

HOSPITALITY, TRAVEL AND TOURISM INDUSTRY

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Abstract : Hospitality, Travel and Tourism has rich history in India which can be traced back to ancient times with many travelers like Ibn batuta, Nicolai Manuchi and famous traveler Alberuchi who traveled across many countries and even contributed to historical sources with their observation being documented.

Today Hospitality, Travel and Tourism has evolved in a Industry which has been helping millions of people to meet their ends across the world. In contemporary world economies of many countries have been thriving with Tourism, Travel and Hospitality industry as backbone of economies.

The importance of Hospitality, Travel and Tourism has increased in modern times as people experiencing fast and hectic life finding traveling as a perfect respite from them which provides much needed change in their routine life. Massive improvement in communication facilities has not only brought the countries closer to each other but it has also provided impetus to Hospitality, Travel and Tourism industry to develop and thrive as a industry further, as it has become easy for those in search of new places to explore more destinations across the world.

Keywords: Indian Tourism, rural tourism, Aggressive marketing

OBJECTIVES

The Indian Hospitality, Tourism and Travel industry has emerged as prominent growing industry among all service sectors in India. It contributed to 2% of GDP and 8.78% of total employment in the country and this figures expected to be doubled by 2014. In 2013, 6.97 million tourists visited India and spent about US \$18.44 billion, thus making India one of the global most visited tourist destination. So, this study is focused on how this industry is actually expanding.

INTRODUCTION

Developing country like India has a rich history of hospitality, tourism and travel since ancient time with like Ibn batuta, alberuni and many more visited India and written at detail account of countries culture, diversity, religions etc. Universities like Nalanda and Takshashila saw hundreds of thousands of students from across the world studying various streams of education.

Though India has a rich history mentioned above, hospitality, travel and tourism Industry has not been able to develop itself like that in developed countries. India still has a huge scope to develop hospitality, tourism and travel as a industry can even provided important impetus to India's economy in positive way. The biggest advantage India enjoys is its diversity. India is home to many religions and holy places. India hasn't yet popularized the message of travel tourism across the world like Malaysia, Singapore did. However, favorable climate, cheap currency and many other factors which can attract more people from different parts of the world if necessary steps are taken are taken to boost and develop hospitality, travel and tourism as thriving industry.

PERIOD OF STUDY

The period which is taken into consideration for the study is from year 2000 to 2014.

DATA COLLECTION

The data is collected from secondary sources like Indian Tourism statistics-2013 by Government of India, websites of FICCI and incredible India. The data is collected through secondary sources due to the constraint of time factor.

HYPOTHESIS

My hypothesis for the study will be India is becoming favorite destination for global tourists and this sector is going to contribute major role in India's GDP growth and employment generation.

CONCEPTUAL FRAMEWORK

The hospitality, tourism and travel industry is one of the labor intensive and in India we have large amount of population which is English speaking which is an asset for the prosperity and growth of industry. The Indian economy is opening up as it continues to integrate with world economy. This will lead to creating variety of jobs on the shores of India by bringing transit travelers, business travelers, business meets and holiday seekers. Currently this industry provides around 12.4% of total employment in India. Globally this industry ranks fifth as an export category after fuels, chemicals, food and automotive products. According to the statistics shared by the Ministry of External Affairs, Government of India, this sector has been growing at a cumulative annual growth rate of 14% per annum, adding significant amount of foreign exchange to the economy of India.

The Government of India and Ministry of Tourism have contributed significantly to the growth and development of industry by providing various policy measures, tax incentives and infrastructural support such as,

- ❖ Promotion of rural tourism by Ministry of Tourism in collaboration with United Nations Development Programme.
- ❖ Availability of Medical Visa for tourists coming into the country for medical treatment.
- ❖ 100% FDI allowed through automatic route in hotel and tourism sector.
- ❖ Capital subsidy programmes for budget hotels.
- ❖ Elimination of customs duty for import of raw materials, equipment, liquor etc.

