



TOURISM IN INDIA: CHALLENGES AND OPPORTUNITIES

Dr.S.K.Kataria

Assistant Vice President (Civil), BSES Rajdhani Power Ltd, New Delhi, India

ABSTRACT

“If there is one place on the face of earth where all the dreams of living men have found a home from the very earliest days when man began the dream of existence, it is India.”

Romain Rolland

Tourism has emerged as one of the world’s largest and fast growing Service sector. It is expanding very rapidly day by day. Tourism in India has seen exponential growth in the recent years. It has been termed as ‘Smokeless industry’. Tourism is essentially an expression of natural human insights for experience, spirituality, education and entertainment. The attraction and motivation for tourism also include social, religious and business interests. In fact, it is acting as a vehicle for infrastructure development. Tourism is a powerful mechanism for economic growth & development and has been recognized widely in many countries including India. It is an important source of foreign exchange earnings & it has contribution to the balance of payment, GDP and employment. Tourism industry is the largest employer in India as well as in the World. Tourism promotes national integration and international brotherhood. Tourism is an important instrument for peace and harmony. India has mesmerized people from all over the world with her secularism and her beautiful culture. Indian tourism industry has been growing at a rapid pace and it has great potential to create large scale employment of diverse kind. Tourism is one of the most important channels of cultural exchange, which breaks down the barriers between people of different parts of the world. There are historical monuments, beaches, adventurous places, ayurveda and yoga centres, safaris, places of religious interests, hill resorts, international sports events, wildlife sanctuaries etc that attract tourists. Tourism has become a popular global leisure activity.

KEYWORDS: *Tourism, Service sector, healthcare infrastructure, Gross Domestic Products*

INTRODUCTION

Tourism may be defined as the process activities and outcomes arising from the relationship and the interactions among tourists, tourism-suppliers, host governments, host communities and surrounding environment that are involved in attracting and hosting of visitors.

It is quite interesting to know that there is no industry in the global scenario, which is fast growing industry than that of tourism industry. Indeed it is the only an ever expanding industry in the recent times which has been playing a vital role with vast growth potential and has, therefore, become one of the pivotal concerns of not only the nations but also of International community as a whole.

Many researchers have discussed various aspects of tourism. Tourism is essentially an expression of natural human insights for experience, spirituality, education and entertainment. The attraction and motivation for tourism also include social, religious and business interests. Tourism activities are considered to be one of the major sources of economic growth.

- It can be regarded as a mechanism of generating the employment as well as income in both formal and informal sectors (Khalil, 2007).
- Travel and tourism is the world’s largest industry and jobs creator across national and regional economies (Aliquah, 2010).
- The speedy growth of tourism causes an increase of household incomes and government revenues through multiplier effects, improvements in the balance of payments, and growth of the tourism industry (Kareishan, 2010).
- Travel and tourism has not only become one of the world’s largest industry but also grows consistently every year (Gupta and Gupta, 2007)

Tourism will expand rapidly in the future due to the revolution that is taking place on both the demand and supply side. Tourism is a powerful mechanism for economic growth & development and has been recognized widely in many countries including India. Tourism enables the international travelers to understand and experience the beauty and cultural

diversity in India. It is an important source of foreign exchange earnings & it has contribution to the balance of payment, GDP and employment. It contributes 10% to the world's Gross Domestic Products. Tourism development mainly depends on tourism policy. Tourism sector has significant influence on economic development of any nation, whether developing, developed or underdeveloped country. Tourism is the collection of various activities, services and industries that deliver a mesmerizing travel experience including transportation, accommodation, eating and drinking, entertainment, business and other hospitality services provided for individuals or a group traveling away from home. Tourism sector is the largest employer in India as well as in the world. Therefore, every country in the world has formulated number of tourism policies at national and international level for the development of tourism sector. In the modern world traveling is more complicated, especially to foreign countries. In this regard, the Travel agents play an active role in the promotion of tourism by arranging various types of travel services from suppliers such as airlines, steamship companies, railways, bus companies, car rental firms, hotels and sight-seeing operators.

Most importantly, Tourism in today's complex global structure has developed as one of the most potent instrument for spreading global peace, harmony and international brotherhood.

