”

- The system of paid holidays for workers should be introduced in every hotel establishment and extended elsewhere. This must be a compulsory provision.
- Subsidised tours on every large basis should be organized by the railways, for the student community and young people generally;
- Subsidised tours should be organized on a large scale for pilgrims to travel from their homes to the places of pilgrimage throughout India.

Other countries earmark large sum of money for this particular purpose of oracle tourism.

Cultural Tourism

Cultural Tourism covers all those aspect of travel where by people learn about each other's ways of life and thought. Personal and international contact have always been an important way of spreading ideas about other cultures. Tourism is an important means of promoting cultural relations and international cooperation. Development of cultural factors within a nation can be viewed as means of enhancing resources for tourism. The whole way in which a country represents itself to tourists can be considered its cultural factors. The food, drinks, hospitality manufactured and craft product and other aspects of a nation's life, appeal to travelers and visitors. The success of tourism depends not only on better transportation and hotels, but also on adding a particular national flavour in keeping with traditional ways of life and in projecting a favourable image of the benefits of such goods and services

Cultural tourism is characterized by a service of motivation such as the desire to learn and to study in a center famous for its high standards of living and teaching, to study the habits of the institutions and the life of foreign people to visit historical monuments (traces of past civilization) the great modern achievement, the art galleries, the great religion centers, to participate in art festivals and

celebrations, to take part in and assist in music theater, dance, folklore festivals etc.

India is large and popular country with a great past and greate tradition. It can boast of some four thousand years of civilized life. It is oldest living civilization whose traditions arise directly from its past. For these reasons, for any foreigners a visit to India must have profound cultural impact, and in this first and broad sense, all forms of tourism in India involved, at least an aspect of culture-contact and is therefore potentially cultural tourism”,

Theatres, libraries, museums and other national institutional are a great asset in attracting the interested visitors. Museum and monuments are among the expected features in tourism itinerary. Cultural tourism will constitute one of the important features of the plan and it is proposed to evolve master plans of the areas surrounding some of the selected archaeological centers with the object of preserving their environment and natural setting. It is suggested to acquire the services of experts in cultural tourism under the aegis of UNESCO and UNDP to assist in the preparation of these plans.

The following group of monuments are included in the proposal:

- Cave temples of Elephanta, Ajanta and Ellora;
- Buddhist Centres at Sarnath, Gaya, Nalanda, Rajgir, Kushinagar, Sravasti and Sanchi;
- Bijapur, Aihole Badami, Pattadkal and Hampi; and
- Khajuraho, Bhubaneshwar, Puri and Konark

Cultural tourism will constitute one of the important features of the five year plans and it is proposed to evolve master plans of the areas surrounding some of the selected archaeological centers with the object of preserving their environmental and natural setting. Some years ago India acquired the services of Dr. F.R. Allchein in cultural tourism under the aegis of UNESCO to assist in the preparation of these plans. The cave temples of Elephanta. Ajanta and Ellora, Buddhists center at Sarnath, Gaya, Nalanda, Rajgir, Kushinagar rasvati and Sanchi, Bijapur, Aihole, Badami, Pattadkal Hampi, Khajuraho, Bhubaneswar, Puri and Konarak are being taken under the plan.

Conference Tourism

Conference tourism is gaining more and more importance. There are a number of international conferences, conventions meetings of the statutory bodies, of international organisation and an innumerable conference, assemblies and national symposiums, which are held every year within different countries. Local, state, national and international conventions are continually being held.

Yearly meetings are held by national association, union groups, fraternities and societies, educational associations, professional groups, and meetings sometimes out number hundreds and thousands of participants. These participants stay several days in the economic aspect of conferences. They have to prepare appropriate premises and to build conference halls with all the necessary modern equipment to ensure their satisfactory operation.

The tourists visit India with varied aims. They visit India with the purpose to get into the heart of a country, eat the traditional food, drink the local beverages and live as near to the natives as possible. Many of them prefer to survey strange lands from familiar surroundings. India has facilities for all types of tourists. It is a colourful and picturesque nation. Its monuments testify to one of the oldest and richest civilizations. The forests, mountains, valleys, plains or desert walls, all are of great interest to the naturalist, the botanist and the lover of nature.

Religious Tourism

Man undertook journeys to places which he considered sacred or where he thought his deity resided. And so began the practice of going on pilgrimages which has remained in vogue throughout the ages with of course local variation and periodic adjustments. The practice of religious expeditions to sacred places took deep roots among the Egyptians, the Jews and the Greeks. It attained its zenith under Islam, the prophet proclaimed it to be the duty of every Muslim, at least once in his life, to visit Mecca, Mohammed's birth place.

Christian pilgrimages arose from devotion to the memory of the Christ. The devotees made it a point to visit places which were invested with memories of their Lord's earthly life. Two of the most sacred places to which the Christians visit are Bethlehem and Jerusalem. As the number of pilgrims swelled so increased the number of places to which they would like to visit.

While pilgrim resorts were falling in the east, their counter parts began to emerge in the west. The starting point in west is found in the veneration of religious martyrs and the care of their tombs. Pilgrims were also drawn to the graves of saints and seers, convinced as they were of their divine success and blessings. Those who were known for the performance of miracles also attracted devotees and believers from far off places. Africa has the largest number of tombs of martyrs. Rome got the pride of place among the holy cities of the world as it has got the famous tombs of St. Peter and St. Paul.

Another motive for pilgrimage is the object of securing relics from holy places. It has been highly desirable in many parts to acquire some object which has enjoyed at least a mere connection with the hallowed corpse. The religious people take little wax dropped from a sanctified paper, a catholic devotee bent off the toe of mummified body of a saint in Goa. Some pilgrims carry away as a memento a little dust from the graves of saint and martyrs. There are pilgrims who take 'parsad' from the religious temples. Many people go on a pilgrimage in order to ask for forgiveness of their sins. It may be called as expiatory pilgrimage. There are also pilgrimages undertaken to thank the deity for fulfilling the devotees wishes. Thus we find that the journey for religious purposes has always been considered an act of obedience to the supposed will of God or the deity concerned.

India is one of the oldest country of pilgrimages. People have come to this sub-continent in all ages and from all parts of the world in quest of religion, knowledge and spiritual satisfaction. Religious minded tourists have a deep interest in India's monumental heritage. There is no place in our country which is not held sacred for one reason or another. Its rivers and lakes, mountains, sea beaches, towns and temples, are all attraction for domestic and foreign travelers.

India has been the birth place of many religions-Hinduism, Buddhism and Jainism and today Muslims, Christians, Sikhs and Zoroastrians live and worship peacefully in the secular state of ours.

Pilgrims naturally form the over whelming bulk in this group. We can sub-divide them into:

- The regular visitors and tourists of Indian domicile in various parts of the world, people who are anxious to discover the cultural centers of the religions of their forefathers;
- The growing number of Buddhists from Japan, Thailand, Ceylon etc. Who visit the great centers associated with Buddha;
- The Americans and Europeans who are interested in some aspect of Hinduism, Buddhism, Islamism and Sikhism.

The Hindus, Muslims, Christians, Sikhs, Jains and Buddhists and the followers of other faiths and religions have their holy places which they must visit at least once in a life time. Thus we find that the pilgrims traffic is the biggest part of tourist trade. It is very common that the travellers fits a visit to holy site or a tourist resort into his business trips. This should ensure a steady stream of visitors to India from other countries.

The government has some time back highlighted the importance of the development of religious tourism. We have neglected to make the most of the holy places attractive which are of interest to tourist. There is a considerable scope for promoting tourists from South-East Asian countries by offering different package tours of places of Buddhist interest. Such tours could cover Bodhgaya, where the Buddha attained enlightenment, Sarnath, where in the quietness of the Deer Park, the Buddha preached his first sermon, Sanchi with its great Stupa, and Rajgir in Bihar. Important Buddhist sites like Ajanta and Ellora and the ancient universities of Nalanda create great interest among tourists.

There could be a wider tour of India, in which the visitors might see magnificent religious places Christian churches in Orissa, richly carved temples of southern India, huge mosques at Delhi and Agra and beautiful Golden Temple at Amritsar, and the array of shrines, temples and palaces of Banaras. For religious tours to be successful, the guide must be hand picked, knowing something of the tenets of different religious answering knowledgeably.



CHECK YOUR PROGRESS-II

1. What is the difference between Residential and Roving Tourism.-----

 2. What is Mass Tourism? Does it have any negative or positive impacts.----

 3. Mr. Kartik visit his relatives in Mumbai, He will be categorized under
which Type of Tourism.
-

11.7 Typologies of Tourism

There are various forms of tourism. The different forms are based on he duration, the number in the party and the economic effects of tourism. These varied forms can be categorized as follows:

❖ According to the number in Party

This distinction is based on how the individual elements of the trip are bought by the tourists:

- **Individual Tourism:** FIT- Free Individual Traveler-When 1 to 10 people move for tour it is included in FIT. They may purchase a tailor made tour-made as per their requirement or package tour (ready made tour) .
- **Group Tourism:** When more than 15 people are traveling for tourism purpose it is group tourism GIT (Group Inclusive Tour) They usually go for ready made package tours.

❖ According to Arrangements

- **Independent:** Accommodation and transport arranged separately by tourist. Individual tourism is the case, when a person or group of persons leave on journey for which they themselves establish the destination and programmes and which can at any time be freely altered. The tourist move about individually or as a member of the group, irrespective of the way the travel and the stay is arranged. Transportation, accommodation and other elements are arranged separately either by the tourist himself directly with the carrier, hotel or other suppliers or through a travel agent. The individual or the family themselves take care of ensuring such provision or services as they might need.

This is known as independent travel.

- **Inclusive or Package Tours:** Organized collective tourism (organized tourism) or inclusive tour is where the tourist buys a trip, for which he is unable to distinguish the prepaid cost of his fare from the cost of accommodation and other element. It is also known as a package tour. The tourist may move abut as an individual or as a member of group, according to the particular arrangements

entered into. Thus, in this form of tourism, a travel agency offers to any one interested, against payment of an inclusive sum, participation in a journey to a destination and following a programme and time table fixed in advance for an entire group. The participants do not have to concern themselves with anything, all the provisions and services being assured by the organizer.

❖ **According to Duration**

• **Long Haul Tourism**

It implies a journey of long duration, say, several weeks or months for the tourist himself. In view of the extreme mobility of modern tourism, principally motorized, a long journey as a general rule means a visit to several countries, which results in the journeys of short stay in each tourist places. The journeys or stay at destination, should be at least 24 hours. It is also known as trip or visit.

• **Short Haul Tourism**

It covers brief journey s of a week or ten days. When numerous, their economic importance is considerable for the nation. Sociologically, this type of tourism suits a clientele who are unable to avail long holidays.

• **Excursion Tourism.**

It does not involve any overnight stay. These are usually described as day trips or day visits, both domestically and internationally. Excursion tourism has been reintroduced into the WTO definition of tourism. It is thus a journey not exceeding 24 hours and with out accommodation having to be provided. Excursion tourism is important in the areas where the favourable rate of exchange allows interesting purchase to be made at the time of journey.

According to Means of Transportation Used.

- **Pedestrian Tourism (hikers)**
- **Road Tourism (Motor coach).**
- **Motorised tourism. (Motor car)**
- **Rail Tourism**
- **Maritime Tourism (cruises).**
- **Air Tourism.**

❖ **On the Basis of Effect on Balance of Payment**

This is related to foreign tourist arrivals which brings foreign exchange into a country and thus have a favourable effect on our balance of payment.

- **Receptive Tourism:** This is related to foreign tourist arrivals which brings foreign exchange (money) into the country and thus have a favourable effect on our balance of payment.
- **Passive Tourism:** It is travel residents of a country going abroad. They take out currency and thus there is a negative effect on the balance of payment.

❖ **Quantitative Tourism**

- **Mass Tourism:** When large volume of tourist participate in tourism, it is called mass tourism.

❖ Qualitative Tourism

- **Popular Tourism:** Any tourism which is popular and have positive impacts is termed as popular tourism. Eco-Tourism which is eco-friendly and does not deteriorate the natural environment can be termed as popular tourism.
- **Social Tourism:** When people of limited means participate into tourism or measures are taken to encourage them to participate or to make it possible, it is known as social tourism.

Check Your Progress-III

1. Elaborate the terms FIT and GIT. They fall under which form of Tourism.

.....
.....

11.8 Summary

Infrastructure includes all forms of construction on and below ground required by any inhabited area for communicating with the outside world and as a basis for extensive human activity within e.g. roads, water supply, electricity supply, sewerage disposable etc. Economics frequently put stress on the development of the touristic infrastructure, as it is the pre-requisite for its accelerated economic growth. Most of the infrastructural facilities are provided by public sector. Superstructure includes all forms of construction of building above the ground. It includes access facilities for transport- airport terminals, railway stations and bus stations, hotels, motels and other accommodation units, café, bars and sports recreational facilities.

For better understanding of tourism phenomenon different forms and types of tourism have been identified like inbound tourism, Outbound Tourism, Domestic Tourism, Seasonal Tourism, Roving Tourism, Recreational Tourism, Social Tourism etc.

11.9 Glossary

Infrastructure – basic amenities below and on ground e.g. road, rail track, water supply etc.

Recreation- any rejuvenating activity.

Inbound Tourism- Nationals of other country visiting our country.

Outbound Tourism- Nationals of our country going to other countries.

Domestic Tourism – Nationals of our country moving within country

Residential Tourism- Stay of tourist at one destination for more than one

month.

Seasonal Tourism- Tourism according to season and for less than one month.

Roving Tourism- Tourism in which travel component is more as compared to stay component.

Winter Tourism- Tourism in winter months.

Summer Tourism. – Tourism in summer months.

Recreational Tourism - involving recreational activities

Leisure Tourism- Major intension of Tourism is leisure and pleasure

Business Tourism-Tourism for business purpose

Juvenile Tourism – Tourism of younger people/ children

Social Tourism – Tourism activities of poor people sponsored by government.

Self Financing Tourism – Paying for your own tourism activities.

Long Haul Tourism – Tourism for longer duration and covering long distances.

FIT – Free Independent Traveller

GIT-Group Inclusive tour

Receptive Tourism – Tourism through which foreign exchange money is earned.

Passive Tourism – Tourism through which money flows out of country.

Mass Tourism – Tourism in great volume -lot of people

Eco Tourism – Ecology friendly tourism.

11.10 Self Assessment Exercise

1. What do you mean by term Infrastructure. What all are included in Touristic infrastructure.

2. What do you understand by the term superstructure? Which all things are included in touristic superstructure

3.What is the difference between Infrastructure and Superstructure.

Support your answer with examples.

4.Enumerate the various types of Tourism.

5.Which are the various forms of Tourism. Explain each one of them in details.

6. What is the need of classifying the tourism phenomenon into different types

7. What is the role played by public and private sector in growth and development of tourism?
8. What is mass tourism?
9. Differentiate between Inbound, Outbound and Domestic Tourism.
10. Differentiate between Juvenile and Social Tourism.

11.11 Further Readings

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Roads**Airports****Harbors****Railway systems****Energy networks****Utility systems****Education****Healthcare****Social Infrastructure**

UNIT 12 CHAIN OF DISTRIBUTION IN TOURISM INDUSTRY AND SIGNIFICANCE OF VERTICAL AND HORIZONTAL INTEGRATION

Structure

- 12.0 Objectives
- 12.1 Introduction
- 12.2 Tourism through ages
- 12.3 Components of Tourism
- 12.4 Sectoral Amalgamation
- 12.5 Summary



12.0 Objectives

After reading this unit, you will be able to:

- define the tourism system;
- explain the elements of travel operations; and
- Describe the coordination of various elements in tourism operations.

12.1 Introduction

Tourism Operations have created a space for themselves in the economy of each country, region or destination- small or big. Various sections of each economy work in a closely-knit fashion. Tourism operations, however, are not an exception. They have given rise to the inter-sectoral linkages as an important phenomenon at a point of time when tourism has been acknowledged as the world's fastest growing economic activity. Operating such an activity calls for close linkages between all the players and also all those who have stake in it. This unit attempts to provide an understanding in this regard along with highlighting certain operational issues.



In this unit the main emphasis is on the operational linkages of stake-holders with the rest of the components and the functional aspects of travel agents and tour operators. For successful operations in hospitality and tourism industry, one has to co-ordinate with many other organizations or persons providing the required products and services. For example, a tour operator is dependent upon a hotelier for accommodation, a transporter for taxis and coaches and shopkeepers for souvenirs. As a matter of fact these all have to depend upon the tour operator to

ensure optimum business. Now all these have to maintain cordial and effective relations to achieve their objectives. This relationship is termed as Linkages and the same has been discussed in this unit.

12.2 Tourism through ages

In recorded history there have been instances where by one is able to know that man has been traveling throughout the ages. Much of the travel in the beginning was largely unconscious and a simple affair. There were no travel procedures and formalities as there were no frontiers. All human activity focused upon day to day survival, they were busy in search of basic necessities like food, water and shelter but it was very difficult and unsafe.