This has helped this sector to become one of the top ten sectors attracting FDI. In the period April 2000- November 2014, this sector attracted around US\$ 7,661.6 million of FDI, according to the Department of Industrial Policy and Promotion (DIPP).

FINDINGS

1) Foreign Tourist Arrivals (FTAs) in India, 1997-2014 :

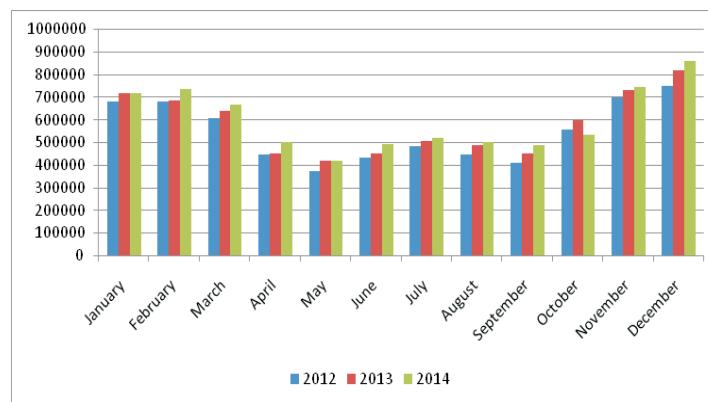
Year	FTAs from Tourism in India (in million)	Percentage (%) change over the previous year
1997	2.37	3.8
1998	2.36	-0.7
1999	2.48	5.2
2000	2.65	6.7
2001	2.54	-4.2
2002	2.38	-6.0
2003	2.73	14.3
2004	3.46	26.8
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.3
2008	5.28	4.0
2009	5.17	-2.2
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3
2013	6.97	5.9
Jan-June 2014	3.54 (P)	5.2 @



It is quite clear that overall number of foreign tourist arrivals in India has increasing trend except for few years. Since year 2004 India Tourism has seen sharp rising trend. It is clear indication of India is becoming favorite destination for tourists of all over the world.

2) Month-wise foreign Tourist Arrivals (FTAs) in India, 2012-2014:

Month	Year		
	2012	2013	2014
January	681002	720321	719965
February	681193	688569	737870
March	606456	639530	668896
April	447581	450580	504211
May	374476	417453	420976
June	433390	451223	491833
July	485808	506427	521823
August	445632	486338	502311
September	411562	453561	487326
October	556488	598095	534893
November	701185	733923	746891
December	752972	821581	862146
Total	6577745	6967601	7199141



From the above chart it is clear that tourists like to visit India during winter season i.e, from the month November to February. Because in most foreign countries they have Christmas vacation. So, most foreign visitors visit India in the month of December.

3) Foreign Exchange Earnings (FEE) in Crore, From Tourism in India, 1997-2014

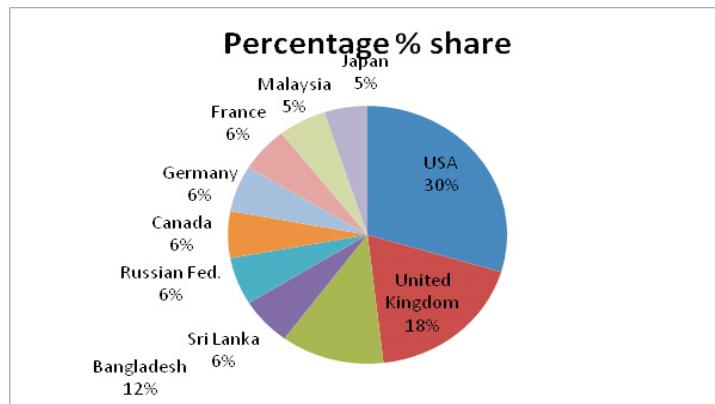
Year	FEE from Tourism in India (in million)	Percentage (%) change over the previous year
1997	10511	4.6
1998	12150	15.6
1999	12951	6.6
2000	15626	20.7
2001	15083	-3.5
2002	15064	-0.1
2003	20729	37.6
2004	27944	34.8
2005	33123	18.5
2006	39025	17.8
2007	44360	13.7
2008	51294	15.6
2009	53700	4.7
2010	64889	20.8
2011	77591	19.6
2012	94487	21.8
2013	107671	14.0
Jan-June	56760	10.0



From the above chart it is quite evident that receipts from foreign tourists have increased rapidly in the recent years. Thus is contributing to the foreign exchange reserves of India.