SCENARIO OF TOURISM IN INDIA

India is the 7th largest country in the world stretched in 3,287,263 square kilometers, having a land frontier of 15,200 km and a coastline of 7,516.6 km. Indian geography is a **showcase of diversity**. India's landscape varies from snow-capped peaks to deserts, plains, rainforests, hills, and plateaus. It is home to some of the highest mountains of the world.

India's tourism industry has witnessed major upsurge in recent years, paying rich dividends to both the consumers and the producers. India is one of the popular tourist destinations in Asia. India has over the years developed a vast & robust platform of 'Travel Agencies' which is providing direct employment as well as considerable indirect employment to the people by bringing tourists from various corners of the world.

India offers a wide range of places to see and things to do. The delighting backwaters, beaches, hill stations and landscapes make India a beautiful country. Historical monuments, forts, elegant beaches, places of religious interests, adventurous places, Ayurveda and yoga centers, safaris, hill resorts, international sports events, wildlife *sanctuaries* etc. add to the grandeur of the country. The majesty of these beautiful places attract tourists from all over the world. India, being among the largest countries of the world has become a large & continually growing market for travel and tourism. It offers diverse portfolio of niche tourism products viz. adventure, medical, cruise, sports, wellness, eco-tourism, film, rural tourism, heritage tourism, luxury tourism, religious tourism. In addition to this, India has also been recognized as one of the best destination for spiritual tourism by both domestic and international tourists.

Travel and Tourism Sector is playing a important role in growth of India's GDP. As per report of Ministry of Tourism of Government of India, total contribution by travel and tourism sector to India's revenue is expected to increase from Rs.15.24 trillion (USD 234.03 billion) in 2017 to 32.05 trillion (USD 492.21 billion) in 2028. India was ranked 7th among

184 Countries in terms of travel and tourism's total contribution to GDP in 2017. India is at 3rd place in the new Power Ranking of the 2018 report of World Travel & Tourism Council (WTTC).

As per Global Economic Impact of Travel & Tourism (2018), Travel & Tourism sector has contributed 10.4% to global GDP, 4.6% in direct travel & tourism GDP, 9.9% of global employment highlighting high growth worldwide. About 81.1 million people are employed in the tourism sector in India, which is 12.38% of total employment in the country. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earning as well. Travel and Tourism is the 3rd largest foreign exchange earner for India. During 2018, foreign exchange earnings from tourism increased 4.70% year-on-year to USD 28.59 billion. Foreign Tourist Arrivals (FTAs) increased 5.20% year-on-year to 10.56 million in the same period. Foreign Tourist Arrivals for medical purpose increased from 427,014 in 2016 to 495,056 in 2017. During 2018, arrivals through e-tourist visa increased 39.60% year-on-year to 2.37 million. During January 2019, arrivals through e-tourist visa increased by 21.10% year-on-year to 0.29 million. According to the Global Business Travel Association (GBTA), India is the 10th largest Business Travel market globally. The most flourishing India's Medical Tourism is estimated to be worth USD 8 billion by 2020.

INITIATIVES BY GOVERNMENT

The Ministry of Tourism, Government of India is promoting India as a brand across the world. The Government is very much aware of the importance of religious as well as other tourism not only as an economic enabler, but also a tool to ensure communal peace and harmony. The Government has been making serious efforts to boost investment in tourism sector. In the hotel and tourism sector, Indian Government has allowed 100% FDI through the automatic route. A five year tax holding has been offered for 2,3 & 4 star category hotels located around UNESCO world heritage sites (except Delhi & Mumbai). Total FDI received by Indian hotels and tourism was USD 12 billion between April 2000 and December 2018.

In order to further boost the Indian tourism sector and, also to increase the visibility of India on global tourism platforms, the Government of India has launched several branding and marketing initiatives such as 'Incredible India!' and 'Athiti Devo Bhavo'. Both have provided a focused impetus to growth of India. Incredible India 2.0 Campaign was launched in September 2017. After one year, in September 2018, the Indian government launched the 'Incredible India Mobile App' to assist the traveler to India. This app demonstrates the Ministry of Tourism's commitment to the use of technology for service delivery. As per report of FICCI-KPMG on "Medical Value Travel in India", India is placed among the top three medical tourism destinations in Asia (with Thailand and Singapore), mainly due to the low cost of treatment, quality healthcare infrastructure and availability of highly skilled doctors. To encourage medical tourism in the country, Indian government has also released a fresh category of visa-the medical visa or M visa. In October 2018, Indian government also inaugurated grand statue of Sardar Vallabhbhai Patel, also known as 'Statue of Unity' as a tourist attraction. It is the tallest statue in the world standing at a height of 182m. It is expected that this will boost the tourism sector in the country and put India on the world map.

