

A Study on the Nature of Indian Tourism with Respect to Domestic and International Visitors

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ABSTRACT

Tourism has been one of the thrust areas of Government of India from time to time. The Governments at every level have laid every emphasis to promote India as a tourism destination. This has been recognized as a part of services sector.

Every country in the world has attached great importance to tourism. International visitors have been thronging India due to various facilities available for tourists. Events like tourist fairs and facilities like visa-on-arrival are certain measures in this direction. At the same time, many countries have recognized Indian nationals as potential tourists and have rolled out several attractive schemes specifically for Indian nationals.

This study is performed to study the nature of tourism in India in terms of its performance based on both domestic and foreign tourist arrivals, and the larger revenue-generating potential this industry possesses.

Keywords: Tourism, India, Services, Fairs, Visa-on-arrival.

INTRODUCTION

Tourism in India needs no mention. Post-1947, tourism industry, along with agriculture, has been contributing to India's GDP. The worth of this industry is about Rs. 17 lakh crores in 2018. This roughly translates about 9.2% of India's GDP. Over the years, facilities have been augmented at existing tourist destinations while new tourist destinations are formed.

India's diversity in many forms has been a great tourist attraction. This country is a perfect blend of beautiful and exotic beaches, eye-catching hill stations, and architecture-rich historical monuments along with places of worship and tourist fairs. Many vintage palaces, like the Jagmandir Palace in Udaipur in Rajasthan and Lalit Mahal Palace in Mysore in Karnataka, have been converted into star hotels in order to preserve these heritage structures and simultaneously yield revenues.

Tourism in India comprises of Foreign Tourist Arrivals (FTAs) who use international currency for their stay while in India, as-well-as domestic tourists who travel within the country and use Indian Rupees (INR). Some of the popular destinations for international travellers are the beaches of Goa, Kovalam Beach Resort in Trivandrum (Kerala) and Fisherman's Cove in Chennai (Tamil Nadu). In the past, while the focus on tourism was on the international visitors, it has now been extended to Indian nationals to visit various places within the country. Medical tourism and adventure tourism are considered most popular amongst the visitors. Local cuisines have their own role in attracting tourists.

The year 2019 is considered significant from religious tourism point of view. Two important events were organized that attracted lakhs of pilgrims. Prayag Raj (formerly called Allahabad) in Uttar Pradesh hosted the Kumbh Mela early this year. Recently, the idol of Athi Varadar was made available for public worship in the temple town of Kancheepuram in Tamil Nadu. Both these events attract lakhs of pilgrims from all over the country, and outside. Similar events take place in every region from time to time. This is, apart from the annual celebrations like the Mysore Dasara that happen in India every year. Similar events like Rajamundry's Godavari Pushkaram in Andhra Pradesh and the Kumbh Mela in Nasik, Maharashtra, do occur as per their respective set dates.

Infrastructure in India has received a massive boost with one of the objectives being to promote tourism. Upgraded roads and highways have prompted travellers to undertake long drives to their desired destinations. Highway road infrastructure development included availability of basic facilities, recreation, boarding and lodging, with hygiene being focus area. Under the UDAN (Ude Desh ka Aam Naagrik) scheme, also called Regional Connectivity

Scheme, smaller airports like in Mysore and Hubli in Karnataka are connected to the bigger cities like Chennai, Bangalore and Mumbai. Railways, including IRCTC, have their own schemes to facilitate passenger travel.

REVIEW OF LITERATURE

(Mir, 2014) conducted an economic evaluation of the tourism industry of India. This sector has been one of the key economic engines of the country. It not only offers employment opportunities directly and indirectly, it is also a major source of foreign exchange. Tourism in India is poised to become the second largest employer in the world by 2019.

(Ghatage & Kumbhar, 2015) has analyzed the role of tourism in the Indian economy. The top five states that attract foreign tourists are Maharashtra, Tamil Nadu, Delhi, Uttar Pradesh and Rajasthan. of these states, Maharashtra has recorded maximum inflow of foreign tourists in percentage terms (20.8%). These five states put together, have attracted almost 70% of the total international travelers visiting the country.

(Subash, 2015) has listed a few issues concerning India's tourism sector. Emphasis was laid on Skill Development, or the lack of it. The availability of trained manpower has been insufficient, and has not been able to match the growth recorded. Such a shortfall of key personnel offer enormous employment opportunities.

OBJECTIVES

1. To understand the relationship between Foreign Tourist Arrivals and Indian National Departures.
2. To assess the relationship between Indian National Departures and Domestic Tourist Visits.
3. To ascertain the volatility of the tourism sector.

SCOPE

1. The analysis is performed on the tourism sector only.
2. Data pertaining to India tourism is considered.
3. The data used is of the years 2000-2017.

LIMITATIONS

1. Only the tourism sector is analyzed. The results are not applicable to other sectors.

2. This analysis is performed on tourism data from India. Other countries have not been considered.
3. The results are applicable for the years 2000-2017. The same need not be reflected for data outside these years.

HYPOTHESIS

1. H_0^1 : There is no significant relationship Foreign Tourist Arrivals and Indian National Departures.
2. H_0^2 : There is no significant relationship between the stock prices of banks and NSE Index.
3. H_0^3 : There is no significant volatility in the tourism sector.