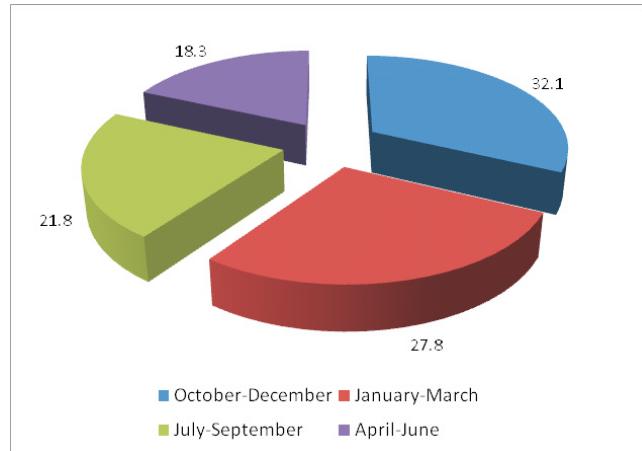
4) Foreign Tourist Arrivals by country:

	Source country	FTAs (in Million)	Percentage % share
1	USA	1085309	18.58
2	United Kingdom	809444	11.62
3	Bangladesh	524923	7.53
4	Sri Lanka	262345	3.77
5	Russian Fed.	259120	3.72
6	Canada	255222	3.66
7	Germany	252003	3.62
8	France	248379	3.56
9	Malaysia	242649	3.48
10	Japan	220283	3.16



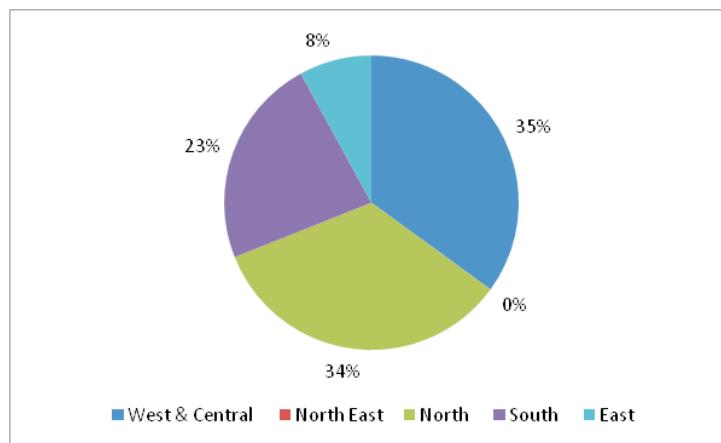
This pie chart consists of top 10 countries to which tourists belong. From the above chart it is clear that U.S.A is among top with 18% of share among total tourists followed by United Kingdom with nearly 12% share. Rest of the countries contribute equally.

5)Tourist Arrivals and their seasonality:

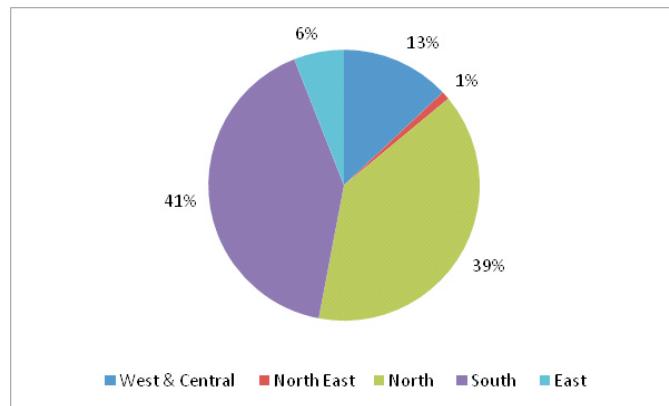


Major tourist visits in the month of October to December. Followed by period January to March. Nearly 60% of the tourists visits India in this 6 Months period only.