Prime Minister Narendra Modi has been the best ambassador for Indian tourism. With **e-visa regime** covering 166 countries, one can make an online application to get visa within 24-48 hours. Some rules have been relaxed for the foreigners for visit to the far away and remote Andaman & Nicobar Islands. These roughly 300 islands are known for their palm-lined, white-sand beaches, mangroves and tropical rainforests. The Andaman Islands are home to the Sentinelese people, an uncontacted people. The Sentineleses are the only people currently known to not have reached further than a Paleolithic level of technology. Besides, Government of India has taken various initiatives so as to make visits to North-East India convenient, delightful and hassle free. In order to facilitate tourism, Cruise terminals have been built in four seaports with immigration facilities.

One focus of the current government is to upgrade basic infrastructure around places, which are frequently visited by the tourists. The tourism Ministry has two flagship programmes: Swadesh Darshan (total outlay Rs.5,992 Crore) and PRASAD (Rs.727 Crore) to create basic infrastructure around our heritage and religious destinations –toilet, drinking water, parking, souvenir shops, cafeteria, wi-fi, etc.

India is blessed with a rich history and a vibrant heritage and culture. India has an array of 32 cultural and natural sites inscribed on the World Heritage list of UNESCO. In addition, 47 more such sites are on the tentative list. The government has also launched an idea “Adopt a Heritage Scheme”. Under this, heritage sites are being given for adoption to Corporate Sector, NGOs, Residents Welfare Associations and other institutions. The whole idea is to create a sense of belonging to the citizens that India’s heritage belongs to the people. The Prime Minister’s passion for cleanliness through “Swachh Bharat Mission” has ensured that the sanitation coverage in India has gone up from 39% to 95%. This has improved tourism potential dramatically. Special offers are being made through state tourism boards and tour operators & tour companies with attractive packages for Kerala and to promote destinations like Khajuraho, Ellora and Puri.

IRCTC has given much needed boost to the Buddhist Circuit, providing a holistic product that addresses transport, sightseeing and accommodation requirements. Apart from this, airports have also been made operational in Bodh Gaya, thereby facilitating direct movement of tourists from South East Asian countries, a major part of the clientele.

The Government of India is taking initiatives to help in overall economic development of the Union Territories of Daman & Diu and Dadar & Nagar Haveli. The Ministry of Tourism, Government of India has launched the new tourism brand and released Vision 2020 for promoting and maximizing our tourist potential in the Union Territories of Daman & Diu and Dadar & Nagar Haveli.

The West Bengal government has set up an ecotourism board to project the state as a major tourist destination.

The Tourism Ministry of India along with the state government of Maharashtra has planned to create a cultural hub on the lines of Times Square, New York.

Thus, it is apparent that the Government of India well understands the importance & role of Tourism in India. Transport, Hospitality, Recreation, Health and Adventure sectors have been playing a pivotal role in attracting additional investments to cater to the demand of the day. In the modern era marked by a complex social, political & economic structure, Tourism Industry has gained more significance

because the Heritage, Culture and uniqueness of the country is made known to the foreign tourists and the domestic tourists of other parts of India. And, keeping in view the beaming importance of Tourism sector, Government of India has been taking various marketing & policy initiatives in order to boost this.

ISSUES BEING FACED IN THE DEVELOPMENT OF TOURISM IN INDIA

Tourism acts as a crucial enabler in facilitating development of basic infrastructural facilities, generates income for the local community as well as the government, balances regional development strategies through ‘umbrella’ effect, and fosters peace and socio-cultural harmony. The Indian Government’s ‘Incredible India’ tourism campaign and information technology growth in India have been attracting millions of foreign tourists and business tourists to India. Medical Tourism has also recently grown rapidly in India. Tourism industry is a big foreign exchange earner, great source of employment, booster to GDP.

However, there have also been several grey areas which are acting like barriers and stumbling blocks in the path of a vibrant & flourishing Tourism Industry.