ANALYSIS AND INTERPRETATION

This study is undertaken to analyze the performance of the tourism sector in India. The historical data pertaining to tourism in India have been mentioned in Table 1 below.

Table 1: Tourism in India.

Year	FTAs in India	FEE from Tourism in India	FEE from Tourism in India	Indian Nationals' Departures	Domestic Tourist Visits
	(in million)	(in US\$ million)	(in Rs. Crore)		
2000	2.65	3460	15626	4.42	220.11
2001	2.54	3198	15083	4.56	236.47
2002	2.38	3103	15064	4.94	269.6
2003	2.73	4463	20729	5.35	309.04
2004	3.46	6170	27944	6.21	366.27
2005	3.92	7493	33123	7.18	392.04
2006	4.45	8634	39025	8.34	462.44
2007	5.08	10729	44362	9.78	526.7

2008	5.28	11832	51294	10.87	563.03
2009	5.17	11136	53754	11.07	668.8
2010	5.78	14490	66172	12.99	747.7
2011	6.31	17707	83036	13.99	864.53
2012	6.58	17971	95607	14.92	1045.05
2013	6.97	18397	107563	16.63	1142.53
2014	7.68	19700	120367	18.33	1282.8
2015	8.03	21013	134844	20.38	1431.97
2016	8.8	22923	154146	21.87	1615.39
2017	10.04	27310	177874	23.94	1652.49

Sources:

Ministry of Tourism, Government of India

Department of Tourism by Respective States/Union Territories

The summary of analysis is as follows:

Table 2: Foreign Tourist Arrivals vs Indian National Departures

Year	Foreign Tourist Arrivals (in million)	Indian National Departures (in million)
2000	2.65	4.42
2001	2.54	4.56
2002	2.38	4.94
2003	2.73	5.35
2004	3.46	6.21
2005	3.92	7.18
2006	4.45	8.34
2007	5.08	9.78

2008	5.28	10.87
2009	5.17	11.07
2010	5.78	12.99
2011	6.31	13.99
2012	6.58	14.92
2013	6.97	16.63
2014	7.68	18.33
2015	8.03	20.38
2016	8.8	21.87
2017	10.04	23.94

z-Test: Two Sample for Means

	<i>Variable 1</i>	<i>Variable 2</i>
Mean	5.436111111	11.98722222
Known Variance	5.24	39.37
Observations	18	18
Hypothesized Mean Difference	0	-
z	4.161358256	
P(Z<=z) one-tail	1.5818E-05	
z Critical one-tail	1.644853627	
P(Z<=z) two-tail	3.1636E-05	
z Critical two-tail	1.959963985	

From Table 2, the p-value is less than the alpha value (0.05). Therefore, null hypothesis is rejected and alternate hypothesis is accepted. There is a significant relationship between Foreign Tourist Arrivals and Indian National Departures.

Table 3: Indian National Departures vs Domestic Tourist Visits

Year	Indian National Departures (in million)	Domestic Tourist Visits (in Million)
2000	4.42	220.11
2001	4.56	236.47
2002	4.94	269.6
2003	5.35	309.04
2004	6.21	366.27
2005	7.18	392.04
2006	8.34	462.44
2007	9.78	526.7
2008	10.87	563.03
2009	11.07	668.8
2010	12.99	747.7
2011	13.99	864.53
2012	14.92	1045.05
2013	16.63	1142.53
2014	18.33	1282.8
2015	20.38	1431.97
2016	21.87	1615.39
2017	23.94	1652.49

Anova: Single
Factor

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
Column 1	18	215.77	11.98722	39.36899
Column 2	18	13796.96	766.4978	234171.8

ANOVA

<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	5123576	1	5123576	43.75177	1.39E-07	4.130018
Within Groups	3981589	34	117105.6			
Total	9105165	35				

From Table 3, the F-value is greater than F-critical. Therefore, null hypothesis is rejected and alternate hypothesis is accepted. There is a significant relationship between Indian National Departures and Domestic Tourist Visits.

Table 4: Volatility

	Foreign Tourist Arrivals	Indian National Departures	Domestic Tourist Visits
Mean	5.44	11.99	766.50
Standard Deviation	2.29	6.27	483.91
Coefficient of Variation	42.10	52.34	63.13

From Table 4, the coefficient of variation of Foreign Tourism Arrivals is the least at 42.1%. Therefore, this segment is fairly stable. However, the Domestic Tourist Visits, with its coefficient of variation of 63.13%, is comparatively more susceptible to fluctuations.

FINDINGS AND SUGGESTIONS

The following are the findings:

1. The number of tourists, both domestic and international, has been increasing each year.
2. There is a consistent increase in Domestic Tourist Visits despite an increase in Indian National Departures.
3. Regarding volatility, Foreign Tourist Arrivals are the least while Domestic Tourist Visits are the most.

The following are the suggestions:

1. Organize fairs and melas at various existing locations with the sole intention of attracting tourists.
2. Promote lesser heard locations as prospective tourist destinations through innovative means.
3. The focus can be shifted towards eco-friendly and sustainable tourism.

CONCLUSION

Tourism in India has been performing consistently well over the last few decades. It has witnessed an increase in domestic tourists flocking various destinations as much as international tourists. This industry is poised to witness a larger growth due to aggressive promotion schemes like “Incredible India”.

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