It was however, in the Neolithic age that several innovations were made which changed the nature of travel. Around 4000 B.C. sailing vessels were built in Egypt. It was also during this period that animals were domesticated and trained to carry and transport community members, tools and agriculture supplies. Invention of wheel during this period was also an important landmark which made movement of people to distant lands possible.



Most early travel, however was not undertaken for the purposes of pleasure, the primary motive for which the travel was undertaken was related to trade, exchange of goods, commerce and the activities associated with it. The traveler in the ancient past was thus a trader and a merchant looking for merchandise and engaging in trade and commerce. There was, however, another type of traveler and this traveler was pilgrim, a scholar in search of ancient texts and a curious wayfares looking forward to new and exciting experiences. Seeking knowledge was his primary purpose for undertaking travel.

12.3 Components of Tourism

The Basic Components: Tourism is a complex activity with wide range of relationships. In order to understand tourism systematically, it is necessary to know the various components. Three of these are considered to be basic:

- a) Transport
- b) Attractions/Locale
- c) Accommodation

1)Transport: There can be no travel if there were no transport. Travel involves movement of people and this is possible only if there is some mode of transport. Connectivity is very vital for tourism development. This could be possible only if adequate transportation infrastructure and access to destination is efficient, comfortable and inexpensive. A tourist, in order to get to his destination therefore, needs some mode of transport. This mode of transport may be a motor car, a coach, an aeroplane, a ship or a train which enables a traveler to reach his pre-determined destination.

2) **Locale:** The locale may include the holiday destination and what it offers to the tourist. The holiday destination may offer natural attractions like sunshine, scenic beauty or sporting facilities, etc. The locale, with its attractions and amenities, is the most important as these are very basic to tourism. Unless these are there the tourists will not be motivated to go to a particular place. Tourist demands also change very fast due to change in fashion. Fashion is an important factor in the demand for various tourist attractions and amenities. The tourists who visit a particular place for its natural beauty may decide to visit some other attractions due to change in fashion.

3) **Accommodation:** Accommodation plays a central role and is very basic to tourist destinations. World Tourism Organisation in its definition of a tourist has stated that the tourists must spend at least one night in the destination visited to be qualified as a tourist. This requires availability of some kind of accommodation.

Accommodation may in itself be an important tourist attraction. Infact, a large number of tourists visit a particular destination or town simply because there is a first class luxury hotel or a resort which provides excellent services and facilities.

There has been decline in the use of boarding houses and small private hotels. Large hotels are increasing their share of holiday trade in big metropolitan areas and popular tourist spot. The various principal elements in tour operations and linkages involved therein, to a large extent are common to all tourism businesses. However, there are problems that need attention e.g. initially, airlines were not ready to become a part of inter sectoral linkage structure, but when they realized that tour operators can fill their vacant seats, they started offering special fares for use exclusively for tour operators for combining them into all inclusive tour. But here also situations vary from country to country and destination to destination. These fares may be offered on selected sectors only. We have witnessed that as a result of globalization, when certain countries opened their economies the number of business travelers increased manifold. The hotels jacked up their prices and airlines withdrew discounts or incentives that were available to tour operators. The sufferer was tourism and the tourists. Tensions emerged within the tourism industry sector against the other with each sector's association taking up its cause. This infact was an example to illustrate that the linkages are not necessarily always smooth and many a times you have to depend upon the collective strength of the association to determine the nature of linkages.



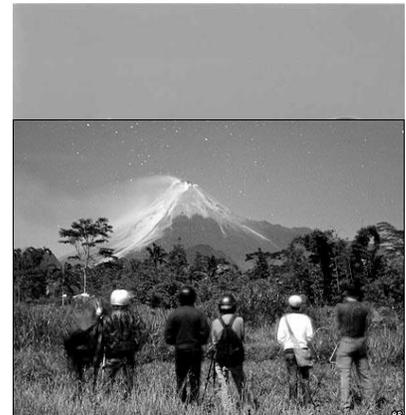
To base future growth purely on the availability of willing bodies should not be the sole strategy in this business e.g. in search for a special quality-USP-of a product the tour operators sought exclusive properties, quality airlines etc. but they later on realized that they have no patent on these facilities or standards and they aren't difficult to emulate. Through such practices, there can only be short-term advantage that can be gained. Therefore they had not only to satisfy the changing demand of tourists but also to coordinate the outside variable, which make up an attractive package. It was acknowledged that they are operating and trying to dominate an industry where most of the ingredients that go to make up the product are outside their control. These may include:

- Price
- Volume
- Brands
- Airlines
- Uncontrollable costs and
- Computerizations and use of technology etc.

Let us discuss briefly, the mentioned factors in relation to tour operators business as a case study though they are applicable to other businesses also.

Price: This is obviously the area, which concerns most to tourists. Cutting prices is easiest of all marketing tasks. Reducing the price of a holiday can be done with a stroke of pen but its advantages would only be short term. Your strategy should be to control costs and to deliver a holiday sale at a profit. This calls for a well directed and well targeted strategy while focusing upon the following areas.

- Volume of customers (tourists)
- Frequency of purchases (by tourists)
- Distribution channels of your product.
- Foreign currency regulations, and
- Overhead controls and product/services analysis



In a highly competitive business like tourism pricing decisions are not easy and further operating price decisions are even harder to take e.g. while pricing your package the approach of price cutting should not only out rightly be adopted but it should be given a more corrective approach. Since value is the key consumer watchword defined not just by price but also by product image, both above and below the line, it is the expression and presentation of values that counts. This is why holidays need to be packaged to offer high-perceived value even if the basic package has not been altered. This, in fact is done by some value additions. The tourists perceive the price cut with a different perspective.

Volume: Any knowledgeable tour operator will apprehend the fact that there are certain fixed/base costs which are not volume related like MD's salary, computer technicians, office rentals etc. These costs however are required to be spread

over a large number of customers if your cost input is to remain competitive. As a strategic tour operator you should know that higher volume of business can be achieved by large scale advertising and publicity of company. It not only gives better ability to your customers to buy at competitive price but it will also allow your advertising cost to be more meaningful. Therefore volume shall be seen as a vital ingredients and factor in deciding the per passenger cost input.

Brands: Concepts and objectives of branding, mainly serves two purposes:

- a) Achieves more speedily the proper economic volume levels, and
- b) Service the changing requirements of tourists more readily

As a small tour operator you can make your own identity

Airline seats: The one important component of your product, which in every sense of the world is a commodity, is the seat on an aircraft. Of course there is a choice/preferred carrier, and yes it is worth for an airline to maintain high standard and reputation, but it is also true that only a small percentage of passenger carried by these airlines even would know the name and type of aircraft they are booked on to travel. The cost of airline seat, and therefore the profit of an airline will largely depend upon the relationship between the airline and the tour operators.



Uncontrollable costs: Tourism industry is probably the only industry, which has bent under so many pressures, like pressure of consumer bargaining, frequent fluctuation in currency value. That it should pre judge the cost of fuel and prejudge the whim of the govt. to increase local taxes and levy increased landing charges etc, To overcome this, the principal service providers, be it an airline or a hotelier, give no guarantee for surcharges. A tour operator sets the prices of his products fourteen or more months before the arrival of his clients at destination. Therefore, when the principal supplier gives no guarantee on surcharges and tour operator has to sell his package so much in advance, linkages are bound to be stronger so as to avoid any confrontation related to price, quality or standard of services.

Linkages with technology providers: If a person wants to travel by air he/she will need a ticket; which provides him/her right of passage and in return the airline needs to reserve a seat in his/her name. The person also needs to book himself/herself for a hotel room at the destination and hence, the hotel ought to really expect him/her. It is very difficult to imagine these economic transactions in a better-suited business environment related to the wonders of modern technology. To solve many travel and reservation related problems tour operators must develop and maintain linkages with manufacturer/suppliers of computers and designers of software required by them. Development and regular updating of Amadeus and Galileo are remarkable examples of these linkages.

Quality management operations: In the present globalized competitive business environment quality management is the key word for success in any business and tour operation if this element of quality control or quality assurance is missing you cannot sustain in the market. Quality management is advised to begin with product design and shall remain as a continuous process all through the stages of product development up to post consumption stage. For instance, if you are manufacturer or supplier of airline seats it is important for you to control the quality of your product not only in terms of its comfort, location, and convenience but also in terms of its sale, and related facilities and services like emergency landing facilities to combat terrorist or hijack situation, so on and so forth. In your operations you shall ensure a high degree quality while preparing and presenting your products or services; failing which the result is dissatisfaction of passengers. This dissatisfaction will lead to multiplication of lost passengers through word of mouth bad publicity. Therefore, significance of quality management cannot and shall not be ignored in tour operation business.

Value Addition in Operations: Gone are the days of monopolistic market conditions. Today, customer is well aware of the existence of alternative products and alternative suppliers. Therefore, to be a successful tour operator or manager in tourism business you must lay emphasis upon value addition to your operation. For instance, if you are a tourist transport operator and if you provide cold drinks to your passengers after every stopover for sightseeing or if you are a hotelier and you provide free transport for transfers of your groups, or if you are an airline operator you decide to add some recreational activities, e.g., fashion show, magic show, etc., on board all this will add to the satisfaction level of your customers. All such value added activities offered by you will provide you with repeat as well as referred business.

Hence, value added services can be integrated both horizontally and vertically within other sectors of the tourism trade.

Trained Service Providers: Tourism and hospitality being important components of travel trade are characterized by a common characteristic, i.e., man served by another man. This characteristic has overemphasized the significance of trained service providers. For instance, if you are a provider of tourist transport services, it is essential for you to provide a trained driver, assistant as well as trained escort with the group. It is true that this trade is so diversified as are the training needs, but as a professional operator you shall assess the needs for training and must train your workforce accordingly to provides best services to your customer. If you practice this advice nothing can prevent you from becoming a successful entrepreneur in tourism trade.



Check Your Progress

Put (√) against the correct statement and (x) against the incorrect.

1. In a highly competitive business like tourism pricing decisions are very easy ().
2. Amadeus and Galileo are remarkable examples of linkages with technology providers ().
3. Tourism and hospitality being importance components of travel trade are characterized by a common characteristic, i.e. man served by another man ().
4. Significance of quality management can be ignored in tour operation business ().

Check your answer with the one given at the end of the unit.

12.4 Sectoral Amalgamation

It is conventional wisdom that industry and commerce will boom at each end of any route, no matter, where it starts or finishes. Evidences of this were seen in the boom tours of early railway bonanza. The same applies to holiday charter business. At the sunny end of the developing charter routes, coaches, hotels, bar-be-ques, beach bars, and taxi firms and of course airports flourished, and the support industry was quickly born. In those early days mystified and



even frighten people looked at tour operator when they were explaining mysteries, dangers and wonders of far away places.

It is probably the advent of all-inclusive tour, which necessitated the existence of linkages among different components of this sector. An all-inclusive tour is a package of transport and accommodation and some other services, which are sold as a single holiday at a single all-inclusive price. This price is obviously lower than could be achieved by conventional methods of booking transport and accommodation separately from hotels and other suppliers.

Traditionally only one destination was involved in a tour package. However things have been changing as per the tastes and needs of the consumer (tourists). Today, not just special but very special tours are packaged for different market segment under various types of tourism brands-from traditional culture tourism to the most recent health tourism. Then there can be sub type also. For e.g. Health tourism can be for Yoga, for Ayurveda or a resort for meditation. The linkage thus goes on expanding and the interdependence increases this also makes quality management more difficult.

Even if you look at all the components which make up a conventional package tour and ask yourself to what degree, outside of choice, does a tour operator control the standards or quality that make up a package holiday, you will find that following factors in the line of conventional package tour designing are beyond your control:

- Time spent at airport and services client receives there.
- Time spent on air craft, and the operating standards and services
- The transfer to the hotel and back to airport
- Services at the hotel itself.
- The surrounding environs- bar, Café etc
- The weather, and
- the local conditions

Of course one can argue the finer points of tour operator's role in these services and obviously a wise tour operator will have some control on their quality. The difference or USP is largely due to the kind of linkages you have with other components. In today's time survival is no less competitive but those who are in *winning positions know-how* to harness their resources innovatively against the bottom line. Undoubtedly, such people have turned India into a year round destination, offering a variety of tastes for different segments.

Innovations, value additions, product differentiation, and positioning, branding pricing etc have further expanded the line of linkages in tourism. These linkages are no longer confined to packaging but are required for product development as well as selling etc. New concepts in business like customer care, quality management and concern for guest's aspirations have added to the managerial responsibilities in operating linkages.

12.5 Summary

Different components of the tourism industry which encompass almost every segment of the economy need to be in close coordination with each other. This unit therefore, has focused upon various intersect oral factors which prove to be complementary and competitive to each other. For example: if tour operator while executing their job do not harness a harmonious relationship or linkage with other segments, selling and delivery of a satisfying and cost effective package will be a difficult task. Therefore a good operation manager of tourism must try to develop a healthy relationship with other segments of the industry. This is all the more true when you talk of providing quality controlled services acknowledge that you alone can not move in this sector, you need to carry along with the other players, in both horizontal and vertical directions. You must take on competition with healthy feelings and shall not try to overcome it through price-cutting but rather offer some value added services within the same price level, taking certain other elements into consideration.

12.6 Answer to Check Your Progress

1. (x)
2. (√)
3. (√)
4. (x)

12.7 Suggested Readings

1. Chand Mohinder, "Travel Agency Management – An Introductory Text", Anmol Publications Pvt. Ltd., New Delhi, 2006.
2. Sinha P.C., "Tourism, Transport and Travel Management", Anmol Publication Pvt. Ltd., New Delhi, 2006.
3. Seth P.N., "Successful Tourism Management", Sterling Publications Pvt. Ltd., New Delhi.112127.

12.8 Review Questions

1. What do you understand by linkages in tourism?
2. Describe various components of tourism?
3. Elucidate the significance of linkage in tourism.
4. What are the components of tourism?
5. Describe the sectoral amalgamations.
6. Define the uncontrollable costs in tourism.

UNIT 13 TOURISM PRODUCT AND ITS COMPONENTS

- 13.0 Objectives
- 13.1 Introduction
- 13.2 What is Tourism Product?
- 13.3 Tourism Product Types
- 13.4 Tourism Product Development
- 13.5 Various Components of Tourism Product Designing Development
 - 13.5.1 Crucial elements of tourism product designing
 - 13.5.2 Design Product/site plan
 - 13.5.3 Branding
 - 13.5.4 Image
 - 13.5.5 Product Life Cycle
 - 13.5.6 Product feasibility study
 - 13.5.7 Financing
- 13.6 Summary



13.0 Objectives

After reading this unit you, will be able to:

- explain the concept and meaning of tourism product;
- discuss the various types of tourism product;
- describe the components of tourism Product Development; and
- Discuss the Product Life Cycle and Product Feasibility Study.

13.1 Introduction

The term tourism product is a unique concept in the parlance of tourism. It satisfies some specific needs of the customer (tourist). Out of the Six P's of marketing, the first P (Product) assumes greater importance because it is something that provides a service of some kind. So, all the products, gadgets, equipment, etc. deliver services to tourists.

The word product generally refers to any tangible commodity or item produced in a factory or other production units. Tourism as a product is, however, not a single item or entity. It is a combination of several products, services and attractions. Selling tours is similar to selling dreams as tourists' intent to buy, temporarily an environment including unique climate and geographical features along with intangible benefits like luxury services, hospitality atmosphere, heritage, etc. The tourism product is thus both a physical as well as a psychological experience aimed to transform dreams into reality and imagination into experience.

In the earlier unit we have studied the classification of tourism infrastructure. In this unit we shall study the concept and meaning of tourism product, types of tourism product and tourism product development. We shall also discuss the

various components of tourism product designing development such as site plan, branding, image, Product Life Cycle, product feasibility study, financing and so on.

13.2 What is Tourism Product?

The tourism product is an amalgamation of many components or packages. The main components of the tourist product are attraction of destination, including its image in the tourist's mind, facilities at the destination, accommodation, catering, entertainment, recreation and accessibility of the destination. Amenities and facilities for tourist include clean comfortable accommodations, restaurant, picnic sites, and entertainment outlets like theatres, musical shows, gambling establishments, sports and swimming. Accessibility is an important component of the tourist product. It relates to the mode of transport to the destination chosen by the tourist. It is determined by the proximity of a destination to the tourist's place of residence. Good climate, beaches, springs, spas and monuments influence the choice of a destination. Apart from these, choice of food, beverages and entertainment centre are also major considerations. Each destination has a particular product to offer.

Modern tourism is a by-product of speedy modes of travel. Availability of printed material and faster mode of transport have also helped. The advent to mechanized transport and road, sea and air transport have made the distribution of goods easier even to every nook and corner of the world. Mass communication like telegraph, telephone and printed material have helped the manufacturers to market their products with competitive spirit in large quantities.

