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UNIT 1: GROWTH AND DEVELOPMENT OF TOURISM THROUGH THE AGES; EMERGENCE OF MODERN CONCEPT OF TOURISM

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1.1 Objectives

After studying this Unit you will be able to understand the:

- Development of travel through ages ;

- To learn about the concept of Holidaying.

- To understand the concept of tourism ;

- To understand the Importance of Tourism Business;

- To understand the Definitions of tourism, typology of tourism;

- To understand the Relationship between Leisure, Recreation and Tourism.

1.2 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.

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 a major new industry, tourism. 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 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.

However, the major problems of the travel and tourism industry that have hidden or obscured its economic impact are the diversity and fragmentation of the industry itself. The travel industry includes: hotels, motels and other types of accommodation; restaurants and other food services; transportation services and facilities; amusements, attractions and other leisure facilities; gift shops and a large number of other enterprises. Since many of these businesses also serve local residents, the impact of spending by visitors can easily be overlooked or underestimated. In addition, Meis (1992) points out that the tourism industry involves concepts that have remained amorphous to both

analysts and decision-makers. Moreover, in all nations, this problem has made it difficult for the industry to develop any type of reliable or credible tourism information base in order to estimate the contribution it makes to regional, national and global economies. However, the nature of this very diversity makes travel and tourism ideal vehicles for economic development in a wide variety of countries, regions or communities.

Once the exclusive province of the wealthy, travel and tourism have become an institutionalized way of life for most of the world's middleclass population. In fact, McIntosh and Goeldner (1990) suggest that tourism has become the largest commodity in international trade for many world nations, and for a significant number of other countries it ranks second or third. For example, tourism is the major source of income in Bermuda, Greece, Italy, Spain, Switzerland and most Caribbean countries. In addition, Hawkins and Ritchie (1991), quoting from data published by the American Express Company, suggest that the travel and tourism industry is the number one ranked employer in Australia, the Bahamas, Brazil, Canada, France, (the former) West Germany, Hong Kong, Italy, Jamaica, Japan, Singapore, the United Kingdom and United States. Because of problems of definition which directly affect statistical measurement, it is not possible with any degree of certainty to provide precise, valid or reliable data about the extent of world-wide tourism participation or its economic impact. In many cases, similar difficulties arise when attempts are made to measure domestic tourism.

Apart from the foreign exchange and employment problem, tourism also makes a tremendous contribution to the improvement of social and political understanding. Travel in different countries fosters a better rapport between people of various tocks. Personal international contacts have always be an important way of spreading ideas about other culture. Thus tourism is an important means of promoting cultural exchanges and international co-operation (Jayapalan 2001).

1.3 Travel at different Ages

During a million years, changes in climate, dwindling food supplies or hostile invaders alone 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 Mohenjo-daro civilization, 3,500 years ago. 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 5th 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 Monor 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."

The Romans

Travel for pleasure was ready to take off during 200 years of peace when the Roman Empire was at its peak. It meant that one could travel from Hadrian's Wall to the Euphrates without crossing a hostile border. Often the way was easy, for there was an extensive system of wide, well-marked, well paved roads – a carriage ride was frequently smoother in the second century B.C. than in the eighteenth century A.D. Inns accommodated travelling government functionaries and traders.

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.

The Indians

During the days of the Roman Empire, travel facilities in India were of a high order. Trade flower freely between India and Rome. When Alexander, the Great reached India, he found well maintained roads lined with green trees, wells for water, police stations and rest houses. Along one highway, twelve hundred miles long and sixty-four feet wide, the Greek historians recorded that men traveled in chariots, bullock carts, on elephants, camels, horses and oxen. Emperor Ashoka's emissaries traveled to Sri Lanka, East Asia and West Asia to spread the message of Lord Buddha. Chinese travellers came to India and have left accounts of their well known and extensive travels within the country. There was total safety on Indian roads. These travel accounts by foreign travellers are major sources of Indian history.

There were other well-developed travel routes. Camel carvans took travellers along China's Silk Road, the great trails from Baghdad to Aden, Samarkand to Timbuktu. Beginning with the establishment of a democratic government in Esphesus (now in Turkey) by Alexander the Great in 334 B.C., some 700,000 tourists would collect in Esphesus in a single season to be entertained by acrobats, jugglers and magicians, who filled the streets.

The Middle Ages

The collapse of the Roman Empire in the fifth century and subsequent turmoil brought about the doom of holiday travel in this part of the world. The roads were no longer well maintained and became infested with brigands. Only about the year A.D. 1000, the principal European roads became relatively safe again, largely because of the goods traffic. During the period, no one traveled for pleasure. Men traveled to fight wars or went on pilgrimage to such holy places as Canterbury or St. James of Campostela. Travel facilities were a bare minimum. A fourteenth century guidebook contains the following instructions from the mistress of an inn in England to her maid, "Jenette lyghte the candell and lede them her above in the solere (upper room), and bare them hot water for to wash their feet.

In 1484, Friar Felix Fabri was advised to buy a "little cauldron, a frying pan, dishes, plates, saucers, cups of glass, a grater for bread and such necessaries," for the Captain of the ship provided passengers with, "feeble bread, feeble wine and stinking water."

Among the few great medieval travellers were Benjamin of Tudela, Marco Polo and Ibn Batuta. Benjamin of Tudela, a Jewish scholar who left Saragossa in 1160, traveled for thirteen years to Europe, Persia and India and gave details of Jewish communities and geography of the places he visited. Marco Polo left Venice in 1271 with his father and uncle and traveled through Persia and Afghanistan to the "roof of the world" – the then unknown Pamir Plateau. After crossing the Gobi Desert, he reached the place of Kublai Khan and lived in China for twenty years. On this way home, with rich jewels sewn in seams of his tattered clothes, Ibn Batuta traveled in the fourteenth century from his birthplace, Tangier, to Arabia, Mesopotamia and Ashia Minor. He traveled to India by way of Samarkand, and remained in the courts of Delhi Sultan Mohammad Bin Tughlaq for eight years (A.D. 1334-1342). He also visited the Kaldive Islands, Sri Lanka, Summatra, Spain and Morocco.

The Renaissance and After

The age of the Renaissance broadened the horizons of men and led to a quest for exploration and discovery. Not everyone could sail to Cathay, but the affluent could explore France, Germany, Italy and could even go further to Egypt and the Holy land. Travel before the industrial revolution was largely a matter of pilgrimage or business. From the end of the sixteenth century, some growth in private travel is evident, initially for educational purposes and later to satisfy a new curiosity about the way people lived at other places. Coaches were made in Hungary in the fifteenth century and during the next hundred years, these became fashionable possessions of the elite and the rich in Europe. These coaches were impressive contrivances with four wheels, elaborately carved roofs and open sides, which could be closed off with curtains. In England, luxurious inns developed where a person with a well-lined purse could be led to a lavender scented chamber where he or she could dine in privacy. In the sixteenth century, it became customary to send young gentlemen on a grand tour of the Continent of the purpose of education with warnings like Scotland was 'wild' and France 'enough to vex any man.'

Stage coaches were not comfortable due to bad roads. It took two days to travel a short distance from London to Brighton.

Samuel Johnson took a journey to Italy in 1776. His friend Boswell records him saying, "…a man who has not been to Italy is always conscious of inferiority from his not having seen when it is expected a man should see. The grand object of travelling is to see the shores of the Mediterranean…all our religion, almost all our law, almost all our arts and all that sets us above the savages has come to us from the shores of the Mediterranean." This was the concept of a grand tour of the contemporary

British milords. In 1785, Edward Gibbon was informed that forty thousand English, including masters and servants, were touring or living as residents in the Continent. Like the present day tourists, the eighteenth century tourists were also chided for "rushing through museums and art galleries following a wild goose chase under the conduct of some ignorant Tomb Shewer; overlooking things of great importance…" and were accused of seeing "monuments rather than men…ins rather than houses….routes rather than the country." Again, something familiar to us today!

Travellers entering England in the eighteenth century had to face tough customs officers who boarded ships and sometimes damaged cabins searching for contraband. On occasions, they searched beneath the ladies' petticoats because one hoop skirt had concealed a man!

Leisure in the eighteenth century became an attribute of the rich and the cultured. A man either belonged to a strata of society where he toiled all days of the week for a living, or he belonged to a class where he could order his life as he liked.

A revolutionary step in travel was taken in the first decade of the nineteenth century when John Loudon McAdam and Thomas Telford invented a road surface that replaced the dirt roads then existing in Europe. With the improvement of roads, stagecoaches became a popular mode of travel. Charles Dickens, the famous novelist, describes his journey to Italy in such a coach, which he had bought. He took with him his wife, sister-in-law, five children, three servants and a dog. "A good old shaddy devil of a coach," he wrote, "was drawn by four horses, each with twenty-four jingling bells." As was customary those days, he engaged a courier as guide, travel agent and general factotum, who saw to the beds, proposed sightseeing trips, called for the horses and paid the bills. Dickens observed, "The landlady loves him, the chambermaid blesses him, the waiter worships him." Naturally! How true of tour escorts even today.

The Advent of the Steam Age
Railways

Taking a holiday as such was almost invented with the railway and grew rapidly with its network. When the first railway was opened in England in 1825, John Bull complained that "the whole face of the kingdom is to be tattooed with these odious deformities." Another journal pointed out that a steady ten miles with good English horses on good English roads was fast enough for any person, "except an escaping murder or a self-liberated felon" When a railway line was proposed from London to Woolrich a run at a speed of eighteen miles per hour, a contributor to the Quarterly Review wrote, "We should as soon expect the

people of Woolrich to be fired off upon one of Congreve's ricochet rockets as trust themselves to the mercy of such a machine going at such a rate." The locomotive was considered the device of the Satan, which might blow up any time.

In 1830, the first rail rout in Europe, between Liverpool and Manchester, was built. Almost at the same time, a rail track was laid in France linking Paris and Versailles and in Germany between Nuremberg and Furth.

A little later, in 1838, a British entrepreneur took a trainload of tourists from Wadebridge to Bodmin to witness the public hanging of two murders. Since the gallows were visible from the train it, most excursionists did not have to leave the open train to see the fun.

1.4 ORIGION OF TRAVEL AGENCY BUSINESS

Three years later, in 1841, a travelling Baptist preacher and book salesman called Thomas Cook was on his way to attend a temperance meeting in Leicester when he thought of engaging a special train to carry friends of temperance from Leicester to Southborough and back to attend a rally. A group of 570 participants were signed up at the rate of one shilling a person for a 22-mile round trip. The trip included a band to play hymns, a picnic lunch of ham as well as the afternoon tea.

This was the first publicly advertised tour in the world, which gave Thomas Cook an idea that selling travel could be a good business, making him the first travel agent. Later, he helped over 1,50,000 people to visit the Great Exhibition in London by organizing inclusive tours.

By 1856, Cook was advertising the first "Grand Circular Tour of the Continent", including London, Antwerp, Brussels, Waterloo, Cologne, the Rhine, Mainz, Frankfurt, Heidelberg, Baden-Baden, Strasburg, Paris and London. By 1869, he was offering a conducted tour of Holy Land to British travellers. He also took a tour to India.

What Thomas Cook did, others followed in Europe and USA. Cook's company grew rapidly. It expanded in various directions including escorted tours to the Continent, the USA and round the world. Even today, the company he started is one of the largest travel outfits in the world, though no longer owned by his family.

Comfortable railways were started in America 125 years ago by George Mortimer Pullman, who built a train called 'Pioneer'. It was the first sleeping car train where a berth cost two dollars per night. The train became a popular mode of travel in the United States. American railways, however, were slow to respond to the challenge of the automobile and the

aeroplane, and train travel thus has now virtually disappeared in US as an important means of passenger transport. The reason primarily was the railways in the USA failed to respond to the needs of the passengers. In this process, rail-road became the means of transporting goods only. At present, there are not many passenger trains in the USA. Elsewhere in the world, railways continue to be a popular mode of travel in spite of severe competition from the automobile and the aeroplane. Japan has introduced its 'Tokaido Express', which runs at a speed of nearly 250 km per hour – a computerized train with a regulated speed, which carries passengers.

France has now trains, which exceed the speed of 350 kms. an hour. Among other innovations of the railways are mono rails elevated single tracks being developed in several countries and also "aero-trains" which run on an air cushion.

It is significant that major cities in the world from Miami to Hong Kong and from Hong Kong to Calcutta and Bombay are investing in rapid transit automated railway network rather than urban motorways to handle immense number of commuters and tourists.

In 1840, Sir Samuel Cunard ran the first regular steamship scheduled service, which later came to be known as Cunard Line. For many years, it provided luxurious sea travel between England and the United States. It is still a major shipping line.

Shipping Services

Another development was taking place making ocean crossing a comfortable and easy travel experience. In the mid-1800s, Trans Atlantic steamships were sailing between Europe and North America taking about 2 weeks.

In 1889, in the city of Paris, a twin-propeller steel-hulled liner cut travel time between the old and the new continent to 6 days. American tourists started discovering Europe and Europeans tried to rediscover America. On the eve of World War I, all-inclusive tours of Europe and America were being related from 400 to 1,000 depending on the length of the trip. Modern tourism had commenced.

International travel by ships became extensive and also the fastest way to travel between countries until steamship services suffered from the post-war competition of airlines. Pleasure travel by sea became virtually extinct in the seventies except for coastal cruises.

But, sea holidays have been revived once again by the introduction of luxurious cruise ships, some of them capable of carrying 1,000 or more

passengers from one resort to another. Millions of people who have time and money are experiencing this travel mostly from the developed world. Sometimes, sea travel is combined with air travel to save time – you go by ship to a destination and return by air or vice versa.

Airlines caught up with the steamships in the mid-fifties. By 1955, more Americans were crossing the Atlantic by air than sea. In another 5 years, 80 per cent of the people were travelling by air rendering several steamship companies bankrupt.

The Automobile

While railways and steamship companies satisfied the desire of the nineteenth century traveler, another new contraption called 'motor car' or 'automobile' appeared on the scene to change the travel landscape of the twentieth century. Pioneers like Duryea and Studebaker Brothers, Carl Benz, Louis Ranault and Bugatti built motorcars with a speed of up to twenty miles an hour. However, technical developments made the cars run faster and by the early twentieth century, it was possible to travel by car from New York to San Francisco – a distance of 3,000 miles. Dr. Nelson Nackson, an American doctor, was the first non-professional driver to drive across the United States in 1903 from San Francisco to New York. It took him sixty-three days to cover the distance and he had only one flat tyre during the journey. However, he had to wait for nineteen days for supplies and spare parts during the total travel period. Today, there are more than 5,000 rent-a-car offices in the world in over 110 countries renting cars to travellers. Cars are polluting our Planet Earth.

As in the case of railways, the skeptics warned automobile users. Physicians warned early motorists of the "many dangers of the open road, poisonous fumes, currents of cold air, and in summer-time choking dust and swarms of winged insects". Companies sold weird garments to protect motorists from dust and wind.

Today, it is estimated that eighty per cent of the holiday travel in the United States is by automobile. In Europe, the percentage may be a little less. The worldwide ownership of cars was 425 million in 1990 – up from 190 million in 1970 according to the Motor Vehicles Manufacturers Association of US. Europe had the maximum number of cars (172 million) followed by America, which had 165 million. Asia had only 50 million cars and India 2.5 million passengers' cars in 1995. In the United States, about 25 million people have Recreational Vehicles (RVs) or trailers hooked to their cars when they go for a holiday. Some of the trailers have now become peripatetic homes where people live and move to another scene

when they like to have a change. Some people carry collapsible camping equipment units that transform a car into an overnight shelter.

The development of the automobile industry has led to the demand for multi-lane highways all over the world, especially in the developed countries. Along the major highways, the old way side inns have given place to motels or modern inns – hostelries specially built to cater to the needs of the road travellers. Some of these motels drive luxury accommodation with parking areas, swimming pools and sports facilities.

According to an official estimate, there are over 165 million passenger cars in North America alone and the number is increasing. Road tourism during the last fifty years has increased tremendously in all developed countries. Developing countries like India are also experiencing the shape of things to come in the sphere of road travel, such as choked highways, and more accidents. In 1990, 50,000 Indians died in road accidents compared to 10,000 only a decade ago. Deaths were due mainly to crowded roads and ill trained drivers.

The prospects of car travel sound exciting. It has been projected that in the near future, a system of tiny electronic chips tied to sonar and radar will warn drivers of an oncoming vehicle in the wrong lane, or of a slick road ahead. If there is need to apply the brakes carefully rather than slamming them on, computers can be programmed to take the braking operation away from the heavy foot of the driver and activate more cautionary measures. Moreover, electronic chips will compute the most efficient speeds to conserve fuel. This is already being tried with some of the most modern cars.

According to Stanford Research Institute in Menlo Park, California, the family car will not be called upon to serve as the dry horse of all labour. Rather, there may be a wider variety of vehicles – motorbikes and electronic cars for short distance driving and large cars for longer trips – many of them are likely to be leased than owned. It is also projected that the cars in future may be made of heavy duty plastic – a vehicle that may not be smaller but will be lighter and therefore, requiring less petrol. Lighter cars are also adaptable to battery power.

Air Travel

Air travel has changed the complexion of travel and tourism completely, especially in the field of international tourism. We have devoted two subsequent chapters on air Transportation.

Air travel has brought about the democratization of travel enabling millions of people to take a holiday, or move on business. This mass movement of people all over the world made this earth to a small town.

1. 5 BEGINNING OF LEISURE

Leisure is usually regarded as a synonym for frivolity. The things you do when you have nothing useful to do are called leisure activities. To do something slowly, ploddingly or inefficiently is described as doing it in a leisurely manner (Mishra 1999).

Yet the old definition of leisure (from the Oxford English Dictionary), "the freedom or opportunity to do something specified or implied," should alert us that leisure is extraordinarily important. "Something specified or implied" can be *any action whatever.* This degree of generality tells us that leisure is a fundamental of action.

That was Aristotle's view. Aristotle, who was certainly not given to rash and thoughtless hyperbole, repeatedly emphasized the importance of leisure (*schole*). "As I must repeat once again, the first principle of all action is leisure." (*Pol.*, Bk VII, 3) Indeed, "we are busy that we may have leisure." (*Nich. Eth.* Bk X, 7.) According to Aristotle, leisure is the *goal* of busy-ness, of what we call labor. Aristotle is the first, and so far the only philosopher, to have held the doctrine that I call scholism: the view that leisure is a fundamental human value. He did not, however, give a formal account of its nature.

The common definition of leisure as "time off work" or "time for play" points out an important aspect of leisure: time. It specifies the nature of the freedom or opportunity which is involved in leisure: leisure is *time* available for action. Unfortunately, to define leisure as time off work is like defining money as a commodity which can be exchanged for useless luxuries. Such a definition of money would blind us to the practical uses of money, and the common definition of leisure blinds us to the profoundly practical uses of leisure Krippendorf (1987).

To grasp the full significance of leisure, we must recognize it as time available for *any action whatever.* When you set aside an hour, day or decade for a particular project, you are devoting an hour, day or decade *of your leisure* to that project. Whether your project is utterly frivolous or profoundly serious, you require leisure for it. Leisure is a basic resource which is necessary for, and which is used up in, the performance of any action whatever, and therefore in pursuit or enjoyment of *any value whatever* (Hudman and Hawkins 1989).

So, what is leisure? To devote your leisure to some action means to devote your mental and physical powers to that action for that period of time. It means to devote your life to that action for that period of time. A

minute or hour of your leisure is a minute or hour of your life. Your leisure is your life. Formally, *leisure is an individual human life as measured by time.* Informally, *leisure is the time of your life.* Leisure is a value because life is a value. Leisure is just life regarded as a series of measured portions.

Leisure is *both means and end-* Leisure is a *means* to other values; we spend a certain amount of leisure to get them. Leisure is the *end* of those other values; we derive a certain amount of leisure *from* them, i.e., those other values sustain our lives *for some period of time.* The pattern is: labor is a means to other values; those other values are a means to leisure. Dropping the "other values" from this pattern we can say with Aristotle that we labor in order to have leisure! And because we recognize labor as simply a *use* of the quantitatively definite value of leisure, we can numerically compare the means we expend to the end we reap.

Since 1950 the concept of leisure has undergone considerable change. The rapid development of technology, transportation, mobility and communications has increased considerably the satisfaction of the lower echelon needs (except in our poverty areas) as described by Maslow (physical, safety, belonging and love, and esteem needs). This affluence has brought greater attention to the humanization of the industrial and technological world in which we live. This is very evident in the present philosophy of our youth. Greater attention now centers around Maslow's fifth basic need— *self-actualization.* People are neophylic animals. Once their lower needs are met, they seek experiences to challenge their abilities and test their adaptability. The phenomenal economic growth since 1955, coupled with our political freedom and our vast opportunities for choice of life styles, have provided the setting for the development of the modern concept of leisure (Sapora 1975).

In the modern concept of leisure, the work-leisure (play-work) dichotomy no longer exists. Leisure is not *time,* but a state of being in which the individual has the resources, the opportunity and the capacity to do those things that contribute most to self-actualization and to the recognition of one's responsibilities and relationships to one's fellow man. Many people find leisure expression in work or in functional, goal-directed activities often looked upon in our early history as work, while others now work at what was actually play.

"We strived first to be saved by technology, now we strive to be saved from it." Thus one does not necessarily have to be playing badminton or bridge to be at leisure; one can be in a leisure state while engaging in a stimulating and refreshing challenge provided by work, and

likewise it can be said that one can be in a laborious state of work while engaging in a game of bridge! The work-leisure dichotomy then, has distorted the real meaning of both work and leisure in our society. It has in fact demeaned the value of work, set it off as something to be somehow tolerated, minimizing its dignity and its potential value and role in self-actualization and satisfaction. Likewise, people learned to believe that one had to be "doing some identifiable activity" like sport, music, drama, art, or some similar organized behavior to be in a leisure state (Urry 1990).

Many substitute activities have been invented (many poorly designed playgrounds are examples of these) to herd people into somewhat strange and often undesirable situations. We have tended to box in personal expression and self-actualization in separate packages—into compartments—just as we have our educational system, religion and other social interactions. Actually, satisfaction attained in the leisure state is personal, intrinsic, and an individual happening; one must discover for oneself in what situations these states of mind occur. And society has an obligation to provide an adequate program of leisure education and wide variety of opportunities for the individual to reach these expressive conditions (Watson & Kopachevsky 1994).

Providing worthwhile leisure opportunities for the masses of our population is a task unique in history. Today and in the future, we face more complex conditions than previous civilizations, but at the same time we have more resources such as communication systems, computers, and technology never before available to deal with the socio-economic variables that condition our use of leisure. Our knowledge of this behavior and what we can predict about it for the future are crucial to the decisions which will be made about the amount, type, location and character of leisure choices and opportunities.

Leisure behavior research, until a relatively few years ago, has been somewhat limited. Our concepts of leisure have been far too narrow. Between 1890 and 1930, those providing leisure services were kept busy planning organized, structured activities that were intended to meet critical social needs. More information is needed about what happens to people as a result of various leisure as well as work experiences. Recently a significant amount of research related to leisure behavior, and the resources and the environment most closely related to this behavior, has been completed by practitioners and researchers in the field of recreation and park administration and by individuals in several related disciplines. This research provides us with helpful information to clarify objectives and to formulate basic concepts of leisure.

1.6 Defining tourism

The term 'Tourism' is of recent origin. In other words it is of relatively modern origin. It is distinguishable by its mass character from the travel undertaken in the past. Many definitions and explanations have been given by many writers and scholars in their own fashion for the term tourism. Let us see some of the definitions here to have a fair idea of tourism.

The great Austrian economist, Hermann V. Schullard says that "the sum total of operators, mainly of an economic nature, which directly relate to the entry, stay and movement of foreigners inside and outside a certain country city or region". It is considered as one of the earliest definitions of tourism. He gave this definition in the year 1910.

Later on the concept of tourism found good expressions in the year 1942 by Swiss Professor & Austrian economist, Hunziker and Krapf who stated, "Tourism is the totality of the relationship and phenomenon arising from the travel and stay of strangers, provided the stay does not imply the establishment of a permanent residence and is not connected with a remunerated activity."

The above definition of Swiss Professors Hunziker and Krapf was subsequently adopted by the International Association of Scientific Experts in Tourism (IASET). The IASET definition brings out the following three district elements of tourism:

(i) Involvement of travel by non-residents.

(ii) Stay of temporary nature in the area visited.

(iii) Stay not connected with any activity involving earnings.

According to Hunziker (1951), "Social tourism is a type of tourism practiced by low income groups, and which is rendered possible and facilitated by entirely separate and, therefore, easily recognizable services." He proposed this definition during the Second Congress of Social Tourism held at Vienna and Salzburg in Austria in May 1959.

According to Bhatia (1991), "Tourism does not exist alone. It consists of certain components, three of which may be considered as basic. These three basic components of tourism are: Transport, locale and Accommodation."

In the words of Robinson (1979), the attractions of tourism are, to a very large extent, geographical in their character, Location and accessibility are important.

Tourism is, therefore, a composite phenomenon which embraces

the incidence of a mobile population of travelers who are strangers to the places they visit (Jayapalan 2001).

Tourism is a socio-economic phenomenon comprised of the activities and experiences of tourists and visitors away from their home environment, serviced by the travel and tourism industry and host destinations. The sum total of this activity, experience and services can be seen as the tourism product. Understanding the interrelationships between several parts of the system enables all tourism stakeholders to improve planning and management effectiveness and enhance the likelihood of success.

Essentially, the tourism system can be described in terms of supply and demand. Tourism planning should strive for a balance between demands (market) and supply (development). This requires an understanding not only of market characteristics and trends but also the planning process to meet these market needs. Furthermore, the context of the supply and demand sides needs to be carefully monitored and managed, e.g. ecological, political, social, cultural and other factors in the external and internal environments of the visitor demand and destination supply components must be carefully considered.

Often tourists from core generating markets are identified as the demand side; the supply side includes all facilities, programmes, attractions and land uses designed and managed for the visitors. These supply side factors may be under the control of private enterprise, non-profit organizations and/or governments. New and innovative forms of partnerships are also evolving to ensure the sustainable development and management of tourism-related resources.

The supply and demand side can be seen to be linked by flows of resources such as capital, labor, goods and tourist expenditures into the destination, and flows of marketing, promotion, tourist artifacts and experiences from the destination back into the tourist generating regions. In addition, some tourist expenditures may leak back into the visitor-generating areas through repatriation of profits of foreign tourism investors and payment for imported goods and services provided to tourists at the destination. Transportation provides an important linkage both to and from the destination.

For planning purposes, the major components that comprise the supply side are:

❖ Various modes of transportation and other tourism-related infrastructure.

❖ Tourist information.

❖ Marketing and promotion provided.

❖ The community or communities within the visitor destination area.

❖ The political and institutional frameworks for enabling tourism.

The dynamic nature of tourism systems makes it critical to scan the external and internal environments of the destination on a regular basis and to be prepared to make changes necessary to ensure a healthy and viable tourism industry. The tourism system is dynamic and complex due to many factors and sectors linked to the provision of the tourist experience and the generation of tourism revenues and markets. A large number of stakeholders are involved in this system. There is growing recognition that the interdependence of these stakeholders is essential for sustainable pro poor tourism. Tourism development can no longer work in isolation of the environment and local communities or avoid the social and cultural consequences of tourism.

1.7 Importance of Tourism Business

In the contemporary world tourism is very much relevant in the development of the economies. A large number of developing countries are today fully aware of the potential benefits of tourism and most of those having suitable tourism infrastructure are very well ahead in the way of exploiting this avenue for economic development. Recognition of the growing importance of tourism in the developing countries is also reflected in rapidly expanding literature on the subject. The major focus of this literature is on international tourism as a source of scarce foreign exchange. Tourism (Domestic or International) can also play an important role in creating employment and income opportunities, in diversifying the regional imbalance through its backward and forward linkage efforts on the local industries and enterprises in the poor and backward area of economy. It is therefore necessary to emphasis once again that form an economic point of view, tourism seems to play two major yet distinct roles in the overall development of the economy. (A) As a parameter of development of backward resource poor areas mainly through the utilization of the relatively abundant human resources and thereby reducing regional disparity in the overall development of the economy and (B) as a source of earning scarce foreign exchange through an invincible export item.