Tourism Industry in India is facing lot of problems like-

- Lack of sound marketing and promotion strategies;
- Issues regarding safety, security and harassment;
- Poor transportation system;
- Lack of basic hygienic amenities at halting points;
- Non- standardization of rates and fares;
- Poor administration and management;
- Poor look after and maintenance of heritages;
- Lack of trained professionals;
- Dissimilarity in packages of various agents and tour operators;
- Lack of control over quality standards of food items;
- Lack of entrepreneurship opportunities;
- Lack of basic infrastructure and accommodations in rural interior of the country;
- Lack of effective disaster & crisis management system;
- Lack of more emphasis on social awareness campaigns;
- Lack of promotion of important Fair and Festivals;
- Lack of mechanism to control pollution due to waste products;
- Lack of scrutiny of religious trusts;

SUGGESTIONS

For sustainable tourism we need a sound policy. Below are a few policy suggestions to develop sustainable tourism in India:

1. Indian government should promote the skill development programmes to make the labour to develop not only traditional products but, also non traditional products of tourism.
2. Tourism is one of the most effective instruments to give a new lease of life to our rich history of heritage and culture. India has a collection of 32 **cultural and natural sites** inscribed on the World Heritage list of UNESCO and about 47 more such sites are under consideration. Therefore, government should concentrate on building strong ‘Public-Private People Partnerships’ to restore and adapt our historical and cultural assets and to attract more tourists.

3. As the **birthplace of four great religions, Hinduism, Buddhism, Jainism and Sikhism**, India can attract significant number of visitors. Upgradation of infrastructure at pilgrim centres to offer a serene and spiritual experience to the travellers is critical. Proactively promoting tour packages including Charters into these destinations can build a good market.
4. As a science that seeks to keep the body, mind and soul in concert, **Yoga** is India's gift to the world, which holds the promise of self-realization. Yoga has drawn followers from all over the world over the years. Properly marketed, Yoga has the potential to draw in significant number of long stay travelers. Therefore, by developing physical infrastructure, **all Yoga institutions can be connected to tourism market**. United Nation has already declared 21st of June as World Yoga Day.
5. With increasing consumer demand for **Wellness Services and Products**, the global wellness market's worth is worth several trillion (US \$3.4 trillion ; Source: The 2014 Global Spa & Wellness Economy Monitor). Wellness also brings in high yield tourists and significantly increases the average duration of stay. Government should take suitable initiative in this field.
6. India has a large medical tourism sector, which is expected to grow at an estimated rate of 30% annually. India is placed among the top three medical tourism destinations in Asia (with Thailand and Singapore), mainly due to the low cost of treatment, quality healthcare infrastructure and availability of highly skilled doctors (Source: FICCI-KPMG Report on Medical Value Travel in India). Therefore, quality accreditation of hospitals, insurance coverage and a focused campaign in identified markets can yield handsome dividends.
7. **MICE** (Meetings, Incentives, Conferences & Exhibitions) segment is one of the fastest growing, high yield segments of the tourism sector. Government should take initiatives & concentrate more in this field.
8. Enhancing security, stepping up investment and boosting world class infrastructural activities should be on the top of the agenda of the government. Service quality in the hotels, Airports, railway stations, sanitation system etc needs to be upgraded in sync with the developed countries.
9. Proper market segmentation should be done on the basis of criteria like demographic, socioeconomic and geographic variables.
10. India as a tourism destination needs to **prioritize infrastructure** as the backbone of the country's long-term success. Government should concentrate and develop a roadmap for developing and upgrading Social Infrastructure like cleanliness, safety, welcome, accessibility, responsibility, Core Infrastructure like roadways, railways, waterways, Air transports etc and Tourism Infrastructure.
11. Government should have more focus on promotion and marketing by emphasizing on outdoor branding, online campaigns, social media and other innovative technology spheres.
12. Government should launch online training programmes for overseas tour operators to create group of "India Specialists" who could promote and sell India packages.
13. Special events like the International Buddhist Conclave; International Travel Mart for the North East Region should be organized periodically to promote focus areas in the country.
14. There is requirement of more emphasis on social awareness campaigns.
15. There is need for promotion of important Fair and Festivals and support to important tourism related events and Travel Marts & Exhibitions organized in the country.
16. Providing the tourist with a holistic tourism experience by making holistic packages around the religious spots.
17. Enhancing emphasis of minimizing the impact on the environment and maintaining the ecological balance.
18. Developing appropriate Institutional Framework to stimulate the growth of Tourism.
19. Improving connectivity for tourist destinations.

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