Tourism product consists of tourist attraction and it can be natural or man-made. While scenic beauty, attractive landscape, flora and fauna, beaches and water bodies, sand dunes, etc. form natural attractions, momentous like Taj Mahal, Gateway of India, Khajuraho Temples, etc. are examples of man-made attractions. These attractions, along with the tourist facilities, make people to visit such locations and give rise to different forms and types of tourism.



The ideal tourism product is a package consisting of various physical and psychological elements, which provides the best possible experience and satisfaction to the tourist.

It would consist of: -

- An environment of peace and stability
- An assurance of safety and security
- A friendly host society
- An industry which provides the requisite services

- Absence of extortion and hostility
- Accessible tourist attractions
- An integrated system of functional physical infrastructure including:-
- International accessibility
- Internal transport system including wayside amenities
- Hostels and restaurants
- Entertainment and recreational facilities
- Shopping and communication facilities
- Well preserved monuments with tourist amenities
- Basic amenities like drinking water, toilets, snack bars, etc. at the tourist sites.

13.3 Tourism Product – Types

Tourists, right through their course of travels and stay en route and while at the destinations devour a range of elements of tourism product, e.g. goods, facilities/amenities and services, which are put away in different ways. What a tourist at the destination purchases is actually the 'experience' which he derives from the accommodation, transport, food, information and other services availed and the tourist attraction enjoyed at the destination. From the view point of simplicity of discernment, the tourism product can broadly be categorized into following types:

I Tourist Oriented Products (ToPs)

These are the goods and services, such as transport, accommodations, food, entertainment and recreation facilities and numerous travel trade services brought about mainly for the consumption of tourists with the perspective of direct economic return, envisioned in their production.

II Resident Oriented Products (RoPs)

As the name itself connotes, these are the services, facilities and security service (police) and so forth which are not only crucial and fundamental for the residents of the destination area but equally of substance for the tourists.

III Basic Tourism Products or Background Tourist Elements (BTOs or BTLs)

The natural and man-made tourist attractions are known as BTOs. As the success of a destination primarily depends on the variety and uniqueness of its BTOs. Therefore, these are termed as Basic Tourism products. This type of products are also typified by the term Background Tourist Elements (BTLs) as these do not enter into a direct sale-purchase transaction, while whatever is transacted as the tourist place can be wholly put down to the existence of BTLs. In fact, BTLs can also be considered "as tourist resources" or the input - the raw material of the tourism industry which, with the help of human efforts, are transformed into products of offer or the 'destination'. For reason that the human resources have the principal role in Tourism from the potential resources identification stage to tourism product (destination) planning, plan execution and

	<p>Leading Organisations and Institutions</p> <p>Special land use patterns</p>	<ul style="list-style-type: none"> - Prominent academic, scientific and other institutions. - Agriculture, horticulture etc.
<p>Recreational and Shopping Facilities</p> <p>(Recreational and Shopping facilities have both product and resource value)</p>	<p>Sport facilities</p> <p>Facilities conducive to health, rest and tranquility</p> <p>Shopping facilities.</p> <p>Night time Recreation (Night Life)</p> <p>Education facilities</p> <p>Infrastructure above minimal tourist quality</p>	<ul style="list-style-type: none"> - Rafting, canoeing, kayaking, ballooning, skiing, sailing, golfing, mountaineering etc. - Tracking, picnicking, camping, health resort, fishing, bird watching etc. - Souvenir and gift shops, handicraft shops, groceries, etc. - Theatres, cinemas, light and sound programmes etc. - Botanical gardens, aquariums, zoos, etc. - Efficient transport, electricity, safety, health, communication, accommodation facilities etc.

13.4 Tourism Product Development

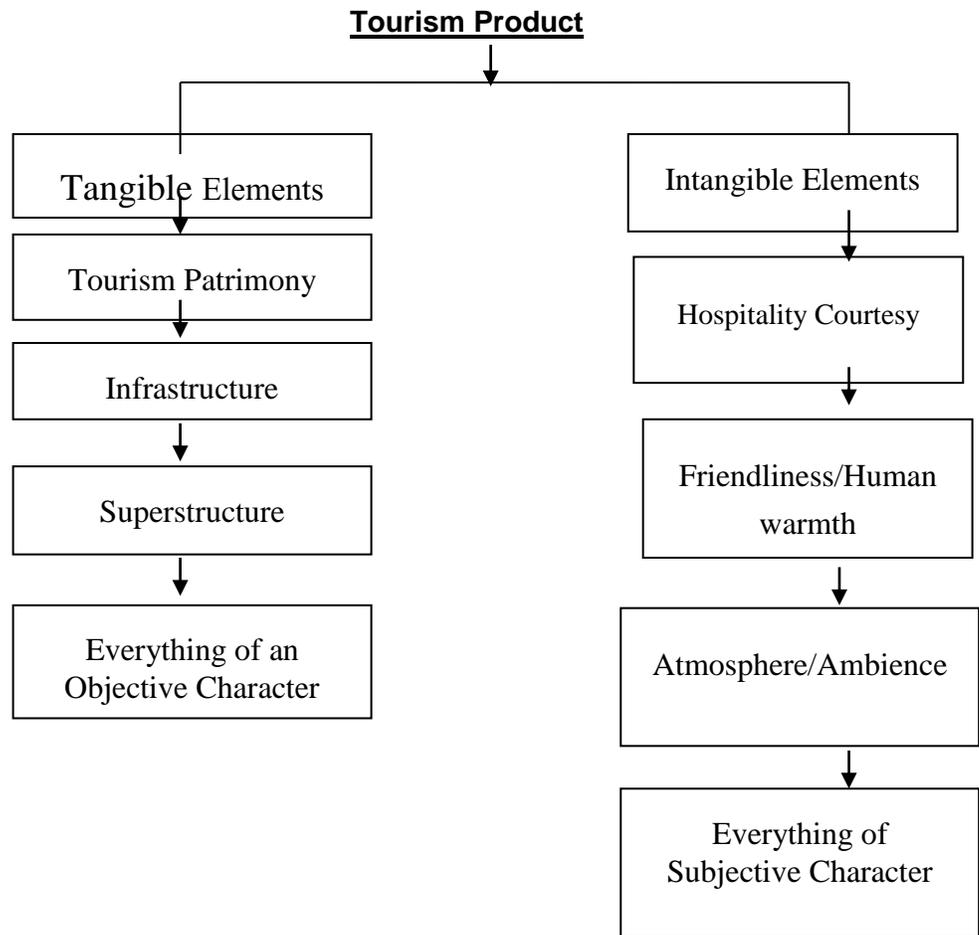
The great challenge in tourism industry is to achieve a match between product and the market. The tourism product is very different from the product that we buy and use ordinarily.

The difference is largely due to the fact that tourism products are concerned with consumer's experience as well as the way these products are delivered to the customers. The tourism products at destination comprise all those attractions, facilities and services used or visited during a stay. It also comprises of everything that happens to visitors; everything they experience.



This clearly reveals that the tourism product consists of both tangible and intangible components as shown in figure below:

Figure-II



When all the objective components of a tourism product go hand in hand with subjective components, the visitor gets the feeling of welcome and friendliness. It is an established fact that tangible elements alone can not guarantee satisfaction. It is also supported by the way tourists are treated at destination, i.e., whether there exists a harmony in events or situations which tourists experience at destination. This very fact will determine how well the product is accepted and it can also generate repeat business. Thus, while designing tourism product you must take into account all these peculiar characteristics of tourism products. Besides other consideration, you must evaluate beforehand several factors which may include:

- The scale and type of development. Sustainable development shall favour small scale developments that minimize impacts and encourage incremental (staged) development.
- The kind of tourism activities (Eco-tourism, heritage tour) facilities, attractions that will be included in the desired site plan. Tourism products to be developed which ideally be based on competitive analysis, market research, ecological assessment and community needs and issue analysis.
- Approaches that minimize negative impacts through design, land use, planning, zoning and management should be considered.
- Development of project financing strategies that focus on local control and minimize economic leakage from community.
- Tourism vision statements and goals that are communicated to commercial and other stakeholders of the sites to be included in the planning.
- Policies that allow room for future growth and alteration in the plan and the sites themselves.

Here, one must take note of the five product levels mentioned by Philip Kotler.

Level - 1 Core Benefit: This is the fundamental service or benefit being brought by the customer (Wildlife).

Level - 2 General Product: When the marketer converts the core benefit

into basic version of the product it is termed as generic product (National parks, Sanctuaries).

Level - 3 Expected Product: Customer generally expects a set of attributes and conditions while making a purchase and if the marketer meets these expectations it is termed as expected product.

Level - 4 Augmented Product: When a product is developed with such additional services or benefits which make it distinctive from other products, it is termed as an augmented product.

Level - 5 Potential Product: This indicates the possible evolution of the augmented product in future. This is where organization searches for new ideas and ways to satisfy customers and at the same time make their product something unique or different.

At each of these levels are associated certain factors like:

- Basic design, i.e. the size or facilities or say the quantity and level of service.
- Presentation, i.e., the standard of service to be offered and maintained --something very important is tourism.
- Range, i.e., what all is to be included in the product or covered in the service.
- Brand, i.e., association of the name which is well known or associated with high level of customer satisfaction.
- Image, i.e., a reputation earned by the product.
- Warranties, i.e., an assurance of a particular level and quality of service.
- Consumer protection, i.e., assurance of damage claim in case of failure of or sub-standard service.
- Eco-friendly, i.e., care for geology and environment conservation.

The travel and tourism product is a package of various components like:

- Destination attractions.
- Destination facilities and services.
- Accessibility of the destination.
- Image of the destination.
- Experience of the destination.
- Attitudes of the locals or host population.
- Price to the consumer, and
- Overall experience of the tourist.

Segmenting the target market and understanding customer's preferences and motivations (which constantly change) is the key to design the tourist product.

13.5 Tourism product designing Development

Tourism product is peculiar because of its characteristics. Therefore, your considerations while designing and developing tourism products tend to be different from those of general products. Tourism product is a term that covers all the attractions and services, which can be sold to visitors. This product is so diverse in its nature that tourists just visit a town area, an island or an event rather than the whole country. Some tourists may purchase Bali as a product rather than Indonesia, Phuket rather Thailand, Wimbledon Championship in London and not a holiday in UK. This clearly illustrates that tourist products (destinations) may be an integrated product, or well appointed product or this may just be a theme- based destination with other related services. Whatever may be the nature of destination/tourist site its product components would remain the same, e.g., built and natural attractions, tour and packages, services for travelers, like shopping, restaurants, accommodation and other recreational activities. It is true that under normal conditions natural attractions can not be thought of as a product but when we talk about eco-tours in a national park, this becomes a product. The heritage architecture of a community is not a product, but its interpretation through a guided tour can be seen as a product. It

is therefore; important to note that you shall not consider only the tourist attractions as a product, but rather visualize the destination is its totality as the community's livelihood. The result, therefore, shall be an authentic community tourism product that will be attractive for travelers promising hospitable and unique experience:

As tourism learner you must consider the following issues related to tourism product designing development:

- Crucial elements of tourism product designing
- Design product/site plan
- Branding
- Image
- Product life cycle
- Product feasibility study, and
- Financing.

13.5.1 Crucial Elements of Tourism Products

Each destination has its own unique product mix, based on its resources, values, needs and preferences. Tourism products can be designed and developed taking these factors into account. While designing any destination product(s) you should not only analyze the available resources for tourism product but should also try to establish and interpret the interrelationship between destination designing and motivations. To develop an attractive and sustainable tourism product you are advised to consider the following elements:

- Choose authentic themes which reflect the local culture(s) and environment-human relationships.
- Keep development in scale with community and environment.
- Ensure that development also meets community needs (i.e., through joint use)
- Develop attractions that are attractive and competitive in long run, not faddish.
- Require strong community support; don't impose new ideas on an unreceptive population.
- Avoid imitating successful ideas from other places, you must acknowledge that success comes from strong local commitment and enthusiasm, and therefore, act in this direction.
- Chose themes which help position the destination products within sustainable development principles.
- Consider sports; many competitions and fun events can be held using existing facilities.
- Inform all visitors of tourism plans, goals and management approach.
- Ask local clubs, associations and businesses to generate meetings and conventions to the extent permitted by infrastructure; and
- Provide high quality experiences.

You will have to take a decision whether you are developing a unique product, a normal product which is better than others, or a commonly available product.

13.5.2 Designing Product/Site Plans

This is an important issue in visitors/attractions management so as to provide a product which can satisfy the needs of tourists. Every destination needs a design plan for developing attractions and facilities. This should include management of visitor's flow, parking and access to the attractions. Site design should be compatible with local heritage and life-style in order to maintain a sense of harmony and enhance local architecture and culture. Site planning here refers to the specific location (or citing) of buildings, their physical interrelationship, and characteristics of the national environmental setting. Site planning also includes the location of roads, parking areas, landscaped and open space areas, footpaths and recreational facilities, all of which are integrated with the building location and are consumed by tourists along with main products. The grouping of buildings, such as accommodation and their relationships to amenity and recreational facilities is of important concern in site planning. The type of grouping depends on the density and character of the development derived as related to the natural environment. There are several types of specific standards that are applicable to the controlled development of tourist facilities at the tourist destination.

These standards typically include the following areas:

- Density of development
- Heights of buildings
- Setbacks of buildings from amenity features, shorelines, roads, lot lines, and other buildings
- Ratio of the building floor area to the site area
- Coverage of the site by buildings and others structures
- Parking requirements.
- Other requirements, such as for landscaping and open space, public access to amenity features, signs and utility lines
- Local styles and motifs
- Roof lines
- Use of local building materials
- Environmental relationship, and
- Landscaping design.

However, you must note that a destination, as a product, will always be a mix of different product lines of various departments, length and widths.

13.5.3 Branding

Just like consumer products, many tourism products are also given brand names. As you know, brand names are given to a product to ascertain its identity, which many a times couples with promotional activities assisting manufacturers to persuade the customers to buy that particular product. In tourism particularly, many customers observe brand loyalty because they know that they are purchasing an experience or a dream. They need to bank heavily on reliability parameters or standards of product manufacturer's background or

previous success record. However, this factor these days is replaced by borrowing an established name, i.e., franchise system. For example, if you are having a five star hotel, you have the option of entering into franchise agreement with brands like inter continental, Hilton, Spectrum, Holiday Inn, and more, to assure your customer a higher standard of service. The same may be true of an airlines or an agency. This makes not only the entry of your product easy but it also assures higher level of satisfaction among your users. Resorts, Golf Courses, National Parks etc. are all branded.

13.5.4 Image

Why does a tourist choose "Place 'X' as his/her destination in comparison to place 'Y' ". An important factor in one's decision making for purchase of a holiday is no doubt the image of the destination. The image of the destination is the way in which it project itself and the way it is viewed by its markets due to variety of factors, such as political stability, security, variety of attractions, air connectivity, and currency value and so on. As has already been mentioned, in a particular country, one particular site enjoys a better image that makes a large number of tourists visit it rather than the whole country, e.g., Bali in Indonesia or Phuket in Thailand, Varadero in Cuba and so on. On the contrary, in other cases it is a combination of sites/tourist destination which establishes a great image of the country among tourists, e.g., in India tourist prefer to have on their itineraries Golden Triangle (Delhi-Agra-Jaipur) or Emerald triangle of South (Banglore-Mysore-Madurai). Several destinations the image earned by them is due to their natural resources and location. For example, Switzerland enjoys an image of winter destination. Mauritius is popular as a destination for honeymooners and Singapore for shopping. However, India is lucky enough to enjoy an image of all season destination. In short, image is an over all idea, the association which a place, service or product has. If the image of your product is positive, tourists may buy and enjoy it whereas if the image is negative, tourist may prefer to stay away from it. You must remember that image is built up not just in a few days; it is a result of satisfactory performance of your product over the years. You must always remember that the image of your product also depends upon political viewpoints, e.g., diplomatic relations between the countries of hosts and guests.



13.5.5 Product life cycle

The concept of Product Life Cycle was first used by Levitt (1965) when stated that every product, after it is introduced, grows, matures, levels out and then declines. This holds true for all the products whether it is leisure tourism product or a consumer product. Every product has a life span. In its life cycle there comes a stage when it needs remodeling in some or the other ways to retain its appeal for customers. In other words, at the decline stage of your products actions/strategies are required to rejuvenate it to further extend its life.