1.8 Different definitions of tourism

1.8.1 Definition of tourism by WTO

It 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 not related to the exercise of an activity remunerated from within the place visited

1.8.2 Tourism: general definitions

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 not related to the exercise of an activity remunerated from within the place visited. Tourism is different from travel. In order for tourism to happen, there must be a displacement: an individual has to travel, using any type of means of transportation (he might even travel on foot: nowadays, it is often the case for poorer societies, and happens even in more developed ones, and concerns pilgrims, hikers …). But all travel is not tourism. Young (1973)

Three criteria are used simultaneously in order to characterize a trip as belonging to tourism. The displacement must be such that:

- **It involves a displacement** outside the **usual environment**: this term is of utmost importance and will be discussed later on;

- **Type of purpose**: the travel must occur for any purpose different from being remunerated from within the place visited: the previous limits, where tourism was restricted to recreation and visiting family and friends are now expanded to include a vast array of purposes;

- **Duration**: only a maximal duration is mentioned, not a minimal. Tourism displacement can be with or without an overnight stay. We shall discuss the particularity of in transit visits, from a conceptual and statistical point of view.

1.9 Typology of tourism

Tourism can be divided into three parts

a)   **Domestic tourism**, involving residents of a country visiting their own country.

b)   **Inbound tourism**, involving non-residents visiting a country other than their own.

c)   **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:

a)   **Internal tourism**, which comprised domestic tourism and inbound tourism,

b)   **National tourism**, which comprises domestic tourism and outbound tourism, and

c)   **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 travelers 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:

i)   **Same-day visitors:** Visitors who do not spend the night in a collective or private accommodation in the country visited.

ii)   **Tourists:** Visitors who stay for at least one night in a collective or private accommodation in the country visited.

1.10 Domestic & International Tourism

International and domestic tourism can be defined as:

Domestic:

Travel for business or pleasure reasons within the home country, including day visitors.

International:

Travel for business or pleasure reasons, across national boundaries, whether one or more countries are visited.

Forms of international tourism are INBOUND and OUTBOUND tourism.

INBOUND: tourists entering a country from their country of origin.

OUTBOUND: tourists who leave their country of origin to travel to another country.

So, International tourism can be defined as the sum of the Inbound & Outbound Tourism

INTERNATIONAL TOURISM= INBOUND + OUTBOUND TOURISM

The TOURISM GENERATING COUNTRY is the country which generates the tourist, i.e. the country in which the tourist normally lives and from which he or she departs

The words 'Leisure', 'Recreation' and 'Tourism' are often used to express similar meanings.

Figure 1.1
Interrelationship between Leisure, Recreation and Tourism

LEISURE TIME				WORK TIME
Leisure: Free time avail-able to a person after work, sleep and house-hold 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, theatre, 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. (1997), *Successful Tourism Management,* New Delhi: Sterling. P-16.

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 sprit. It places tourism firmly as a part of recreation activities spectrum of a person.

Activity 1

From the definitions already discussed and from your own experience, list below the various purposes for which people travel which would come under the general heading of LEISURE, and give an example of each. The first one is done for you as a guide.

Purpose	Examples
Holidays	A fortnight in Agra A weekend break in a country house hotel in the Nainital.
Cultural	Visiting for the purpose of "Rashoon & Mandan" in Uttarakhand.
Sport	Travelling to support your team at Commonwealth Games / London Olympics 2012
Study	A Indian student attending an Edinburgh college for a month long English language course
Religion	A pilgrimage to Char Dhams of Uttarakhand Muslims visiting Mecca
Health and fitness	A weekend at a health farm like Ananada in Himalyas, Rishikesh
Visiting friends and relatives	Staying at friends place to attend a family wedding A retired couple's trip to India to visit their daughter and family

CHECK YOUR PROGRESS

1) Discuss the role of Romans in the development of tourism?

…………………………………………………………………………………
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2) Discuss the different role of transportation in development of tourism Industry?

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……………………………………………………………………………….
………………………………………………………………………………..

3) Comment on the statement "**Leisure is *both means and end"?***

……………………………………………………………………………
……………………………………………………………………………….
………………………………………………………………………………..

4) Define the different type of tourism?

……………………………………………………………………………

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1.11 LETS US SUM UP

After this unit now we have understood that how the tourism has developed through the different ages and different period's tourism as we know it today is distinctly a twentieth-century phenomenon, we have studied how wit the rise in industrial revolution has given birth to the middle class and relatively inexpensive transportation. We have studied how the creation of the commercial airline industry following the Second World War and the subsequent development of the jet aircraft in the 1950s signalled the rapid growth and expansion of international travel. This growth led to the development of a major new industry, tourism. 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 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. Now after studying this unit we have understood the development of tourism through different ages and the how the tourism can be differentiated on different bases. In the coming units we will study about the challenges, issues related to international tourism & also the different distribution patterns of international tourism today.

1.12 CLUES TO ANSWERS

Check your progress

1) Refer Sec. 1.3.

2) Refer Sec. 1.4.

3) Refer Sec. 1.5.

4) Refer Sec. 1.9.

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UNIT- 2 CONTEMPORARY TRENDS IN INTERNATIONAL TOURISM – GLOBAL TOURIST TRAFFIC AND TOURISM RECEIPT PATTERN

Structure

2.1   Objectives.

2.2   Introduction.

2.3   Present status of tourism

2.4   Trends of tourism at the global level

2.5   Most visited countries by international tourist arrivals.

2.6   International tourism receipts & International tourism expenditures

2.7   Most visited cities by international tourist arrivals.

2.8   Region-wise tourist arrivals world-wide.

2.9   Let Us Sum Up

2.10   Clues to Answers

2.1   OBJECTIVES

After reading this Unit you will be able to:
- To understand the trends of tourism at the global level,
- To know about the contemporary issues in international tourism,
- To discover the top tourist markets at the international level in terms of tourist arrivals & receipts
- To know the global projections for tourism.
- To understand the pattern of tourist arrivals all over the world
- To know the most visited countries by international tourist arrivals
- To understand the region-wise tourist arrivals world-wide

2.2   INTRODUCTION

Tourism has become a popular global leisure activity. In 2010, there were over 940 million international tourist arrivals, with a growth of 6.6% as compared to 2009. International tourism receipts grew to US$ 919 billion (euro 693 billion) in 2010, corresponding to an increase in real terms of 4.7% .The massive movement of tourists world over and the economic transformation that is taking place because of tourism are known features

of tourism. However, the unimaginable growth of international tourism has also brought about rapid changes in terms of economic growth as well as decline.

Analyzing the trends & challenges is not an easy task. Yet in this Unit, we attempt to give an overview of the issues involved in tourism at a global level and the economic impacts that have been generated or felt as a result of it.

The Unit starts with explaining some of the global characteristics regarding the size and scope of tourism & trends of tourism at the global level. It further discusses the tourist arrivals, tourism receipts and tourist expenditure along with the future projections at the global level. The Unit also deals with most visited countries by international tourist arrivals, Region-wise tourist arrivals world-wide.

2.3 PRESENT STATUS OF TOURISM

The phenomenon of tourism since 1950 has been remarkable in terms of growth, spread and diversification. The international tourist arrivals since then have grown from mere 25 million to reach 940 million in 2010. The fast growth and spread not only resulted the globalisation of people's movements as never before but also contributed in creating a vibrant industry and opportunities for millions of people. In 2003, international tourism lived through another considerably difficult year in which three negative factors came together: the Iraq conflict, SARS and a persistently weak economy. The Iraq conflict and the preceding high level of uncertainty depressed worldwide travel in the first quarter of the year. The unexpected outbreak of SARS brought the steady growth of Asia and the Pacific temporarily to an abrupt halt, causing many destinations in the region to welcome less than half of their usual number of arrivals in the months of April and May. Even though tourists quickly started to return after the virus was contained, it proved impossible to compensate the losses fully in the remainder of the year. With the long-awaited economic recovery only starting to become visible in the fourth quarter, the state of the economy did not help much either to stimulate tourism demand.

Although conditions improved notably throughout the year, and positive figures generally started to return in the second half of 2003, recovery has not been sufficient to save the year for all destinations. Preliminary estimates of full year results show that worldwide the volume of international tourism as measured in international tourist arrivals slid back by a bit more than 1% to 694 million, corresponding to a contraction by some 8.6 million arrivals on the 2002 volume of 703 million. This result is closely linked to the unexpected drop by 12 million arrivals (-9%) suffered by Asia and the Pacific due by the SARS panic. Furthermore, the

Americans also recorded a decrease (-2%), while Europe just consolidated its 2002 figure (0%). Finally, the Middle East and Africa have recovered quickly during the year and have in the end not notably been affected by last year's adverse conditions. They actually recorded the best results of all regions, with estimated increases of 10% and 5% respectively.

Table 2.3.1
International Tourist Arrivals

Year	Total Million	% Change over previous year
1950	25.282	-
1960	69.296	174.09
1961	75.281	8.64
1962	81.329	8.03
1963	89.999	10.66
1964	104.506	16.12
1965	112.729	7.87
1966	119.797	6.27
1967	129.529	8.12
1968	130.899	1.06
1969	143.140	9.35
1970	159.690	11.56
1971	172.239	7.86
1972	181.851	5.58
1973	190.622	4.82

1974	197.117	3.41
1975	214.357	8.75
1976	220.719	2.97
1977	239.122	8.34
1978	257.366	7.63
1979	273.999	6.46
1980	284.841	3.96
1981	288.848	1.41
1982	286.780	-0.72
1983	284.433	-0.82
1984	311.167	9.10
1985	325.725	4.68
1986	332.924	2.21
1987	358.659	7.73
1988	390.000	8.74
1989	405.000	3.85
1990	415.000	2.47
1996	595.000	-
1997	612.835	2.99
1998	625.236	2.02

2000	687.300	6.8
2001	684.100	-0.5
2002	702.600	2.7
2003	694.000	-1.2
2009	880	---
2010	940	6
2011	980	

Source: UNWTO

World tourism industry has proven its resilience. The global tourism sector has grown somewhere 5% in 2010, according to IPK's World Travel Monitor. International travel spending has grow slightly faster by 7% to €781 billion while the much larger domestic travel market has also grown well by some 4%, the latest World Travel Monitor trends for January-September 2010 show.

In the year 2010, the recovery was powered by emerging markets such as Asia, South America and the Middle East which all have double-digit growth rates. The large mature markets of Europe and North America, in contrast, have shown only moderate growth in year 2010.

Table 2.3.2: World tourist Distribution

Region	2009	2010
World	-4%	+5.6%
Europe	-6%	+1.3%
Asia Pacific	-2%	+9.11%
N.America	-6%	0.2%
S.America	-3%	+11.13%

M.East	-5%	+10.12%

Source: UNWTO

2.4 TRENDS OF TOURISM AT THE GLOBAL LEVEL

Tourism is one of the biggest and fastest growing industries in the world. According to the World Tourism Organization (UNWTO), in 2008, international tourist arrivals reached 924 million. By the year 2010 international arrivals worldwide are expected to reach 1 billion. If domestic tourists are added to the above figure, total tourist arrivals can well be over 3 billion. UNWTO's *Tourism 2020 Vision* forecasts that international arrivals are expected to reach nearly 1.6 billion by the year 2020. According to the World Travel & Tourism Council (WTTC), tourism and related activities are estimated to generate some 9.6% of the world's Gross Domestic Product (GDP), while the tourism sector is the largest employer, accounting for some 225 million jobs or 10.7% of the global labour force (WTTC, 2008).The benefits of tourism, mainly economic, have been enormous, especially for developing and poor countries that have limited sources of foreign currency. Nevertheless, with the non-considerate development of the tourism industry a lot of negative impacts have arisen, causing environmental and cultural deterioration and requiring concrete sustainable measures and policies to counteract and reverse the unfavorable situation.

The tourism sector in the modern globalized, competitive and fast changing world is exposed to challenges that have to be addressed through a series of measures taken both by the public sector and the individual enterprises. The recent all pervasive economic crisis has spread rapidly all over the world and has adversely affected tourism; more specifically it has resulted in a decline of the tourist flows –both international and domestic–, of employment and tourist spending. The negative economic impacts noted above are more serious in countries and regions that are more dependent on incoming tourism.

The World Tourism Organization (UNWTO) forecasts that international tourism will continue growing at the average annual rate of 4 % with the advent of e-commerce, tourism products have become one of the most traded items on the internet. Tourism products and services have been made available through intermediaries, although tourism providers (hotels, airlines, etc.) can sell their services directly. This has put pressure on intermediaries from both on-line and traditional shops.

It has been suggested there is a strong correlation between tourism expenditure per capita and the degree to which countries play in the global context. Not only as a result of the important economic contribution of the tourism industry, but also as an indicator of the degree of confidence with which global citizens leverage the resources of the globe for the benefit of their local economies. This is why any projections of growth in tourism may serve as an indication of the relative influence that each country will exercise in the future. Space tourism is expected to "take off" in the first quarter of the 21st century, although compared with traditional destinations the number of tourists in orbit will remain low until technologies such as a space elevator make space travel cheap.

Technological improvement is likely to make possible air-ship hotels, based either on solar-powered airplanes. Underwater hotels, such as Hydropolis, opened in Dubai in 2009, will be built. On the ocean, tourists will be welcomed by ever larger cruise ships and perhaps floating cities

Since the late 1980s, sports tourism has become increasingly popular. Events such as rugby, Olympics, Commonwealth games, Asian Games and football World Cups have enabled specialist travel companies to gain official ticket allocation and then sell them in packages that include flights, hotels and excursions

Latest trends

As a result of the late-2000s recession, international arrivals suffered a strong slowdown beginning in June 2008. Growth from 2007 to 2008 was only 3.7% during the first eight months of 2008. The Asian and Pacific markets were affected and Europe stagnated during the boreal summer months, while the Americas performed better, reducing their expansion rate but keeping a 6% growth from January to August 2008. Only the Middle East continued its rapid growth during the same period, reaching a 17% growth as compared to the same period in 2007. This slowdown on international tourism demand was also reflected in the air transport industry, with a negative growth in September 2008 and a 3.3% growth in passenger traffic through September. The hotel industry also reports a slowdown, as room occupancy continues to decline.

As the global economic situation deteriorated dramatically during September and October as a result of the global financial crisis, growth of international tourism is expected to slow even further for the remaining of 2008, and this slowdown in demand growth is forecasted to continue into 2009 as recession has already hit most of the top spender countries, with long-haul travel expected to be the most affected by the economic crisis. This negative trend intensified as international tourist arrivals fell by 8%

during the first four months of 2009, and the decline was exacerbated in some regions due to the outbreak of the influenza AH1N1 virus.

2.5   MOST VISITED COUNTRIES BY INTERNATIONAL TOURIST ARRIVALS

In 2010, there were 940 million international tourist arrivals, with a growth of 6.6% as compared to 2009. The World Tourism Organization reports the following ten countries as the most visited in terms of the number of international travellers. In 2010, China overtook Spain to become the third most visited country. Most of the top visited countries continue to be those in Europe, followed by a growing number of Asian countries.

Table 2.5.1

Rank	Country	UNWTO Regional Market	Int. tourist arrivals (2008)	Int. tourist arrivals (2009)	Int. tourist arrivals (2010)	Change 2009 to 2010
1	France	Europe	79,2 million	76,8 million	76.8 million	+0.0%
2	United States	Americas	57,2 million	55,0 million	59.7 million	+8.7%
3	China	Asia	53,0 million	50,9 million	55.7 million	+9.4%
4	Spain	Europe	57,9 million	52,2 million	52.7 million	+1.0%
5	Italy	Europe	42,7 million	43,2 million	43.6 million	+0.9%
6	United	Europe	30,1	28,2 million	28.1	-0.2%

Rank	Country	UNWTO Regional Market	Int. tourist arrivals (2008)	Int. tourist arrivals (2009)	Int. tourist arrivals (2010)	Change 2009 to 2010
	Kingdom		million		million	
7	Turkey	Europe	25,0 million	25,5 million	27.0 million	+5.9%
8	Germany	Europe	24,9 million	24,2 million	26.9 million	+10.9%
9	Malaysia	Asia	22,1 million	23,6 million	24.6 million	+3.9%
10	Mexico	Americas	22,6 million	21,5 million	22.4 million	+4.4%

Source: UNWTO

2.6   INTERNATIONAL TOURISM RECEIPTS & INTERNATIONAL TOURISM EXPENDITURES

INTERNATIONAL TOURISM RECEIPTS

International tourism receipts grew to US$ 919 billion (€693 billion) in 2010, corresponding to an increase in real terms of 4.7% from 2009. The World Tourism Organization reports the following countries as the top ten tourism earners for the year 2010. It is noticeable that most of them are on the European continent, but the United States continues to be the top earner.

Table 2.6.1

Rank	Country	UNWTO Regional Market	Int. Tourism Receipts (2010)
1	United States	North America	$103.5 billion
2	Spain	Europe	$52.5 billion
3	France	Europe	$46.3 billion
4	China	Asia	$45.8 billion
5	Italy	Europe	$38.8 billion
6	Germany	Europe	$34.7 billion
7	United Kingdom	Europe	$30.4 billion
8	Australia	Oceania	$30.1 billion
9	Hong Kong (China)	Asia	$23.0 billion
10	Turkey	Europe	$20.8 billion

Source: UNWTO

INTERNATIONAL TOURISM EXPENDITURES

The World Tourism Organization reports the following countries as the top ten biggest spenders on international tourism for the year 2010.

Table 2.6.2

Rank	Country	UNWTO Regional Market	Int' Tourism Expenditures (2010)
1	Germany	Europe	$77.7 billion
2	United States	North America	$75.5 billion
3	China	Asia	$54.9 billion
4	United Kingdom	Europe	$48.6 billion
5	France	Europe	$39.4 billion
6	Canada	North America	$29.5 billion
7	Japan	Asia	$27.9 billion
8	Italy	Europe	$27.1 billion
9	Russia	Europe	$26.5 billion
10	Australia	Oceania	$22.5 billion

Source: UNWTO

2.7 MOST VISITED CITIES BY INTERNATIONAL TOURIST ARRIVALS

Top 10 most visited cities by estimated number of international visitors by selected year

Table 2.7.1

City	Country	International visitors (millions)	Year/Notes
Paris	France	15.1	2010 (Excluding extra-muros visitors)
London	United Kingdom	14.6	2010
New York City	United States	9.7	2010
Antalya	Turkey	9.2	2010
Singapore	Singapore	9.2	2010
Kuala Lumpur	Malaysia	8.9	2010
Hong Kong	Hong Kong	8.4	2010 (Excluding Mainland Chinese visitors)
Dubai	United Arab Emirates	8.3	2010
Bangkok	Thailand	7.2	2010
Istanbul	Turkey	6.9	2010

Source: UNWTO

2.8   REGION-WISE TOURIST ARRIVALS WORLD-WIDE.

According to UNWTO, The world is divided into five different regions for understanding the world tourist arrivals world-wide for the assessment of total tourism receipts & tourist arrivals world-wide i.e., Americas, Asia-Pacific, Europe, Africa & Middle East.

International tourist arrivals by country of destination 2010

Out of a global total of 940 million tourists, the top ten international tourism destinations in 2010 were (see the barometer for the full rankings) & Out of a global total of 880 million tourists, the top ten international tourism destinations in 2009 were (see the barometer for the full rankings):

Table 2.8.1

Rank	Country	International tourist arrivals(2010)	Country	International tourist arrivals(2009)
1	France	76.80 million	France	74.20 million
2	United States	59.75 million	United States	54.88 million
3	China	55.67 million	Spain	52.23 million
4	Spain	52.68 million	China	50.88 million
5	Italy	43.63 million	Italy	43.24 million
6	United Kingdom	28.13 million	United Kingdom	28.20 million
7	Turkey	27.00 million	Turkey	25.51 million
8	Germany	26.88 million	Germany	24.22 million
9	Malaysia	24.58 million	Malaysia	23.65 million
10	Mexico	22.40 million	Mexico	21.45 million

Source: UNWTO

Africa and the Middle East
Africa

There is no doubt that tourism provides Africa with major socio-economic opportunities given the pro-poor nature of the industry and the abundance of the continent's nature and culture resources. However, tourism is an increasingly competitive industry and successful tourism industries require excellent planning and management.

Arrivals from within Africa and from Europe account for almost 80% of all tourism arrivals to African countries, with Asia having a small market share of approximately 3%. Sub-Saharan Africa is heavily dependent on arrivals from African countries. Source markets vary considerably among the various African countries and historical ties and language have a major influence on the source of market mix attracted. Seven broad market segments are identified for consideration by African destinations, depending on their product strengths. These are; family relaxers, independent relaxers, luxury discoverers, pack- aged discoverers, mature explorers, adventurous explorers and special interest markets. The relaxer segments prefer beach holidays and city breaks, the discoverers want new experiences with basic comfort such as luxury safaris and general tours and the explorer markets prefer o%-the-beaten track experiences such as culture and nature exploration and community-based tourism experiences.

Key market drivers for unlocking Africa's market potential are an improved image and perception of Africa; reduced travel costs (i.e. air travel, ground transport, etc.) and improved distribution and sales channels (i.e. diversity of products being sold in the travel channel, improved internet connectivity, etc.).

Out of the total of over 49 million tourists to Africa in 2010, the top ten African destinations were & Out of the total of almost 46 million tourists to Africa in 2009, the top ten African destinations were:

Table 2.8.2

Rank	Country	International tourist arrivals(2010)	Country	International tourist arrivals(2009)
1	Morocco	9.29 million	Tanzania	8.34 million
2	South Africa	8.07 million	South Africa	7.01 million
3	Tunisia	6.90 million	Tunisia	6.90 million
4	Zimbabwe	2.24 million	Mozambique	2.39 million
5	Mozambique	2.22 million	Zimbabwe	2.01 million
6	Algeria	1.91 million (2009)	Algeria	1.91 million
7	Botswana	1.55 million (2009)	Botswana	1.55 million
8	Nigeria	1.41 million (2009)	Kenya	1.14 million (2008)
9	Kenya	1.39 million (2009)	Swaziland	0.909 million
10	Namibia	0.980 million (2009)	Mauritius	0.871 million

Source: UNWTO

Middle East   Table 2.8.3

Rank	Country	International tourist arrivals(2010)	Country	International tourist arrivals(2009)
1	Egypt	14.05 million	Egypt	11.91 million
2	Saudi Arabia	10.85 million	Saudi Arabia	10.90 million
3	Syria	8.55 million	United Arab Emirates	7.13 million (2005)
4	United Arab Emirates	7.43 million	Syria	6.09 million
5	Lebanon	5.14 million	Bahrain	4.94 million (2007)
6	Bahrain	4.94 million	Jordan	3.79 million
7	Jordan	4.56 million	Israel	2.32 million
8	Israel	3.45 million	Lebanon	1.85 million
9	Qatar	1.66 million (2009)	Qatar	1.66 million
10	Oman	1.52 million	Yemen	0.434 million

Source: UNWTO

Out of the total of over 60 million tourists to the Middle East in 2010, the top ten destinations were & Out of the total of over 53 million tourists to the Middle East in 2009, the top ten destinations were:

 Africa and the Middle East are classified together as one region by the UNWTO.

The Americas

Out of the total of almost 150 million tourists to the Americas in 2010, the top ten destinations were & Out of the total of over 165 million tourists to the Americas in 2009, the top ten destinations were:

Table 2.8.4

Rank	Country	International tourist arrivals(2010)	Country	International tourist arrivals(2009)
1	United States	59.75 million	United States	54.88 million
2	Mexico	22.40 million	Mexico	21.45 million
3	Canada	16.10 million	Canada	15.74 million
4	Argentina	5.29 million	Brazil	4.80 million
5	Brazil	5.16 million	Argentina	4.31 million
6	Dominican Republic	4.13 million	Dominican Republic	3.99 million
7	Puerto Rico	3.68 million	Puerto Rico	3.55 million
8	Chile	2.77 million	Chile	2.75 million
9	Cuba	2.51 million	Cuba	2.41 million
10	Colombia	2.3 million	Colombia	2.15 million

Source: UNWTO

Asia and the Pacific

Out of the total of almost 204 million tourists to Asia and the Pacific in 2010, the top ten destinations were & Out of the total of over 181 million tourists to Asia and the Pacific in 2009, the top ten destinations were

Table 2.8.5

Rank	Country	International tourist arrivals(2010)	Country	International tourist arrivals(2009)
1	China	55.67 million	China	50.88 million
2	Malaysia	24.58 million	Malaysia	23.65 million
3	Hong Kong	20.09 million	Hong Kong	16.93 million
4	Thailand	15.84 million	Thailand	14.15 million
5	Macau	11.93 million	Macau	10.40 million
6	Singapore	9.16 million	South Korea	7.82 million
7	South Korea	8.80 million	Singapore	7.49 million
8	Japan	8.61 million	Japan	6.79 million
9	Indonesia	5.91 million	Indonesia	6.32 million
10	Australia	5.89 million	Australia	5.58 million

Source: UNWTO

Europe

Tourism is an economic activity capable of generating growth and employment in the EU (European Union), while contributing to development and economic and social integration, particularly of rural and mountain areas, coastal regions and islands, outlying and outermost regions or those under going convergence. With some 1.8 million businesses, primarily   (Small & Medium enterprise), employing approximately 5.2 % of the total workforce (approximately 9.7 million jobs,

with a significant proportion of young people), the European tourism industry1 generates over 5 % of EU GDP, a figure which is steadily rising. Tourism therefore represents the third largest socioeconomic activity in the EU after the trade and distribution and construction sectors. Taking into account the sectors linked to it, tourism's contribution to GDP is even greater; it is estimated to generate over 10 % of the European Union's GDP and provide approximately 12 % of all jobs. In this regard, observing the trend over the last ten years, growth in employment in the tourism sector has almost always been more pronounced than in the rest of the economy.

In addition, the European Union remains the world's No 1 tourist destination, with 370 million international tourist arrivals in 2008, or 40 % of arrivals around the world, 7.6 million of them from the BRIC countries (Brazil, Russia, India and China), a significant increase over the 4.2 million in 2004. These arrivals generated revenues of around EUR 266 billion, 75 billion of which was from tourists coming from outside the Union. As regards journeys by Europeans themselves, they are estimated at approximately 1.4 billion, some 90 % of which were within the EU. According to estimates by the World Tourism Organisation (WTO), international tourist arrivals in Europe should increase significantly in the coming years.

Finally, European tourists are one of the largest groups travelling to third countries, providing an extremely important source of revenue in many countries. These elements justify providing more detail of the external dimension of EU tourism policy, in order to maintain tourist flows from third countries but also to support EU partners, particularly in the Mediterranean. Out of the total of almost 477 million tourists to Europe in 2010, the top ten destinations were & Out of the total of over 459 million tourists to Europe in 2009, the top ten destinations were:

Table 2.8.6

Rank	Country	International tourist arrivals(2010)	Country	International tourist arrivals(2009)
1	France	76.80 million	France	74.20 million
2	Spain	52.68 million	Spain	52.23 million
3	Italy	43.63 million	Italy	43.24 million
4	United Kingdom	28.13 million	United Kingdom	28.20 million
5	Turkey	27.00 million	Turkey	25.51 million
6	Germany	26.88 million	Germany	24.22 million
7	Austria	22.00 million	Austria	21.36 million
8	Ukraine	21.20 million	Ukraine	20.74 million
9	Russia	20.27 million	Russia	19.42 million
10	Greece	15.01 million	Greece	14.92 million

Source: UNWTO

Tourism is an important catalyst in the socio-economic development in the modern times, contributing in multiple ways and strengthen the inter-connected processes. While often portrayed as panacea for many evils such as underdevelopment, unemployment, poverty eradication, social discrimination and so on; its contribution in creating a global and regional socio-political environment for peaceful co-existence of the cultures and societies has been equally established at various levels. Perhaps, this realisation took many advocators to position tourism as one of the biggest 'peace industries', a means to strike equilibrium of global peace process though development. Because, tourism practiced in responsible and sustainable manner bring about the peace and prosperity of the people and that its stakeholders share benefits in fair manner, which is a necessary condition for the equilibrium of sharing to sustain.

Due to appreciation of such key role of tourism in development and global solidarity is forthcoming in recent years. The U.N systems have been well on record about the growing significance of tourism, which can be traced back to the 1980s. The latest being the candid endorsement of U.N Secretary General who went on to state as precursor to his World Tourism Day 2011 message: "tourism's ability to generate socio-economic opportunities and help reducing the gap between rich and poor is more important than ever". This statement acquires significance in the face of the economic crisis in recent times. Hence, any formulation on tourism and its role in the society and economy must be rooted in due cognizance to the contribution of tourism in the development process and according its rightful place and position in the economic planning and programming.

CHECK YOUR PROGRESS

1) Europe is attracting maximum number of tourist world-wide, what are the probable reasons for that?

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…………………………………………………………………………………………..
…………………………..

2)   Discuss the different trends in world tourism today?

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…………………………………………………………………………………………..
…………………………..

3) Comment on the statement "**Technology has important role in development of tourism world-wide**"?

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………….…...………………………………………………………………………..
…………….…...............

4) Discuss the important tourist markets of Asia?

…………………………………………………………………………………….