6) Geographic Contribution of Foreign Tourism



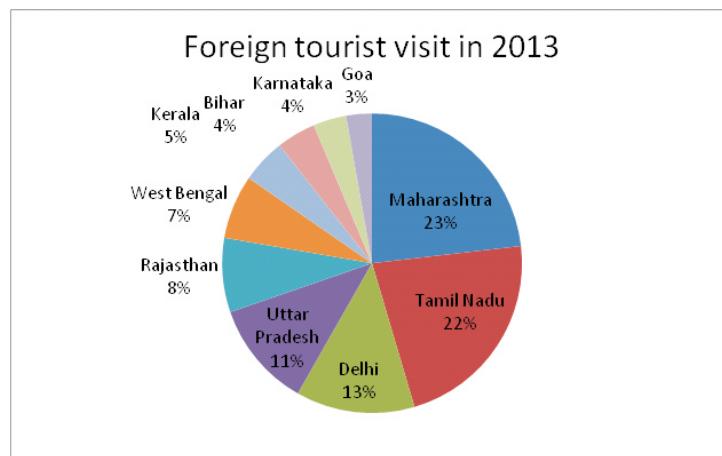
7) Geographic Contribution of Domestic Tourism



Most of the foreign and Indian tourists equally prefers west & central and North part of India. This because of most of the historical monuments, old forts, sanctuaries, Red Fort, Taj mahal situated in this region only. Some of the Indian tourists visits North East region also.

8) Share of Top 10 States/ UTs of India in number of foreign tourist visits in 2013

Rank	State	Foreign tourist visit in 2013	
		Number	Percentage
1	Maharashtra	4156343	20.8
2	Tamil Nadu	3990490	20.0
3	Delhi	2301395	11.5
4	Uttar Pradesh	2054420	10.3
5	Rajasthan	1437162	7.2
6	West Bengal	1245230	6.2
7	Kerala	858143	4.3
8	Bihar	765835	3.8
9	Karnataka	636378	3.2
10	Goa	492322	2.5



Above chart contains top 10 states and Union Territories to which tourists visits. From the above chart we can conclude that Maharashtra and Tamil Nadu is the most favorite states for tourists destination with nearly 20% of total tourists visits in India. It is followed by Delhi with 11.5% and Uttar Pradesh with 10% of total tourists share.

SUGGESTION

- ❖ One of the great assets India have is rich historical monuments and heritage but some of them are in moribund situation. Thus to promote these monuments by undertaking appropriate restoration and refurbishment work so that these monuments can be explored by tourists
- ❖ To promote skill development in tourism industry by way of undertaking programme of training and development for tourist guides, travel agents, hotel owners so that to make them competent which will further promote tourism in India.
- ❖ Aggressive marketing of India as an attractive destination is a need of an hour. Though government has been promoting tourism in India under the Incredible India Programme. India still has a lot of scope to improve marketing and to take the efforts in this regard at par with countries like Singapore, Malaysia etc.
- ❖ Central Government should provide impetus to state government which will allow these states to promote destinations in their regions which are considered as less known or which are untapped. Lack of knowledge, information on the part of tourist hinders growth of many tourist destinations which have potential to become popular as tourism hub.
- ❖ North-East region of India is which has tremendous potential for tourism. It is rich in terms of cultural diversity and natural scenery. It can be developed as a tourist hub so that people of North-East will get employment and they will stay away from anti-national activities. The lack of preference of tourist for North-East region is due to lack of infrastructure and knowledge among people. So government should take appropriate measures to bridge that gap.

CONCLUSION

In the light of what I said so far, hospitality, travel and tourism industry beyond being financially and economically lucrative for an economy the industry facilitates cultural, emotional and knowledge exchange between different countries and people which help in bringing the world more closer in today's volatile situation and thus hospitality, travel and tourism increases the sense that world is world village and therefore promote the idea of "Vasudhaiva Kutumbakam".

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