13.5.6 Products Feasibility Study

The reason of products designing is considered when you move from micro to macro level of planning, i.e., from planning of a destination you shift to designing a product like hotel, resorts, restaurant, theme park, or any other leisure product. It is clearly illustrated that you can conceive and operate your projects only on the basis of relationship among three dimensions, viz., market, product and costs. When you are considering a new project, your product feasibility study should include:

- (a) Broader definition of your products high lighting its location and what services and facilities it tends to render and what kind of image or perception its aims to create in the mind of targeted users.
- (b) Forecasting market potential and details of sales strategies you plan to follow to reach out the targeted users as well as to expand the market size for your products;
- (c) Outlining the operational plan, i.e., what would be the design and schedule of product development and how budgets and finance would be arranged to meet the required expenditure.
- (d) Design Marketing Plan, i.e., highlighting application marketing mix at each operational stage, more particularly deciding upon the promotional and distribution strategies.
- (e) Organization and Staffing Plan, i.e., pointing out sources for recruitment of skilled and semiskilled employees to accomplish organizational goals. While choosing your channel for hiring people,

you must remember that you are going to be a part of the industry where your success largely depends upon the performance of your employees. This underlines the important of not only recruiting right kind of people but also training and retraining them to meet satisfaction level of your customers.

(f) Financial Plan: Financing is one of the major factors in designing and managing tourism products. Public budgets are often not adequate to cover rising costs of activities, such as increasing waste disposal due to increasing tourism, management of historical sites and enforcement of building restrictions. Financial sustainability most often involves multiple funding sources with a focus on earned income with measures that contain operating and restoration costs. Your resources for financing should, therefore, include:



- Public sector grants and tax breaks
- Community initiative and investment
- Approaches that stress self-help and self build
- Joint public/private ventures and partnerships, where often the public sector contributes land or other resources.
- Financing from various organizations, such as, non-profits trusts, foundations/revolving funds and community development corporations.

- Build- operate- transfer- arrangements, and
- The private sector.

In developing countries governments play a minor role in providing finance to tourism projects due to financial constraints. It is the private sector that does most of the financing to small, medium and large tourism development products. These private sources include individuals, banks, trusts, credit unions and insurance companies. Therefore, in tourism product development you need to achieve the right funding "mix" by increasing efficiency without compromising the products, attractiveness. One more possible option is to combine



market economy and public interventions. In this type of financing situation, public authorities are able to retain ownership of the resources such as facilities or historical buildings, but the responsibility of development or renovation is transferred to private managers. Build-operate-transfer (BOT) procedures are good examples. These transfers though create other problems. Commercial management is primarily concerned with the facility's ability to attract tourism, which may compromise with other considerations such as its larger role within the destination or conservation concerns. Any attempt at BOT approach requires that the public sector interest group, responsible for the facility must have the expertise in developing management policies and contracts that respect the local community and its environment while providing a reasonable rate of return.

Donation of aid for specific restoration or preservation projects may also be available from international organizations or foreign governments. However these are often one time funding and can not be depended on for a long-term plan. Very often capital funds are available but operational financing is difficult, if not impossible, to obtain

Check Your Progress – II

Answer the following question.

1. Name the three broad categories of tourism product?
2. What are the various stages in Product Life Cycle?
3. List the destinations covered in Golden Triangle?

Check your answer with the one given at the end of the unit.

13.6 Summary

Tourism product is of vital importance in tourism industry. It is a combination of both tangible as well as intangible elements. Travel and tourism product is a package of various components such as destination attractions, facilities, services and overall experiences of the tourist. The ideal tourism product consists of various physical and psychological elements which provide the best possible experience and satisfaction to the tourist. In this unit we have studied the tourism product in detail. We have discussed the types of tourism product, tourism product development and components of tourism product designing development



13.7 Answers to Check Your Progress

Check Your Progress - I

1. False
2. True
3. True
4. False

Check Your Progress - II

1.
 - a. Tourist Oriented Products (ToPs)
 - b. Resident Oriented Products (RoPs)
 - c. Basic Tourism Products or Background Tourist Elements (BTOs or BTLs)
2. Introductory, Growth, Maturity and Decline.
3. Golden Triangle: Delhi-Agra-Jaipur

13.8 Suggested Readings

1. Lonely Planet, India
2. IATO Manual, 20013
3. Bhatia, A.K., International Tourism Management, Sterling Publications Pvt. Ltd., New Delhi, 2002.
4. Thandavan and Girish, Tourism Products-I, Dushyant Publishers, New Delhi. 2006.
5. www.unwto.org

13.9 Review Questions

1. What is a tourism product? Discuss the different types of tourism products?
2. Discuss the various levels of tourism product?
3. Design a tourism product of your choice.
13. Define 'Product Life Cycle'.

13.10 Glossary

1. **Product** - A **product** is a good or service which can be bought and sold.
2. **Brand image** - "Brand image" refers to the set of **beliefs** that customers hold about a particular brand. These are important to develop well since a negative brand image can be very difficult to shake off.
3. **Product Life Cycle** - The **Product Life Cycle** refers to the succession of stages a product goes through.
4. **Commodity** - A **commodity** is anything for which there is demand, but which is supplied without qualitative differentiation across a given market.
5. **Tourist Destination** - A **tourist destination** is a city, town or other economical area which is dependent to a significant extent on the revenues accruing from tourism.

**UNIT 14 TOURIST DEMAND – ‘CONCEPT’, ‘TYPES’
AND ‘UNIQUE FEATURES’, TOURISM SUPPLY-MIX**

- 14.0 Objectives
- 14.1 Introduction
- 14.2 Tourism Demand
 - 14.2.1 Types of Tourism Demand
 - 14.2.1 Factors Influencing Demand
- 14.3 Tourism Supply
 - 14.3.1 The Supply Chain
 - 14.3.2 Components of Tourism Supply
- 14.4 Unique Characteristics of Tourism Demand and Supply
 - 14.4.1 Demand
 - 14.4.2 Supply
- 14.5 Measuring the Tourism Demand
 - 14.5.1 What is Measured?
 - 14.5.2 Why is Tourism Demand and Supply is Measured?
 - 14.5.3 Methods of Measurement.
- 14.6 Summary



14.0 Objectives

After reading this unit, you will be able to:

- discuss concept and nature of tourism demand, typology and factors influencing demand;
- describe tourism supply, supply chain and components of tourism supply;
- explain unique characteristics of tourism demand & supply; and
- discuss the measurement methods of tourism demand.

14.1 Introduction

The success of any business depend upon the equilibrium that has to be created between the products, attractions, facilities and services which can be, or are, offered by the destination and the level of interest and acceptability these generate amongst the groups of persons to take a positive purchase decision. Further, an economic system comprising of spectrum of different activities positioned in different locations generates movements that must be supported by the tourism system in order to fulfill the expectations and needs of the visitors. Without movements infrastructures would be useless and without infrastructures movements could not occur, or would not occur in a cost efficient manner. This interdependency can be considered according to two concepts, which are tourism demand and supply. In this module we are going to have an insight into these two most vital pillars of tourism industry.

14.2 Tourism Demand

Let us begin with understanding the very concept of tourism demand. Interestingly, tourism demand is perceived differently by different persons. Some of the definitions are being noted down to have an insight into the assortment of expressions regarding this term:

Dictionary defines

“demand as the desire of people for particular goods or services”

Economists consider demand to be

“the schedule of the amount of any product or service that people are willing and able to buy at each specific price in a set of possible prices during a specified period of time.”

Geographers view tourism demand as

“the total number of persons who travel, or wish to travel, to a specified geographical area; in a given duration of period; to use tourist facilities and services at places other than their places of work and residence.”

According to Goeldner and McIntosh

“Tourism demand for a particular destination is a function of the propensity to travel and the reciprocal of the resistance of link between origin and the destination areas.”

Thus $D = f(P/R)$

Tourism demand, thus, can be understood as an expression of the tourism and travel related needs, even if those needs are satisfied, fully, partially or not at all. Further, most commonly, it is expressed in terms of number of people, volume, or tons per unit of time and space.

Conclusively, tourism demand can be defined as,

“either the number of tourists **who visit** or **may visit** a particular attraction or region, with a definite set of expectations, OR the volume of services/products/facilities that is purchased or might be purchased from a specified geographical area, for a certain price-range and in a given period of time.”

14.2.1 Types of Tourism Demand

Scholars have categorized tourism demand in different manners. Following are two most commonly established categories of the same:

I. On the basis of actual or perceived purchase

Many a times the actual volume of services, products or attractions purchased, or utilized, from an ear-marked geographical area, during a specific time period and

at a given price range is considered to be the demand for the said products, services or attractions. In such a case the generated, or measured, demand is categorized as **effective** or **actual demand**.

There can be another situation where we anticipate the volumes that might be used or purchased by the traveling tribe in future. Obviously such estimations are based on application of tested and tried measures of forecasting. The probability factor is quite high in this case. This type of guesstimated demand is kept in the category of **potential** or **latent demand**.

II. On the basis of cause and effect

At times the reasons behind taking a travel decisions might be controlled by our very own desires to go to a place to, may be, relax or break the monotony or get involved in activities we like, i.e. our decisions are not influenced by any external pressures. Such a touristic occurrence is usually put in the category of **impulsive demand**.

The contrast to it is the situation where one has to compulsorily undertake a travel as a tourist. Example of this type of phenomenon is travel due to business or unavoidable social reasons. This type of travel is a consequence of what is called **compulsive demand**.



14.2.2 Factors Influencing Demand

Change is the name of the game and every entrepreneur plays the same. Every industry is influenced by variations and these have higher degree of effect in case of service industry, *mainly because of higher degree of intangibility*. By now you might have understood that tourism has emerged as one of the major service industry all around the world. So, any internal or external change, in TGR, TTR or TDR, affects tourism and travel industry too immensely. Holiday demand is driven by needs, motives, and expectations, its realization depends on the individual economic situation and the freedom to travel.

Thus:

- **External factors** may have an impact on tourism demand by affecting the ability to travel (freedom, time, money, fitness) and the *motivation* to do so.
- **Consumer Behaviour** is not a reaction on a single factor but on the whole set of influencing external factors. In addition it is



driven by internal factors (e.g. motives, abilities etc.). Thus, the impact of a change in a single external factor is limited. We have experienced in past that the tourism demand has either gone up or down with even slight alteration in socio-cultural, political, climatic or even economic set-up. Now the question arises as to how these developments have an impact on tourism demand. In the following discussion, we are going to discuss the same.

• **Economy:** Economic health of the *Tourist Generating Region* (TGR) is the most important factor affecting tourism demand. Simply, the stronger the economy = the higher would be the income = more would be the disposable income and resultant spending power = elevated will be the travel propensity and, hence, tourism demand. The contrast in economic conditions will result in just the reverse equation.

• **Politics:** This factor has two dimensions, viz. *political stability* (which results in creating a conducive environment for outward or inward movements) and *political willpower* to promote tourism (this will be helpful in laying down tourism and tourist friendly policies and, obviously, will result in increased *touristic appeal*).

• **Crisis and threats:** Crisis and threats are the most unforeseen of these factors. No body can predict with surety as to when a calamity would take place. For example, there can be out-break of an infectious disease, or sudden tsunami, or land slides, or a parallel to 09/11 episode etc. the best and most effective measure is to be ready with effective and implementable *crisis management strategies*.

• **Demographic Change:** Demographic factors include variables like age structure, education level, occupation etc. Tourism demand varies with changes in these. For example, statistics have revealed that the demand is ascending in the age brackets of 25 – 34 years and 55 – 64 years due to lesser liabilities and better financial and physical health of the persons in these age groups. Education, for that matter, enhances knowledge and working spectrums, as well as level of awareness; all these factors combined together enhance the chances of increased tourism demand. As discussed earlier, some times in order to enhance the business, occupational compulsions increase the propensity to travel. • **Technology:** This point has also been discussed; any advancement in any technological area had always had, and will have, a positive impact on tourism demand.

In addition to the above, we have to take into account the influences coming from general changes in consumer attitudes and, finally, the tourism industry itself, of course influencing the demand side of tourism (e.g. standardization of products, information channels, capacities and price strategies).

As we can't limit our attention to a single external factor and its impacts, we look at several of the emerging factors, new trends in tourism emerging from the whole set of influences and the endogenous dynamics of tourism. These emerging trends will not change tourism over night. Trend research has shown that the future developments will most probably come as a step-by-step development, not as a revolution.

Giving the global and nearly unlimited offer in tourism with capacities still on the rise the power in the market is clearly with the consumer. He will only choose products which fit into his motivation and expectations. Taking the efforts to reduce seasonality in tourism as an example, we clearly see that the limitations to these efforts are only partly due to e.g. school holiday regulations but predominantly due to the motivation of spending a holiday under nice weather

Check Your Progress – I

Answer the following question:

1. Name five factors that influence tourism demand.

Check your answer with the one given at the end of the unit

14.3 Tourism Supply

Tourism supply is the expression of the capacity of tourism related infrastructure and tourist plant facilities (this includes accommodation, F and B facilities, Guiding and Escorting services etc.), generally over a geographically defined tourism system, in different price ranges and for a specific period of time. Therefore, supply is expressed in terms of infrastructures (capacity), services and networks. The number of passengers/ volume that undertakes any movement for touristic purposes per unit of time is commonly used to quantify transport supply. Further, tourism supply can be simplified by a set of functions representing what are the main variables influencing the capacity of any given tourism system. These variables are different for each component.

So, tourism supply refers to the amount or volume of the goods, services and facilities; in addition to the level of comfort and conveniences (i.e. infra and super-structure) and the spectrum of attractions and activities that a destination system can offer to the groups of tourists during a given unit if time (period), at a specified price range, in order to satisfy sets of varied needs and requirements.



14.3.1 The Supply Chain

The supply chain comprises the suppliers of all the goods and services that go into the delivery of tourism products to consumers. It includes all suppliers of goods and services whether or not they are directly contracted by tour operators or by their agents (including ground handlers) or suppliers (including accommodation providers). It should also be considered that some tourism goods and services are supplied direct to tourists and are purchased by consumers themselves and it should not be forgotten that tour operators can influence their customers in this area too. The initiatives reviewed in this report focus on improving benefits to the destination, consumers and the tourism industry. These initiatives are focused around four main points in the tourism supply chain:

- Accommodation
- Transport
- Ground handlers, excursions and activities
- Food and crafts

Supply chains operate through business-to-business relationships, and supply chain management delivers sustainability performance improvements alongside financial performance, by working to improve the business operations of each supplier in the supply chain. Tour operators have enormous influence over activities throughout the tourism supply chain, since they direct and influence the volume of tourism, the tourist destinations and facilities that are used. Tour operators can use this to help in promoting general improvements in sustainability performance as part of good commercial practice.

In planning actions for sustainable supply chains, tour operators and The Travel Foundation should note that there are examples of good practice throughout the direct supply chain of tour operators as well as in a variety of tourist destinations but these are only implemented by some companies and many others can learn from them. It will be easiest to implement sustainability requirements in accommodation and most difficult in transport, most visible in excursions and activities while most beneficial to the local economy when this supports food and craft production. Destination sustainability efforts will require wider stakeholder partnerships and if only for this reason will be more time consuming to implement.

A secure income stream, with stable contracts and foreseeable contracting conditions including prices is paramount, both to facilitate the necessary investments by the supplier, and to cement the trust in the relationship. Projects require time for companies to build knowledge and develop relationships, and tour operators tend to require a steady and significant volume of operations with a supplier or destination if they are to make a significant contribution and expect changes in local operations. Three conditions in the tour operator-supplier relationship are particularly important for the success of supply chain initiatives: long-term partnership, fair pricing and a consistent volume of operations.

Successful supply chain relationships between companies and their suppliers are developed and implemented according to a defined series of steps:

1. to establish a sustainable supply chain policy and management system.
2. to support suppliers in reaching Sustainability Goals, including raising awareness on sustainability issues amongst suppliers and demonstrating why sustainability performance is important
3. to integrate sustainability criteria into suppliers' contracts and preferentially contract suppliers that meet those criteria.

Tourism supply chains involve many components - not just accommodation, transport and excursions, but also food and beverages, souvenirs and handicrafts, and the infrastructure that supports tourism in destinations.

14.3.2 Components of Tourism Supply

Components of tourism supply basically refer to the organizations or individuals who are instrumental in materializing the ultimate product, say for example tour package. Keeping tour packages in the focal point, let us discuss the components of the supply. The components, in this case, consist of *attractions, accommodation, transportation, refreshments, shopping and entertainment and recreation*. Following is the description of these:

Attractions: Being the basic pull factors, attractions are the core of touristic experience. The very nature of the attractions is responsible for the image creation of the destination.



Typology

- Natural
- Built/ Man-made
- Entertainment
- Sports and Sports facilities
- Rides and Transport

Accommodation: Accommodation is supposed to be the most vital component, as safe and comfortable accommodation tops the list of need hierarchy of the tourists. Usually this particular component acts as a catalyst to get a favorable response from the target segment and accounts for approximately 33% of the total trip expenditure (*Cooper et al*).