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LETS US SUM UP

After the completion of this unit now we have understood understand the trends of tourism at the global level, understood about the contemporary issues in international tourism, understood about the top tourist markets at the international level in terms of tourist arrivals & receipts, understood about the pattern of tourist arrivals all over the world, Most visited

countries by international tourist arrivals, Region-wise tourist arrivals world-wide.

This unit has given us the complete idea about the pattern of the international tourism world-wide and therefore giving us the knowledge of the trends of the tourist arrivals. Clearly, we have understood from this unit that Europe is the top continent in terms of the tourist arrivals & tourism receipts and there has been a significant growth of the tourist in the regions like Asia-pacific, Africa and Middle-east in past few years.

2.10 CLUES TO ANSWERS

Check your progress

1) Refer Sec. 2.4 & Sec. 2.5.

2) Refer Sec. 2.8.

3) Refer Sec. 2.4.

4) Refer Sec. 2.8.

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UNIT 3 EMERGING TOURIST DEMAND PATTERNS

Structure

3.0 Objectives

3.1 Introduction

3.2 Mass Tourism

3.3 Dark Tourism or than tourism

3.4 Wine Tourism

3.5 Emerging forms of tourism or alternate tourism

3.5.1 Sustainable Tourism

3.5.2 Medical Tourism & Health Tourism

3.5.3 Volunteer tourism

3.5.4 Mice tourism

3.5.5 Theme park tourism

3.6 Alternative tourism – a new approach for tourism promotion

3.7 Lets Sum Up

3.8 Check your progress

3.9 Clues to Answers

3.0 OBJECTIVES

This unit aims to understand and know the various emerging tourism forms, after going through this unit you will be able to

➢   Understand different   emerging forms of tourism What is mass tourism

➢   What is Mass tourism
➢   What are various emerging tourism forms like sustainable tourism, wine tourism dark tourism etc?
➢   How these alternative forms can be helpful in tourism promotion

This unit has the purpose of understanding what 'Emerging Tourism' is. 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: (1) Mass Tourism, and (2) Dark tourism (3) Sustainable tourism (4) Health & Medical tourism etc.. 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.

3.1 INTRODUCTION

Without a tourists motivation to travel there would be no travel industry. It is very important for the industry to understand what motivates tourists to visit a particular destination or attraction. For the industry manager/authorities it is also imperative to seek out the new and emerging trends of tourist's behaviour, their tastes and the kind of touristic activity they are interested in. In this Unit we will try and understand travel motivators and how can a country / Industry managers utilize them optimally. We will also try and look into the present day and emerging trends of tourism markets. Tourism has emerged as one of the fastest growing sectors of our economy and marketers need to realise its potential. Successful marketing is dependent on knowing the customer and understanding the market. That is why tourism marketers should realise and understand the various emerging trends of tourism and unique ways to market each trend. On the flip side, tourism is also seeing the utilisation of latest marketing trends which have earlier helped other tangible and intangible sectors.

ECO-TOURISM

Eco-tourism is the most fascinating and most recent form of nature tourism. It encompasses activities which make a destination integrated, environment friendly sustainable and useful for visitors and local inhabitants. It is not a nature-based tourism attraction where visitors go and enjoy nature and its surroundings. But it takes place in nature's solitude and visitors and destination operators attempt to envisage

appropriate methods and measures to give direct and indirect benefits, both to hosts and guests, in a mutually accepted manner.

While mass tourists are more interested in the traditional sun, sand and sea, driving, shopping, night life etc., experiences which ranked as most important to eco-tourists are the following:

⇒ Less crowded destinations

⇒ Remote wilderness

⇒ Learning about wildlife and nature

⇒ Learning about natives and their cultures

⇒ Community benefits

⇒ Viewing plants and animals

⇒ Physical challenge

Ecotourism, in other words, incorporates both a strong commitment to nature and a sense of responsibility. Fortunately, the sense of responsibility that ecotourism has adopted in the last decade has become a growing force for responsible tourism and conservation. It is about a quality experience rather than necessarily a pristine environment.

Ecotourism is not only the fastest growing sector of the tourism industry, it has also been accepted as a hopeful new approach to preserving fragile land and threatened wild areas and provide opportunities for community-based projects.

However, Eco tourists too, differ greatly in several aspects like:

⇒ Destination traveled

⇒ Length of stay

⇒ Desired level of physical effort and comfort

⇒ Importance of nature in trip motivation

⇒ Level of learning desired

⇒ Amount of spending

⇒ Desired activities

⇒ Personal demographics

Ecotourism – Resources

1) Biosphere reserves

2) Mangroves

3)   Corals and Coral reefs

4)   Deserts

5)   Mountain and Forests

6)   Flora and Fauna

7)   Wetlands

India as such has not achieved significant position in ecotourism operation. There are very few tourism attractions, where all activities related to tourism, including formulations, implementation and evaluation of programs are undertaken after consultation with the participation of local people. Only some places in Kerala, Tamil Nadu and Rajasthan have considerably cashed this concept. Globally, a number of countries including Brazil, Kenya, Nepal and Australia have achieved significant positions in ecotourism management. India, introduced eco-tourism policy for the first time in 1997 and framed operational guidelines for all players of destination management.

Eco-tourism is certainly a boom, if planned and organized properly at all scales. Efforts are to be made to encourage local people's cooperation and their suggestions should be incorporated.

RURAL/FARM/VILLAGE TOURISM

It is closely related to the concept of eco-tourism. Emphasis on introducing village tourism for those people who are willing to experience the ethos and culture in rural segments. It not only promotes rural heritage but also preserves the ecology. Another closely related concept is that of tribal tourism. Ethno or Tribal tourism can sustain the fragile ecology and culture of the area. Such tourism is developed in states like Chhattisgarh – which boasts of forest cover next only to Amazon and houses a world famous aboriginal population and islands of Andaman & Nicobar. Emphasis will be laid on bringing in niche groups – for adventure trails, nature tourism, botanical tours, cave tourism, butterfly and anthropological tours. Mass tourism may have a serious backlash. So a fine balance between tourism and ecology has to be maintained similarly, in case of farm tourism, tourists are given a true insight into how things are carried out in village environment and they actually have a chance to participate in these activities.

If the view of Gandhi is to be considered, "The real India lives in its villages", village tourism is here to stay.

3.2 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 organized mass tourist

It is the stereotypical image of the tourist. He/she is not very adventurous and he/she is anxious to maintain his/her "environmental bubble" on the trip. This kind of tourist has few or even no contact with the host country's culture or local people. He/she purchases a ready-made package tour. Everything is included to avoid all forms of decision-taking.

The individual mass tourist

Individual mass tourist is similar to the organized mass tourist but he/she plans his/her trip with more flexibility and scope for personal choice. However, this kind of holidaymaker still deals with a professional of the tourism industry for the purchase. He/she is able to escape from his/her "environmental bubble" but this bubble still shields him/her from the real experience of the destination.

3.3 DARK TOURISM OR THANATOURISM.

Perhaps the most eclectic definition that exists of 'thana tourism' or 'dark tourism' is 'travel to locations associated with death and disaster. Examples are battlefields and graveyards.' (Jafari, Jafar. Encyclopaedia of Tourism. Routledge: London. 2000).

""Thana tourism", (is) a form of which has been characterized as "travel to a location wholly, or partially, motivated by the desire for actual or symbolic encounters with death…" (Seaton, 1996: 240).

'Dark tourism' conversely is the term adopted by Foley and Lennon (1996) for the 'phenomena which encompass the presentation and consumption (by visitors) of real and commodified death and disaster sites. These visitors who have been motivated to undertake a visit by a desire to experience the reality behind the media images and/or a personal association with inhumanity.' (Foley and Lennon, 1996: 198)

E.g. Cemeteries which contain the remainder of celebrities are important tourism attractions with a specialised tourism literature. Monuments e.g. Lincoln Memorial Washington/ Nelson's Column, Trafalgar Square also belong to this category. The second meaning refers to disaster sites and sites of notable deaths, e.g. Auschwitz, the killing fields of Cambodia, Dealey Plaza, Dallas where JFK was assassinated, the forecourt of the Dakota building, NYC where J. Lennon was murdered, the crash site in Cholame, California where James Dean died, the Viper Room on Sunset Boulevard where River Phoenix took a drug overdose and the pavement where he died, and Kurt Cobain's suicide site in Seattle.' (Rojek and Urry, 1997: 62).

3.4 WINE TOURISM

Web definitions:

Wine tourism refers to tourism whose purpose is or includes the tasting, consumption or purchase of wine, often at or near the source.

Wine tourism or **Vini-tourism** refers to tourism whose purpose is or includes the tasting, consumption or purchase of wine, often at or near the source. Wine tourism can consist of visits to wineries, vineyards and restaurants known to offer unique vintages, as well as organized **wine tours**, **wine festivals** or other special events.

Many wine regions around the world have found it financially beneficial to promote such tourism; accordingly, growers associations and others in the hospitality industry in wine regions have spent significant amounts of money over the years to promote such tourism. This is true not only to "Old World" producers (such as Spain, Portugal, Hungary, France or Italy), but also for the so-called "New World wine" regions (such as Australia, Argentina, Chile, United States or South Africa), where wine tourism plays an important role in advertising their products. In Argentina, for example, the Mendoza Province is becoming one of the tourist destinations in the country as Argentine wine strides to gain international recognition. Similarly, the National Wine Centre of Australia showcases the Australian wine industry, and visitors from around the world visit Northern California's Wine Country.

3.5 EMERGING FORMS OF TOURISM or ALTERNATE TOURISM

The various emerging tourism forms can be explained as follows:

3.5.1 SUSTAINABLE TOURISM

According to the **UNWTO**, sustainable tourism can be said to be:

'Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities.'

Making tourism more sustainable means taking these impacts and needs into account in the planning, development and operation of tourism. It is a continual process of improvement and one which applies equally to tourism in cities, resorts, rural and coastal areas, mountains, and protected areas. It can apply to all forms of business and leisure tourism.

Three pillars of sustainable tourism

Sustainability principles refer to the environmental, economic and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to guarantee its long-term sustainability.

Sustainable tourism should:

1) Make optimal use of **environmental** resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural resources and biodiversity.

2) Respect the **socio-cultural** authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.

3) Ensure viable, long-term **economic** operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.

Twelve Aims of Sustainable Tourism

1) Economic Viability

To ensure the viability and competitiveness of tourism destinations and enterprises, so that they are able to continue to prosper and deliver benefits in the long term.

2) Local Prosperity

To maximize the contribution of tourism to the economic prosperity of the host destination, including the proportion of visitor spending that is retained locally.

3) Employment Quality

To strengthen the number and quality of local jobs created and supported by tourism, including the level of pay, conditions of service and availability to all without discrimination by gender, race, disability or in other ways.

4) Social Equity

To seek a widespread and fair distribution of economic and social benefits from tourism throughout the recipient community, including improving opportunities, income and services available to the poor.

5) Visitor Fulfillment

To provide a safe, satisfying and fulfilling experience for visitors, available to all without discrimination by gender, race, disability or in other ways.

6) Local Control

To engage and empower local communities in planning and decision making about the management and future development of tourism in their area, in consultation with other stakeholders.

7) Community Wellbeing

To maintain and strengthen the quality of life in local communities, including social structures and access to resources, amenities and life support systems, avoiding any form of social degradation or exploitation.

8) Cultural Richness

To respect and enhance the historic heritage, authentic culture, traditions and distinctiveness of host communities.

9) Physical Integrity

To maintain and enhance the quality of landscapes, both urban and rural, and avoid the physical and visual degradation of the environment.

10) Biological Diversity

To support the conservation of natural areas, habitats and wildlife, and minimize damage to them.

11) Resource Efficiency

To minimize the use of scarce and non-renewable resources in the development and operation of tourism facilities and services.

12) Environmental Purity

To minimize the pollution of air, water and land and the generation of waste by tourism enterprises and visitors.

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.

Thus, sustainable tourism should:

1) Make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity.

2) Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.

3) Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.

Sustainable tourism development requires the informed participation of all relevant stakeholders, as well as strong political leadership to ensure wide participation and consensus building. Achieving sustainable tourism is a continuous process and it requires constant monitoring of impacts, introducing the necessary preventive and/or corrective measures whenever necessary.

Sustainable tourism should also maintain a high level of tourist satisfaction and ensure a meaningful experience to the tourists, raising their awareness about sustainability issues and promoting sustainable tourism practices amongst them."

3.5.2 MEDICAL TOURISM AND HEALTH TOURISM

Medical tourism: There is no one definition for medical tourism. However, it is generally accepted that this term is used to refer to travel activity that involves a medical procedure or activities that promote the wellbeing of the tourist. For example, the term 'healthcare' tourism has been used to cover travel and tourism that are related to medical procedures, health and wellbeing purposes. The scope of healthcare tourism is illustrated in Figure 1 below.

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                    ┌──────────────────────┐
                    │  Health Care Tourism │
                    └──────────────────────┘
          ┌──────────────┬──────────────┐
┌─────────────────┐ ┌──────────────┐ ┌──────────────────┐
│ Medical Tourism │ │  Cosmetic    │ │ Spa & Alternate  │
│                 │ │  Surgery     │ │ Therapies        │
└─────────────────┘ └──────────────┘ └──────────────────┘
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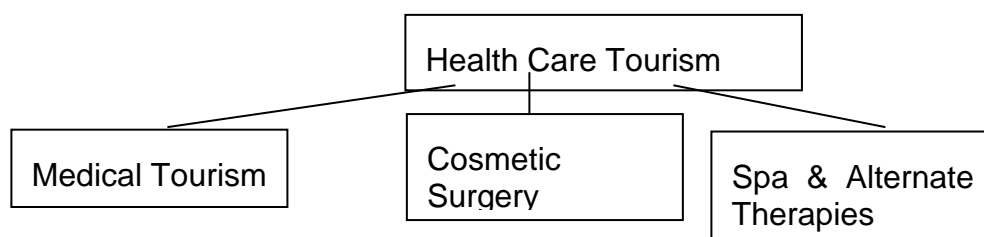
Figure 1.

Medical tourism in India has emerged as the fastest mounting segment of tourism industry in spite of the global economic recession. Elevated cost of treatments in the developed countries, particularly the USA and UK, has been forcing patients from such regions to look for alternative and cost-effective destinations to get their treatments complete. The Indian medical tourism industry is currently at a budding stage, but has a massive potential for future development and progress.

As per our new-fangled market research report "Booming Medical Tourism in India", India's share in the global medical tourism industry will climb to around 2.4% by the end of 2012. Furthermore, the medical tourism is expected to create revenue of US$ 2.4 Billion by 2012.

India represents the most prospective medical tourism market in the world. Factors such as low cost, scale and range of treatments provided by India differentiate it from other medical tourism destinations. Furthermore, the growth in India's medical tourism market will be a boon for several associated industries, including hospital industry, medical equipments industry and pharmaceutical industry.

Adding together to the existence of modern medicine, indigenous or traditional medical practitioners are providing their services across the country. There are over 3,000 hospitals and around 726,000 registered practitioners catering to the needs of traditional Indian healthcare. Indian hotels are also entering the wellness services market by tying up with professional organizations in a range of wellness fields and offering spas and Ayurvedic massages.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:

- Pampering

- 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 Ayurveda treatments. In fact, 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 neighbouring 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) Gynaecology 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.

3.5.3 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.

3.5.4 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 on 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 endeavor 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.

3.5.5 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 theatres and television. As the scope of his enterprises expanded, Disney retained as much artistic control as possible.
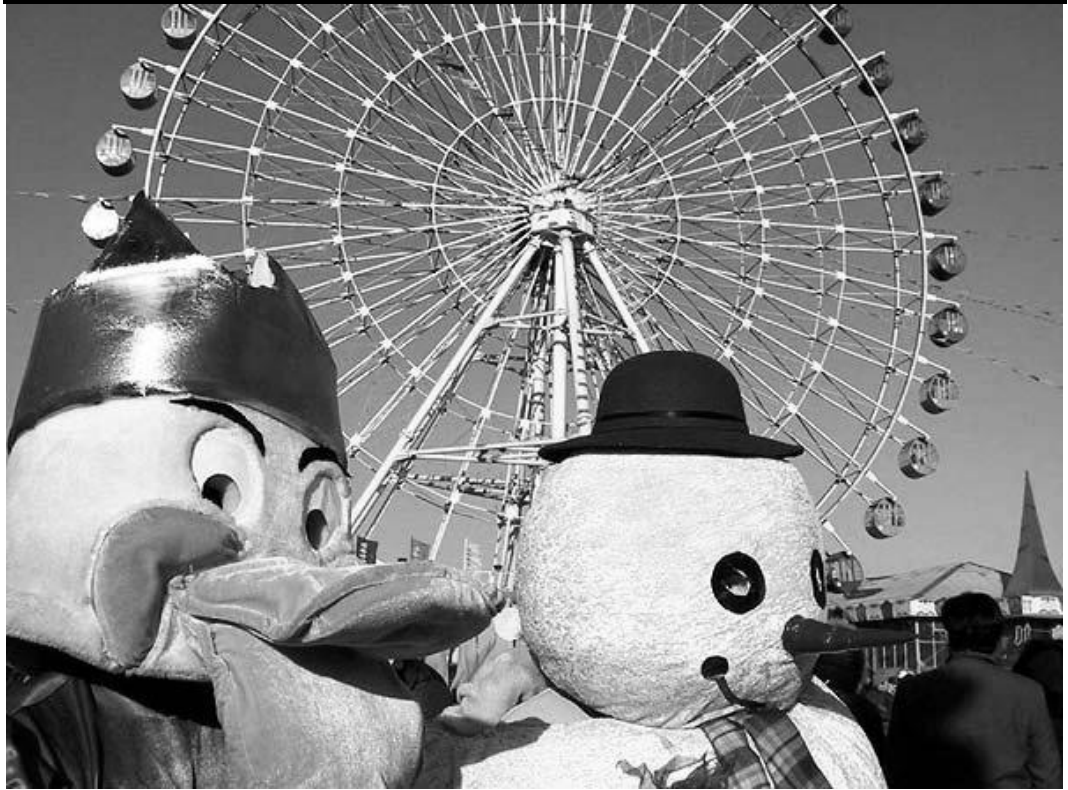
The company was involved in the publication of books for children and the syndication of comic strips, most of them featuring such characters as Donald Duck and Pluto, the dog. In 1955 Walt Disney Productions, Ltd., opened a huge amusement park called Disneyland in Anaheim, California. Featuring historical 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.

3.6 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.

3.7 LETS SUM UP

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 snow-balling 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.

3.8 CHECK **YOUR PROGRESS**

1. What do you understand by the Wine Tourism?
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   ………………………………………………………………………………
   ………………………………………………………………………………

2. What do understand by mass tourism?
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3. What are the various emerging trends in tourism industry?
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4. Discuss the concept of Dark Tourism.

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5. Highlight some important alternative tourism forms, which are popular in India.

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6. How alternative tourism can act as a new approach for tourism promotion?
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7. Comment on the status of medical tourism in India.

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   ………………………………………………………………………………
   ………………………………………………………………………………

3.9 CLUES TO THE ANSWERS

Check your progress

1) Refer Sec. 3.4.

2) Refer Sec. 3.2.

3) Refer Sec.3.5 & 3.6

4) Refer Sec.3.3.

5) Refer Sec.3.6.

6) Refer Sec.3.6

7) Refer Sec.3.5.2

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UNIT 4 REGIONAL GAP IN TOURISM AND THE DYNAMICALLY CHANGING MARKET-DESTINATION TRENDS

Structure

4.0 Objectives

4.1 Introduction

4.2 Trends in tourism Industry

4.3 Current developments & trends

4.4 Long Term Trends

4.5 Most travel by air & purpose of Leisure

4.6 International Tourist Arrivals & Receipts

4.7 World's Top Tourist destination

4.8 Regional Results

4.9 International top tourism spenders

4.10 Lets Sum Up

4.11 Check your progress

4.12 Clues to Answers

4.0 OBJECTIVES

This unit aims at to understand and know the various regional gap in tourism and the dynamically changing market-destination trends, through this unit you will be able to understand the following objectives:

➢   Trends in tourism Industry.
➢   Current development & trends
➢   Most travel by air & purpose of Leisure
➢   World top tourism destinations.
➢   What are various emerging tourism forms
➢   Regional gap in tourism dynamically changing market trends.

4.1 INTRODUCTION

Over time, an ever increasing number of destinations have opened up and invested in tourism development, turning modern tourism into a key driver of socio-economic progress through the creation of jobs and

enterprises, infrastructure development and the export revenues earned. As an internationally traded service, inbound tourism has become one of the world's major trade categories. The overall export income generated by inbound tourism, including passenger transport, exceeded US$ 1 trillion in 2010, or close to US$ 3 billion a day. Tourism exports account for as much as 30% of the world's exports of commercial services and 6% of overall exports of goods and services. Globally, as an export category, tourism ranks fourth after fuels, chemicals and automotive products. For many developing countries it is one of the main sources of foreign exchange income and the number one export category, creating much needed employment and opportunities for development.

Area and population

It is very interesting to note that Europe which represents only 11% of world population & 6.8% of the total land mass accounts for the 50.7% of the total tourist arrivals in year 2010.

Continent	Area (km²)	Area (mi²)	% land mass	Total population	% of total population	Density People per km²	Density People per mi²	Most populous city
Asia	43,820,000	16,920,000	29.5%	4,164,252,000	60%	95.0	246	Shanghai, China
Africa	30,370,000	11,730,000	20.4%	1,022,234,000	15%	33.7	87	Lagos, Nigeria
North America	24,490,000	9,460,000	16.5%	542,056,000	8%	22.1	57	Mexico City, Mexico
South America	17,840,000	6,890,000	12.0%	392,555,000	6%	22.0	57	Sao Paulo, Brazil
Antarctica	13,720,000	5,300,000	9.2%	1,000	0.00002%	0.00007	0.00018	Villa Las Estrellas, Chilean claim
Europe	10,180,000	3,930,000	6.8%	738,199,000	11%	72.5	188	Moscow, Russia
Australia	9,008,500	3,478,200	5.9%	29,127,000	0.4%	3.2	8.3	Sydney, Australia
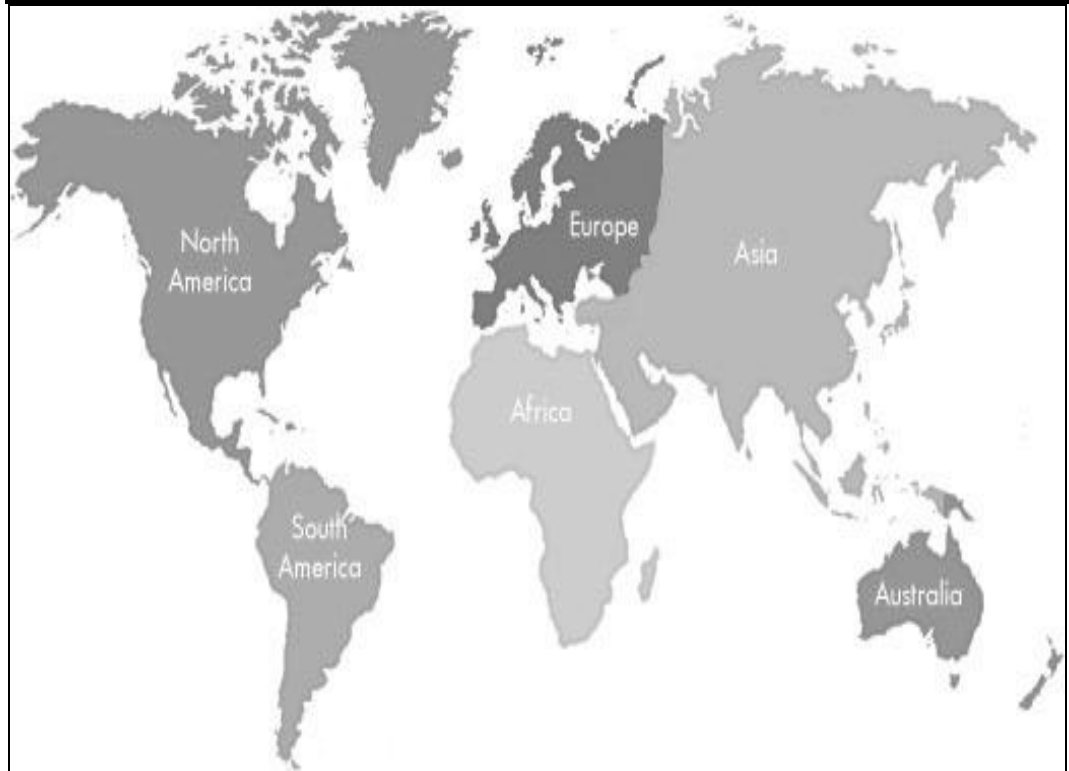
4.2 KEY TRENDS 2010

• Worldwide, international tourism rebounded strongly, with international tourist arrivals up 6.6% over 2009, to 940 million.

• The increase more than offset the decline caused by the economic downturn, with an additional 23 million arrivals over the former peak year of 2008.

• In 2010, international tourism receipts are estimated to have reached US$ 919 billion worldwide (693 billion Euros), up from US$ 851 billion (610 billion Euros) in 2009, corresponding to an increase in real terms of 4.7%.

• As a reflection of the economic conditions, recovery was particularly strong in emerging economies, where arrivals grew faster (+8%) than in advanced ones (+5%).

4.3 CURRENT DEVELOPMENTS AND OUTLOOK

• According to the April 2011 Interim Update of the *UNWTO World Tourism Barometer*, International tourist arrivals grew by close to 5% during the first two months of 2011, consolidating the rebound registered in 2010.

• According to the forecast prepared by UNWTO at the beginning of the year, international tourist arrivals are projected to increase in 2011 by 4% to 5%. The impact of developments in North Africa and the Middle East, as well as the devastating earthquake and tsunami that hit Japan in March, are not expected to substantially affect this overall forecast.

4.4 LONG-TERM TREND

• Over the past six decades, tourism has experienced continued expansion and diversification becoming one of the largest and fastest growing economic sectors in the world. Many new destinations have emerged alongside the traditional ones of Europe and North America.

• In spite of occasional shocks, international tourist arrivals have shown virtually uninterrupted growth: from 25 million in 1950, to 277 million in 1980, to 435 million in 1990, to 675 million in 2000, and the current 940 million.

• As growth has been particularly fast in the world's emerging regions, the share in international tourist arrivals received by emerging and developing economies has steadily risen, from 31% in 1990 to 47% in 2010.

In 2010, world tourism recovered more strongly than expected from the shock it suffered in late 2008 and 2009 as a result of the global financial crisis and economic recession. Worldwide, international tourist arrivals reached 940 million in 2010, up 6.6% over the previous year. The vast majority of destinations reported positive and often double-digit increases, sufficient to offset losses or bring them close to this target. Recovery came at different speeds – much faster in most emerging economies (+8%) and slower in most advanced ones (+5%).

Asia and the Pacific (+13%) was the first region to recover and among the strongest growing regions in 2010. Africa maintained growth (+7%) and the Middle East returned to double digit growth (+14%). While the Americas rebounded (+6%) from the decline in 2009, Europe's (+3%) recovery was slower than in other regions.\

Source: World Tourism Organization (UNWTO) ©

Source: World Tourism Organization (UNWTO) ©
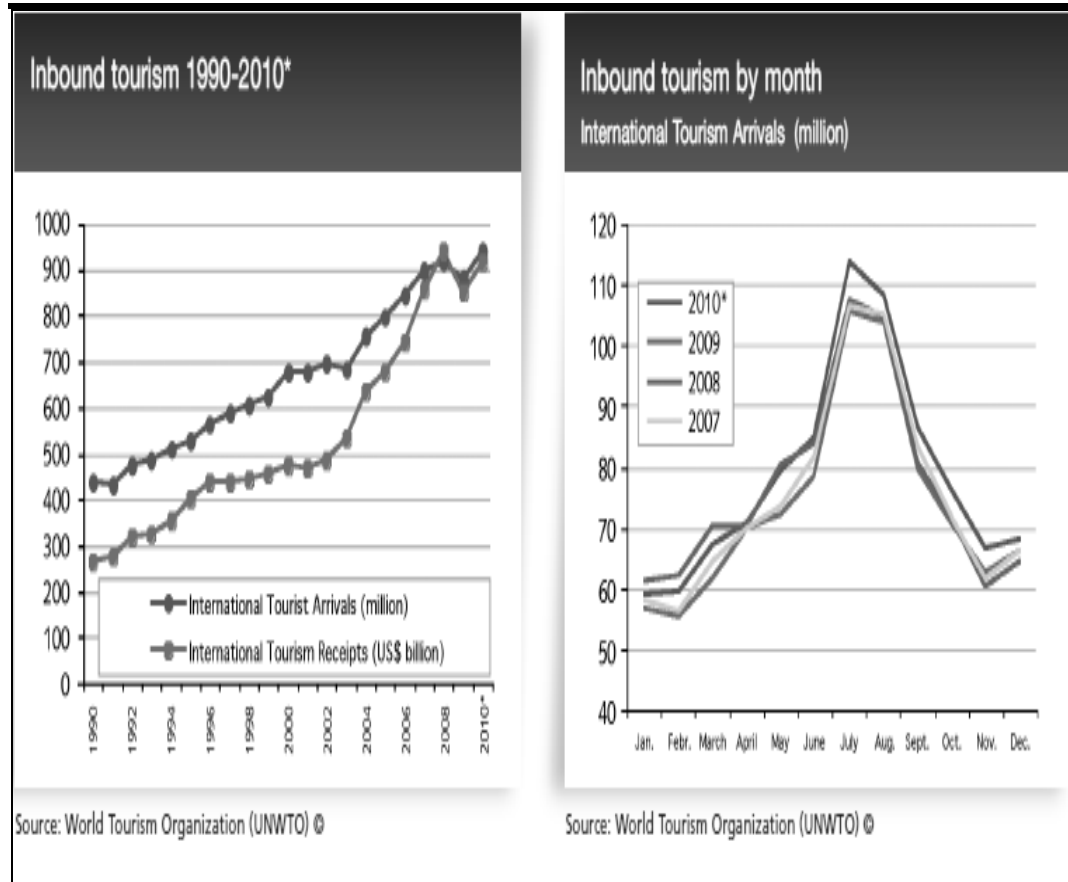
4.5   MOST TRAVEL BY AIR AND FOR THE PURPOSE OF LEISURE

In 2010, travel for leisure, recreation and holidays accounted for just over half of all international tourist arrivals (51% or 480 million arrivals). Some 15% of international tourists reported travelling for business and professional purposes and another 27% travelled for other purposes, such as visiting friends and relatives (VFR), religious reasons and pilgrimages, health treatment, etc. The purpose of visit for the remaining 7% of arrivals was not specified.

Slightly over half of travellers arrived at their destination by air transport (51%) in 2010, while the remainder travelled over the surface (49%) – whether by road (41%), rail (2%), or over water (6%). Over time, the trend has been for air transport to grow at a faster pace than surface transport, so the share of air transport is gradually increasing.
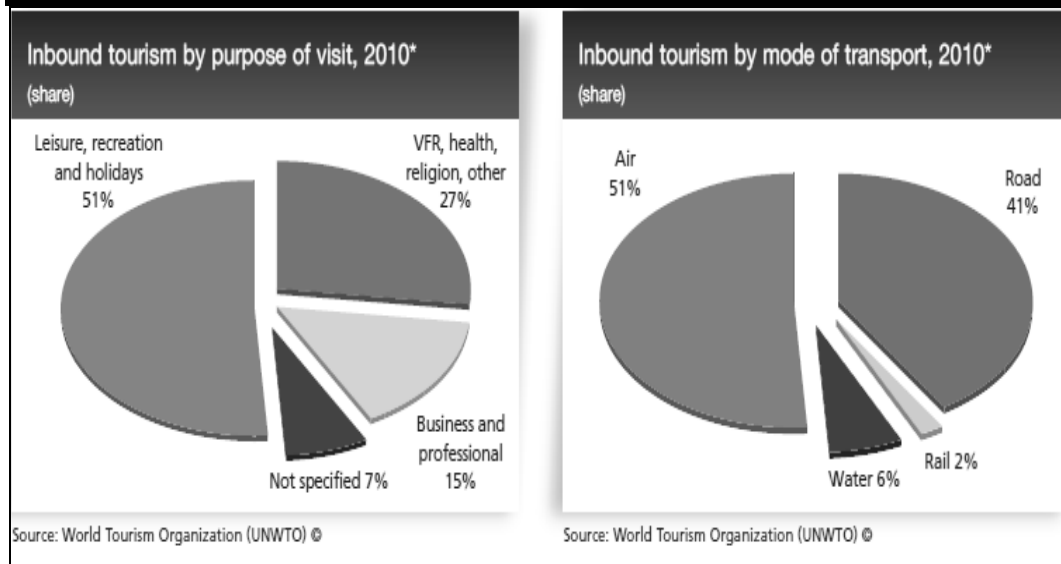
4.6 INTERNATIONAL TOURIST ARRIVALS & RECEIPT

International Tourist Arrivals

	International Tourist Arrivals (million)						Market share (%)	Change (%)		Average annual growth (%)
	1990	1995	2000	2005	2008	2009	2010*	2010*	09/08	10*/09	'00-'10*
World	435	528	675	798	917	882	940	100	-3.8	6.6	3.4
Advanced economies[1]	296	334	417	453	495	474	498	53.0	-4.3	5.1	1.8
Emerging economies[1]	139	193	257	345	421	408	442	47.0	-3.2	8.3	5.6
By UNWTO regions:											
Europe	261.5	304.1	385.6	439.4	485.2	461.5	476.6	50.7	-4.9	3.3	2.1
Northern Europe	28.6	35.8	43.7	57.3	60.8	57.7	58.1	6.2	-5.1	0.8	2.9
Western Europe	108.6	112.2	139.7	141.7	153.2	148.6	153.7	16.3	-3.0	3.4	1.0
Central/Eastern Europe	33.9	58.1	69.3	8.5	100.0	90.2	95.1	10.1	-9.9	5.4	3.2
Southern/Mediter. Eu.	90.3	98.0	133.0	153.0	171.2	165.1	169.7	18.1	-3.6	2.8	2.5
Asia and the Pacific	55.8	82.0	110.1	153.6	184.1	180.9	203.8	21.7	-1.7	12.7	6.3
North-East Asia	26.4	41.3	58.3	85.9	100.9	98.0	111.6	11.9	-2.9	13.8	6.7
South-East Asia	21.2	28.4	36.1	48.5	61.8	62.1	69.6	7.4	0.5	12.1	6.8
Oceania	5.2	8.1	9.6	11.0	11.1	10.9	11.6	1.2	-1.7	6.1	1.9
South Asia	3.2	4.2	6.1	8.1	10.3	9.9	11.1	1.2	-3.6	11.9	6.2
Americas	92.8	109.0	128.2	133.3	147.8	140.6	149.8	15.9	-4.9	6.4	1.6
Noth America	71.7	80.7	91.5	89.9	97.7	92.2	98.2	10.5	-5.7	6.6	0.7
Caribbean	11.4	14.0	17.1	18.8	20.1	19.5	20.1	2.1	-2.8	3.0	1.6
Central America	1.9	2.6	4.3	6.3	8.2	7.6	7.9	0.8	-7.4	3.8	6.2
South America	7.7	11.7	15.3	18.3	21.8	21.3	23.5	2.5	-2.3	9.7	4.4
Africa	14.8	18.9	26.5	35.4	44.4	46.0	49.4	5.2	3.7	7.3	6.4
North Africa	8.4	7.3	10.2	13.9	17.1	17.6	18.7	2.0	2.5	6.2	6.2
Subsaharan Africa	6.4	11.6	16.2	21.5	27.2	28.4	30.7	3.3	4.4	8.0	6.6
Middle East	9.6	13.7	24.1	36.3	55.2	52.9	60.3	6.4	-4.3	14.1	9.6

Source: World Tourism Organization (UNWTO) ©   (Data as collected by UNWTO, June 2011)
[1] Based on the classification by the International Monetary Fund (IMF), see Statistical Appendix at www.imf.org/external/pubs/ft/weo/2011/01.

International Tourism Receipt

International tourism receipts are estimated to have reached US$ 919 billion (693 billion Euros) in 2010, up from US$ 851 billion (610 billion Euros) in the previous year. In absolute terms, international tourism receipts increased by US$ 68 billion (83 billion Euros, as the US dollar appreciated some 5% against the euro). Growth in international tourism receipts is estimated at 4.7% in 2010, measured in real terms, i.e. using local currencies at constant prices in order to adjust for exchange rate fluctuations and inflation. Thus, the recovery in international tourism receipts (+4.7%) still lags that of international arrivals (+6.6%). This is typical in periods of recovery when, following major shocks, volume (arrivals) tends to recover faster than income (receipts), as competition is tougher and suppliers make serious efforts to contain prices, with tourists also tending to travel closer to home and for shorter periods of time. All regions posted positive growth in real terms, with the exception of Europe (-0.4%). The Middle East (+14%) and Asia and the Pacific (+13%) showed the strongest growth, while the Americas (+5%) was close to the worldwide average and Africa grew (+3%) somewhat slower.

By UNWTO regions:										
Europe	-0.9	-6.7	-0.4	44.2	410.9	406.2	850	294.6	306.4	640
Northern Europe	-2.5	-4.0	-1.3	6.4	58.6	59.2	1.010	42.0	44.6	760
Western Europe	-2.2	-7.1	1.5	15.5	143.8	142.0	920	103.1	107.1	700
Central/Eastern Europe	4.3	-8.0	-2.8	5.2	47.4	47.7	500	34.0	36.0	380
Southern/Mediter. Eu.	-0.6	-6.9	-1.1	17.1	161.3	157.4	930	115.6	118.7	700
Asia and the Pacific	4.6	-0.7	12.8	27.1	203.1	248.7	1,220	145.6	187.6	920
North-East Asia	8.2	1.9	15.9	13.3	101.2	122.4	1,100	72.5	92.3	830
South-East Asia	-0.8	-7.4	14.4	7.4	53.5	68.0	980	38.4	51.3	740
Oceania	3.2	5.3	-0.6	4.3	33.5	39.4	3,400	24.0	29.7	2,570
South Asia	7.7	-4.9	16.5	2.1	14.9	18.9	1,710	10.7	14.2	1,290
Americas	4.9	-9.9	5.0	19.8	166.2	182.2	1,220	119.1	137.4	920
North America	6.9	-12.4	6.2	14.3	119.2	131.2	1,340	85.4	98.9	1,010
Caribbean	-3.2	-5.3	2.1	2.6	22.6	23.6	1,180	16.2	17.8	890
Central America	0.3	-3.4	4.1	0.7	6.1	6.8	850	4.4	5.1	640
South America	3.1	-0.3	1.2	2.2	18.3	20.6	880	13.1	15.5	660
Africa	-2.5	-4.1	4.0	3.4	28.8	31.6	640	20.6	23.9	480
North Africa	-3.9	-4.7	3.6	1.1	9.9	10.0	540	7.1	7.5	400
Subsaharan Africa	-1.8	-3.8	4.2	2.4	18.9	21.6	710	13.5	16.3	530
Middle East	5.5	0.8	14.4	5.5	42.0	50.3	830	30.1	37.9	630

Source: World Tourism Organization (UNWTO) ©   (Data as collected by UNWTO, June 2011)

[1] Based on the classification by the International Monetary Fund (IMF), see Statistical Appendix at www.imf.org/external/pubs/ft/weo/2011/01.

Visitor expenditure on accommodation, food and drink, local transport, entertainment and shopping, is an important pillar of the economies of

many destinations, creating much needed employment and opportunities for development. For more than 80 countries, receipts from international tourism were over US$ 1 billion in 2010.

For destination countries, receipts from international tourism count as exports and cover transactions generated by same-day as well as overnight visitors. However, these do not include receipts from international passenger transport contracted from companies outside the travelers' countries of residence, which are reported in a separate category (International Passenger Transport).

Although the availability of comparable international data broken down at this level has its limitations, the export value of international passenger transport has in recent years been estimated at some 16% of the combined receipts from international tourism and international passenger transport. For 2010, this corresponds to some US$ 170 billion, as against US$ 155 billion in 2009. This implies that total receipts from international tourism, including international passenger transport, reached almost US$1.1 trillion in 2010. In other words, international tourism contributes close to US$ 3 billion a day to global export earnings.

4.7 WORLD'S TOP TOURISM DESTINATIONS

When ranked according to the two key tourism indicators – international tourist arrivals and international tourism receipts – it is interesting to note that eight of the top ten destinations appear in both lists, even though they show marked differences in terms of the characteristics of the tourists they attract, as well of their average length of stay and their spending per trip and per night. The most significant change among the top ten by international arrivals in 2010 was the rise of China to third position, ousting Spain, having overtaken both the United Kingdom and Italy during the past few years. In terms of receipts, China (+15%) also moved up the ranking to fourth position, overtaking Italy (+1%). Furthermore, among the ranking by receipts, Hong Kong (China) entered the top ten at nine, moving up from the 12th position.

Among the remaining top ten destinations, France (77 million tourists) continues to lead the ranking in terms of arrivals and ranks third in receipts. The USA ranks first in receipts with US$ 104 billion and second in arrivals. Spain maintains its position as the second biggest earner worldwide and the first in Europe, and ranks fourth in arrivals. Italy ranks fifth in both arrivals and receipts. The United Kingdom is sixth in terms of arrivals and seventh in receipts, while Germany is sixth in receipts and eighth in arrivals. Turkey occupies the seventh position in arrivals and the tenth in receipts. Completing the top ten ranking in arrivals are Malaysia

(9th) and Mexico (10th) and in receipts, Australia (8th).

International Tourist Arrivals

		million		Change (%)	
Rank	Series	2009	2010*	09/08	10*/09
1 France	TF	76.8	76.8	-3.0	0.0
2 United States	TF	55.0	59.7	-5.1	8.7
3 China	TF	50.9	55.7	-4.1	9.4
4 Spain	TF	52.2	52.7	-8.8	1.0
5 Italy	TF	43.2	43.6	1.2	0.9
6 United Kingdom	TF	28.2	28.1	-6.4	-0.2
7 Turkey	TF	25.5	27.0	2.0	5.9
8 Germany	TCE	24.2	26.9	-2.7	10.9
9 Malaysia	TF	23.6	24.6	7.2	3.9
10 Mexico	TF	21.5	22.4	-5.2	4.4

Source: World Tourism Organization (UNWTO) ©

International Tourism Receipts

		US$				Local currencies	
		billion		Change (%)		Change (%)	
Rank		2009	2010*	09/08	10*/09	09/08	10*/09
1 United States		94.2	103.5	-14.7	9.9	-14.7	9.9
2 Spain		53.2	52.5	-13.7	-1.2	-9.0	3.9
3 France		49.4	46.3	-12.7	-6.2	-7.9	-1.3
4 China		39.7	45.8	-2.9	15.5	-2.9($)	15.5($)
5 Italy		40.2	38.8	-12.0	-3.6	-7.2	1.4
6 Germany		34.6	34.7	-13.2	0.1	-8.5	5.3
7 United Kingdom		30.1	30.4	-16.3	0.8	-1.3	1.7
8 Australia		25.4	30.1	2.5	18.6	10.3	0.8
9 Hong Kong (China)		16.4	23.0	7.5	39.5	7.0	39.8
10 Turkey		21.3	20.8	-3.2	-2.1	-3.2($)	-2.1($)

(Data as collected by UNWTO, June 2011)

($) = percentage derived from series in US$ instead of local currency

4.8 REGIONAL RESULTS

Europe – steadily picking up

January 2010 ended a run of 19 consecutive months of negative growth for Europe, the region hardest hit by the global economic crisis. In Europe (+3%), recovery was slower than in other regions, mainly due to the economic uncertainty affecting the region and the closure of its airspace in April caused by Iceland's volcanic ash cloud. International tourism in the region gained momentum from the second half of the year onwards and some large destinations (such as Turkey and Germany) as well as emerging ones (as in the Balkans and South Caucasus) posted remarkable results.

International tourist arrivals are estimated to have reached 477 million in 2010, some 15 million more than in 2009, but still 9 million short of the 2008 peak. Receipts decreased slightly by 0.4% in real terms to US$ 406 billion (306 billion euros). Central and Eastern Europe (+5%) achieved the strongest growth of all European sub-regions, although following a substantial decrease in 2009. Western Europe (+3%) was the only sub-region to fully recover from the impact of the crisis. Germany (+11%) was the star performer, with arrivals exceeding 2008's record level by more than 2.5 million. In most other destinations, including Austria (+3%), Belgium (+6%), the Netherlands (+10%) and Switzerland (+4%), arrivals

growth in 2010 was sufficient to bring them above 2008 levels. The exception was France, the world's top destination, with zero growth in 2010. Northern Europe (+1%) began to slowly recover, although the United Kingdom (-0.2%), the sub-region's largest destination, still registered negative results. Arrivals in Southern and Mediterranean Europe increased by 3% but were still short of their 2008 peaks. While Israel (+21%), Malta (+13%) and Turkey (+6%) recorded above average results, well established destinations such as Spain, Italy and Greece (all +1%) reported weak growth.

Asia and the Pacific – first region to recover

International tourist arrivals in Asia and the Pacific reached a historic high of 204 million in 2010, some 24 million more than in 2009 and 20 million above the 2008 pre-crisis peak. The region's 13% growth in 2010 was double the world average and, following a modest 2% decline in 2009, confirms Asia as the world's strongest growing region of the past two years. Most destinations posted double-digit growth, boosted by the strong development of local economies in the region.

Receipts grew, accordingly, by 13% in real terms to US$ 249 billion. North-East Asia was the best performing sub-region (+14%), with double-digit growth in arrivals for virtually all destinations, particularly the fast growth of Japan and Taiwan (pr. of China) (both +27%). Growth in China (+9%), the region's top destination, was below average, but still represented around a quarter of the additional arrivals achieved by the whole region. Arrivals in South-East Asia, the only sub-region to show positive results in 2009, were up 12%. Destinations such as Vietnam (+35%), Singapore (+22%), Cambodia (+17%), Philippines (+17%), Thailand (+12%) and Indonesia (+11%) all recorded double-digit growth, although following weak 2009 figures. International arrivals in South Asia increased by 11%, with particularly strong performances from Sri Lanka (+46%) and Maldives (+21%), and a comparatively more moderate result for the major destination India (+8%). In Oceania (+6%), growth in arrivals was just below the world average with leading and more mature destinations Australia (+5%) and New Zealand (+3%) showing growth after a flat 2009.

Americas – sound rebound

The Americas rebounded from the decline in 2009 brought on by the economic recession in North America and the A (H1N1) influenza outbreak. International tourist arrivals in the Americas increased in 2010 by 6% to 150 million – some 9 million more than in the crisis year 2009 and 2 million more than the peak year of 2008. Growth in the US economy and the strength of Latin American economies helped to improve the

region's results as a whole. International tourism receipts increased by US$ 16 billion to US$ 182 billion (+5% in real terms). The three leading destinations of the region, the United States (+9%), Mexico (+4%) and Canada (+2%), all ended the year with positive results. South America posted the strongest results in the Americas with arrivals up 11%. Argentina (+23%) was the star performer, followed by Uruguay (+16%), Ecuador (+8%), Brazil and Peru (both +7%). Results were boosted by strong intraregional demand, with Brazil as one of the fastest growing source markets and now ranking as the third largest outbound market in the Americas by expenditure. Arrivals in the Caribbean are estimated to have risen 4% in 2010, more than enough to make up for the decline in 2009, with three of the major destinations recording new peaks:

Jamaica (+5%), Cuba (+4%) and the Dominican Republic (+·3%). In Central America arrivals also rose by 4% in 2010, not enough to make up for the decline in 2009. All destinations in the sub-region reported growth except Guatemala.

Africa – maintaining momentum

Africa, the only region to post positive figures in 2009, maintained growth during 2010. The region benefited from increasing economic dynamism and the worldwide exposure created by the FIFA World Football Cup. International arrivals increased by 3 million (+7%) to 49 million, while in terms of receipts the region added US$ 3 billion to reach US$ 31 billion (+4% in real terms). In South Africa, which accounts for over a quarter of total arrivals in Sub-Saharan Africa, arrivals were up 15% in 2010, following the successful staging of the World Cup. Other destinations in the sub-region, according to available data, performed above average: Madagascar (+21%), Cape Verde (+17%), Tanzania and Seychelles (both +11%). Results in North Africa (+6%) were driven by the leading destination Morocco (+11%).

Middle East – a return to double-digit growth

The Middle East was the fastest growing region in 2010 (+14%), but this followed a significant drop in 2009 (-4%). Boosted by intraregional travel favoured by high oil prices, the region reached 60 million arrivals in 2010, up 7.5 million on 2009 and 5 million compared with the peak year of 2008. International tourism receipts are estimated to have increased as well, by 14% in real terms to US$ 50 billion. Almost all destinations recorded double-digit increases in arrivals, such as: Syria (+40%), Palestine (+32%), Jordan (+20%), Egypt (+18%) and Lebanon (+17%). The exception was Saudi Arabia, the second largest destination of the region, showing flat results.

Outbound Tourism

The large majority of international travel takes place within the traveller's own region, with about four out of five worldwide arrivals originating from the same region. Source markets for international tourism are still largely concentrated in the industrialized countries of Europe, the Americas and Asia and the Pacific. However, with rising levels of disposable income, many emerging economies have shown fast growth over recent years, especially in a number of markets in North-East and South-East Asia, Central and Eastern Europe, the Middle East, Southern Africa and South America. Europe is currently still the world's largest source market, generating just over half of international arrivals worldwide, followed by Asia and the Pacific (21%), the Americas (16%), the Middle East (4%) and Africa (3%).

	International Tourist Arrivals by region of origen (million)							Share (%)	Change (%)		Average annual growth (%)
	1990	1995	2000	2005	2008	2009	2010*	2010*	09/08	10*/09	'00-10*
World	435	528	675	798	917	882	940	100	-3.8	6.6	3.4
From:											
Europe	250.7	303.4	389.4	450.8	507.5	479.7	496.1	52.8	-5.5	3.4	2.5
Asia and the Pacific	58.7	86.1	113.9	152.7	182.3	178.8	197.4	21.0	-1.9	10.4	5.6
Americas	99.3	108.5	130.8	136.5	151.5	146.3	154.4	16.4	-3.4	5.5	1.7
Middle East	8.2	9.3	14.0	23.0	31.9	32.7	36.0	3.8	2.7	10.2	9.9
Africa	9.8	11.6	15.0	19.6	25.8	25.8	27.5	2.9	-0.1	6.5	6.2
Origin not specified[1]	7.8	8.7	11.4	15.5	17.7	18.6	28.5	3.0			
Same region	349.1	423.3	532.9	632.1	715.9	689.2	721.3	76.7	-3.7	4.7	3.1
Other regions	77.6	95.6	130.2	150.5	183.1	174.2	190.1	20.2	-4.9	9.1	3.9

Source: World Tourism Organization (UNWTO) ©   (Data as collected by UNWTO, June 2011)

[1] Countries that could not be allocated to a specific region of origin. As information is derived from inbound tourism data this occurs when data on the country of origin is missing or when a category such as 'other countries of the world' is used grouping countries together that are not seperately specified.

4.9 INTERNATIONAL TOURISM'S TOP SPENDERS

The top ten ranking by international tourism spenders shows one remarkable change in 2010, with China (US$ 55 billion) moving up into third position, overtaking the United Kingdom (US$ 49 billion). China has shown by far the fastest growth with regard to expenditure on international tourism in the last decade, multiplying expenditure four times since 2000. Ranking as the seventh biggest source market in 2005, it has since overtaken, respectively, Italy, Japan, France and the United Kingdom.

Further movement among the top ten tourism spenders came from Canada, which moved up two positions to six, and Australia entering at ten. In both cases the appreciation of their respective currencies has clearly helped. The first two places are still held by Germany (US$ 78 billion) and the United States (US$ 76 billion). Among the top ten, the Russian Federation showed the strongest growth, up 27% – admittedly, following a 12% drop in spending in 2009 – followed by China, up 26%. After two years of decline, Japan also moved into positive growth figures (+4%). The United Kingdom was the only market among the ten to record a drop in expenditure (-2%) – due to the weak economy and pound sterling.

Rank		International Tourism Expenditure (US$ billion)		Local currencies change (%)		Market share (%)	Population 2010 (million)	Expenditure per capita (US$)
		2009	2010*	09/08	10*/09	2010*		
	World	851	919			100	6,879	134
1	Germany	81.2	77.7	-5.9	0.7	8.5	82	952
2	United States	74.1	75.5	-7.9	1.9	8.2	310	244
3	China	43.7	54.9	20.9 ($)	25.6 ($)	6.0	1,341	41
4	United Kingdom	50.1	48.6	-13.6	-2.4	5.3	62	780
5	France	38.5	39.4	-1.9	7.6	4.3	63	625
6	Canada	24.2	29.5	-4.8	10.0	3.2	34	866
7	Japan	25.1	27.9	-18.4	4.0	3.0	127	219
8	Italy	27.9	27.1	-4.3	2.0	2.9	60	449
9	Russian Federation	20.9	26.5	-12.1 ($)	26.8 ($)	2.9	140	189
10	Australia	17.6	22.5	2.5	9.0	2.5	22	1,014

Source: World Tourism Organization (UNWTO) ©   (Data as collected by UNWTO, June 2011)
($) = percentage derived from series in US$ instead of local currency

4.10 LETS SUM UP

After completion of this unit we have understood that among the Europe continues to dominate the world tourist market with maximum number of the tourist arrivals. France (77 million tourists) continues to lead the ranking in terms of arrivals and ranks third in receipts. The USA ranks first in receipts with US$ 104 billion and second in arrivals. Spain maintains its position as the second biggest earner worldwide and the first in Europe, and ranks fourth in arrivals. Italy ranks fifth in both arrivals and receipts. International tourist arrivals in Asia and the Pacific reached a

historic high of 204 million in 2010, some 24 million more than in 2009 and 20 million above the 2008 pre-crisis peak. The region's 13% growth in 2010 was double the world average. The Americas rebounded from the decline in 2009 brought on by the economic recession in North America and the A (H1N1) influenza outbreak. International tourist arrivals in the Americas increased in 2010 by 6% to 150 million – some 9 million more than in the crisis year 2009. The Middle East was the fastest growing region in 2010 (+14%). Overall, the tourism industry has registered a good growth in the year 2010.

In the coming units we will be discussing Key Global Tourism Markets, Leading Destination Countries and Regions of the World, International Tourism in SARRC Region, Geographic, Demographic and Psychographic Segmentation of Effective and Potential Tourism Markets of India etc.

4.11 CHECK YOUR PROGRESS

1. Discuss the important tourist markets in terms of tourist arrivals in Asia-pacific.

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2. Write a detailed note on the trends of tourism in year 2010?

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3. Which are the important tourist markets of Europe?

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4. Discuss the world's top tourist markets.

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5. Highlight some important International tourism top spenders.

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4.12 CLUES TO THE ANSWERS

Check your progress

    1. Refer Sec. 4.8.

    2. Refer Sec. 4.2 & 4.3.

    3. Refer Sec.4.7 & 4.8.

    4. Refer Sec.4.7.

    5. Refer Sec.4.9.

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http://en.wikipedia.org/wiki/Continent

UNIT 5 KEY GLOBAL TOURISM MARKETS

Structure

5.0 Objectives

5.1 Introduction

5.2 Contemporary Global Tourism Scenario
    5.2.1 Europe Surpasses the Half Billion Mark In 2011
    5.2.2 Asia & Pacific Region
    5.2.3 America
    5.2.4 Africa
5.3 Tourist arrivals & tourism receipts

5.4 Key Tourism Markets World-Wide

    5.4.1 France

    5.4.2 USA

    5.4.3 China

    5.4.4 Spain

    5.4.5 Italy

    5.4.6 UK

    5.4.7 Turkey

    5.4.8 Germany

    5.4.9 Malaysia

    5.4.10 Mexico

5.5 Lets Sum Up

5.6 Check your progress

5.7 Clues to Answers

5.8 Suggested Readings

5.0   OBJECTIVES

This unit aims at to understand and know the Key Tourism Markets. After going through this unit you will be able to understand the following things:

> ➢ The contemporary tourism scenario
> ➢ The key global tourism markets
> ➢ The various attractions in the top ten tourist attracting nations
> ➢ To understand the factors & attractions this makes these destination the hot favourite.

5.1 INTRODUCTION

In this unit we will study about the top tourism markets globally in terms of the tourism receipts they have collected & in terms of the tourist arrivals. And also this unit will help the students to understand the different attractions in these top ten global markets and what makes these destinations hot favourites for the tourists. The present unit discusses the top ten destinations which are on the top of the chart in terms of maximum number of tourist arrivals.

5.2 CONTEMPORARY GLOBAL TOURISM SCENARIO

The tourism industry all over the world has shown the Great Improvement and International tourist arrivals grew by over 4% in 2011 to 980 million, according to the latest UNWTO World Tourism Barometer.

International tourist arrivals grew by 4.4% in 2011 to a total 980 million, up from 939 million in 2010, in a year characterized by a stalled global economic recovery, major political changes in the Middle East and North Africa and natural disasters in Japan. By region, Europe (+6%) was the best performer, while by sub region South-America (+10%) topped the ranking. Contrary to previous years, growth was higher in advanced economies (+5.0%) than in emerging ones (+3.8%), due largely to the strong results in Europe, and the setbacks in the Middle East and North Africa. For a sector directly responsible for 5% of the world's GDP, 6% of total exports and employing one out of every 12 people in advanced and emerging economies alike these results are encouraging, coming as they do at a time in which we urgently need levers to stimulate growth and job creation.