Typology

- Hotels and similar establishments
- Supplementary accommodation
- Alternative accommodation

Transportation: Right from the ancient period accessibility and mobility have hold a very high



importance in tourism development. Safety, comfort, speed and costs have been the crucial attributes for this particular component. Interestingly, transportation has the potential of being an attraction in itself, for example *Palace on Wheels*, *Euro-rail etc.*

Typology

- Land transport
- Air transport
- Water-based transport

Refreshments: There is a popular saying that “*Road to heart goes through the stomach*” and the same stands true in case of tourism as well. Being the necessity of the traveling tribe, refreshments are the inevitable component of the packages and are instrumental for both the favor and abhorrence of the tourists and, thus, can make or break the tour.

Typology

- Different plans: **AP/ MAP/ EP/CP**
- General and theme restaurants
- Fast food establishments
- Pubs



Shopping: Shopping, in Indian context, has been the most used and abused component. Used, because every body looks at it as a source of long cherished memories and, hence, shopping is an integral part of the vacations. Usually tourists look for unique and indigenous souvenirs and, therefore, can be an effective contributor to the destination economy. And since there is no specific mechanism regarding commissions and pricing, cases of fleecing and over-charging are quite frequently observed.

Entertainment and Recreation: Tough generally not included in itineraries prepared in India, entertainment and recreation are the extremely essential components of the packages. After the tiring day trips, everybody looks forward to an unwinding evening. In fact carefully planned entertainment features can become an attraction themselves and, if the local artists are hired, can lead to more economic benefits for the regional economy of the destination.

Check Your Progress – II

Answer the following question.

1. What are the main components of tourism supply?

Check your answer with the one given at the end of the unit.

14.4 Unique Characteristics of Tourism Demand and Supply

To understand and appreciate the difficulties involved, it is necessary to consider the characteristics of demand and supply with specific emphasis on tourism and travel.

14.4.1 Demand

Before going further, it is very important to have a clear idea about tourism demand. Following are some of the prominent characteristics of tourism demand:

- **Spontaneity and uncertainty:** Tourism demand is characterized by great deal of uncertainty and spontaneity, i.e. it is very difficult to predict the requirements for any given period. Past trends are useful but not very reliable. When demand is greater than the supply, customers are usually unhappy. In a perfect match of supply and demand the load factor would be 100%, any thing less gives an indication of over capacity.
- **Variability:** Tourism demand is not same each hour of each day of each month. It remains fluctuating and is marked by crests and valleys. More capital needs to be invested if we want to cover demand in peak times. The Pricing strategies have to be planned strategically. Attempts of marketing like- peak pricing, mid-season pricing and off-peak pricing are commonly adopted in tourism and at times work as an attraction also due to lucrative tariffs.
- **Segment-wise multiplicity of demand:** Any tourist destination, product or attraction has multiple usages at any given point of time. Meaning thereby is that a place or attraction or facility is frequented by groups of persons with different sets of motivations and requirements. Consequently, we experience a gamut of demand generated by the same destination or resource or attraction. For example, through out the year Goa attracts millions of tourists. Now at any period of time some of the tourists are interested in sun bathing, few are keen in cultural panorama of the state, many might be present due to business or corporate meetings, while there might be groups enjoying the beverages and cuisine of the place. The motivations, frequencies and responses to price change are different in different segments.
- **Elasticity;**The sensitiveness to the price change in generally termed as elasticity. The Elastic demand is sensitive to substitution and an inelastic demand is not. Pleasure travel is more elastic, than business travel that means the *primary* or *impulsive* demand is elastic and *derived* or *compulsive* demand is relatively inelastic.
- **Ever increasing competition:** One of the note-worthy attribute of tourism industry is that it lacks patronage, i.e. tourists tend to use the services that provide them the best benefits irrespective of the company. Obviously, value for money and quality of services top the list of the factors affecting the decision making of the customers. Interestingly every year many new players, with innovative ideas, are joining the main

stream. This causes a situation where competition touches new heights; means the business ambience is highly competitive and any intelligent move by a player might affect the whole equation. We need to apply strategic policies, which are bound to change with the emerging conditions. Like different trains operating between two points pose stiff competition to each other. Small change in departure time can capture significant number of passengers

14.4.2 Supply

Tourism supply, curiously, is much different from that for fast moving consumer goods (*FMCG*) or any other type of product. Let us discuss some of these.

Pricing flexibility: The price of the supplies in tourism varies due to certain factors. For example, price generally reduces with the size of the group. That is, with increasing number of group members the price decreases. Else, depending upon the type of season; *i.e. peak, middle or lower*, the price is, respectively, *highest, moderate and minimum*.

Perishability: Every component involved with tourism supply has specific capacity. The percentage of this capacity which is used (or sold) on a specific day gets converted into actual sale and remaining part is business lost for ever because, unlikely to the consumer goods, the lost sale can not be compensated in future. In other words *supply cannot be stored for future use*. So management has to sell, sell and sell. Say, if an aircraft having 100 seats has only 60 passengers on a particular flight cannot sell the unsold 40 seats in the next flight.

Independent, yet complementary components: The components, which when combined together ensure a wholesome tourism product; can effectively work independently as well. For example, a hotel can be promoted without it being packaged with transportation or any involvement of a tour operator, yet the association results in ensured and better business yields because these components are complimentary to each other and, together, increases the value, in addition to attractiveness, of each other. The independent nature of these components also makes the coordination quite challenging. Thus, ensuring a smooth coordination between these components calls for lots of effective managerial skills.

Fixed in space: The supplies in case of tourism can not be carried physically to the customers. Rather the users have to come all the way to the product, facility or attraction to utilize the same. For example, we can not take *Taj* or *Hotel Maurya Sheraton* to the place where our clients are located. This is, obviously, different from the consumer goods (say tea leaves) which can conveniently be taken to the place of location of the clients.

Inflexibility in shorter period: *Demand is instantaneous but Supply is not.* There is long time between planning and placing order for a component, between placing order and getting it, between putting it into service and scrapping it. Thus demand can shift quickly, but it takes great deal of time to adjust supply.

High ratio of fixed costs to variable costs: Tourism is highly capital intensive—the accommodation units, infrastructure, manpower etc. cost great deal of money. Because of high level of costs, the incremental costs of operation are small.

Combination of tangibility and intangibility: Tourism supply is a curious combination of tangible (that can be physically touched and felt) and intangible (that can't be physically seen or touched, but experienced). Though the food in a restaurant can be put in the category of tangible things, yet the *ambience* is a good example of intangibility.

14.5 Measuring the Tourism Demand and Supply

Measurement of tourism demand is a cumbersome process. One has to apply extremely effective methods to calculate the demand. This process being a futuristic one, there is always a high degree of probability. Meaning thereby is that it is very difficult to estimate the demand accurately. Refer to the characteristics of demand discussed earlier to assign reasons behind this fact.

14.5.1 What is measured?

Volume statistics: refer to the calculation of the number of tourists coming to or going out of a place. So, this measurement gives us an idea about the movement of *inbound (i/b)* and *outbound (o/b)* tourists. This is enormously significant, keeping in mind that the number of tourists, inbound or outbound, provides us the lead to the level of infra and super structure, facilities and activities to be planned to accommodate the tourists.

Value (expenditure) statistics: is an indication of the monetary gains a destination does make as a result of visit of tourists. This also includes gathering the information on the spending power and expenditure pattern of the tourists. *Spending power* indicates the amount of money that could be spent by the tourists on their touristic pursuits. Whereas expenditure pattern is the detail of component-wise expenses of the tourists (means how much a tourist spend on accommodation, transportation, food and beverages, shopping etc.)

Visitor profile: Usually it is stated that “*a tourists’ brain is like a black hole*”. It is very difficult to predict as to what is going on inside the tourists head and heart? Simply putting, it's very hard to ascertain the perceptions, expectations, likings and dislikings of a tourist or group of tourists. Therefore, it becomes mandatory to keep a record of the behavior and requirements related aspects of the tourists. Study of visitor profile provides us with the vital qualitative insight into the psyche of the tourists, which is important to establish equilibrium between demand and supply in order ensure higher levels of customer satisfaction, as well as being optimally benefited a link in the supply chain.

14.5.2 Why is Tourism Demand and Supply Measured?

The following are the major reasons behind measuring tourism demand and supply:

- To assess the contribution of tourism to indigenous community
- To assist in preparation of effective area and product development policies and planning
- For marketing and promotion
- To study the trends
- To predict the changes in future

14.5.3 Methods of Measurement

Volume Statistics

By using counting procedures at entry and exit points: This is one of the most commonly used procedures and is highly effective in case of the destinations and attractions which have well defined and manned entry and exit points. The counting provides the month-wise number of the persons who have thronged a particular area and the same is translated into demand.

From records of international carriers: All the carriers (i.e. Airlines) have precise information on the number of passengers visiting a particular country, as the passengers are supposed to fill up *embarkment* and *disembarkment* cards while boarding and getting off a flight. The VISA reveals the reasons of the trip(s).

From records of Government offices: Almost in all the countries, the Government establishments keep a record of the tourist traffic, and that too is analyzed under different parameters; like country and region of origin, age-group, interests and motives etc. In India Department of Tourism, Govt. of India and some of the State Governments maintain such records that are very effective sources of information about the present demand, and when statistically analyzed for trends can give clues about the future demand, as well.

Collection of registration records at accommodation establishments: Another popular way of gathering information that can be interpreted in terms of tourism demand related to the volume of the visiting clients.

Value Statistics

Through sample surveys: Very commonly used a technique. In this the researcher picks up samples; i.e. respondents; randomly and seeks information from them. One has to be extremely conscious about the questions to be framed, because there are chances of misinterpretation of on the part of the respondent.

By analyzing Forex statements: The foreign exchange statements of the tourists provide information on the expenditure and expenditure patterns of the tourists. This is a very effective method, as this lead the way to the level and

typology of infra and super structure to be created to cater to the tourists, in addition to the foreign exchange earnings of the destination and transit regions.

By conducting surveys of suppliers: The volume of the products or services sold is directly proportional to the demand generated. Hence, this method too has proved to be an important one to gather the required information.

Tourist Profiles

By conducting tourists' surveys: Surveys of the tourists may reveal information on their personal profile, expectations and buying behavior. Though commonly used, yet is complex one as it is difficult to seek time and correct information from the tourists.

Through study of the tourists' behavior at establishments and attractions: This basically is an observational technique. In this tourists are closely watched and their behavior is studied on the basis of certain pre-established yard-sticks. The observers need to be highly knowledgeable about human behavior and should possess analytical skills.

From the information provided by the suppliers: Suppliers are enormously vital source of collecting information on tourist behavior, as these are a link between demand and supply and do know about the present and future trends. In fact information provided by the suppliers is translated in terms of the qualitative demand and is highly useful to impart lead to plan the future supplies effectively.

Check Your Progress – III

Answer the following question.

1. Name three methods of measurement of tourism demand and supply?

Check your answer with the one given at the end of the unit.

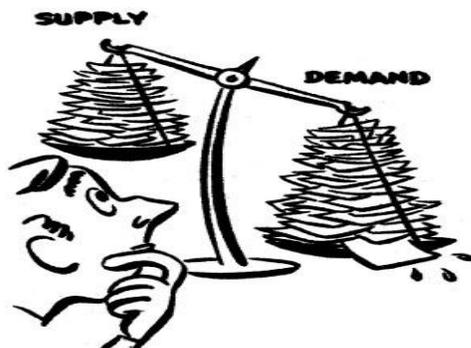
14.6 Summary

So friends, till now we have tried to understand the very concept of tourism demand, supply, their typology, the factors that have an impact – positive or negative – on these two important aspects and measurement of tourism demand, along with the techniques/ methods applied for the same.

In nutshell, *tourism demand can be described as the amount or volume of products, services or amenities that are, or will be, purchased or consumed from a well defined geographical area, within a given price-range and during specified period of time, which usually is one year.* In case of tourism supply, we focus on the *amount or volume of products, services or amenities that are, or will be, offered from within a well defined geographical area, in a given price-range and during specified period of time, which usually is one year; in order to satisfy tourists' needs and wants.*

Depending upon the criteria affixed, demand is classified as *actual or potential/latent* and *compulsive or impulsive*. Well, as discussed in sub-unit 14.3.2, *Accommodation, Transportation, FandB, Sight-seeing along with Guide and Escorting Services, Entertainment and shopping* are the major components of tourism supplies. There are certain characteristics that make demand and supply in tourism different from that in any other sector, say FMCG. To name the important ones, these are *tangibility, perishability, seasonality, high fixed capital, dynamism, elasticity* etc.

Coming to measurement of tourism demand, by now you might be aware that measurement in this case is either value based or volume based or behavioral. In assessment of value, we concentrate on economic gains, whereas in volume statistics the emphasis is on the number of tourists. In the third category basically the profile of tourists is studied as it has extremely close relationship with the expectations and post-tour satisfaction level. One thing that you must not forget is that the measurement of tourism demand is both Qualitative and Quantitative.....**Happy Learning!!!**



14.7 Answer to Check Your Progress

- I. Economy, Politics, Crisis and Threats, Demographic change, and Technology
- II. Attraction, Accommodation, Transportation, Refreshment and Shopping.
- III. (a) Volume Statistics: By using counting procedures as entry and exit points.
(b) Value Statistics: Through sample survey
(c) Tourist Profiles: By conducting tourists' survey.

14.8 Suggested Readings

- British Tourist Authority: *Digest of Tourist Statistics*.
- Kaul, R. N., *Dynamics of Tourism: A Trilogy*, Sterling, New Delhi
- McIntosh, Robert, W Goeldner, R Charles, *Tourism: Principles, Practices and Philosophies*- John Wiley and Sons Inc. New York 1990.
- Philip Kotler Gary Armstrong, *Principles of Marketing*- PHI Ltd.
- Ramaswami., *Marketing Management - Fundamentals of Marketing*- William J. Stouton, Mc Graw Hill Co.

14.9 Review Questions

1. What do you understand by the scope and nature of tourism demand?
2. Write a note on typology and factors influencing demand.
3. How would you explain tourism supply, supply chain and components of tourism supply?
4. What are unique characteristics of Tourism Demand and Supply?
5. How do you measure Tourism Demand and what are the various methods of measurement?

Activity 1

After conducting a survey of the hotel properties in your area, find out the following:

- The increase or decrease in the number of beds used by the tourists and the changes in room tariffs in last one year.
- Try to find out the place of origin and transport-related requirements of 25 tourists coming to any tourist destination of your choice.

UNIT 15 THE TOURISM SYSTEM – DIMENSIONS AND APPLICATIONS

Structure

- 15.0 Objectives
- 15.1 Introduction
- 15.2 The Composition of Tourism Industry
 - 15.2.1 The Meaning of Tourism
 - 15.2.2 The Meaning of System
 - 15.2.3 Essential Elements of Tourism Activity
- 15.3 Tourism as a Dynamic System
 - 15.3.1 Leiper's Tourism System
 - 15.3.2 Murphy's Psychological Factors
 - 15.3.3 Gun's Influence of External Environment
 - 15.3.4 Mill and Morrison's Consumer Behaviour
 - 15.3.5 Westlake's Transport, Communication and Planning
- 15.4 A Synthesis of Models of Tourism System
 - 15.4.1 The Visitor Generating Region (Demand)
 - 15.4.2 Transit Region (Supply)
 - 15.4.3 The Destination (Supply)
 - 15.4.4 The Support Services Sector
 - 15.4.5 Roles of the Government
 - 15.4.6 The Environment
 - 15.4.7 Role of Local Community
- 15.5 Summary

15.0 Objectives

After reading this unit, you will be able to:

- discuss the role of tourism industry and its dynamic system;
- explain the various tourism system models and their interpretations in the tourism industry;
- discuss the close synergy and integration in the tourism system;
- describe the basic typologies of various players in the tourism industry; and
- explain the general and specific uses of various divisions of tourism industry system.

15.1 Introduction

Tourism is a dynamic and complex product that is processed and delivered by the intervention of related and interrelated providers of services. This has

become a massive business phenomenon that is regarded as the emerging economic engine for the host countries. Tourism has been recognized as an industry in many countries. There are a large variety of heterogeneous products and services, which are interlinked and complementary to each other. Tourism is an amalgam of products and services. Tourism products are intangible, perishable and heterogeneous in nature. A single agency cannot at all meet the needs and wants of tourists. It is a vibrant sector with the capacity of ample revenue generation for the benefits of the whole host community. In nutshell, business activities of tourism are unlimited. The systematic functioning of tourism system influences both the macro and micro business environment of tourism. This unit will highlight on the various typologies of tourism systems and their general and specific uses with the specific objectives of offering quality services to the tourists.

15.2 The Composition of Tourism Industry

Tourism is often interpreted in terms of being an invisible and service oriented industry. Tourism however, is not a single industry in the conventional viewpoint. Tourism comprises a wide range of products and services whose limits for inclusion are very vast and extensive. From an economic and business perspective, an industry is defined as being a group of independent firms, all turning out the same product. It is clear that the focus of industry includes individual business establishments, which are grouped together in a network for generation of revenue received by all the economic units through the production and sale of a common product.