5.2.1 EUROPE SURPASSES THE HALF BILLION MARK IN 2011

Despite persistent economic uncertainty, tourist arrivals to **Europe** reached 503 million in 2011, accounting for 28 million of the 41 million additional international arrivals recorded worldwide. Central and Eastern Europe and Southern Mediterranean destinations (+8% each) experienced the best results. Although part of the growth in Southern Mediterranean Europe resulted from a shift in traffic away from the Middle East and North Africa, destinations in the Mediterranean also profited from improved outbound flows from markets such as Scandinavia, Germany and the Russian Federation.

5.2.2 ASIA & PACIFIC REGION

Asia and the Pacific (+6%) was up 11 million arrivals in 2011, reaching a total 216 million international tourists. South Asia and South-East Asia (both +9%) benefited from strong intraregional demand, while growth was comparatively weaker in North-East Asia (+4%) and Oceania (+0.3%), partly due to the temporary decline in the Japanese outbound market.

5.2.3 AMERICA

The **Americas** (+4%) saw an increase of 6 million arrivals, reaching 156 million in total. South America, up by 10% for the second consecutive year, continued to lead growth. Central America and the Caribbean (both +4%) maintained the growth rates of 2010. North America, with a 3% increase, hit the 100 million tourists mark in 2011.

5.2.4 AFRICA

Africa maintained international arrivals at 50 million, as the gain of two million by Sub-Saharan destinations (+7%) was offset by the losses in North Africa (-12%). The **Middle East** (-8%) lost an estimated 5 million international tourist arrivals, totaling 55 million. Nevertheless, some destinations such as Saudi Arabia, Oman and the United Arab Emirates sustained steady growth.

Among the top ten tourist destinations, receipts were up significantly in the USA (+12%), Spain (+9%), Hong Kong (China) (+25%) and the UK (+7%). The top spenders were led by emerging source markets – China (+38%), Russia (+21%), Brazil (+32%) and India (+32%) – followed by traditional markets, with the growth in expenditure of travelers from Germany (+4%) and the USA (+5%) above the levels of previous years.

5.3 TOURIST ARRIVALS & TOURISM RECEIPTS

As we have already studied in Unit 2 ,That in the year 2010, there were 940 million international tourist arrivals, with a growth of 6.6% as compared to 2009. The World Tourism Organization reports the following ten countries as the most visited in terms of the number of international travelers. In 2010, China overtook Spain to become the third most visited country. Most of the top visited countries continue to be those in Europe, followed by a growing number of Asian countries.

Table 5.3.1

Rank	Country	UNWTO Regional Market	Int. tourist arrivals (2010)	Change 2009 to 2010
1	France	Europe	76.8 million	+0.0%
2	United States	Americas	59.7 million	+8.7%
3	China	Asia	55.7 million	+9.4%
4	Spain	Europe	52.7 million	+1.0%
5	Italy	Europe	43.6 million	+0.9%
6	United Kingdom	Europe	28.1 million	-0.2%
7	Turkey	Europe	27.0 million	+5.9%
8	Germany	Europe	26.9 million	+10.9%
9	Malaysia	Asia	24.6 million	+3.9%
10	Mexico	Americas	22.4 million	+4.4%

Source: UNWTO

INTERNATIONAL TOURISM RECEIPTS

International tourism receipts grew to US$ 919 billion (€693 billion) in 2010, corresponding to an increase in real terms of 4.7% from 2009. The World Tourism Organization reports the following countries as the top ten tourism earners for the year 2010. It is noticeable that most of them are on the European continent, but the United States continues to be the top earner.

Table 5.3.1

Rank	Country	UNWTO Regional Market	Int. Tourism Receipts (2010)
1	United States	North America	$103.5 billion
2	Spain	Europe	$52.5 billion
3	France	Europe	$46.3 billion
4	China	Asia	$45.8 billion
5	Italy	Europe	$38.8 billion
6	Germany	Europe	$34.7 billion
7	United Kingdom	Europe	$30.4 billion
8	Australia	Oceania	$30.1 billion
9	Hong Kong (China)	Asia	$23.0 billion
10	Turkey	Europe	$20.8 billion

Source: UNWTO

INTERNATIONAL TOURISM EXPENDITURES

The World Tourism Organization reports the following countries as the top ten biggest spenders on international tourism for the year 2010.

Table 5.3.3

Rank	Country	UNWTO Regional Market	Int' Tourism Expenditures (2010)
1	Germany	Europe	$77.7 billion
2	United States	North America	$75.5 billion
3	China	Asia	$54.9 billion
4	United Kingdom	Europe	$48.6 billion
5	France	Europe	$39.4 billion
6	Canada	North America	$29.5 billion
7	Japan	Asia	$27.9 billion
8	Italy	Europe	$27.1 billion
9	Russia	Europe	$26.5 billion
10	Australia	Oceania	$22.5 billion

Source: UNWTO

Now, further in this unit we will study about the factors what makes these countries top tourist attractions all over the world. The Unit through

the light on the different attractions at these top ten tourist attracting nations all over the world & also explains the reasons what makes these destinations so special.

5.4 KEY TOURISM MARKETS WORLD-WIDE

Amongst the top ten tourism markets of the world the maximum share is of the European Nations, the Europe alone accounts for more than 50% of total tourist arrivals & tourism receipts and the countries from the Mediterranean are occupying the top spot. There are two countries from the Asian continent amongst the top tourism markets i.e., China & Malaysia. The present part of the unit will discuss the various tourism attractions of the top ten tourism markets.

5.4.1 FRANCE

Here are some interesting Facts about France:

• **Population**: more than 65 million people live in France (2011)

• **Capital**: Paris, with 2, 2 million inhabitants

• **Name**: Republique Francaise (French Republic)

• **Motto**: "*Liberte, Egalite, Fraternite*" (Liberty, Equality, Fraternity)

• **Government**: Democracy

• **Language**: French

• **Religion**: mainly Christians (Roman Catholics 64%)

• **Currency**: 1 Euro=100cents, until 2002 French Franc

History: In 700-500BC the Celtic Gauls arrive in France. In 58-50BC Roman Emperor Julius Caesar defeats the Gauls and France becomes part of the Roman Empire until 476AD. French was ruled by kings for many centuries until the storming of the Bastille during the French Revolution in 1789. Then Napoleon becomes Emperor of the French Republic until he is sent to exile.

France attracted 78.95 million foreign tourists in 2010, making it the most popular tourist destination in the world. France offers mountain ranges, coastlines such as in Brittany or along the Mediterranean Sea, cities with a rich cultural heritage, châteaux (castles) like Versailles, and vineyards. Tourism is accountable for 6% of the country's income (4%

from French tourists travelling inside France and 2% from foreign tourists), and contributes significantly to the balance of payments.
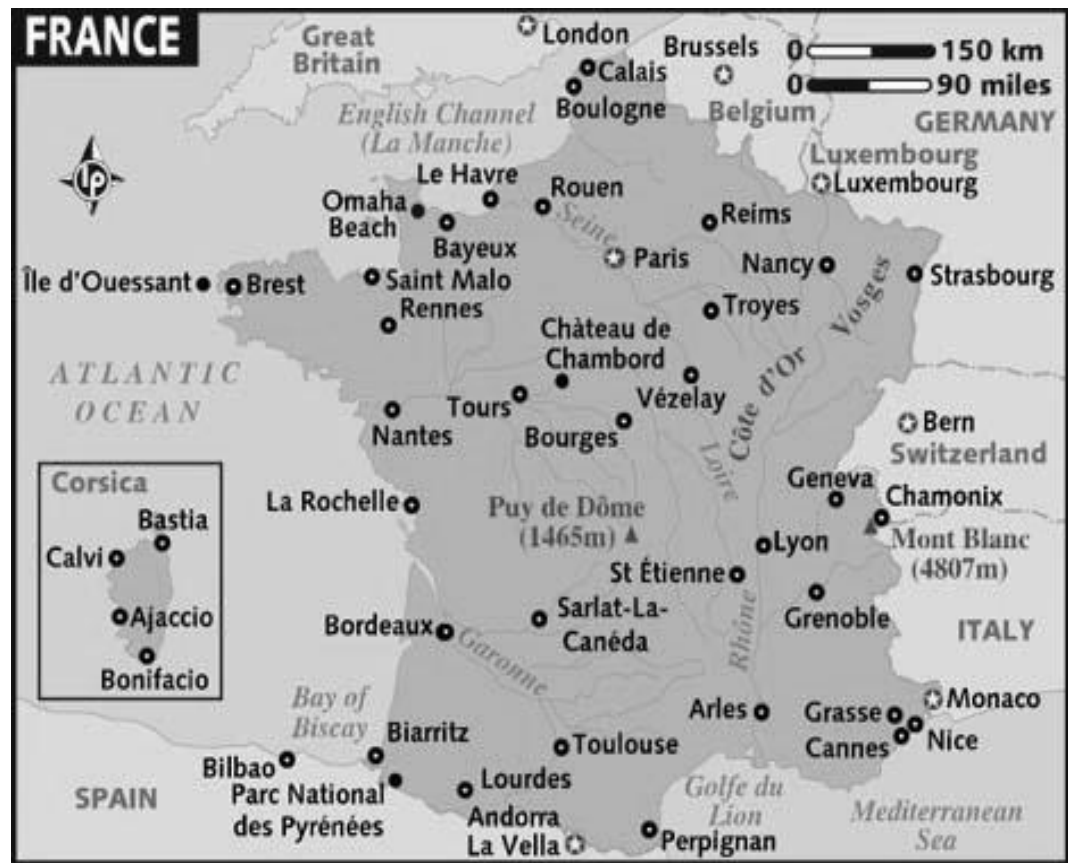
Source: http://www.lonelyplanet.com/maps/europe/France /

For many years, France has been the world's top tourist destination in terms of visitor arrivals and one of the leading countries in terms of tourism receipts. This means that tourism is important in the economy, representing 6.3 per cent of GDP. France was one of the first countries to recognize the importance of the industry, setting up a national tourism office as early as 1910. It is no coincidence that much of the vocabulary used in tourism is of French origin, particularly as regards the hotel and catering sectors. Among the factors contributing to France's success in tourism are:

It is the largest country in Western Europe, boasting a natural resource base which includes 5500 kilometres of coastline, some of Europe's finest rivers and mountain areas such as the Massif Central, the Alps, the Jura and the Pyrenees. The French refer to their country as **'the hexagon'**, with natural boundaries on five of its sides formed by the Rhine, mountain ranges and the sea.
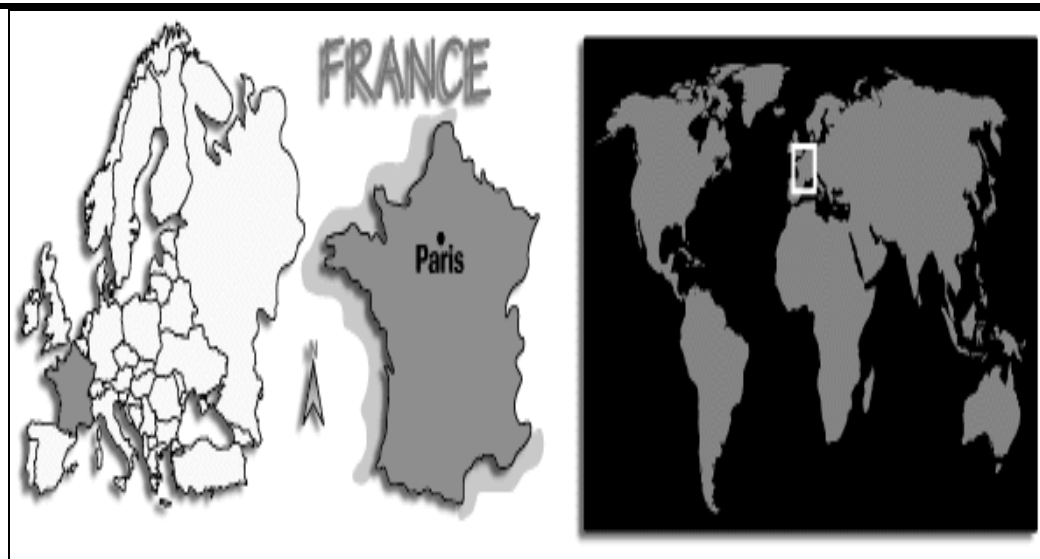
Source: maps of the world

● France is also unique among European countries in its latitudinal and altitudinal range, which gives rise to a variety of climates and landscape features. Mediterranean conditions are found in Provence, Languedoc-Roussillon and Corsica. A long dry summer with abundant sunshine, combined with mild winters, allows for a prolonged tourism season in world-famous resorts such as Nice and St. Tropez. The Atlantic and Channel coasts have less sunshine and a climate favouring the more active types of recreation. Eastern France has a continental climate with cold winters, while in the mountains, snow cover is uneven and variable – especially in ski resorts situated at low or middle altitudes.

● French culture has been widely emulated, starting in the middle Ages with the Gothic style of architecture and the ideal of chivalry. In the seventeenth century, Louis XIV's court and palace at **Versailles** was the role model for the upper classes throughout Europe, and despite subsequent wars and revolutions, France remained pre-eminent in the world of *haute couture* and fashion. In the late nineteenth and early twentieth centuries, French artists and architects were responsible for many innovations, such as *impressionism, cubism, art nouveau* and *art deco.*

● French is one of the most widely spoken world languages. Even in the postcolonial era, France extends beyond Europe to embrace far-flung' Overseas Departments and Territories' (DOM-TOM) in the Americas and the Indian and Pacific Oceans, which we describe in later chapters. Cultural and business ties between metropolitan France and her former colonies in Africa and elsewhere remain strong, determining the pattern of long-haul tourist flows to a large extent. Moreover, a number of countries

in Europe regard French as their second language rather than English or German.

● France is one of the world's leading economic powers and has been at the forefront of technological advance. However, it was not until the 1930s that the nation reached the same level of urbanisation as England had in 1851, and most of the industrial development has taken place since the Second World War.

As a result, many city dwellers retain close links with the countryside. France has the largest agricultural sector in Western Europe, offering the tourist a landscape that owes much of its charm to the prevalence of small-scale mixed farming, using fairly traditional methods of production.

France attracted 78.95 million foreign tourists in 2010, making it the most popular tourist destination in the world. France offers mountain ranges, coastlines such as in Brittany or along the Mediterranean Sea, cities with a rich cultural heritage, châteaux (castles) like Versailles, and vineyards. Tourism is accountable for 6% of the country's income (4% from French tourists travelling inside France and 2% from foreign tourists), and contributes significantly to the balance of payments.

Paris, the capital city, is the most visited city in the world. Paris attracts tourists with museums such as the Louvre and Musée d'Orsay, and attractions like the Eiffel Tower, Arc de Triomphe, the cathedral of Notre-Dame, and Disneyland Paris.

Other parts of France

In the eastern parts of France there are skiing resorts in the Alps. Notable French cities are Avignon with the Popes' palace, Arles, Aix-en-Provence, Bordeaux, Lyon, Marseille, Nice, Saint-Benoît-du-Sault on the Loire River, Toulouse on the Garonne, Strasbourg on the border with Germany, and the beautiful city of Nantes. Metz possesses the most visited venue outside Paris, the Centre Pompidou-Metz.

All over France rental accommodations and hotels are available. For example, the English like to spend their summers in the Dordogne valley, the Spanish vacation in Biarritz and St Jean de Luz on the Basque coast, and the Irish often visit Lourdes. Tourists also travel to see the annual cycle race, the Tour de France.

France's Mediterranean beaches on the French Riviera, in Languedoc-Roussillon, or in Corsica, are famous. Away from the mainland tourists are

French Polynesia (especially Tahiti), the Caribbean islands Martinique, Guadeloupe and others.

In addition to Disneyland Resort Paris, there are also other famous theme parks in the provinces:

- Parc Astérix (1.8 million of visitors in 2009)
- Futuroscope (1.825 million of visitors in 2010)
- Puy du Fou (1.471 million of visitors in 2010)

All these attractions & borderline with the Mediterranean cost makes the France most desirable destination all over the world.

5.4.2 USA

The **United States of America** (also called the **United States**, the **U.S.**, the **USA**, **America**, and the **States**) is a federal constitutional republic comprising fifty states and a federal district. The country is situated mostly in central North America, where its forty-eight contiguous states and the state of Alaska is in the northwest of the continent, with Canada to the east and Russia to the west, across the Bering Strait. The state of Hawaii is an archipelago in the mid-Pacific. The country also possesses several territories in the Pacific and Caribbean.

At 3.79 million square miles (9.83 million km^2) and with over 312 million people, the **United States is the third or fourth largest country by total area, and the third largest by both land area and population**. It is one of the world's most ethnically diverse and multicultural nations, the product of large-scale immigration from many countries. The U.S. economy is the world's largest national economy

The national **flag of the United States of America** (or the **American flag**) consists of thirteen equal horizontal stripes of red (top and bottom) alternating with white, with a blue rectangle in the canton (referred to specifically as the "union") bearing fifty small, white, five-pointed stars arranged in nine offset horizontal rows of six stars (top and bottom) alternating with rows of five stars. The 50 stars on the flag represent the 50 states and the 13 stripes represent the thirteen British colonies that rebelled against the British monarchy and became the first states in the Union. Nicknames for the flag include the "Stars and Stripes", "Old Glory", and "The Star-Spangled Banner" (also the name of the national anthem).

Tourism in the United States is a large industry that serves millions of international and domestic tourists yearly. Tourists visit the US to see natural wonders, cities, historic landmarks and entertainment venues. Americans seek similar attractions, as well as recreation and vacation areas. In 2010, there were 940 million international tourist arrivals all over the world, with a growth of 6.6% as compared to 2009.Where USA was at 2nd place after France. France was at first place with 76.8 million tourist arrivals & United States (North America) at second place with 59.7 million tourist arrivals.

In terms of Tourism receipt, International tourism receipts grew to US$919 billion (€693 billion) in 2010,corresponding to an increase in real terms of 4.7% from 2009.Where in United States (North America) recorded the highest tourism receipt of $103.5 billion, followed by Spain (Europe) with $52.5 billion & France (Europe) $46.3 billion.
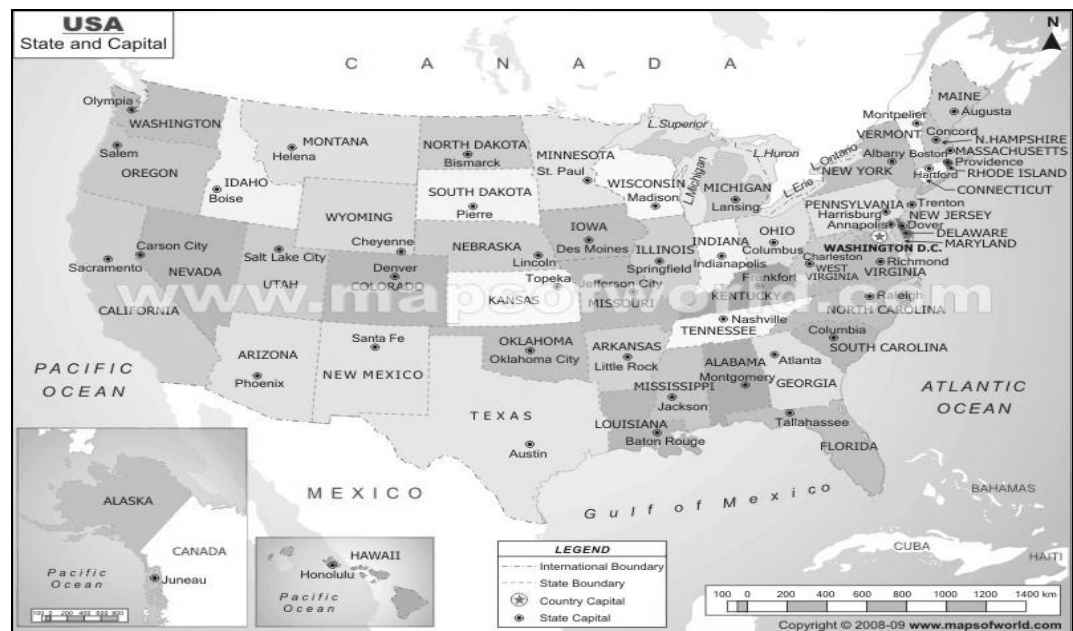
Source: Maps of the world

Tourism in the United States grew rapidly in the form of urban tourism during the late nineteenth and early twentieth centuries. By the 1850s, tourism in the United States was well established both as a cultural activity and as an industry. New York, Chicago, Washington, D.C. and San Francisco, all major US cities, attracted a large number of tourists by the 1890s. By 1915, city touring had marked significant shifts in the way Americans perceived, organized and moved around in urban environments. Democratization of travel occurred during the early twentieth century when the automobile revolutionized travel. Similarly air travel revolutionized travel during 1945–1969, contributing greatly to tourism in the United States. By 2007 the number of international tourists had climbed to over 56 million people who spent $122.7 billion dollars, setting an all time record.

The travel and tourism industry in the United States was among the first commercial casualties of the September 11, 2001 attacks, a series of terrorist attacks on the US. Terrorists used four commercial airliners as weapons of destruction, all of which were destroyed in the attacks with 3,000 casualties. In the US, tourism is either the first, second or third largest employer in 29 states, employing 7.3 million in 2004, to take care of 1.19 billion trips tourists took in the US in 2005. As of 2007, there are 2,462 registered National Historic Landmarks (NHL) recognized by the United States government. As of 2008, the most visited tourist attraction in the US is Times Square in Manhattan, New York City which attracts approximately 35 million visitors yearly.

5.4.3 CHINA

Tourism in China has greatly expanded over the last few decades since the beginning of reform and opening. The emergence of a newly rich middle class and an easing of restrictions on movement by the Chinese authorities are both fueling this travel boom. China has become one of the world's most-watched and hottest inbound and outbound tourist markets. The world is on the cusp of a sustained Chinese tourism boom.

Source: lonelyplanet.com/maps/China

China is the third most visited country in the world. The number of overseas tourists was 55.98 zillion in 2010. Foreign exchange income was 45.8 billion U.S. dollars, the world's fourth largest in 2010. The number of domestic tourist visits totaled 1.61 billion, with a total income of 777.1 billion yuan. According to the WTO, in 2020, China will become the largest tourist country and among the largest for overseas travel. In terms of total outbound travel spending, China is expected to be the fastest growing in the world from 2006 to 2015, jumping into the number two slot for total travel spending by 2015.

China's tourism revenue reached $185 billion in 2010

Famous sites

A section of the Great Wall of China at Jinshanling

The most popular tourist attraction in China is the Great Wall of China. Also popular are the Forbidden City in Beijing, which was the center of Chinese Imperial power, and the Terracotta Army of the Qin Dynasty Emperor's mausoleum in Xi'an, a vast collection of full-size terracotta statues of Chinese Imperial soldiers and others

World Heritage Sites in China

- The Bund, Shanghai, an elegant parade along the Huangpu River of colonial architecture juxtaposed with Shanghai's skyscrapers
- Caohai Lake, Guizhou, where many experience being punted along this shallow lake to see many of China's varied birdlife
- Changbai Mountains, an important nature reserve home to the rare Siberian
- Confucius Mansion, the site of this complex in Qufu, Shandng, was home to nearly eighty generations of the great sage's clan.
- Dazu Rock Carvings
- Forbidden City, Beijing, once the center of the 'Chinese imperial universe' and off-limits to the masses - now open to all
- Grand Canal of China
- Great Wall of China
- Guangzhou, Guangdong where the finest of the classic Cantonese breakfast dim sum is tried
- The Hanging Temple at Mount Heng is a temple clinging to a precipice and a series of grottoes containing a panoply of Buddhist statuary
- Yungang Grottoes, near Datong in Shanxi is a renowned Buddhist site.

- Hong Kong cityscape, especially the skyline of Hong Kong Island from Tsim Sha Tsui
- Harbin International Ice and Snow Sculpture Festival, Harbin, Heilongjiang, where extravagant and bizarre sculptures can be seen from life-size ice castles with rainbow lighting to fantastical snowy tableaux
- Jiuzhaigou Valley
- Leshan Giant Buddha, Sichuan the world's largest carved Buddha
- Lijiang River, Guangxi, where boat trips are taken to see the contorted peaks that have been immortalized in Chinese scroll paintings
- Longmen Grottoes, a parade of Buddhist figurines and reliefs, near Luoyang, Henan
- Mogao Caves, these 1,000-year-old man-made caves on the old Silk Road contain some of China's most impressive Buddhist heritage

- Mount Emei
- Mount Huang
- Mount Jiuhua
- Mount Lu
- Mount Qingcheng
- Mount Tai (or *Tai Shan*), Shandong, a holy peak home to immaculate temples and pavilions
- Mount Tianzhu
- Potala Palace, originally built by King Songtsän Gampo in 637 to greet his bride Princess Wencheng of the Tang Dynasty of China.
- Wudang Mountains
- Old Yalu Bridge, Dandong, Liaoning, this half-demolished bridge to North Korea is still an important relic of the Korean War.
- Sichuanese teahouses
- Silk Road, abandoned cities along this famous ancient trading route.
- Summer Palace
- Temple of Heaven
- Terracotta Army, in Shaanxi near Xi'an, the former ancient capital, these 2,200 year old life-size soldiers guard the tomb of China's first emperor.
- Three Gorges
- West Lake
- Xiamen, Fujian -- Gulangyu Island, famous for its colonial architecture
- Xishuangbanna Dai Autonomous Prefecture, Yunnan, home to one of China's most unique minorities - the Dai people
- Yabuli Ski Resort, Heilongjiang, the country's largest ski resort where many Chinese take their skiing holiday.

- Yangtze River, a river cruise down this river to see the awesome scenery and a wealth of historical sights
- Yellow river, one of the world's greatest rivers, offering a range of vistas, including the turbid Hukou Fall.

The China with the huge land mass & great Myan Culture is a destination to reckon with in the future the country has done well in promoting itself as the destination for the MICE (Meetings, Incentives, Conventions & Exhibitions) & with the numerous UNESCO world heritage sites to backup its natural & man-made attraction the destination is all set to take the top spot in terms of tourist arrivals in the coming years.

5.4.4 SPAIN

Spain receives more than 52 million visitors from across the globe each year. With such a large volume of tourists there must be something in Spain worth visiting:

Source: http://www.lonelyplanet.com/maps/europe/spain/

Well of course there are beaches: lots of them and good ones at that. From the westernmost point of the region of Andalusia in southern Spain right around to the northeastern Mediterranean region of Catalonia there are dozens of fine sandy beaches having something for everyone. Also within the Spanish realm are the Balearic and Canary Islands; both famous destinations for holidaymakers. The northern regions too have some stunning coastal areas and good beaches but are traditionally less

frequented by those wanting a suntan (Mediterranean Spain is generally warmer). Many of us will only ever have visited Spain for the type of beach holiday that these locations offer, but this part of the world has a great deal more to give the visitor. There are many mountainous areas particularly suited to those who enjoy the outdoor experience. The border between Spain and France is marked by the Pyrenees. In northern Spain there are the Cantabrian Mountains and the Picos de Europa National Park. In the south there are the Sierra Morena and Sierra Nevada. These areas offer a variety of activities including walking, climbing and skiing. The Kingdom of Spain has a very interesting history which has resulted in many sites of archeological importance. Throughout Spain, but particularly in the southern regions, there are many fine examples of Moorish architecture as a result of the Arabic conquest of Spain between the 8th - 15th centuries. Good examples of Moorish building styles can be found in Seville (the Giralda) and Cordoba (the Mezquita). Without doubt though, the best and most lauded Arabic remains are located in Granada (the Alhambra).

Source: http://flyingsouthforthewinter.files.wordpress.com/

Spain is a country comprised of a number of diverse regional cultures. There are 17 regions, known as the Autonomous Communities, which have varying degrees of self government. Did you know that Spain has four officially recognized languages which are distinct from each other? Alongside Castillian Spanish, the Basque, Catalan and Galician languages all have co-official status. Most of the other regions also have dialects of Spanish, though the users of such forms will tell you they are languages in their own right! Added to this, every region in Spain has its own set of customs, traditions and gastronomical fare all of which they are fiercely proud.

The Spanish contribution to the world of arts includes many important figures. In terms of the visual arts Pablo Picasso, Salvador Dalí and Joan Miró are perhaps the more famous contemporary names. Their works, along with those of other masters, can be found in the various major art galleries throughout Spain: the Prado, Reina Sofia and Thyssen Bornemisza Museums (Madrid), the Guggenheim Museum (Bilbao) and Museu Nacional d'Art de Catalunya (Barcelona) house many important examples from all periods.