15.2.1 The Meaning of Tourism

The World Tourism Organization's definition of tourism in 1995 state that the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. The Tourism Society has also defined tourism in 1976, as tourism is the temporary short-term movement of people to destinations outside the places where they normally live and work, and activities during their stay at these destinations; it includes movement for all purposes, as well as day visits or excursions. The most intuitively logical definition is the one cited by Mathieson and Wall (1982) that tourism activity relates to: the temporary movement to destinations outside the normal home and workplace, the activities undertaken during the stay and the facilities created to cater for the needs of the tourist. Tourism has become an extremely dynamic system due to the globalization of trade and commerce, fast changing customer behaviour, development of transportation and accommodation, basic sanitation and hygienic at the destinations and information technologies that all strongly influence the industry in a big way.

15.2.2 The Meaning of System

Systems perspective focuses on as to how coordination can be established among primary, secondary and tertiary actors in complex innovation situations without one group or individual imposing their views. The system's approach aims for a way of assessing and dealing with complex real world situations. It aims at achieving the performance of tasks of each actor or stakeholder as part of a whole and to help in achieving a common goal. This approach is a practical means of studying the interconnectivity and existing linkages of providers of services and looking at composite inter-related issues and events from a holistic perspective. This holistic approach provides opportunity for a synergetic interaction of individual competence of inter-related actors in an area of common interest.

What is really essential to study tourism a system's approach? A system is a set of interconnected groups harmonized to form a combined objective and strive towards the accomplishment. It integrates another approach into comprehensive method dealing with both micro and macro issues in the tourism industry system. It can examine the tourist firm's competitive environment, its market and pricing structure, its outcome and its linkages with other institutions. It also emphasizes on the tourists and the interaction of the tourism intermediaries with the tourists. Furthermore, tourism system takes a macro point of view and closely examines the entire tourism system of a country, state, or area. This makes an attempt to find out the feasibility as to how it operates within and related to other systems such as legal, political, economic and social systems.

From a structural approach, a destination can be seen as a system composed by a number of elements, which share some kind of relationship in order to achieve common objectives. The system develops by taking external and internal inputs in to the process. It may be considered a complex adaptive system. A tourism destination comprises a number of elements like the tourism operators, the support structures, public and private organizations and associations etc. McKercher's (1999) model describes the following groups of components:

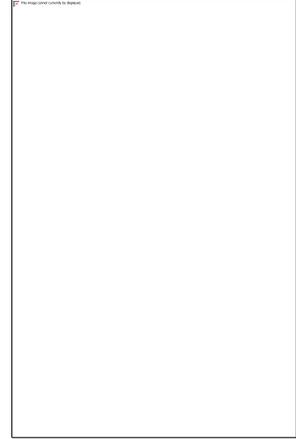
- Tourists and communication sectors linking tourists to the destination (both real and virtual)
- Local destination stakeholders; and tourism-related and non-tourism-related externalities.
- External tourism agencies and outputs from the system.

15.2.3 Essential Elements of Tourism Activity

Tourism arises out of a movement of people to and their stay in various destinations. There are two elements in tourism one is the journey to the destination and other is the stay at the destination that includes diverse activities undertaken there by the tourists. The journey and the stay take place outside the normal place of residence and work, thus it gives rise to activities, which are different from the resident and working populations of the places through and in which travel and stay. The movement to destinations is temporary and short term in nature. The basic intention is to return home within a few days, weeks or

months. The period of stays is limited and return is definite. Destinations are visited for the purposes other than indulging in permanent residence or employment activities.

Tourism definitions intend to dwell on the demand side of tourism activity rather than the supply side. It may be inferred that it is certainly difficult to distinguish which type of tourism related industries are catering tourists only and which are serving local residents and other markets along with the tourists. This makes defining the supply side of the system relatively hard. It is much easier to ponder over the demand side where those participating service providers in tourism can be identified more easily. These models incorporate elements of demand and supply which and when brought together by intermediaries, result in tourism activity. Many researchers have attempted to construct models of the tourism system. Let us have a glance on a handful of these systems.



Check Your Progress - I

1. Write five lines on the meaning of tourism and various elements of tourism Industry?
2. Write briefly the need for having a system to run tourism business?

Check your answer with the one given at the end of the unit.

15.3 Tourism as a Dynamic System

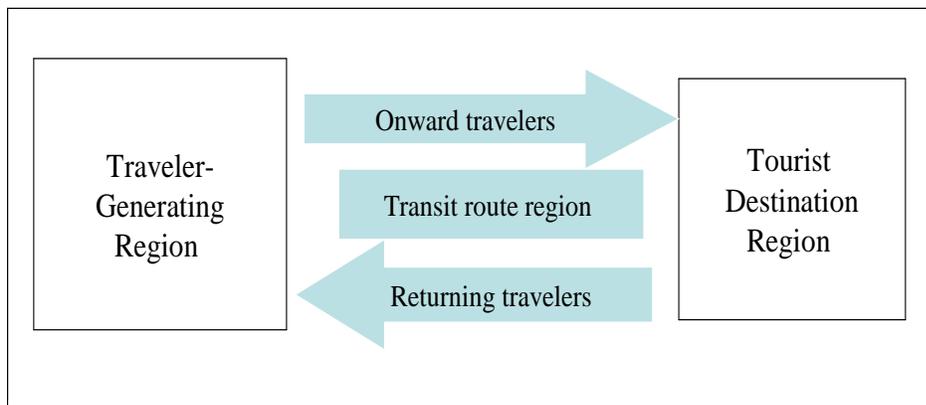
Tourism can not only be called as an industry or even a conglomerate of different business sectors in the narrow sense but also in the broader sense as a full-fledged system that is managed by both the public and private sector enterprises. It is a service industry connected with most other sectors of the economy like the host community at both the broad and local levels, government through policy, planning, infrastructure development and the biophysical environment. The tourism industry is running with the support of the host community as workforce, the government as regulatory body and tourism intermediaries as service providers. It is necessary to find out tourism's multiplicity of backward and forward linkages that extend from the highly localized to the wider background taking on local, regional, national and international levels in areas such as the economic, the social, the cultural, the political or governmental and the environmental. As Gunn and Var (2002) point out in their research works that every part of tourism is directly and indirectly related to every other part and some of the parts are often invisible to others within the periphery of the system.

15.3.1 Leiper’s Tourism System

Let us begin with the Leiper’s (1981) model of tourism system given in Figure-1. The model suggests a simple three-fold approach that comprises generating region, transit region and destination region. This is an attractive and discerning model, which can be adopted as a practical model for identifying the demand at respective regions. To study a tourist destination, it is important to view it as part of a tourism system as the one proposed by Leiper. While describing the components of the system such as the Traveler Generating Regions (TGR), the Transit Routes (TR) and the Tourist Destination Regions (TDR) one must analyze them under the influence of diverse environments. Tourism growth in a specific destination cannot be comprehensively measured unless the other regions, TGRs and TRs, as well as the environments influencing in each region are taken into analysis.



Figure- 1 : Leiper’s Basic Tourism System



Environments: Human, socio- cultural, economical, technological, physical, political, legal, etc
Location of travelers, tourists and of the travel and tourism industry

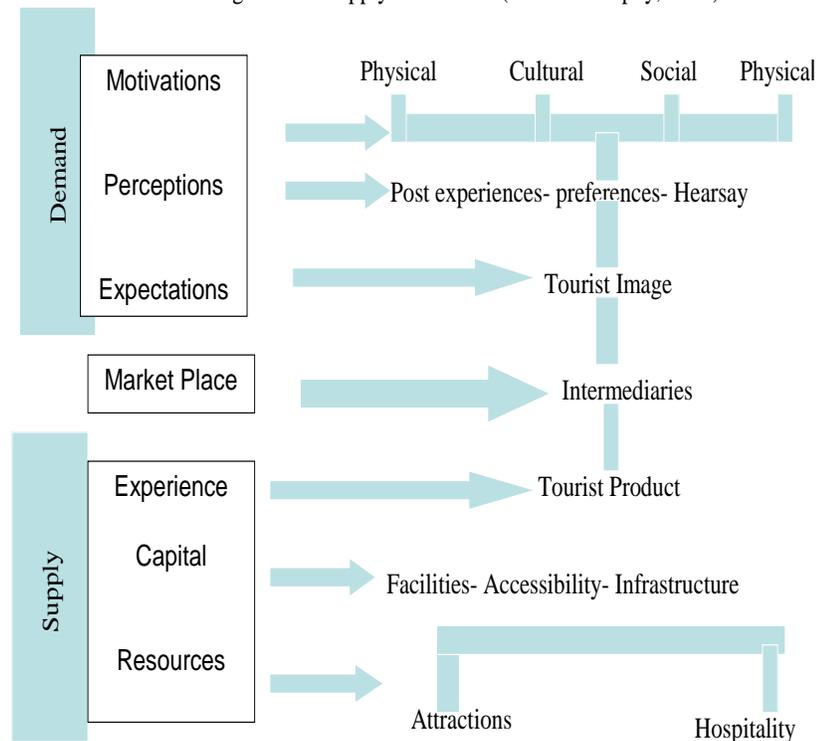
Tourism system is divided into three geographical components, the general focus remains on the environments of the system and how these affect tourism and at the same time how tourism affects the environments at each geographical component. The model has certain specific functions that all these regions are

included in the analysis of the impacts. The environmental impacts should not only be considered to measure the growth of a destination, but also the environments should be analyzed comprehensively for each of the regions to fully assess the growth of destination.

15.3.2 Murphy’s Psychological Factors

One of the most practical tourism system models advocated by Murphy in 1985 has been presented in figure-2, you will see that the focus is given the psychological factors that influence demand (motivations, perceptions and expectations) and how these determinants of demand are linked by the travel intermediaries (i.e. travel agencies and tour operators) in the market place to the supply of tourist facilities. The Murphy’s tourism system model can generally be used for the purpose of analyzing the demand and supply for the travel product and the involvement of travel agencies and tour operators in catering to the demand as key suppliers. The Murphy’s model can be used for analyzing the demand and supply of the tourism products and more particularly the role of the suppliers is very significant as they create capital and resources to meet the demands. They also conduct the organized tour packages for the purpose of offering unique experience to the tourists. This model will be much useful for the tourism intermediaries to measure the magnitude of demand and accordingly they will work out strategies to meet the demands.

Figure – 2 : Supply & Demand (Source Murphy, 1985)



The model can be used for specific purposes for example Destination Marketing Organizations (DMO), Governments and tourism intermediaries assess demands in terms of motivations, perceptions and expectations and can taken combined efforts to create facilities, accessibility and infrastructure to enhance the competitive advantage of the tourism product sin the destinations can take the advantage of the model. The model is of much explicit use for travel intermediaries because they can better analyze the size of the market demand and supply.

15.3.3 Gun's Influence of External Environment

Gun (1979) has developed a model which reflects the influence of the external environment and the two- way relationships between the various elements of the system. The tourism system model of Gunn is presented in figure-3. By acknowledging the mutual influence that certain elements have on each other, Gunn is emphasizing the interdependency and importance of various facets of the tourism system. The Gunn's tourism system model that states about the much influence of external environment on the functioning of the tourism system. The model includes attractions, transportation, information and services which influence the tourist motivations. Whilst the external environment that embraces political, economic, physical, natural and cultural factors has much influence on the total functioning of the tourism system directly. The external environmental factors have much control on the tourism system and they are the significant players in making the tourism system dynamic. In turn, tourists can be negatively affected at the destinations.

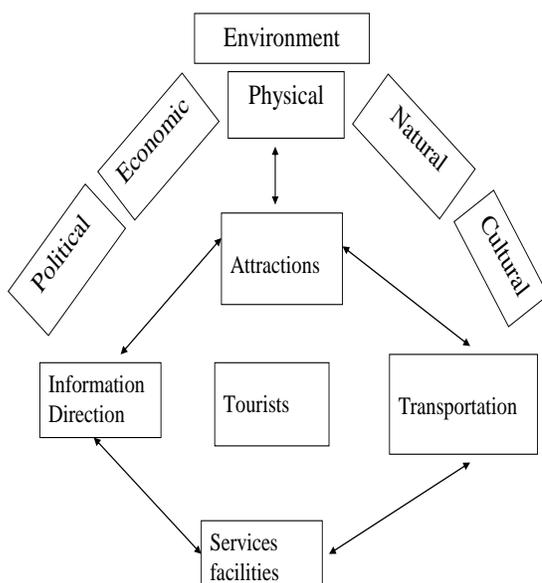


Figure-3: Tourism System by Gunn, 1979

In essence, the system has certain general uses like the model will give proper guidance to the tourism intermediaries and Governments about various external environmental factors and how they determine the running of the tourism system. The model, on the other hand, can be used for specific purposes such as each service providers can be guided by the external environments and evolve suitable plan and programmes to deal with the influence of external environments. Tourists in general can get plenty of knowledge from this model that can better guide them to plan the holidays.

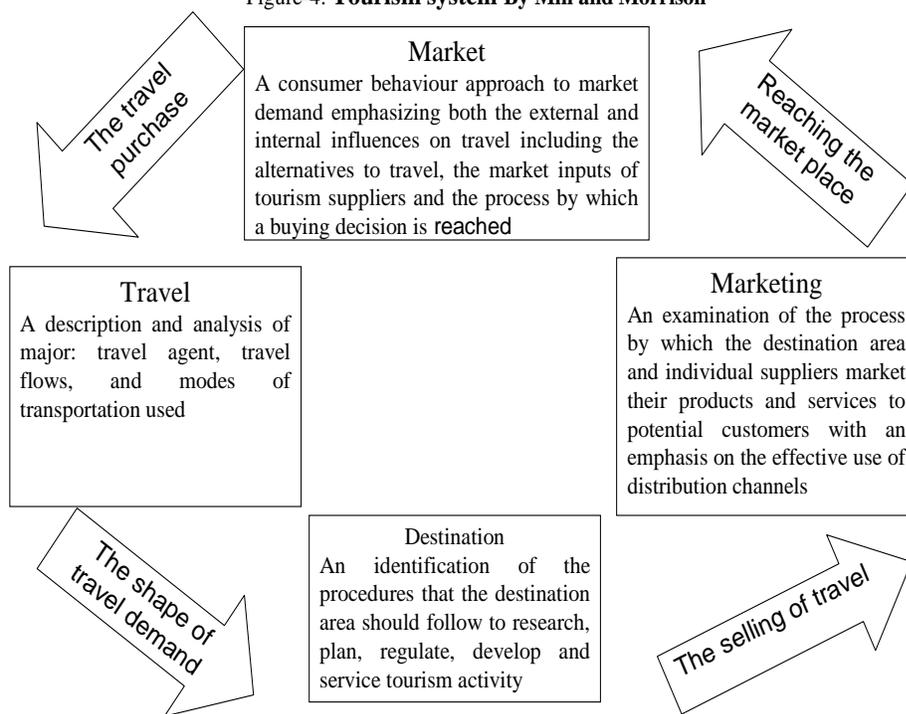
15.3.4 Mill and Morrison's Consumer Behaviour

The model suggested by Mill and Morrison in 1992 is given in figure-4. This model is cyclical in nature. The model suggests that each element of the tourism system reinforces and influences the next. According to Mill and Morrison, the key components of the system are the market, travel, the destination and marketing. To look at this in more detail, market demand is determined by a number of internal and external influences which affect the purchase of travel. This, in turn, influences the travel element of the tourism system since the demand for a product encourages the development of transportation networks to meet this demand. This in turn influences the type, nature and level of supply of tourist infrastructure and facilities at a destination. This sequentially influences the marketing strategy for a destination and the market segments. The way in which a destination markets itself and communicates its product-offering to its market can stimulate the level and type of consumer demand, which is influenced by a number of internal and external factors.

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 specifically be used by the tourism promotional agencies and travel intermediaries (tour operators & travel agents) for evaluating the various levels of buying behaviours of tourists. More specifically, the model can guide the destination development and promotion agencies to undertake research and development for the tourism industry.

This model can better be adopted by the tour operators, travel agents, hotels, resort companies, transport operators, entertainment agencies, etc as a framework to evaluate the travel purchases of tourists. Accordingly, they can implement marketing strategies to position the product in the market. This model, in brief, explains about the stages through which tourism intermediaries can reach in the market place comfortably. In essence, this approach reflects a market –oriented view of the tourism system where the determining factor is consumer behaviour.

Figure-4: **Tourism system By Mill and Morrison**



15.3.5 Westlake’s Transport, Communication and Planning

The model proposed by Westlake in 1985 explains about the dominant roles of transport in establishing linkage between demand and supply of tourism services. Westlake also focuses on the importance of the communication process between market and destination. In addition, the model highlights that the importance of planning and development strategies at the destination is to minimize the impact of tourism and maximize the positive significance of tourism activity. Westlake also links the effectiveness of planning and development policies to market. The destinations which effectively plan for tourism will be more likely to sustain demand and retain market share than those which neglect the sustainable planning and development of destinations.

The model has reflected on the significant roles of the transport and communication as a mediator between origin countries and destination countries. This model can be used for the common purpose of marketing the tourism product by identifying the demand and supply for transport and communication facilities at the destination area. The impact can also used for exclusive purpose of evaluating the positive and negative impact of tourism development. The model can be used particularly for the tourism planning and development as it suggests that transport is the most important factor that establishes links

between origin countries of the tourists and destination countries. The Westlake model can be seen in figure-5.

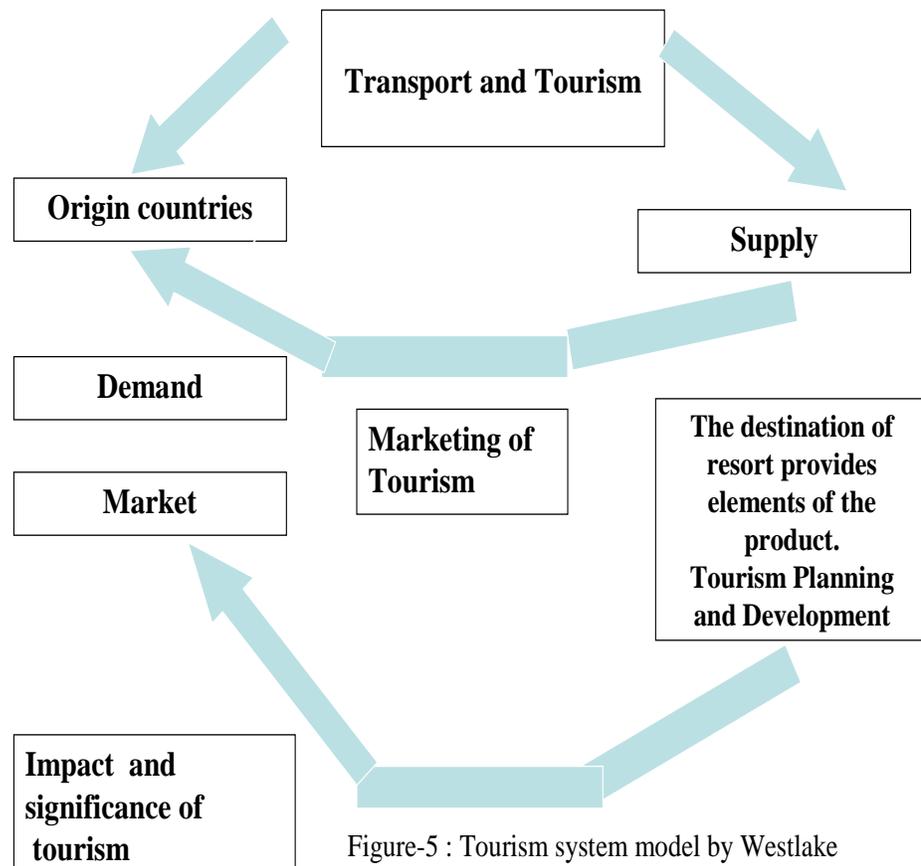


Figure-5 : Tourism system model by Westlake

Finally, Mathieson and Wall (1982) have suggested a complex tourism system that remains a simplistic overview of the structure of the industry. They have identified dynamic, static and consequential elements of the tourist system.

The dynamic element is the demand for all types of tourism. The static elements are the characteristics of the destination (including political, environmental and economic influences) and the tourist (including socio-economic characteristics, type of activity and length of stay characteristics) which combine to constitute the destination, the pressure on the destination (in terms of length of stay, types of activity and levels of activity) and carrying capacity. The impacts of tourism are seen as the consequential element of the tourism system and this refers to the physical, social and economic impacts of tourism which need to be controlled by comprehensive management and planning policies.

All of the models offer a slightly different perspective on what the tourism system involves and how the elements interrelate and interdependent. However, as is usually the case, no one model can be classified as definite or absolute and it is essential, therefore, to consider them together. It is up to you to develop your

own overview and your own conclusions as to what the tourism system looks like and how the various polices fit together.

Check Your Progress -II

Answer the following question.

1. Write five lines on the tourism system advocated by Gun and Murphy?
2. Compare the significant differences of tourism system evolved by Mill & Morrison and Westlake?

Check your answer with the one given at the end of the unit.

15.4 A Synthesis of Models of Tourism System

An attempt has been made in this unit to establish synthesis among the tourism system models and find out their basic differences in their approaches to run the functioning of tourism business. The intricacies of the tourism system have been explained with the help of various diagrams. A number of analogies have been used to explain about the tourism systems. Tourism is in effect thousands of independent components with a huge range of relationships that differ both quantitatively and qualitatively and each individual component affects others in direct and indirect ways. The geo-physical definition of tourism system propounded by Lieper (1989) can be synthesized with the Gunn's demand and supply system (1972), the Westlake's transport & communication model (1985) and socio-cultural element of Mill and Morrison's marketing-oriented system (1992). All these can be added to create the main ingredients for the complete tourism system which divided into the following seven structural components:

- The visitor generating region
- The transit region
- The destination region
- The support services sector
- The government sector
- The environment (bio-geo-physical region)
- The community

15.4.1 The Visitor Generating Region (Demand)

The population of a visitor generating region possesses two fundamental characteristics first is income levels high enough to allow for discretionary expenditure on non-essential items such as travel and the second is a propensity for recreational travel as an acceptable and desired form of behaviour. Generally speaking, visitors from such regions can be categorized as domestic tourists or international visitors. They are disintegrated into different potential market sectors. Receiving countries classify visitors according to different criteria from those used by the marketing sector. Arrival registrations are completed at the point of entry and that have similar categories covering holiday, business, education, religion (pilgrimage), sport, conference, visiting friends & relatives.

15.4.2 Transit Region (Supply)

Major modes of transport transfer visitors through the transit region to their destination. The transit region supports these modes of travel by a host of transport-specific facilities such as airports, railway stations, road networks, ports, passenger terminals, fuel depots, engineering and repair facilities, and with a range of ancillary services and facilities such as restaurants, banks, accommodation, communications, retail shops, duty free outlets, bookshops, and bars. Heathrow Airport is an example of the transit region with its complex system of facilities and services that extend much beyond simply refueling aircraft.

15.4.3 The Destination (Supply)

The frontline industries or primary service providing sector consists of those businesses that operate directly with visitors. A common way of organizing our understanding of this part of the tourism structure is to divide them into the five 'A's as follows:

Accommodation - hotels, motels, resorts, backpacker hostels, B&B, caravan parks, etc.

Amenities - restaurants, sports facilities, theatres, casinos, etc.

Attractions - natural and cultural sites, historic, cosmopolitan and heritage cities, landscapes, theme parks, museums, events and festivals, etc.

Accessibility - travel agencies, tour operators, coaches, taxis, hire cars, cable cars, etc.



Activities - tour operators, ski fields business companies, yacht charters, bicycle hire, kayaking adventure companies, abseiling, Himalayan trekking companies, etc.

15.4.4 The Support Services Sector

This sector brings the thousands of invisible operations into the system that provides goods and services to those operations that deal directly with tourists. But they do not deal directly with visitors. The frontline operators depend on inputs from a very wide range of suppliers of goods and services. Whilst many of these secondary or support services businesses are heavily dependent upon tourism. They however have little or no realization that they are directly engaged in the business of tourism. For instance, a handicraft manufacturing unit may sell the products to the tourists. All handicraft items may be consumed by the tourism industry front line sector (tour operators, travel agents, hotels, resort companies, cruise liners, car rental companies, and railway companies. A typical front line operator of a small resort will have more than 200 suppliers of a wide range of goods and services. Both front line operators and support service businesses may be located in all three major geographic regions of the tourism system. The followings are the specialist operators in the tourism system.

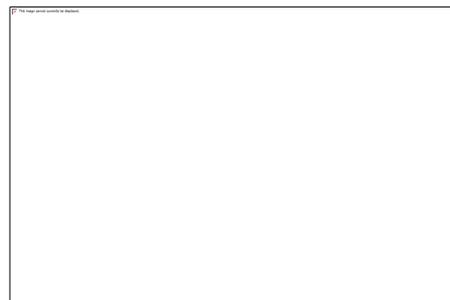
- In the visitor generating region (frontline operators such as travel agencies, tour operators, airline offices, and support services sector such as banks, insurance companies, suitcases manufacturers, etc).
- In the transit region (frontline businesses associated with the transport modes, with facilities such as airports, and support services such as fuel depots and engineering repair businesses.
- At the destination (attractions, accommodation, activities, etc,) supported by a huge range of goods and services from the Support Services Sector.

15.4.5 Roles of the Government

Since tourism is regarded as a private sector activity and the role of Government is time and again unnoticed or undervalued. In reality, governments take part in the tourism system more significantly through a wide array of functions that incorporate

- Regulatory controls such as incensing laws for businesses, vehicles, companies and boats; business registration, taxation, foreign investment and building codes.
- Provision of national services for visitation such as customs, immigration and quarantine controls, law and order - including anti-terrorism measures.
- Policy formulation for economic, tourism, transport, foreign affairs, sport & recreation, telecommunications, etc.
- Planning for regional development and creation of zoning system for land use).

- National issues and interests for example environmental issues: legislation for conservation, protection and preservation of endangered species, threatened habitats, fragile ecosystems, coastal erosion, salinity; establishment of national parks and biosphere reserves, world heritage sites, etc. and health issues like the SARS, plague dengue, anthrax, bird flu epidemic.
- Infrastructure like roads, railways, airports, ports, communications systems, power, water, public transport, etc.
- Ownership of major resources like national parks, World Heritage Sites, city squares, national monuments, museums, a host of public spaces that have dual functions, e.g. as a parliament and as a tourist attraction, etc. Festivals and events
- such as republic day and Independence Day celebrations, New Year's Day fireworks, and so on.
- International agreements for visa, bilateral air services, anti-terrorism treaties, etc.
- International tourism marketing as the primary function and strong involvement in tourism planning and development.
- Disseminations of information services



Governments provide the policy framework within which tourism functions. Policies incorporate economic, social, and environmental objectives. Governments therefore undertake national and regional tourism planning. A major function in this regard is the development and maintenance of a national statistical database designed to measure many aspects of the contribution of tourism to the national economy.

15.4.6 The Environment

The environment includes air, land and water. Landscape features constitute major tourist attractions in their own right, and also provide the habitats and ecosystems for the living marine and terrestrial organisms which support other attractions. Degradation of the natural environment constitutes one of the gravest risks to sustainability in tourism; a fact acknowledged by the tourism industry which has, in the last decade in particular, begun to take increasing responsibility for ensuring that its activities have minimal environmental impacts.

15.4.7 Role of Local Community

Communities are considered as the hosts in tourism's binary division of residents and visitors. Communities consist of residents, rate-payers, families, individuals, community organizations, ethnically distinct groupings, and indigenous minorities

as well as other kinds of social groupings based on common sets of identity (e.g. religious affiliations, sports associations, gender alignments, etc.). In the study of tourism, we are most concerned with social effects and impacts, cultural effects and impacts, community infrastructure, cultural landscapes, and identity of community place and space. Community-based culture is often a product or commodity for consumption by visitors, and socio-cultural impacts of tourism may create major problems for communities. Communities are embedded with a wide number of local organizations and non-profit organizations which have varying degrees of ownership over resources such as historic sites, festivals, gardens, museums, nature reserves, and which may provide a range of services to visitors, especially in the fields of interpretation and guiding.

Tourism covers a number of industries such as transportation, accommodation, food and beverage services, recreation and entertainment and travel agencies, and banks upon suppliers of a very wide range of goods and services from other sectors to function. Tourism measurements, in order to be credible and comparable with other industries in a country's economy must go after concepts and definitions consistent with internationally accepted macroeconomic guidelines such as the System of National Accounts. According to WTO (2002) the fundamental structure of the Tourism Satellite Accounting (TSA) depends on the balance existing within an economy between on one hand, the demand for goods and services generated by visitors and by other consumers and on the other hand, the overall supply of these goods and services. The initiative is to examine in detail all aspects of demand for goods and services which are linked with tourism within the economy and to assess the association with the supply of such goods and services within the same economy.



Check Your Progress – III

Answer the following questions.

1. Write five lines on the synthesis of the tourism system models?
2. Write briefly on the roles of the frontline service providers in the generating regions?

Check your answer with the one given at the end of the unit.

15.5 Summary

Increasingly, tourism is recognizing that it has a responsibility to share the benefits of its activities with the poorest segments of populations. The key lesson to take from an understanding of tourism as a system is that it illuminates the way in which backward and forward linkages could provide opportunities for poorer sections of communities and for intervention in enterprises not always recognized as part of tourism but which are nevertheless tourism-dependent in whole or in part for their sustainability and economic viability. When utilizing tourism as the access point for development intervention, it is thus necessary to look outside the square and identify opportunities associated with tourism which are not necessarily tourism businesses. When we begin to understand tourism as a system, we can also challenge the widely held criticism of tourism as a service sector which does not produce anything. Thus, when we look at tourism as a tool for poverty alleviation, we need to find out that we can look well beyond the front line sector to a multiplicity of opportunities for undertaking appropriate initiatives. As a new field of endeavour for development assistance, there is no systematic analysis on which aid donors can draw in developing their own policy. However, support for sustainable, pro-poor tourism fits comfortably with the guiding philosophy of many aid donors, and can make contributions to reduction of poverty, good governance, environmental sustainability, gender equity, rural development, health and education, infrastructure and private sector development.



15.6 Answers to Check Your Progress

Check Your Progress – I

1. See section 15.2
2. See section 15.2.1, 15.2.2 and 15.2.3

Check Your Progress – II

1. See section 15.3, 15.3.2 and 15.3.3
2. See section 15.3.4 and 15.3.5

Check Your Progress – III

1. See section 15.4
2. See section 15.3.1, 15.4.1, 15.4.2, 15.4.3 and 15.4.4

15.7 Suggested Readings

- Alastair M. Morrison & Robert Christie Mill (1998), The Tourism System: An Introductory Text,, Kendall/Hunt.
- Charles R. Goeldner, Brent Ritchie, J.R Tourism: Principles, Practices, Philosophies.
- Gee, Y, Choy, D.J.L & Makens, J.C, “The Travel Industry” AVI, Westport, 1984 P-269-273.
- Holloway, J.C (2002) the Business of Tourism, Financial Times, Prentice Hall.

15.8 Review Questions

1. Discuss in detail the composition of Tourism Industry.
2. Write short note on ‘Tourism as a Dynamic System’.
3. What are the essential elements of Tourism Activity?
4. Explain the basic typologies of various players in the tourism industry.
5. Discuss the various roles of tourism industry.

**UNIT 16 TOURISM LINKAGES – SCOPE,
CHALLENGES AND PROBLEM OF CO-
ORDINATION/INTEGRATION.**

Structure

- 16.0 Objectives
- 16.1 Introduction
- 16.2 Forms of tourism
 - 16.2.1 Cultural and Religious Tourism
 - 16.2.2 Dark Tourism or Thano Tourism
 - 16.2.3 Health Tourism
 - 16.2.4 Adventure tourism
 - 16.2.5 Agritourism
 - 16.2.6 Space tourism
 - 16.2.7 Other Tourisms
- 16.3 Linkages of tourism industry
 - 16.3.1 Need of effectiveness in linkages of tourism industry
 - 16.3.2 Importance of linkages in varying degrees
 - 16.3.3 Distribution of linkages at various levels
 - 16.3.4 Benefits of various components for the industry and in general
- 16.4 Summary
- 16.5 Self assessment questions
- 16.6 Sources and further readings

16.0 Objectives

Dear readers this unit is aimed at making you understand the various forms of tourism and linkages in tourism industry. The understanding of this content will be helpful for you in understanding the basic nature of tourism and the tourism industry.