Perhaps the best reasons to visit Spain are the people themselves. No matter which region you visit, you will generally be welcomed with opened arms. If you can make the effort to learn a few words and phrases in Spanish, people will warm to you even more.So the next time you're heading Spain wards, it would be well worth considering a venture inland from the particular coastal area in which you are planning to stay. If you want to experience some of the more culturally important areas, why not book a stay in one of the major Spanish cities to experience a different type of Spanish holiday?

5.4 5   ITALY

With more than 43.2 million tourists a year, Italy is the fourth highest tourist earner, and fifth most visited country in the world, behind France (76.0 million), Spain (55.6 million), United States (49.4 million), and China (46.8). People mainly come to Italy for its rich art, cuisine, history, fashion and culture, its beautiful coastline and beaches, its mountains, and priceless ancient monuments, especially those from the Greek and Roman civilization. Tourism is one of Italy's fastest growing and most profitable industrial sectors, with an estimated revenue of $42.7 billion.

Source: http://www.lonelyplanet.com/maps/europe/italy/

Apart from Rome, Milan, Venice and Florence are the top destinations for tourism in Italy. Other major tourist locations include Turin, Naples, Padua, Bologna, Perugia, Genoa, Sicily, Sardinia, Salento and Cinque Terre. Two factors in each of these locations are history and geography. The Roman Empire, middle ages, and renaissance have left many cultural artifacts for the Italian tourist industry to use. Many northern cities are also able to use the Alps as an attraction for winter sports, while coastal southern cities have the Mediterranean Sea to draw tourists looking for sun. Italy is home to forty seven UNESCO World Heritage Sites, more than any other country, including many entire cities such as Verona, Siena, Vicenza, Ferrara, San Gimignano, Urbino, Matera, Pompei, Noto and Siracusa. Ravenna hosts an unprecedented eight different internationally recognized sites.

Verona   **Source:** http://farm3.static.flickr.com

Seina

Sourcehttp://upload.wikimedia.org/wikipedia/

5.4.6 UNITED KINDOM

The United Kingdom is well-known for its rich history and legacy which is considered as one of the top tourist destinations in the world. With London standing as the unparalleled capital city, United Kingdom has been attracting travel bugs from a long past. Adding more lusters to its high profile of tourism this country will provide you some of the must-see tourist attractions which have been held high among the million visitors. Those must-see eye candy tourist attractions are listed as follows:

Stonehenge: The UNESCO World Heritage Site, Stonehenge is a place of Neolithic and Bronze Age monuments with several hundred burial mounds. It is located in the English county of Wiltshire, about 13 km north of Salisbury. The iconic stone monument, which was erected around 2500 BC is the awe inspiring structure enough to mesmerize your mind at a glimpse. With the label of legally protected Scheduled Ancient Monument, Stonehenge is owned by the Crown and managed by English Heritage, while the surrounding land is in the possession of National Trust. Stonehenge shows the architectural mastery of the ancestors and it is still a great wonder how they carried the mighty stones from a long distance.

Source:http://1.bp.blogspot.com/stonehenge

York Minster: York Minster located in York of England is the second largest Gothic cathedral of Northern Europe. Formally known as The Cathedral and Metropolitical Church of St Peter in York, York Minster serves as the seat of Archbishop of York, the second-highest office of the Church of England. In 741 the church was destroyed in a fire but, it was rebuilt as a more impressive structure containing thirty altars. The Minster with 158 m length has three towers each of which 60 m (200 ft) high. The choir has an interior height of 31 metres (102 ft). It is a great place to make your time for a visit. The vast spaces filled with music and the great artistic work on glass, stone, and other fabrics are definitely the welcome feature of York Minster.

Ironbridge: A village on the bank of River Severn in Shropshire of England, Ironbridge derives its name from the famous Iron Bridge, a 30 metre cast iron bridge which was built across the river in 1779. The vicinity area of Ironbridge is touted by some as the "Birthplace of the Industrial Revolution" based on the idea that Abraham Darby perfected the technique of smelting iron with coke in Coalbrookdale allowing much cheaper production of iron. By the 19th century, Ironbridge saw many well-known visitors, including Benjamin Disraeli. In 1986, Ironbridge became part of a UNESCO World Heritage Site and morphed itself into a major tourist attraction within Shropshire.

Edinburgh Castle: Built by David I on an extinct volcano in 1130, Edinburgh Castle is a formidable fort which serves as a repository of 800

years of Scottish history having been listed as World Heritage site. Here, the tourists can see the oldest building in Edinburgh, St Margaret's chapel built in 1130. The erstwhile home of the Kings and Queens of Scotland for their city visits, offered far greater protection though not as comfortable as Holyrood Abbey. The visitors can also see Great Hall built in 1511 and the State rooms where Queen Marie de Guise died in 1560 and her daughter Mary Queen of Scots gave birth to James VI in 1566. Other worth seeing attractions include The Honours of Scotland (crown jewels), Prisons of War Exhibition, Scottish National War Memorial, The Regimental Museum Of The Royal Scots Dragoon Guards.

The London Eye: With the pride of being the biggest Ferris wheel in Europe with 135 meters in height, London Eye originally called the millennium wheel, serves as an important landmark resting on the South Bank of the River Thames. Officially opened on New Year's Eve 1999 and started operation in March of 2000, London Eye has now become one of the most popular tourist attractions of United Kingdom. Hanging like a gigantic bicycle wheel in the sky and built to mark the start of the new millennium, it takes about 30 minutes for the London Eye to travel a full revolution. From its top, it casts an extensive view of 25 miles in all directions as far as Windsor Castle.

Source:http://1.bp.blogspot.com

Stratford-upon-Avon: Stratford-upon-Avon is the birthplace of legendary bard, William Shakespeare located on the river Avon. It has long been a favorite tourist attraction of those living in and outside of the United Kingdom. It is a market town and there are several other things you can see mainly associated with William Shakespeare such as Royal Shakespeare Theatre, the house of his birth, the house in which he died as well as streets that still exist along which Shakespeare once trod,

possibly pondering an early sonnet. However, aside from Shakespeare connection for its popularity, Stratford-upon-Avon is also a beautiful town which still lives up to its carefully maintained medieval splendour, with the banks of the river particularly radiant during the summer months.

Source:http://www.boscote.co.uk/

Westminster Abbey: The Collegiate Church of St Peter popularly known as Westminster Abbey is a large Gothic church in Westminster, London situated along the west of the Palace of Westminster. It is the traditional place of coronation and burial site for English. Westminster Abbey also has a long tradition as a venue for royal weddings. The recent royal wedding between Prince William of Wales and Miss Catherine Middleton was solemnized here. Henry III renovated the Abbey in honour of the Royal Saint Edward the Confessor whose relics were placed in a shrine. Henry III himself was interred nearby in a chest tomb as were many of the kings of England, their wives and other relatives. The burial site know as Poets' Corner has graves of the great poets and other writers such as Geoffrey Chaucer, William Blake, Robert Burns, Lord Byron, John Milton, Percy Bysshe Shelley and William Wordsworth among many others. Scientists such as Isaac Newton and Charles Darwin were also buried in Abbey.

Source: http://www.monuments.ws/upload/westminster-abbey-1.jpg

5.4.7 TURKEY

Tourism in Turkey is focused largely on a variety of historical sites, and on seaside resorts along its Aegean and Mediterranean Sea coasts. In the recent years, Turkey has also become a popular destination for culture, spa, and health care tourism. In 2011, Turkey attracted more than 31.5 million foreign tourists.

Source : http://www.lonelyplanet.com/maps/europe/turkey/

Foreign tourists mainly come from the United Kingdom, Germany, Arab World, Iran, Ukraine, Romania, Russia and Japan, but tourists from North America, France and Scandinavia are not uncommon. There seems to be a trend in which British tourists tend to go on holiday to Aegean resorts such as Bodrum or Marmaris, whilst Russian and Arab tourists almost exclusively go to resorts on the Mediterranean coast of southern Turkey (e.g. Antalya) While Arab, Japanese and German tourists mainly visit Istanbul and historical sites such as Ephesus

People from Spain have become frequent tourists in recent years. In 2007, 200,000 Spaniards visited Turkey. Most Spaniards book hotels in Istanbul (it is becoming especially popular among them) and many of them also visit Cappadoc.

5.4 8. GERMANY

According to Travel and Tourism Competitiveness Reports, **Germany** is rated as one of the safest travel destinations worldwide. Germany is also the fifth most visited country in Europe, with a total of 369.6 million overnights during 2010. This number includes 56.5 million nights by

foreign visitors, the majority of foreign tourists in 2009 coming from the Netherlands, the United States and Switzerland.

Source : http://www.lonelyplanet.com/maps/europe/germany/

The official body for tourism in Germany is the German National Tourist Board (GNTB), represented worldwide by National Tourist Offices in 29 countries. Surveys by the GNTB include perceptions and reasons for holidaying in Germany, which are as follows: culture (75%), outdoors/countryside (59%), cities (59%), cleanliness (47%), security (41%), modernity (36%), good hotels (35%), good gastronomy/cuisine (34%), good accessibility (30%), cosmopolitanism/hospitality (27%), good shopping opportunities (21%), exciting nightlife (17%) and good price/performance ratio (10%) (Multiple answers were possible).More than 30% of Germans spend their holiday in their own country. With more than 133 million foreign visitors (2008) Germany is ranked as the 7th most visited travel destination worldwide. A total of 27.2 billion Euros is spent on travel and tourism: this is equivalent to 3.2% of Germany's GNP.

5.4.9. MALAYSIA

Malaysia is a country in South-East Asia, located partly on a peninsula of the Asian mainland and partly on the northern third of the island of Borneo. West Malaysia shares a border with Thailand, is

connected by a causeway and a bridge (Malaysia-Singapore Second Link) to the island state of Singapore, and has coastlines on the South China Sea and the Straits of Malacca. East Malaysia (Borneo) shares borders with Brunei and Indonesia.

Source : http://www.lonelyplanet.com/maps/asia/malaysia/

In an effort to diversify the economy and make Malaysia's economy less dependent on exports the government has pushed to increase tourism in Malaysia. As a result tourism has become Malaysia's third largest source of income from foreign exchange, and accounted for 7% of Malaysia's economy as of 2005. As of 2011, Malaysia ranks 9th among the top most visited countries in the world, after Germany.

The government agency in charge of promoting tourism in Malaysia is Tourism Malaysia or the Malaysia Tourism Promotion Board (MTPB). On 20 May 1987, the Ministry of Culture, Arts and Tourism (MOCAT) was established and TDC moved to this new ministry. TDC existed from 1972 to 1992, when it became the Malaysia Tourism Promotion Board (MTPB), through the Malaysia Tourism Promotion Board Act, 1992. Its vision is to

make the tourism industry a prime contributor to the socio-economic development of the nation, and aims to market Malaysia as a premier destination of excellence in the region. Tourism Malaysia now has 34 overseas and 11 marketing representative offices.

In 1999, Malaysia launched a worldwide marketing campaign called "Malaysia, Truly Asia" which was largely successful in bringing in over 7.4 million tourists. The extra revenue recently generated by tourism helped the country's economy during the economic crisis of 2008. However, it is mainly Malaysia's heavy government regulation of the economy which enabled it to be barely affected by the recent 2008 global economic crisis. In recent years tourism has been threatened by the negative effects of the growing industrial economy. Due to the large amounts of air and water pollution along with deforestation, tourism has decreased in affected areas. The majority of Malaysia's tourists come from its bordering country, Singapore.

5.4.10. MEXICO

Tourism in Mexico is a very large industry. Mexico is the number one destination for foreign tourists within the Latin America region and number two destination in the Americas, ranking worldwide in the tenth place in terms of the international tourist arrivals, with more than 22.6 million visitors in 2008 while US dollar travel spending by all visitors rose 3.4% to US$13.3 billion. More significantly, WTTC's research shows that the country's Travel & Tourism Economy increased its contribution to 13.2% of Mexico's GDP, growing by 3.8%

Source : http://www.lonelyplanet.com/maps/northamerica/mexico/
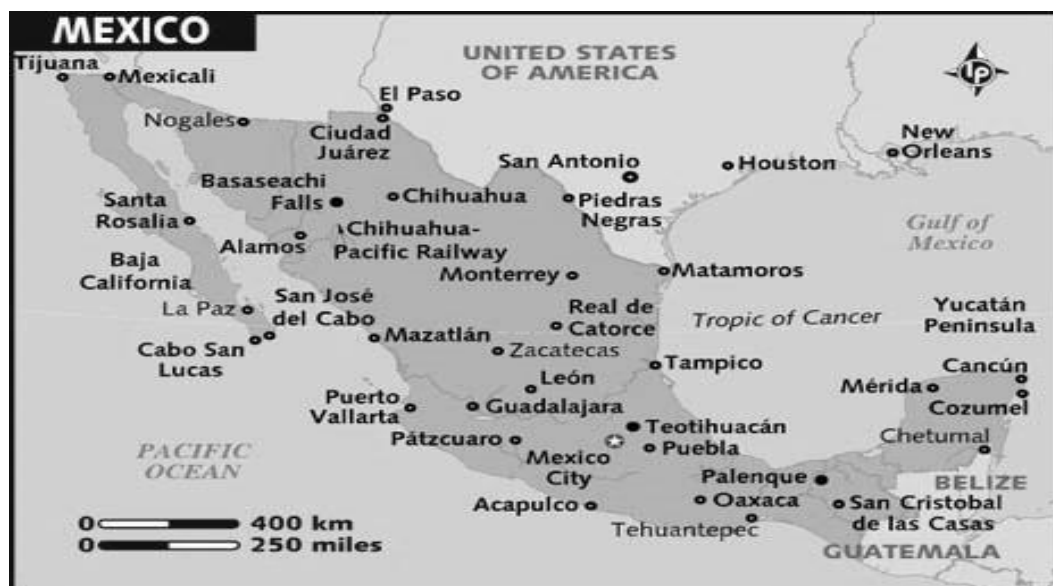
- Mexico City is the capital of Mexico and is popular with tourists as an ancient Meso-American city. It is the departure point for visits to the ancient city of Teotihuacan, famous for the Pyramid of the Sun and the Pyramid of the Moon. Other human-made tourist zones, such as the La Zona Rosa or Shopping District and El Zócalo (one of the largest public plazas in the world) are here. The city is also home to the Plaza de toros México – the world's largest bullring – and to the Mexican National Palace, built on the site of Montezuma's palace, and the huge Metropolitan Cathedral, the largest in the Western Hemisphere, built over the even greater Temple of Teocalli. Mexico City features also one of the finest museums in the world: the National Museum of Anthropology and History is worth a visit to Mexico in itself.

- Guadalajara, Jalisco, the second-largest city by population in the Republic, is home of some of Mexico's best known traditions, such as tequila, mariachi music and charros, or Mexican cowboys. Its similitude with western European countries mixed with modern architecture and infrastructure makes Guadalajara very attractive to tourists. Along with Mexico City and beach destinations (Cancun, Acapulco, etc.), Guadalajara is one of the most visited cities in Mexico. Cultural tourism is the main attraction, the city being home to a large number of museums, art galleries and theatres. The city is also the host of several internationally-renowned events, such as the Guadalajara International Book Fair which is the most important exposition of its kind in the Spanish-speaking world, and the second largest book fair in the world. The city is known as a pioneer in the underground arts scene as well as in the electronic music world, another main touristic attraction. Its diversity of European architectural styles is a focus of attraction for tourists, in particular the Metropolitan Cathedral, the Degollado Theatre and the Hospicio Cabañas which is a World Heritage Site and one of the oldest hospital complexes in Spanish America. Other tourism activities include shopping at its world class shopping malls, or *plazas*, taking a tour to the surrounding areas such as the Huentitan Canyon, Tonalá, Tlaquepaque, Chapala or visiting nearby towns, which are well-connected by modern highways, such as Tequila (the home of the heavenly liquid), Puerto Vallarta or Mazamitla, depending upon whether the visitor wishes to visit a colored bohemian and cultural town, a world-destination beach or stay in a cabin in the middle of the forest.

- Monterrey, Nuevo Leon, was founded in the late 16th century. The downtown district is the oldest section in the city, surrounded by newer neighbourhoods. The Museo de Historia Mexicana (Museum

of Mexican History), MARCO (Monterrey Museum of Contemporary Art), Metropolitan Museum of Monterrey and the Museum of the Palacio de Gobierno, or State House, are some of the better known museums in the city, as well as nationally. The Santa Lucia Riverwalk is a riverwalk similar to the one in San Antonio, Texas, having a length of 2.5 km (1.6 mi) and connecting the Fundidora Park with the Macroplaza, one of the largest plazas in the world.

- Morelia, Michoacán is the Capital of the State of Michoacán. Its Historic Downtown Area (Centro Histórico) encompasses approximately 150 city blocks in the city centre, roughly corresponding to the actual area of the city at the end of the 18th century. The Centro Historico contains over 1,000 historical sites, including (but not limited to) the cathedral and the aqueduct.

Other cities known for tourism include:

- Chihuahua, Chihuahua
- Dolores Hidalgo, Guanajuato
- Guanajuato, Guanajuato
- Oaxaca, Oaxaca
- Puebla, Puebla
- San Cristóbal de las Casas, Chiapas
- San Miguel de Allende, Guanajuato
- Santiago de Querétaro, Querétaro
- Zacatec1as, Zacatecas

Beaches

- Acapulco, Guerrero
- Cabo San Lucas, Baja California Sur
- Cancún, Quintana Roo
- Ensenada, Baja California
- Guaymas, Sonora
- Puerto Peñasco, Sonora (Also Called Rocky Point)
- Huatulco, Oaxaca
- Ixtapa, Guerrero
- Manzanillo, Colima
- Mazatlán, Sinaloa
- Playa del Carmen, Quintana Roo
- Puerto Escondido, Oaxaca
- Puerto Vallarta, Jalisco
- San José del Cabo, Baja California Sur
- Progreso, Yucatan

The coastlines of Mexico harbor many stretches of beaches that are frequented by sun bathers and other visitors. On the Yucatán peninsula, one of the most popular beach destinations is the resort town of Cancún, especially among university students during spring break. Just offshore is the beach island of Isla Mujeres, and to the east is the Isla Holbox. To the south of Cancun is the coastal strip called Riviera Maya which includes the beach town of Playa del Carmen and the ecological parks of Xcaret and Xel-Há. A day trip to the south of Cancún is the historic port of Tulum. In addition to its beaches, the town of Tulum is notable for its cliff-side Mayan ruins.

- On the Pacific coast is the notable tourist destination of Acapulco. Once the destination for the rich and famous, the beaches have become crowded and the shores are now home to many multi-story hotels and vendors. Acapulco is home to renowned cliff divers: trained divers who leap from the side of a vertical cliff into the surf below.

- Cabo San Lucas
- Along the coast to the south of Acapulco are the surfing beaches of Puerto Escondido, the snorkeling, harbor beach of Puerto Ángel, and the naturist beaches of Zipolite. To the north of Acapulco is the resort town of Ixtapa and the neighboring fishing town of Zihuatanejo. Further to the north are the wild and rugged surfing beaches of the Michoacán coast.
- Along the central and north Pacific coast, the biggest draws are beaches of Mazatlán city and the resort town of Puerto Vallarta. Less frequented is the sheltered cove of Bahía de Navidad, the beach towns of Bahía Kino, and the black sands of Cuyutlán. San Carlos, home of the Playa los Algodones (Cotton Beach), is a winter draw, especially for retirees.
- At the southern tip of the Baja California peninsula is the resort town of Cabo San Lucas, a town noted for its beaches and marlin

fishing. Further north along the Sea of Cortés is the Bahía de La Concepción, another beach town known for its sports fishing. Closer to the United States border is the weekend draw of San Felipe, Baja California.

5.5 LETS SUM UP

After completion of this unit we have understood that Tourism is important and in some cases vital for many countries, such as France, Egypt, Greece, Lebanon, Israel, the United States, the United Kingdom, Spain, Italy, and Thailand, and many island nations, such as Mauritius, The Bahamas, Fiji, Maldives, Philippines and the Seychelles. It brings in large amounts of income in payment for goods and services available, contributing an estimated 5% to the worldwide gross domestic product (GDP), and it creates opportunities for employment in the service industries associated with tourism. These service industries include transportation services, such as airlines, cruise ships and taxicabs; hospitality services, such as accommodations, including hotels and resorts; and entertainment venues, such as amusement parks, casinos, shopping malls, music venues and theatres.

The contribution of the tourism industry in the economy is huge and not only the European countries but now the nations all over the world have realized the potential of the tourism industry and started promoting its attractions in the most aggressive manner. The above discussed markets are definitely there to be in the list of top ten for coming years also but have to work really hard to strengthen there stand and to counter the competition it will be facing from the other destinations in the near future.

5.6 CHECK YOUR PROGRESS

1) Discuss the important tourist attractions in Mexico.
   ……………………………………………………………………………
2) Write a detailed note on the uniqueness of tourism industry in USA?
   ……………………………………………………………………………
3) Which are the top tourism markets of Europe?
   ……………………………………………………………………………
4) Which are the different tourist attractions in Europe?

   ……………………………………………………………………………
5) What makes the people from all over the world to Malaysia?

   ……………………………………………………………………………

5.7 CLUES TO THE ANSWERS

Check your progress

1) Refer Sec. 5.4.10
2) Refer Sec. 5.4.2.
3) Refer Sec. 5.2.1, 5.4.1, 5.4.3.
4) Refer Sec. 5.2.1, 5.4.1, 5.4.3.
5) Refer Sec. 5.4.9.

5.8 Suggested Readings

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http://en.wikipedia.org/wiki/Tourism_in_Mexico

http://en.wikipedia.org/wiki/Tourism_in_Malaysia

UNIT-6 LEADING DESTINATION COUNTRIES AND REGIONS OF THE WORLD

Structure

6.1 Objectives.

6.2 Introduction.

6.3 Overview of International Tourism

6.4 World's Top Tourism Destinations

6.4.1 Asia and the Pacific – First Region to Recover

6.4.2 Middle East – A Return to Double-Digit Growth

6.4.3 Most travellers stay in their own region

6.4.4 Tourism's Top Spenders – China Enters The Top Three

6.5 Top-Ranked Destinations

6.6 Top Ten World's Tourism Earners

6.7   Top 10 Tourist Destinations 2011

6.8 Lonely Planet's Top 10 Cities, Ranked in Order

6.9 Lets sum up

6.10 Clues to Answers

6.1 OBJECTIVES

After studying this unit you will be able to achieve following objectives:

☐ ☐ Understand the overview of International Tourism.

☐ ☐ World's Key Tourism Destinations.

☐☐ Understand about the top-ranked tourist destinations.

☐ ☐ Understand the top ten worlds' tourism earner countries.

☐ Understand about the top 10 Tourist Destinations 2011.

6.2 INTRODUCTION

Over the period of time, an ever increasing number of destinations have opened up and invested in tourism development, turning modern

tourism into a key driver of socio-economic progress through the creation of jobs and enterprises, infrastructure development and the export revenues earned. As an internationally traded service, inbound tourism has become one of the world's major trade categories. The overall export income generated by inbound tourism, including passenger transport, exceeded US$ 1 trillion in 2010, or close to US$ 3 billion a day. Tourism exports account for as much as 30% of the world's exports of commercial services and 6% of overall exports of goods and services. Globally, as an export category, tourism ranks fourth after fuels, chemicals and automotive products. For many developing countries it is one of the main sources of foreign exchange income and the number one export category, creating much needed employment and opportunities for development.

In 2010, world tourism recovered more strongly than expected from the shock it suffered in late 2008 and 2009 as a result of the global financial crisis and economic recession. Worldwide, international tourist arrivals reached 940 million in 2010, up 6.6% over the previous year. The vast majority of destinations reported positive and often double-digit increases, sufficient to offset losses or bring them close to this target. Recovery came at different speeds – much faster in most emerging economies (+8%) and slower in most advanced ones (+5%).

6.3 OVERVIEW OF INTERNATIONAL TOURISM

Asia and the Pacific (+13%) was the first region to recover and among the strongest growing regions in 2010. Africa maintained growth (+7%) and the Middle East returned to double digit growth (+14%).

While the Americas rebounded (+6%) from the decline in 2009, Europe's (+3%) recovery was slower than in other regions. International tourism receipts are estimated to have reached US$ 919 billion (693 billion euros) in 2010, up from US$ 851 billion (610 billion euros) in the previous year. In absolute terms, international tourism receipts increased by US$ 68 billion (83 billion euros, as the US dollar appreciated some 5% against the euro).

Growth in international tourism receipts is estimated at 4.7% in 2010, measured in real terms, i.e. using local currencies at constant prices in order to adjust for exchange rate fluctuations and inflation. Thus, the recovery in international tourism receipts (+4.7%) still lags that of international arrivals (+6.6%).

6.4 WORLD'S TOP TOURISM DESTINATIONS

When ranked according to the two key tourism indicators – international tourist arrivals and international tourism receipts – it is interesting to note that eight of the top ten destinations appear in both lists, even though they show marked differences in terms of the characteristics of the tourists they attract, as well of their average length of stay and their spending per trip and per night. The most significant change among the top ten by international arrivals in 2010 was the rise of China to third position, ousting Spain, having overtaken both the United Kingdom and Italy during the past few years. In terms of receipts, China (+15%) also moved up the ranking to fourth position, overtaking Italy (+1%). Furthermore, among the ranking by receipts, Hong Kong (China) entered the top ten at nine, moving up from the 12th position.

6.4.1 ASIA AND THE PACIFIC – FIRST REGION TO RECOVER

International tourist arrivals in Asia and the Pacific reached a historic high of 204 million in 2010, some 24 million more than in 2009 and 20 million above the 2008 pre-crisis peak. The region's 13% growth in 2010 was double the world average and, following a modest 2% decline in 2009, confirms Asia as the world's strongest growing region of the past two years. Most destinations posted double-digit growth, boosted by the strong development of local economies in the region. Receipts grew, accordingly, by 13% in real terms to US$ 249 billion.

6.4.2 MIDDLE EAST – A RETURN TO DOUBLE-DIGIT GROWTH

The Middle East was the fastest growing region in 2010 (+14%), but this followed a significant drop in 2009 (-4%). Boosted by intraregional travel favoured by high oil prices, the region reached 60 million arrivals in 2010, up 7.5 million on 2009 and 5 million compared with the peak year of 2008. International tourism receipts are estimated to have increased as well, by 14% in real terms to US$ 50 billion. Almost all destinations recorded double-digit increases in arrivals, such as: Syria (+40%), Palestine (+32%), Jordan (+20%), Egypt (+18%) and Lebanon (+17%). The exception was Saudi Arabia, the second largest destination of the region, showing flat results.

6.4.3 MOST TRAVELLERS STAY IN OWN REGION

The large majority of international travel takes place within the traveller's own region, with about four out of five worldwide arrivals originating from the same region. Source markets for international tourism are still largely concentrated in the industrialized countries of Europe, the Americas and Asia and the Pacific. However, with rising levels of disposable income, many emerging economies have shown fast growth over recent years, especially in a number of markets in North-East and South-East Asia, Central and Eastern Europe, the Middle East, Southern Africa and South America.

6.4.4 TOURISM'S TOP SPENDERS – CHINA ENTERS THE TOP THREE

The top ten ranking by international tourism spenders shows one remarkable change in 2010, with China (US$ 55 billion) moving up into third position, overtaking the United Kingdom (US$ 49 billion). China has shown by far the fastest growth with regard to expenditure on international tourism in the last decade, multiplying expenditure four times since 2000. Ranking as the seventh biggest source market in 2005, it has since overtaken, respectively, Italy, Japan, France and the United Kingdom.

UNWTO s Tourism 2020 Vision projects that international arrivals are expected to reach nearly 1.6 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be intraregional and 0.4 billion will be long-haul travellers.

East Asia and the Pacific, South Asia, the Middle East and Africa are forecast to grow at over 5% per year, compared to the world average of 4.1%. More mature regions Europe and the Americas are anticipated to show lower-than-average growth rates. Europe will maintain the highest share of world arrivals, although this share will decline from 60% in 1995 to 46% in 2020.The total tourist arrivals by region shows that, by 2020, the top three receiving regions will be Europe (717 million tourists), East Asia (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia.

6.5 TOP-RANKED DESTINATIONS

Not only has the ranking of destinations changed dramatically over the years, the sheer number of countries visited by tourists has increased

tremendously. Here are some interesting observations about the number of international arrivals at the most popular destinations (Table 1):

- The top 5 countries in the ranking accounted for 71% of all arrivals in 1950, and only 31% in 2010.
- The "Other" category, which represents the next ten destinations in the ranking, accounted for only 3% of arrivals in 1950, but rose to 34% in 1990 and 44% in 2010!
- Canada's ranking dropped from 2nd in 1970 to 8th in 2000, and finally to 15th in 2010.
- China is not only a very active outbound market; it has also become an extremely popular destination.
- Malaysia, Turkey and Hong Kong have made major inroads into the tourism market.
- The tourism sector has been demonstrating its resilience for over 60 years.

Table 1
Change in International Tourist Arrivals for Top-ranked Destinations

Rank	1950		1970		1990		2000		2010	
1	United States		Italy		France		France		France	
2	Canada		Canada		United States		United States		United States	
3	Italy	71%	France	43%	Spain	39%	Spain	36%	China	31%
4	France		Spain		Italy		Italy		Spain	
5	Switzerland		United States		Austria		China		Italy	
6	Ireland		Austria		Mexico		United Kingdom		United Kingdom	
7	Austria		Germany		Germany		Mexico		Turkey	
8	Spain	17%	Switzerland	22%	United Kingdom		Canada	15%	Germany	14%
9	Germany		Yugoslavia		Canada	18%	Germany		Malaysia	
10	United Kingdom		United Kingdom		China		Austria		Mexico	
11	Norway		Hungary		Greece		Poland		Austria	
12	Argentina		Czechoslovakia		Portugal		Greece		Ukraine	
13	Mexico	9%	Belgium	10%	Switzerland	9%	Portugal	9%	Hong Kong	11%
14	Netherlands		Bulgaria		Yugoslavia		Malaysia		Russian Federation	
15	Denmark		Romania		Malaysia		Netherlands		Canada	
	Other	3%	Other	25%	Other	34%	Other	40%	Other	44%
Total	25 million		166 million		436 million		683 million		880 million	

*Percentages correspond to the combined market share of the countries in the group.

Source: World Tourism Organization

The top six destinations have remained been more or less the same since the year 2000. France enjoys a comfortable lead and China – which outranked Spain in 2010 – is now closing in on the United States. Canada has not been one of the top ten destinations since 2004.

Graphs 1 and 2 illustrate, respectively, the top 20 destinations by international tourist arrivals and by international tourism receipts. The two rankings differ somewhat. In terms of tourism receipts, the United States is in the top position, well ahead of second-ranked Spain, which also outranks France. While some countries occupy similar rankings in both graphs, others appear in one and are completely absent from the other. Countries that rank in the top 20 of arrivals but not in receipts are the Russian Federation (27th), Poland (30th), Ukraine (50th), Greece (21st) and Egypt (22nd). Conversely, some countries have high tourism receipts for a relatively lower number of visitors: the Netherlands (21st), Switzerland (28th), Japan (29th), Australia (41st) and India (42nd).

Graph 1
Top 20 Destinations by International Tourist Arrivals
2000 and 2010 (in millions)

■2010 ▫2000

Country	2010	2000
France	76,8	77,2
United States	59,7	51,2
China	55,7	31,2
Spain	52,7	46,4
Italy	43,6	41,2
United Kingdom	28,1	23,2
Turkey	27,0	9,6
Germany	26,9	19,0
Malaysia	24,6	10,2
Mexico	22,4	20,6
Austria	22,0	18,0
Ukraine	21,2	6,4
Hong Kong	20,1	8,8
Russian Federation	19,4	19,2
Canada	16,1	19,6
Thailand	15,8	9,6
Greece	15,0	13,1
Egypt	14,1	5,1
Poland	12,5	17,4
Macao	11,9	5,2

Source: Organisation mondiale du tourisme

Graph 2
Top 20 Destinations by International Tourism Receipts
2000 and 2010 (in US$ billions)

■ 2010 ■ 2000

Country	2010	2000
United States	103,1	82,4
Spain	52,5	30,0
France	46,3	33,0
China	45,8	16,2
Italy	38,8	27,5
Germany	34,7	18,7
United Kingdom	30,4	21,9
Australia	30,1	9,3
Hong Kong	23,0	5,9
Turkey	20,8	7,6
Thailand	19,8	7,5
Austria	18,7	9,8
Malaysia	17,8	5,0
Macao	17,6	3,2
Canada	15,8	10,8
Switzerland	14,8	6,6
India	14,2	3,5
Singapore	14,1	5,1
Japan	13,2	3,4
Netherlands	13,1	7,2

Source: Organisation mondiale du tourisme

In fact, not all countries have benefitted from the overall growth in international tourist arrivals. Graph 3 illustratesthe change in arrivals for various countries. While some have more than doubled the number of arrivals, others, like Canada (-18%) and Poland (-28%), have recorded major decreases.
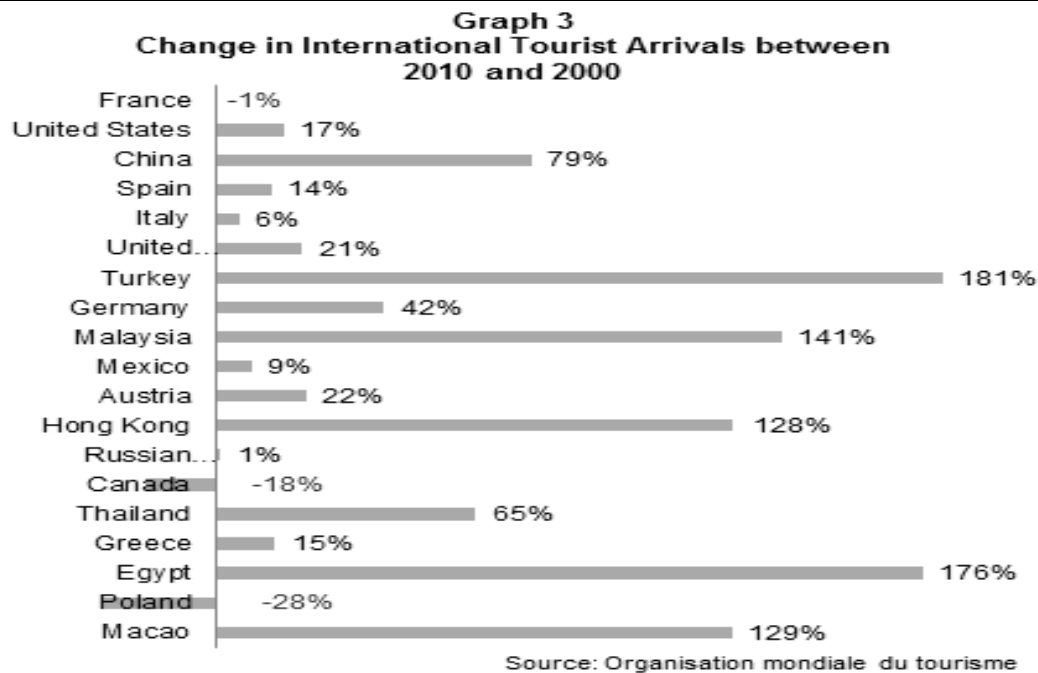
Graph 3
Change in International Tourist Arrivals between
2010 and 2000

Country	Change
France	-1%
United States	17%
China	79%
Spain	14%
Italy	6%
United...	21%
Turkey	181%
Germany	42%
Malaysia	141%
Mexico	9%
Austria	22%
Hong Kong	128%
Russian...	1%
Canada	-18%
Thailand	65%
Greece	15%
Egypt	176%
Poland	-28%
Macao	129%

Source: Organisation mondiale du tourisme

Europe is currently the top source market for tourists, generating 55% of all international tourists, followed by Asia and the Pacific (20%) and the Americas (16%) (Table 2). Asia and the Pacific, the Middle East and Africa recorded the strongest average annual growth rate for the period covered. The majority of international visitors, approximately four out of five, travel within their own region. However, it would appear that the number of trips from one region to another has increasedat a faster rate than the number of intraregional trips. Industrialized countries remain the primary source markets of international tourists. However, with the increase in disposable income, many emerging economies have experienced higher growth rates in the past few years.

Table 2
Market Share of International Tourist-Generating Regions
in 2000 and in 2009

	2000	2009	Average Annual Growth Rate 2000-2009
Europe	57.8%	54.7%	2.2%
Asia and the Pacific	16.7%	20.1%	5.0%
Americas	19.2%	16.4%	1.1%
Middle East	2.1%	3.4%	8.9%
Africa	2.2%	3.0%	6.5%
Unspecified	1.9%	2.4%	
Destinations:			
Intraregional	78.9%	78.1%	2.7%
Long-haul	19.1%	19.5%	3.1%

Source: World Tourism Organization

The data in Table 3 about tourist-generating countries is expressed in terms of international tourism expenditures, as published by the WTO, not in terms of number of trips. Total spending grew from US$478 billion in 2000 toUS$678 billion in 2005and to US$850 billion in 2009, for an overall increase of 78%. In 2009, source markets saw their international tourism expenditures fall 10% compared to 2008, due to the economic crisis and the H1N1 flu. In 2000, only 10 countries recorded international tourism expenditures of at least US$10 billion, while 23 countries did so in 2009.

The top three spots have been occupied by Germany, the United States and the United Kingdom since 2000, with France, Italy and Japan following close behind.The explosive growth of the Chinese travel industryhas pushed it into the top five even though its population has only just begun to travel. Chinabegan signing agreements in 1999 to permit leisure travel to various countries, but Canada has only very recently obtained the status of an authorized destination (June 2010). The Chinese still travel a lot within their own country, but the proportion of domestic trips to those outside the country has risen from 71 to 1 in 2000 to 38 to 1 in 2009.

Japan is the only country in the ranking below to have reduced its international tourism expenditures. Hard-hit by economic woes and fuel prices, the population has lost some confidence and travels less than before.

The Russian Federation, Saudi Arabia, Belgium, Australia, Singapore, Norway and Brazil more than doubled their spending during this period.

Table 3
Top Tourist-Generating Countries in Terms of International
Tourism Expenditures

	2000	2005	2009	Change from 2000 to 2009
Germany	2	1	1	53%
United States	1	2	2	13%
United Kingdom	3	3	3	30%
China	7	7	4	234%
France	5	4	5	70%
Italy	6	6	6	78%
Japan	4	5	7	-21%
Canada	9	8	8	95%
Russian Federation	11	9	9	136%
Netherlands	10	10	10	70%
Saudi Arabia	na	19	11	107%*
Belgium	9	13	12	189%
Australia	15	15	13	175%
Spain	17	12	14	182%
Hong Kong (China)	8	14	15	28%
Singapore	23	17	16	251%
Korea, Republic of	14	11	17	87%
Norway	21	16	18	176%
Sweden	13	16	19	49%
Brazil	24	27	20	179%

*Change from 2005 to 2009
Source: World Tourism Organization

In short, the tourism market is constantly changing and welcoming more participants so it is easy to get lost in the crowd. The good news? The number of tourists from various regions around the world is growing constantly. We live in an age where physical distances are less intimidating than before and where tourists are choosing to travel just about everywhere. We must design our tourismstrategies to reflect a broader geographic perspective and not be afraid to compete with top-ranked destinations.

6.6 TOP TEN WORLD'S TOURISM EARNERS

Tourism is a huge industry. It is an important pillar of many economies that generates billions of dollars annually. Without revenues from tourism even the world's strongest and most prosperous countries could shake. Despite the economic downturn, which has stopped many people from traveling, the world's most popular destinations still receive enormous numbers of visitors, who leave enormous amounts of money in the pockets of their hosts.

In 2008 there were 922 million tourists traveling to foreign countries (reflecting 2% growth year on year) where they spent US$ 944 billion, according to the World Tourist Organization. Of course, 2009 is to bring a decline in tourism due to the recession - in the first four months of the year there were 8% less people traveling around our globe in comparison to the same months of 2008. Still, by 2010 international arrivals are estimated to reach 1.6 billion.

1. Austria ($21.8 billion)

Winter in Brixen, Austria

Source : By jorik de beer

Tones of white fluffy snow perfect for skiing, Alpine hiking, cafes of Vienna, chocolate stores filled with the most delicious pralines, a superb cultural offer... It's hard to say "no" once you are there? So you don't, and neither do other tourists. Austria is a tiny country of great travel opportunities both in summer and winter months, and Austrians know how to make loads out of it. Tourism is an extremely important part of the country's economy - it accounts for almost 9% of Austrian GDP.

2.**Turkey ($22.0 billion)**

Somewhere in Turkey

Source : By Sindre Sorhus

How not to visit (and spend money) a country with such a variety of archaeological, historical and natural sites (the state is home to two of the Seven Wonders of the Ancient World). Over recent years Turkey has become one of the most popular travel destinations - between 2000 and 2008 the number of visitors increased from 8 million to almost 40 million! Therefore, the country is the world's eight most visited state (by number of arrivals) and the ninth revenue owner.

3.Australia ($24.7 billion)

Surfing in Australia, Gold Coast.

Source : By Michael Dawes

Whether you come for surfing, best caffee latte in the world, or business, Australia is one of those countries you can easily fall in love with. The Opera House, Uluru, Great Ocean Road, fascinating outback, golden beaches and multicultural atmosphere...the country has a wide array of tempting offers for backpackers, holidaymakers and travelers, who left almost US$ 25 billion in the country in 2008, reflecting a 10% increase year on year. No wonder tourism is an important pillar of the Australian economy.

4. United Kingdom ($36.0 billion)

London.

Source : By Dimitry B

United Kingdom, and more specifically London, is a must-see for every traveler. The capital of Great Britain is the second most visited city in the world, with a number of visitors totaling to almost 15 million in 2008. With the strong British pound, the country is also one of the most expensive destinations where coffee may cost you twice as much as in other European countries. Still 30 million of visitors annually prove United Kingdom is worth what it earns.

5. Germany ($40.0 billion)

Hohenzollern Castle in Germany.

Source : By Trodel

Germans are creative and inventive. They know how to make a product for sale out of everything, be it sausage, potatoes or yodeling. They don't have an Eiffel Tower, never-ending golden beaches, or Gaudi's architectural masterpieces that dot Barcelona, but still, tourism brought Germans US$ 40 billion in 2008. Be it fairy-tale castles, Berlin's liberal atmosphere, kebabs that conquer its Turkish archetype - something must have attracted 25 million people that came to visit Germany in 2008 and made the country the world's ninth most popular tourist destination.

6. China ($40.8 billion)

Cong Sheng Temple, Dali, China.

Source : By CW YE

China is a colossal country of enormous travel opportunities and diversity that cannot be found anywhere else. It is becoming a more and more popular destination - in 2008, 53 million tourists arrived to China, making it the fourth most visited country in the world. By the way of comparison, in 1978, the country received about 230,000 foreign tourists. Among main areas generating the highest income for China are Beijing, Shanghai and Guangzhou - these are the richest and the most frequently visited regions.

7. Italy ($45.7 billion)

Vineyards in Rocchetta Belbo,Piedmont in Italy.

Source : By bluestardrop

Tourism is one of Italy's most profitable industrial sectors, with revenue of over US $45 billion. Rich art, superb cuisine, fashion and culture attract millions of visitors per year from around the world. Italy boasts 44 World Heritage sites, which is more than any other country on our globe, and its ancient cities, Mediterranean beaches and richness of tradition have been travel and money magnets for centuries.

8. France ($55.6 billion)

Eguisheim, France.

Source : By Ela2007

No matter what you search for, you will find it in France. Millions know it, and they keep coming for superb skiing in the French Alps, laid-back surfing in Biarritz, crazy partying in Paris, relaxing in Boulogne or sampling best quality wine in Burgundy. In 2008 France was visited by 79 million people, which made it the world's number one destination by the number of visitors, and the country boasts the title of the world's third biggest tourism earner.

9.Spain ($61.6 billion)

Valdoviño Beach, Galicia, Spain.

Source : By Carlospics

Golden beaches, medieval towns, flamenco dancers, fruity sangria, Barcelona's museums, ski slopes of Pyrenees - this (and much more) is Spain. Over the recent years the country has surpassed Italy, its Mediterranean rival, and now it is the world's third most popular travel destination. In the last two decades tourism has become a vital contributor to Spain's economy, generating around US$ 60 billion annually.

10. United State ($110.1 billion)

New York.

Source : By ferqusonphotography

In 2008, 35 million tourists visited Times Square, 31 million took a stroll down the Las Vegas Strip, 24 million saw the National Mall and Memorial Parks in Washington. The United States is the second most visited country in the world - the US regained its number two position in arrivals, which it lost to Spain after 11 September 2001. Moreover, the USA is the number one state in terms of revenues generated by tourism. In 2008 the country earned over US $ 110 billion, which is almost twice as much as Spain, the world's second biggest earner.

6.7   TOP 10 TOURIST DESTINATIONS 2011

As per the survey carried out by exploredia the following are the most visited destinations in 2011, Every year 940 million people travel outside of their country for vacation or other non business purposes. Many countries try to attract these tourist to bring more money and more fame to their country. France is known to have the most tourists in the world. USA holds the second place for tourists. However, many ask what are the most visited places and not countries. Below is a list of the most visited tourist destinations of 2011.

1. Times Square, New York City, NY

Tourists: 44 Million

Times Square is a major commercial intersection in the borough of Manhattan in New York City, at the junction of Broadway and Seventh

Avenue and stretching from West 42nd to West 47th Streets. The extended Times Square area, also called the Theatre District, consists of the blocks between Sixth and Eighth Avenues from east to west, and West 40th and West 53rd Streets from south to north, making up the western part of the commercial area of Midtown Manhattan. Every year 44 million tourists visit New York. 80% of the them heads for Broadway (including the considerable theater crowds) and ends up gawking at the world's most garish neon crossroads.

2. National Park, Washington D.C

Tourists: 25 Million

Officially established in 1965, National Mall and Memorial Parks actually protects some of the older parkland in the National Park System. Areas within this premier park provide visitors with ample opportunities to commemorate presidential legacies; honor the courage and sacrifice of war veterans; and celebrate the United States commitment to freedom and equality. The nation's premier national park and its monuments of George Washington, Abraham Lincoln and Thomas Jefferson attract more visitors than such vast national parks as the Great Smoky Mountains, Grand Canyon, Yosemite and Yellowstone — combined. About 25 million people visit this park every year.

3. Disney World's Magic Kingdom, Florida

Tourists: 16.6 Million

Magic Kingdom is one of four theme parks at the Walt Disney World Resort located near Orlando, Florida. The first park built at the resort, Magic Kingdom opened October 1, 1971. Designed and built by WED Enterprises, the park's layout and attractions are similar to Disneyland in Anaheim, California. In 2010, the park hosted approximately 17.0 million visitors, making it the most visited theme park in the world. Florida's most popular attraction opened on October 1, 1971—16 years after the birth of its older sister, Disneyland, in Anaheim, California. "Disney World's Magic Kingdom" the most famous place in Florida attracts more than 16,6 million tourists every year.

4. Trafalgar Square, London, England

Tourists: 15 Million

Trafalgar Square is a public space and tourist attraction in central London, England, United Kingdom. At its centre is Nelson's Column, which is guarded by four lion statues at its base. There are a number of statues and sculptures in the square, with one plinth displaying changing pieces of contemporary art. The square is also used for political demonstrations and community gatherings, such as the celebration of New Year's Eve. Lord Nelson and the British Navy defeated a combined French and Spanish force in 1805 in the battle of Trafalgar, and a grateful country built a splendid public square to commemorate the occasion. 15 million tourists visit this square every year.

5. Disneyland Park, Anaheim, California

Tourists: 14.7 Million

Disneyland Park is a theme park located in Anaheim, California, owned and operated by the Walt Disney Parks and Resorts division of the Walt Disney Company. Known as **Disneyland** when it opened on July 18, 1955, and still colloquially known by that name, it is the only theme park to be designed and built under the direct supervision of Walt Disney. In 1998, the theme park was re-branded "Disneyland Park" to distinguish it from the larger Disneyland Resort complex. Open since 1955, the grand dame of the Disney parks continues to be the top tourist attraction draw in California, even though it occupies a much smaller area than its Florida sister. Disneyland Park attracts 14,7 million tourists every year, basically parents with children.

6. Niagara Falls, Ontario and New York

Tourists: 14 Million

Niagara Falls is a Canadian city on the Niagara River in the Golden Horseshoe region of Southern Ontario. The municipality was incorporated on June 12, 1903. Across the Niagara River is Niagara Falls, New York. The city is dominated by the Niagara Falls, a world famous set of two large waterfalls on the Niagara River and benefits from the fact that both falls, the American and Horseshoe, can be best seen from the Canadian side of the river, thus presenting the city one of the major tourist attractions of the world. The natural spectacle brings in millions of tourists yearly. Niagara Falls are the most powerful in North America. Breathtaking views and of course the romance and honeymoon factor account for nearly 14 million visitors every year.

7. Fisherman's Wharf, San Francisco, California

Tourists: 14.6 Million

Fisherman's Wharf is a neighborhood and popular tourist attraction in San Francisco, California. It roughly encompasses the northern waterfront area of San Francisco from Ghirardelli Square or Van Ness Avenue east to Pier 35 or Kearny Street. The F Market streetcar runs through the area, the Powell-Hyde cable car lines runs to Aquatic Park, at the edge of Fisherman's Wharf, and the Powell-Mason cable car line runs a few blocks away. 14.6 million visitors visit SF per year, and almost all show up at the wharf and the bridge, which are nearly of the same age with the city.

8. Tokyo Disneyland/Disney Sea, Tokyo, Japan
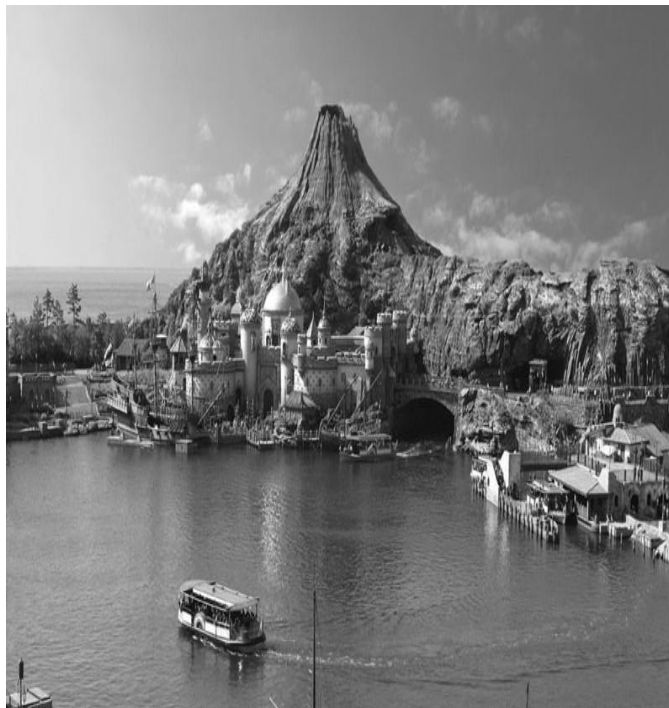
Tourists: 12.9 Million

Tokyo Disney Sea is a 176-acre (712,246 m²) theme park at the Tokyo Disney Resort located in Urayasu, Chiba, Japan, just outside Tokyo. It opened on September 4, 2001. It is owned by The Oriental Land Company, which licenses the theme from The Walt Disney Company. Tokyo DisneySea attracted an estimated 12 million visitors in 2009, making it the fifth-most-visited theme park in the world. Continuing the Disney rout, the first of its parks opened outside the U.S. in 1983, the Tokyo Disney Resort includes both the hugely popular Disneyland and its waterworld partner, DisneySea. The average number of visitors is12.9 million.

9. Notre Dame de Paris, Paris, France
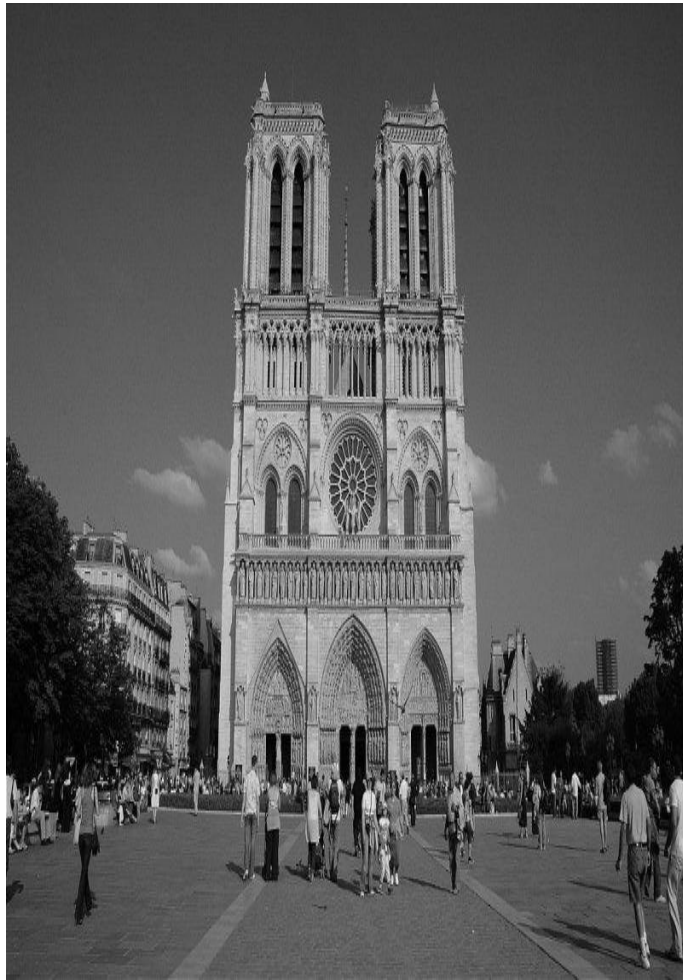
Tourists: 12 Million

Notre Dame de Paris (French for **Our Lady of Paris**), also known as **Notre Dame Cathedral**, is a Gothic, Catholic cathedral on the eastern half of the Île de la Cité in the fourth arrondissement of Paris, France. It is the cathedral of the Catholic Archdiocese of Paris: that is, it is the church that contains the *cathedra* (official chair) of the Archbishop of Paris, currently André Vingt-Trois. The cathedral treasury houses a reliquary with the purported Crown of Thorns. The world's most familiar Gothic cathedral is France's main attraction. Notre Dame de Paris attracts 12 million tourists a year.

10. Disneyland Paris, France

Tourists: 10.6 Million

Disneyland Paris is a holiday and recreation resort in Marne-la-Vallée, a new town in the eastern suburbs of Paris, France. The complex is located 32 km (20 mi) from the centre of Paris and lies for the most part within the commune of Chessy, Seine-et-Marne. Disneyland Paris comprises two theme parks, a retail, dining and entertainment district, and seven Disney-owned hotels. Operating since 12 April 1992, it was the second Disney resort to open outside the United States (following Tokyo Disney Resort) and the first to be owned and operated by Disney. Formerly Euro Disney, this French amusement park is well past its struggling early years. With 10,600,000 visitors in 2006, Disneyland Paris is France's second most visited tourist attraction.

6.7 LONELY PLANET'S TOP 10 CITIES, RANKED IN ORDER:

1. New York

Since 9/11, the site of the World Trade Center's twin towers has stood out as a closed-off, out-of-view, painful gaping void. This year that changes, as the former WTC site finally reopens to the public with the National September 11 Memorial, a 6-acre, tree-filled plaza with 30ft-deep

waterfalls at the footprint of the former towers, rimmed by the name of each victim and illuminated at night (its museum will follow in 2012). For the city, this will be more momentous than if the Yankees, Knicks, Rangers and Giants won simultaneous championships while the ball dropped in Times Square on New Year's Eve. For all of New York, 11 September 2011 will be a defining moment.

2. Tangier

From its extraordinary position perched on the northwestern-most tip of Africa, Tangier looks in two directions: one face towards Spain and Europe, and the other into Africa. The 'white city' announces a culture excitingly different from that of its close cousins across the water. With the recent arrival of a new city governor, the town beach now sparkles, the hustlers are off the streets and even the taxi drivers are polite. A stylish new Tangier is being created with a dynamic arts community, renovated buildings, great shopping and chic new restaurants.

3. Tel Aviv

Tel Aviv is the total flipside of Jerusalem, a modern Sin City on the sea rather than an ancient Holy City on a hill. Hedonism is the one religion that unites its inhabitants. There are more bars than synagogues, God is a DJ and everyone's body is a temple. Yet, scratch underneath the surface and Tel Aviv, or TLV, reveals itself as a truly diverse 21st-century Mediterranean hub. By far the most international city in Israel, Tel Aviv is also home to a large gay community, a kind of San Francisco in the Middle East. Thanks to its university and museums, it is also the greenhouse for Israel's growing art, film and music scenes.