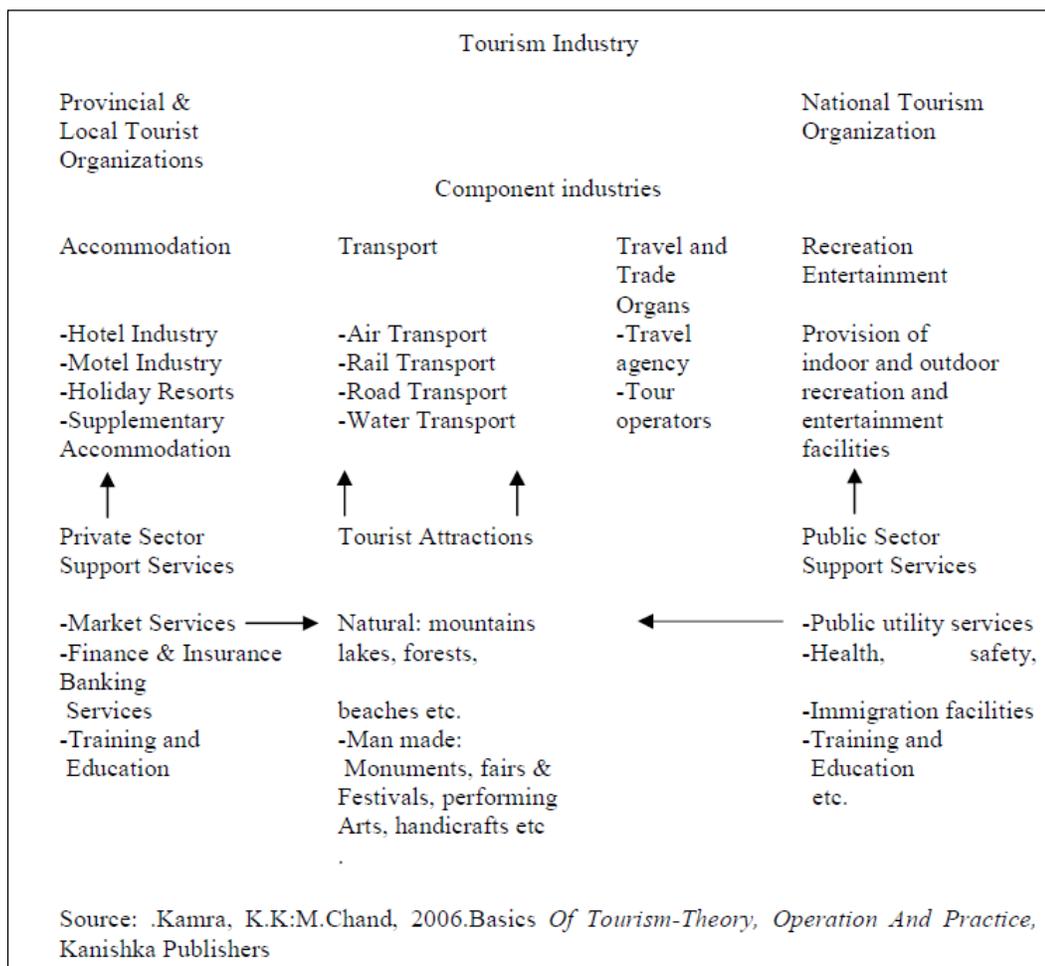
16.1 Introduction

Tourism industry is the one that deals with the tourists as consumers, the money spent by them, and the resources rendering various goods and services which facilitate the composition of the tourism product. This industry has been named as a '*smokeless industry*' because unlike other industries it is invisible and non-polluting. The tourism industry is an extraordinarily complex integration of many industries spread over many sectors.

A simplistic structure of the tourism industry can be suggested by way of a framework as in the following illustration.



Figure 1 Tourism Industry



Tourism is an *umbrella industry* containing a set of inter-related business participants. For example, industries like Transport (Air, water and surface),

Accommodation (Hotels, Motels, and Supplementary Accommodations), and Travel Companies, (Tour Operators/ Travel Agents), Recreation and Entertainment Institutions, Handicrafts business, etc and the provision of the many goods and services demanded by tourists. Interestingly, most of the component industries also get related to varied commercial and non-commercial activities over and above providing their services to the tourists. The etymological root of tourism is based on thousands of years past. Tourism event has a direct relationship with travel event and historically based on mostly military, religious and trade purposed travels.

Today, tourism becomes a sector that has economical, sociological, cultural, political, environmental and spatial dimensions and with many actors. Over the years, there has been a growing awareness of tourism as a human activity, an industry, and a *catalyst* for economic growth and development. Like any other industry the tourism industry draws resources from the economy, adds value and produces marketable products. The only difference here is that no tangible product is produced like in the case of a manufacturing industry. The product in this case, as we have already discussed in the previous lesson, is intangible and joint or composite in nature. The tourism industry impacts various auxiliary (specific) and ancillary (general) industries as well. Tourism today is undergoing a rapid transformation towards a new industry having far-reaching implications for organizations in the travel and tourism industry in particular, and consequences of import for developing and developed countries in general, growing increasingly dependent on the tourist dollar.

The *forces* driving the change in this industry are many. In olden times people travelled mainly for commercial and religious reasons and leisure travel was for the rich. Today people travel for a variety of motivations, including business, leisure, religion, culture, visiting friends and relatives, education and health. The means of transportation have become varied and faster and as the transport becomes faster, new travellers emerge and people travel greater distances. Another important force driving the growth within the industry is the growth and expansion of the middle class and an increase in their disposable income.

The travel industry is *complex in nature* and challenging to manage. This is for three main reasons- their process type, cost structure and market features. In terms of process, most operations are a combination of customer processing operations, material processing operations and information processing operations. There is a mix of cost structures based around provision of service, food, accommodation, sightseeing, airfare etc. Forecasting and packaging are some key market features.

New tourism is a transition from the existing to the tourism of the future typified by

- Flexible tourist products
- Segmentation
- Enhanced tourism experiences
- Thrust towards diagonally integrated organizations and
- Management of the tourist industry

There are clear and apparent manifestations that the tourist industry is beginning to take on newer dimensions. The emerging new practice is the creation of a number of factors including the system of new information technologies in the

tourism industry, deregulation of the airline industry, environmental pressures; technology compensation; changing consumer tastes, leisure time, work patterns and income distribution.

The economics of new tourism is quite different from the old. From system gains, segmented markets, designed and customized holidays the focus now is also on, profitability and competitiveness in tourism. The new tourists show greater care and have a concern for conservation of the natural environment. There has been a shift towards eco tourism, green tourism, rural tourism, farm tourism, sustainable tourism, etc. with perpetual opportunities of benefit from this new tourism.

Competitive Strategies for success have to be employed today for survival. There are new techniques and trends to be followed by the industry players. To gain competitive advantage, the players and participants of the industry will have to

- be customer friendly,
- be quality conscious,
- innovate new and better products,
- make meaningful value additions.

And for tourist destinations to be competitive, certain key principles need to be incorporated into the policy framework. Some of these are

- be environmentally sensitive,
- make tourism a leading sector,
- strengthen the distribution channels in the market place,
- encourage private sector participation.

Today tourism is sensitive to the environment as well as inhabitants of the region or area, tourism is sustainable, and tourism is capable of transforming tourism-dependent and vulnerable areas' economies into viable entities. Tourism is in a stage of revolutionary change and a new kind of tourism is emerging fast. New tourism promises flexibility, segmentation and diagonal integration. It is driven by information technologies and changing consumer requirements. Today this industry can produce an entire system of value addition and wealth generation. The objective today is 'tourism should be planned in a manner that it benefits the community as a whole, has benefits for the locals, and optimizes the expectations of the tourists besides taking care of the environment.'

Several definitions have been forwarded for tourism.

The World Trade Organization states that tourism is "the activity of people who travel to places outside their customary surroundings and stay there for leisure, business or other purposes for no longer than one year without interruption".

The Mathieson and Wall offer a matching one to the WTO: "Tourism is the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater for their needs".

Webster Dictionary advocates that: "The term tourist is derived from the word tour 'meaning' a circular trip usually for business, pleasure or education during which various places are visited and for which an itinerary is usually planned".

International Association of Scientific Experts in Tourism (AIEST) conceptualized the definition with five main characteristics:

- Tourism arises from a movement of people to, and their stay in various destinations.
- There are two elements in tourism; the journey to the destinations and the stay, including activities at the destinations.
- The journey and the stay take place outside the normal place of residence and work, so that tourism give rise to the activities, which are distinct from those of the resident and working population of the places, through which tourists travel and in which they stay.
- The movement to destination is temporary in nature with intention to return within a few days, weeks or months.
- Destinations are visited for purpose other than taking up permanent residence or employment with in the places visited.

16.2 Forms of Tourism

Tourism forms refer to the numerous niche or specialty travel forms of tourism have emerged over the years, each with its own character. Many of these have come into common use by the tourism industry and academics. Some of these forms are quite popular while others are emerging concepts that may or may not gain popular usage.

Following is the list of tourism forms given alphabetically:

- i) Adventure tourism**
 - Extreme tourism
 - Space tourism
 - Mountain Tourism
 - Water Tourism
- ii) Business Tourism**
 - Incentive Tourism
 - MICE Tourism
- iii) Cultural Tourism**
 - Bookstore tourism
 - Heritage tourism
 - Literary tourism
 - Music tourism
 - Pop-culture tourism
 - Fairs and Festival Tourism
 - Film Tourism
- iv) Event Tourism**
 - Trade Fairs Tourism
 - Conventions Tourism
 - Sports Tourism
 - Fairs and Festival Tourism
- v) Extralegal Tourism**
 - Child sex tourism
 - Drug tourism
 - Female sex tourism
 - Sex tourism

- Suicide tourism
- Birth Tourism
- Drug Tourism
- vi) Gastronomy**
- Culinary tourism
- Wine tourism
- vii) Historical Tourism**
- Archaeological tourism
- Atomic tourism
- Genealogy tourism
- Militarism heritage tourism
- viii) Low-impact Tourism or Sustainable Tourism**
- Ecotourism
- Geotourism
- Responsible Tourism
- Sustainable tourism
- Volunteer Tourism
- ix) Medical and Health Tourism**
- Dental tourism
- Fertility tourism
- Medical tourism
- Health Tourism
- Ayurveda Tourism
- Wellness Tourism
- x) Miscellaneous**
- Accessible tourism
- Garden tourism
- LGBT tourism
- xi) Nature and rural tourism**
- Agritourism
- Jungle tourism
- Rural tourism
- Village tourism
- Wildlife tourism
- xii) Religious**
- Pilgrimage Tourism
- Halal tourism
- Religious tourism
- xiii) Voyeur Tourism**
- Dark tourism
- Thana Tourism
- Disaster tourism
- Ghetto tourism
- Poverty tourism
- Slum Tourism
- Township tourism
- War tourism



SOME POPULAR FORMS OF TOURISM

16.2.1 Cultural and Religious Tourism:

This type of tourism covers all those aspects of travel whereby people learn about each other's way of life and thoughts. Pilgrims of sacred places of a particular belief is called religious tourism.

16.2.2 Dark Tourism or Thanotourism:

Dark tourism is tourism involving travel to sites associated with death and suffering. This includes sites of pilgrimage such the site of St Peter's death in Rome; castles and battlefields such as Culloden near Inverness, Scotland; sites of disaster, either natural or manmade such as Ground Zero in New York and Hurricane Katrina in New Orleans; prisons now open to the public such as Beaumaris Prison in Anglesey, Wales; and purpose built centers such as the London Dungeon. In a class of its own, one of the most notorious destinations for dark tourism is the Nazi extermination camp at Auschwitz in Poland.

16.2.3 Health Tourism:

Health tourism is the travel to a different country or state for health related reasons. The main driver of health tourism is the lack of facilities in the home country, exorbitant cost of treatment in the home country, no or minimal insurance cover, anonymity and possibility of a holiday with health care. The nations that are being benefitted from it are India, Thailand, Malaysia and Singapore. Here the cost of treatment will be 20% of what it is in the developed countries in the west and the quality of care is also at par or superior than in the developed countries.

16.2.4 Adventure tourism

Adventure tourism is a type of niche tourism involving exploration or travel to remote areas, where the traveller should expect the unexpected. Adventure tourism is beach vacation. Adventure tourism typically involves travelling into remote, inaccessible and possibly hostile areas. It may include the performance of acts that require significant effort and grit and may also involve some degree of risk.

16.2.5 Agritourism

Agritourism is a style of vacation in which hospitality is offered on farms. This may include the opportunity to assist with farming tasks during the visit. Agritourism is often practiced in wine growing regions, as in Italy, France and Spain. In America, Agritourism is wide-spread and includes any farm open to the public at least part of the year. Tourists can pick fruits and vegetables, ride

horses, taste honey, learn about wine, shop in gift shops and farm stands for local and regional produce or hand-crafted gifts, and much more. Each farm generally offers a unique and memorable experience suitable for the entire family.

16.2.6 Space tourism

Space tourism is the recent phenomenon of space travel by individuals for the purpose of personal pleasure. As of 2005, space tourism is only affordable to exceptionally wealthy individuals and corporations, with the Russian space program providing transport. Some are beginning to favour the term "personal spaceflight" instead, as in the case of the Personal Spaceflight Federation.

16.3 Linkages of Tourism Industry

According to the definition of Ministry of Tourism, Government of India (GOI) Tourism is a composite industry, consists of various segments, which can produce a wide range of products and services.

The various segments which form the tourism industry complete in all respects are known as the linkages of tourism industry or tourism interface. During the recent past, all businesses have become highly competitive and the travel industry is no exception in this context. Such competition has compelled the travel agencies and tour operators to seek ways to become more efficient and profitable in this direction. Since the tourism product is not an independent product rather it is a tourism product components- airline seats, hotel rooms, transportation, culture, and so on from other sectors of the economy. Essentially, travel industry, cultural and entertainment organizations. Such linkages are vital for the tourism industry to serve the diverse needs and demands of tourists.

Below are the linkages in tourism and their impact on the travel industry. From all the linkages accommodation, transportation, travel agency/tour operators, entertainment organisations have occupied the pivotal role in tourism industry and other are in supportive role but are important. In a way they are creating demand for travel, lodging, food, shopping, entertainment and other tourism sources. Accommodation include all types of lodging, even camping and caravanning and all types of food and beverages services; transportation encompasses- airline, rail, road and sea; shopping includes any forms of retail purchase such as souvenirs, arts and crafts, clothing and other. Banking and insurance companies offer financial and insurance services; tourism associations offer an opportunity to solve tourism industry problems and follow tourism business ethics; tourism educational institutions provide/supply right kind and quality human resource to operate and manage travel industry in a professional manner.

Linkages play important role in the travel industry because the various constituents of tourism contribute in one way or the other and in varying degree in providing a total tourism product experience to the tourists. The main benefits of linkages in tourism are: Development of touristic infrastructure, promotion of

destination's attractions, economies of scale, reduced costs, lower price, identify and develop untapped tourist potential, conservation and protection of heritages, improved negotiating power, socio-economic development, promotion of sectoral destination and tourism organization.

The inbuilt linkages in tourism industry are as follows:

1. Accommodation industry.
2. Transport industry.
3. Travel agencies and tour operators.
4. Tourism organizations and associations.
5. Ministry of tourism.
6. Ground operators.
7. Shops and emporiums.
8. Insurance companies.
9. Food and beverage organizations.
10. Ministry of external affairs.
11. Entertainment organizations.
12. Tourism and hospitality management educational institutions.
13. Banking companies.
14. Postal and telecommunications.
15. Cruise industry.

16.3.1 Need of effectiveness in linkages of tourism industry

The above discussed linkages form the basis of effectiveness in tourism industry and vice-versa.

- During recent past, all business is becoming competitive and tourism is no exception.
- Competition leads to necessity of perfection.
- Clientele is much more aware than past.
- Increased in the graph of disposable income and thus increase in no. of tourists.
- Need to develop tourism in sustainable manner.
- The linkages in the travel industry of the constituents of the tourism industry are dependent on each other not only in terms of their business but also in relation to determining their marketing strategies.
- All the services provided by the linkages have a direct impact on the product of the tour operator.

16.3.2 Significance / Importance of Linkages

- All the linkages of tourism industry are not equally important but they vary according to their role in operation.
- Some of the linkages such as: Transport industry, Accommodation, Ground operators, Tour operators etc. are more important and must be kept on first level in the management process.

16.3.3 Distribution of linkages

Simple way to distribute components is according to their importance and distribution structure should be follows:

- Numbers of levels.
- Intensity at the various levels.
- Types of intermediaries at each level.

16.3.4 Benefits of various components for the industry and in general

- Development of touristic infrastructure.
- Promotion of destination's attraction.
- Circulation of money.
- Reduced cost.
- Identify and develop untapped tourist potential.
- Conservation and protection of heritage.
- Improved negotiating power.
- Socio-economic development.

**16.4 Summary**

Dear readers keeping in view the above mentioned aspects, one can say that, the linkages in the travel industry or the constituents of the tourism industry are dependent on each other not only in terms of their business but also in relation to determining their marketing strategies. It can be supported with an example; a tour company will be able to package a tour with the help of transportation sector, accommodation sector, destination attraction destination organizations, and so forth. Hence, all tourism services have a direct impact on the product of the tour operator. Also, it is imperative that the tourism planners/policy makers and even tour operators must take into account the interdependence of the various linkages of the travel industry while formulating tourism plans/policies and designing, developing and promoting tour packages.

16.5 Self Assessment Questions

- 1) Define tourism and discuss the concept of tourism.
- 2) Draw a table of various forms of tourism.
- 3) Write short note on cultural and adventure tourism.
- 4) What do you understand by linkages of tourism industry and tabulate the various linkages of tourism industry?
- 5) Discuss the concept of Alternative Tourism.
- 6) Highlight some important alternative tourism forms, which are popular in India.
- 7) What is the need of effectiveness between the linkages in tourism industry? Describe with the help of suitable examples.

16.6 Sources and Further Readings

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