4. Wellington

Wellington is Cool-with-a-capital-C, crammed with more bars, cafes and restaurants per capita than New York, and a slew of gourmet producers including some 10 independent coffee roasteries. Year-round you'll find arts and cultural events in abundance. Likewise, its film industry, 'Wellywood', centred on the Miramar Peninsula, is booming thanks in large part to the success of Wellingtonian Sir Peter Jackson (executive producer of the 2011 and 2012 Hobbit movies currently being made here). This little capital will be front-and-centre on the world stage in 2011 when New Zealand hosts the Rugby World Cup.

5. Valencia

Valencia sits coquettishly and again confidently along Spain's Mediterranean coast. For centuries, it was overshadowed by larger Spanish cities – hard-nosed, commercially-minded Barcelona and Madrid, the nation's capital. Not any more. While retaining its provincial charm, Spain's third city now mixes with the international crowd. Host of a couple of America's Cup yachting jamborees and an annual street circuit Formula 1 motor race, it's also European Capital of Sport for 2011 and a favourite destination for conferences and congresses. Valencia enjoyed its golden age two full centuries before the rest of Spain

6. Iquitos

After days forging by boat along rainforest-fringed rivers, Iquitos, mighty megalopolis of the Peruvian Amazon, comes as a shock to the system. Pulsating with life, the city's latest boom is tourism: visitors may flock to reconnoitre the rainforest but taking time to imbibe Iquitos itself is imperative too. This is a sultry slice of Amazon life: Brazilian, Colombian, indigenous and expat. Clubs bounce to salsa and rock until the early hours with the vigour you'd expect of Peru's jungle capital, but Iquitos is also a cultural hub: expect works by Peru's top artists, opulent rubber-boom mansions and a museum on Amazon ethnography for starters. As a trading post for rainforest tribes, market mayhem and riverboat bustle are

part of the package, all conspiring to fill the city with an addictive, round-the-clock energy.
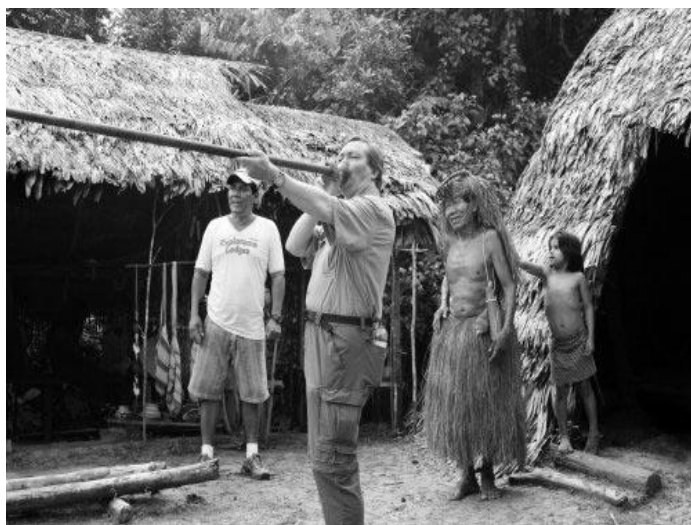
7. Ghent

Here's a secret within a secret: Ghent might just be the best European city you've never thought of visiting, in a country that continues to be criminally overlooked. Ghent hides away in the middle of Belgium's big three – Brussels, Bruges and Antwerp. Most Belgium-bound visitors rushing between these see nothing more than the stately fortifications of Ghent's St Pieter's Station. Those who do hop off the train and stroll along the Leie River to the historic centre will have their eyes out on stalks. Here hides one of Europe's finest panoramas of water, spires and centuries-old grand houses. But this is no place to simply kick back: Ghent has one of Europe's most dynamic festival scenes, which vies for visitors' attention. This year the entire centre will emerge from a major program of rebuilding designed to show off the huge pedestrianised squares.

8. Delhi

The great metropolis of Delhi, encompassing Old and New Delhi and sprawling out for miles, has not looked this smart and sparkling in centuries. Huge preparations for the Commonwealth Games, which took place in October 2010, improved the city's infrastructure, cleaned up its streets and added to its accommodation options. Aside from, of course, a bounty of new or improved sporting facilities, there's the marvellous artery of the Metro – an underground transport system that's a futuristic, egalitarian world away from the sometimes chaotic, class-ridden situation above ground. This year marks 100 years since New Delhi was founded in 1911. At least eight cities are known to have been founded on this spot. The commemoration of this anniversary is sure to be a colourful and lively affair.

9. Newcastle

Is it Australia's most underrated city? Anyone surprised to see Newcastle on the list of 2011′s hottest cities (and there's a few of you, right?) probably hasn't pulled in off the Pacific Highway, or at least not for a while. Newcastle flies under the radar of Aussies and international travellers in

part because it's overshadowed by its bigger, bolder and better-known sibling, Sydney, 150km south. But, at around one-tenth the size, Australia's second-oldest city has Sydney-like assets: surf beaches, a sun-drenched subtropical climate, and diverse dining, nightlife and arts. Not only is Newcastle ideally located just two hours by road or rail or 30 minutes by plane or seaplane from Sydney, it's less than an hour's drive west to the Hunter Valley wineries, south to sailboat-filled Lake Macquarie, north to whale-watching and sharkfeeding at Port Stephens and to sandboarding at Stockton Beach (the southern end of the 32km-long beach is a five-minute ferry ride across Newcastle's harbour).

10. Chiang Mai

Culture capital of Thailand, Chiang Mai was once the heart of the Lanna kingdom. Today those wanting to flee the bustle of Bangkok visit to lounge in coffee shops and drink in the city's artisanal atmosphere. With a friendly, cosmopolitan feel, this is one easy, safe and pleasant place to explore. There are dozens of well-preserved temples here, too. Many new ecotours and adventure trips are appearing, and with a choice of river rafting, elephant rides, trekking and off-road cycling, even the biggest adrenaline junkie will be sated.

6.9 LET'S SUM UP

After studying this unit we have understood that, the flow of tourists to various destinations around the world has changed drastically in recent years and data compiled over the past decade corroborates certain trends. New outbound markets occupy the top spots and the ranking of destinations has been turned upside down. Emerging economies are profoundly altering the global tourism market, which is now shared amongst a much greater number of countries than before. According to World Tourism Organization (WTO) estimates, the number of international tourist arrivals reached 940 million in 2010, or a 39% increase over 2000. Seen over the longer term, growth has been exponential; only 25 million tourists travelled in 1950. Since the WTO compiles national statistics, methodologies may vary. For this reason, results must be interpreted with caution. In addition, results for the year 2010 were estimated based on partial data. Europe is currently the top source market for tourists, generating 55% of all international tourists, followed by Asia and the Pacific (20%) and the Americas (16%). Asia and the Pacific, the Middle East and Africa recorded the strongest average annual growth rate for the period covered. Which clearly indicates that there are few countries who are sharing the maximum share of tourist arrivals as well as the tourism receipt from all over the world.

In coming Units, you will study about the role of International Tourism in SARRC Region, Geographic, Demographic and Psychographic Segmentation of Effective and Potential Tourism Markets of India & also about the India's Performance in International Tourism.

CHECK YOUR PROGRESS

1. Match the following

Name of the destination	Country
1) New York	A) Thailland
2) Chiang Mai	B) USA
3) Valencia	C) Spain
4) Tel Aviv	D) Israel

2 Discuss the problems faced by Asia-Pacific in development of tourism ?

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3) Comment on the "Top five tourist attracting destinations" ?

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4) Dicuss in detail about the change in tourist arrivals in Tourist arrivals in past few years?

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6.10 CLUES TO ANSWERS

Check your progress

1) Refer Sec. 6.8.

2) Refer Sec. 6.4.

3) Refer Sec. 6.6.

4) Refer Sec. 6.4

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UNIT 7 INTERNATIONAL TOURISM IN SARRC REGION

Structure

7.1 OBJECTIVES

After studying this unit you will be able to achieve following objectives:

- Understand the objectives of SAARC.
- Understand the development of tourism in SAARC region.
- Know about the South Asia.
- Understand the outlook of South Asia for the future.
- Discuss the aviation, surface revolution in South Asia.

7.2 INTRODUCTION

The idea of a "regional forum" in South Asia was first proposed by Bangladesh in 1980. The rationale was primarily predicated on the premise that regional experiences elsewhere in the globe had been highly successful and that the countries in the South Asian region would benefit enormously from such cooperation as it would strengthen their competitive position – both individually and as a group.

The **South Asian Association for Regional Cooperation** (**SAARC**) is an organisation of South Asian nations, founded in December 1985 and dedicated to economic, technological, social, and cultural development emphasizing collective self-reliance. Its seven founding members are Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka. Afghanistan joined the organization in 2005. Meetings of heads of state are usually scheduled annually; meetings of foreign secretaries, twice annually. It is headquartered in Kathmandu, Nepal. The 11 stated areas of cooperation are agriculture; education, culture, and sports; health, population, and child welfare; the environment and meteorology; rural development (including the SAARC Youth Volunteers Program); tourism; transport; science and technology; communications. The concept of SAARC was first adopted by Bangladesh during 1977, under the administration of President Ziaur Rahman. In the late 1970s, SAARC nations agreed upon the creation of a trade bloc consisting of South Asian countries. The idea of regional cooperation in South Asia was again mooted in May 1980. The foreign secretaries of the seven countries met for the first time in Colombo in April 1981. The Committee of the Whole, which met in Colombo in August 1985, identified five broad areas for regional cooperation. New areas of cooperation were added in the following year.

7.3 OBJECTIVES OF SAARC

Objectives

The objectives of the Association as defined in the Charter are:

- to promote the welfare of the people of South Asia and to improve their quality of life;
- to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potential;
- to promote and strengthen collective self-reliance among the countries of South Asia;
- to contribute to mutual trust, understanding and appreciation of one another's problems;
- to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
- to strengthen cooperation with other developing countries;
- to strengthen cooperation among themselves in international forums on matters of common interest; and
- to cooperate with international and regional organisations with similar aims and purposes.

Afghanistan was added to the regional grouping on 13 November 2005, With the addition of Afghanistan, the total number of member states were raised to eight (8). In April 2006, the United States of America and South Korea made formal requests to be granted observer status. The European Union has also indicated interest in being given observer status, and made a formal request for the same to the SAARC Council of Ministers meeting in July 2006.On 2 August 2006 the foreign ministers of the SAARC countries agreed in principle to grant observer status to the US, South Korea and the European Union. On 4 March 2008, Iran requested observer status. Followed shortly by the entrance of Mauritius.

7.4 SAARC & TOURISM

South Asia is home to a solid one-third of the world's population. Some of the best brains that run the world have South Asian roots or lineage. The region is home to the highest and the second highest mountain peaks of the world (Everest and K2). Most of the world's quality water resources are in the region with the river systems originating from the Himalayas. Some of world's best ocean resources (coral reefs of Maldives), beaches (Coxes Bazaar), and mangrove areas (Sunderbans) are located in the region. Its biodiversity is unmatched (Sinharaja, Chitwan). Home to marvels such as the Taj Mahal, Ajanta, Sigiriya, Timpu, and Taxila, the heritage and cultures of the region date back thousands of years. For centuries, the region has been a hotspot for seafaring nations looking for spices and other riches. It was the playground of several colonial powers, and is now home to almost all of the world's religions. The cuisine of the region is exquisite, and its people are friendly and warm. The South Asian region has the key ingredients to delight its visitors.

Yet, with some 400 million people remaining below the poverty line and 71 million people affected by violence or its threat, most of South Asia remains conflict ridden. Poverty, health, child, and gender-related issues are pulling down the region's image. In 2007, the South Asian region received less than 1.1 percent (9.7 million) of the 898 million visitors from around the world (UN World Tourism Organization 2008). In comparison, Europe received 53.5 percent of the global arrivals, and the Asian region, including East and Southeast Asia, received 19.3 percent. The volume of arrivals to the Asia Pacific region more than doubled between 2000 and 2007, from 85 million to 198 million (UNESCAP 2008). Within this growth scenario, regrettably, South Asia saw only marginal growth, with the exceptions of some significant growth to India and Maldives.

For several decades now, the region has promoted tourism. As far back as the early 1980s, the World Tourism Organization (now UNWTO) set up a Secretariat in Colombo for South Asian Tourism Promotion and attempted to promote the region. This initiative failed because of

inadequate support and interest from the individual nations' state tourism organizations. In the 1990s, the SAARC Chambers of Commerce and Industry (SCCI) began a Nepal-based initiative to promote tourism to the region. A special tourism committee was formed and several rounds of meetings were held. A promotional tagline "Magic That Is South Asia" was coined, and talk of a regional tourism year was initiated. It was thought that tourism would improve if private sector business and tourism stakeholders took the lead in moving regional tourism initiatives forward. Several South Asian tourism business and trade marts3 have been held since the 1990s. On the formal intergovernmental sphere, tourism occupies an important position. The official Web site of the SAARC Secretariat presents tourism as follows:

The SAARC Leaders have always recognized the importance of tourism and emphasized the need to take measures for promoting tourism in the region. During the Second Summit, the Leaders underscored that concrete steps should be taken to facilitate tourism in the region. Tourism has been an important dimension of most of the subsequent Summits. At the Twelfth Summit held in Islamabad in January 2004, the Leaders were of the view that development of tourism within South Asia could bring economic, social and cultural dividends. There is a need for increasing cooperation to jointly promote tourism with South Asia as well as to promote South Asia as a tourism destination, *inter alia*, by improved air links, they stated in the Declaration. To achieve this and to commemorate the twentieth year of the establishment of SAARC, the year 2005 was designated by the Leaders as "South Asia Tourism Year." Member States were required to individually and jointly organize special events to celebrate it.

The Working Group on Tourism was established by the Council of Ministers during its Twenty-fourth Session held in Islamabad in January 2004. This was done after a comprehensive review of the SAARC Integrated Programme of Action by the Standing Committee at its Fourth Special Session held in Kathmandu in August 2003. This intergovernmental process will compliment the endeavors by SAARC Chambers of Commerce and Industry (SCCI) Tourism Council, thus ensuring public–private partnership for the promotion of tourism. The First Meeting of the Working Group on Tourism was held in Colombo on 16–17 August 2004. In addition to the SAARC Member States and representatives of the SAARC Secretariat, representatives of the SCCI Tourism Council and the ASEAN Secretariat also attended the Meeting. Besides reviewing the implementation of program of activities relevant to its mandate, the Working Group made a number of recommendations for promotion of tourism in the SAARC region, for example, printing of a

SAARC Travel Guide, production of a documentary movie on tourism in SAARC, promotion of sustainable development of Eco-Tourism, Cultural Tourism and Nature Tourism, collaboration in HRD in tourism sector by having programmes for exchange of teachers, students, teaching modules and materials, Promoting Cooperation in the field of tourism with other relevant regional and international tourism organizations. It also proposed a number of activities to celebrate the South Asia Tourism Year–2005 in a befitting manner.

When comparing the progress made on the ground and by other regional tourism initiatives that began much later than SAARC—such as the Association of Southeast Asian Nations (ASEAN), Pacific Tourism Commission, European Union (EU) Tourism, and the Mekong Tourism Initiative—progress must be classified, at best, as wanting. With the backdrop of the frustration of SAARC's underperformance, in 1997, a separate initiative was undertaken by several governments of the South Asian region, titled the South Asian Growth Quadrangle, consisting of Bangladesh; Bhutan; 13 of the north, east, and north-east states of India; and Nepal. The Asian Development Bank (ADB) supported the initiative under the South Asian Sub regional Economic Cooperation (SASEC) program, which includes a tourism component. This is an ongoing program within the South Asian development framework of the ADB.

In addition, also in 1997, another initiative was created to link some of SAARC's countries with Myanmar and Thailand, as the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), to take advantage of the historical link and turning them into economic opportunities. Named BIMSTEC to represent Bangladesh, India, Myanmar, Sri Lanka, and Thailand Economic Cooperation, it set up a Tourism Working Group and has conducted several rounds of meetings, but to date, it has not achieved much progress. Since 2005, the ADB has supported this initiative as well.

7.5 THE DICHOTOMY THAT IS SOUTH ASIA

South Asia can indeed be described as a dichotomy. Although it has not lived up to expectations as a regional grouping, at the individual country level, tourism development in SAARC presents several unique models, containing some successful best practices. Bhutan has presented a model of tourism development, in which its operations are based on the model of a kinked demand curve (Sen 2004) to create a premium value for the destination. Bhutan limits access to a few tens of thousands of tourists each year at a premium charge, placing the per capital yield from one

tourist at a high level. Bhutan has a business model aimed at conserving its heritage, culture, and natural resources. This model is in keeping with its unique development indicator of "Gross National Happiness," in contrast to the conventional development measurement of gross national product. Maldives, known today as one of the most successful island destinations in the world, works on a business model of establishing strong partnerships with foreign investors and tour operators. Beginning with investments from Sri Lankan conglomerates in the early 1980s (still accounting for about 20 percent of all hotel rooms), Maldives Tourism, offering the "sunny side of life" as its positioning platform is driven by some of the best international and regional brand names in the island tourism business. Nepal is an example of a pioneering brand of unique community based tourism initiative. With its early model of the Annapurna Tourism Development Project and the Bhakthipur Conservation Project of the 1980s, Nepal introduced a good tourism operational model, offering its unique nature and heritage conservation, community benefit, and sustainable funding features. Sri Lanka is addressing the challenge of global warming and climate change faced by all nations of the world. It has extended its conventional position as a tourist destination of a treasured island with a warm people offering nature, culture, and adventure to include an extensive green cover. Through its Tourism Earth Lung initiative it is working toward being a carbon-neutral destination by 2018.

Table 7.1 illustrates the country-wise spread of visitor arrivals to the South Asian region (the newest member country, Afghanistan, is not included).

Table 7.1 Country-wise Spread of Visitor Arrivals to the South Asia Region

South Asia	2003	2004	2005	2006	2007	% Change 06/07	CAGR % 2003–07
Bangladesh	244,509	271,270	207,662				
Bhutan	6,261	9,249	13,626	17,342	21,093	21.6	35.5
India	2,726,214	3,457,477	3,918,610	4,447,167	4,977,193	11.9	16.2
Pakistan	500,918	647,993	798,260	898,389	839,500	−6.6	13.8
Nepal (Air)	275,438	297,335	277,346	283,819	360,350	27.0	6.9
Maldives	563,593	616,716	395,320	601,923	675,889	12.3	4.6
Sri Lanka	500,642	566,202	549,308	559,609	494,008	−11.7	−0.3

Sources UN World Tourism Organization 2006 and Pacific Asia Travel Association statistical reports, various years.

The figures illustrate the powerful position of India in driving arrivals to the region with close to 5 million visitor arrivals in 2007, with Pakistan and Maldives also showing their prowess. What is also significant is that,

except for Sri Lanka, where a war against terrorism and the tsunami (December 2004) affected growth, all other countries in the region performed well in light of the new regional dynamism. In the case of Sri Lanka, in spite of the lack of growth in recent times, public–private sector partnerships have been established for the tourism industry to take off on a sustainable development path. The largest intraregional tourism-generating market is India, and with better connectivity and thawing of political tensions, the potential growth of Indians traveling within the region will become even more significant. Also offering potential are Pakistan and Bangladesh. Between Nepal India, and Sri Lanka, Buddhist pilgrimage travel is currently a strong phenomenon (Table 7.2). The low bases of visitation seen in the statistics between countries of South Asia are no indication of their potential. If access (air, sea, and road transport) is efficient, better border formalities are established, and restrictions are eased, these numbers have the potential to grow exponentially. In each of the countries, the growing middle class is offering new opportunities for travel (Singh 2005)

Table 7.2 Intraregional Travel between SAARC Countries, 2007

To	India	Pakistan	Maldives	Nepal	Bhutan	Sri Lanka	Bangladesh	Afghanistan
India		106,283	45,787	83,037	6,729	204,084	480,240	23,045
Pakistan	48,242		341	1,655	90	4,312	6,352	80,459
Maldives	17,327	1,013		333	31	9,654	1,284	25
Nepal	96,275	2,566	181[a]		2,135[a]	1,303	7,892	n.a.
Bhutan	n.a.	n.a.	n.a	n.a.		n.a.	n.a.	n.a.
Bangladesh	86,232	5,671	220	3,378	1,187	2,322		104
Afghanistan	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Sri Lanka	106,067	10,204	29,539	885	n.a.		1,665	n.a.

Sources UN World Tourism Organization 2007 and Pacific Asia Travel Association statistical reports 2007.

Notes n.a. = not available.
[a] Data are for 2006.

To make things more dynamic for South Asia and South Asia tourism, action must be taken. No amount of patting each other on the back or being politically or diplomatically correct will move the region forward. The following three problems have prevented South Asian tourism from taking off:

- Lack of a pragmatic approach of political and bureaucratic leadership toward identifying and exploiting sociopolitical and economic opportunities, and the environment of mistrust between India and Pakistan.

- Self-imposed limitation of access to and within the region as a result of an introvert attitude.

- Resultant political instability, the absence of rapid economic growth, and failure to distribute the growth achieved to reduce poverty.

7.6   THE OUTLOOK FOR THE FUTURE

India presents the region's largest economy as well as the largest tourism operation. India has been the principal trendsetter in determining the region's future, whether it was negative or positive. With an economy growing at 9.2 percent in 2007 and 9.6 percent in 2006, it is cited as one of the most promising prospects of the world for the future. Growth is supported by market reforms, huge inflows of foreign direct investment, rising foreign exchange reserves, both an information technology (IT) and a real estate boom, and a flourishing capital market. India has reduced poverty levels by 10 percent and achieved growth in the services sector of more than 11 percent, with the sector accounting for about 53 percent of the economy.

The concept of "Chindia," in which the growth dynamics of both China and India will complement Asia's newest prospects for economic superpower status, augers well in positioning India as a modern growth economy with a proud heritage and culture, rather than as a poverty stricken country. As a result, India's tourism industry is experiencing a strong period of growth, driven by the burgeoning Indian middle class (for domestic and outbound travel) and growth in high-spending foreign tourists. The tourism industry in India is substantial and vibrant, and the country is fast becoming a major global destination as well as an outbound visitor generating market. India's travel and tourism industry is one of the most profitable industries in the country and is credited with contributing a substantial amount of foreign exchange. This contribution is illustrated by the fact that, during 2006, 4 million tourists visited India and spent US$8.9 billion. Several reasons are cited for the growth and prosperity of India's travel and tourism industry. Economic growth has added millions annually to the ranks of India's middle class, a group that is driving domestic tourism growth. Disposable income in India has grown by 10.11 percent annually from 2001–06, and much of that is being spent on travel. Thanks in part to its vibrant IT and outsourcing industry, foreigners are making a growing number of business trips to India, often adding a weekend break or longer holiday to their trip. Foreign tourists spend more days in India than in almost any other country worldwide. Tourist arrivals are also projected to increase by more than 22 percent per year through 2010, with a 33 percent increase in foreign exchange earnings recorded in 2004.

The tourism authorities at the central and state levels have played an important role in the development of the industry, with promotional campaigns such as "Incredible India," which promoted India's culture and tourist attractions in a fresh and memorable way. The campaign created a

new image of India in the minds of consumers around the world and has led directly to an increase in interest among tourists. Similarly, campaigns such as, "God's Own Country" for Kerala, Goa Tourism's "Go Goa," and Uttar Pradesh Tourism's "Amazing Heritage—Grand Experiences" made signifi cant impacts on regional tourism development in India. In the earlier part of this decade, it was the success of Kerala's regional campaign that led to the "Incredible India" campaign.

The tourism industry has helped growth in other sectors as diverse as horticulture, handicrafts, agriculture, construction, and even poultry. Recent increased growth in tourism in India has created jobs in a variety of related sectors: almost 20 million people are now working in India's tourism industry.

Recent trends of terrorism, threats to food security, poverty still at undesirable levels, increasing fuel costs, and looming security issues will continue to pose challenges to unleashing the full potential of India as well as the region. An evident breakthrough in thinking of the middle class elite and youth in India and an equally strong desire to break through protectionist and introverted attitudes of other individual nations and the collective psyche of the leadership of the region provide a potential silver lining for tourism. Success is the best driver of change. Within the region, tourism success stories of private sector–driven initiatives, including Bangladesh, India, Maldives, Pakistan, and Sri Lanka amidst many external challenges, demonstrate what is possible in terms of solid achievement.

7.7. THE AVIATION REVOLUTION

Until early 2000, the aviation industry in South Asia (with the exception of Maldives) operated under heavy protection. While Sri Lanka liberalized its skies somewhat, it was still dominated by its national carrier (Sri Lankan Airlines), and determining traffic rights and freedoms was not entirely liberalized. Earlier in this decade, the Indian aviation industry began to take a strong look at liberalizing its skies. Several new private airlines came into operation around 2003. India's first low-cost carrier (LCC), Air Deccan, set off the LCC boom in India. Air Deccan later sold 26 percent of its stake to Kingfisher Airlines. In 2007, the two Indian government-owned airline companies, Air India and Indian Airlines, were merged to form the National Indian Aviation Company Limited (NIACL). This was considered a major breakthrough in conventional thinking in India's aviation history. In April of the same year, India's largest private carrier, Jet Airways, bought rival Air Sahara for US$340 million. Jet Airways has ordered 20 Boeing 737-800 aircraft to add to its fleet of 60. Although most of the other 16 scheduled airlines registered with India's Director General of Civil Aviation

are undertaking austerity measures in response to rising fuel prices, India's aviation industry has never been so robust, with companies such as Spicejet, Kingfisher, Air India Express, Yamuna Airways, Magic Air, Paramount Airways, Air One, Indus Air, and Go Air, among those in the offing.

Several private airlines are now flying between India and Sri Lanka and India and Maldives. Other destinations need to open up to private airlines. The most recent operation of Bangladesh's Best Air to Colombo and Male and Sri Lanka's Deccan Air's proposed flights connecting Male with Anuradhpura, an ancient city in the interior of Sri Lanka, are excellent best practices. The airports pose another area of constraint. With the Indian government succeeding in privatizing the Delhi and Mumbai airports, several other Indian state governments began to look at expansion of airports based on a business model different than that adopted under complete state control. The European Union's South Asia Civil Aviation Programme and the U.S. Trade and Development Agency's (USTDA) US–India Aviation Cooperation Programme are geared toward supporting the airport development and facilitation initiatives of the region. Male and Colombo airports have followed similar business models with liberalized management structures, which have proven successful. These examples will serve as a pull factor for most other state-run airports in the region to shift gears, which should augur well for the future ease of access within the region. Yet there is much to be done for the region's aviation facilities to be on par with rest of Asia and in particular with those in most of ASEAN and China.

7.8 SEA AND WATERWAYS TRANSPORT

The South Asian region is endowed with ocean-based transport potential that needs to be explored fully. The ports at Colombo, Chennai, Mumbai, and Chittagong offer ocean-liner connections, although it has not been a popular mode of transport for visitors. Cruise liners traveling between Europe, Singapore, and Australian ports have been using ports such as Colombo and Mumbai as stopovers. None of South Asia's ports has developed as dedicated cruise destinations, but they have the potential to do so. Fast ferry transport services are possible between several destinations in the region. Bangladesh, India, Maldives, and Sri Lanka ports offer excellent opportunities.

A comprehensive report on South Asian transport was prepared by the USTDA in 2005 and serves as a guide to all transport sector opportunities in the region (Domus 2005). The internal waters of most of the countries of the region offer immense possibilities. With the exceptions of Bangladesh, Maldives, Kashmir, and Kerala and other parts of India, use of internal waters for tourism-related activity is limited. Sri Lanka, with its Dutch canal

systems and man-made network of ancient irrigation tanks offers numerous opportunities for water-based tourism activities. Nepal, Sri Lanka, and parts of India, Pakistan, and Bangladesh also use their waters for white-water rafting and other adventure pursuits. Possibilities for regional joint venture operations in these areas exist between private sector entities, through which experiences can be shared and the region can be better positioned.

7.9 ACCESS WITH ROADS AND HIGHWAYS

The Asian Highway network is the largest highway that connects Southeast Asia with South Asia and then on to Europe. A network of 141,000 kilometers of standardized roadways criss-crossing 32 Asian countries, the Asian Highway is the single most potent infrastructure project undertaken by the nations of ASEAN and SAARC. This project was initiated in 1959 to promote the development of international road transport in the region. During the first phase of the project (1960–70), considerable progress was achieved; however, progress slowed down when financial assistance was suspended in 1975. Entering into the 1980s and 1990s, regional political and economic changes spurred new momentum for the Asian Highway Project. It became one of the three pillars of the Asian Land Transport Infrastructure Development project, endorsed by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) Commission at its 48th session in 1992, comprising Asian Highway, Trans-Asian Railway, and land transport projects. UNESCAP and ADB are undertaking a number of joint activities to promote international road transport along the Asian Highway under a regional project. This project aims to assist in providing a transport infrastructure linking Asia to Europe, to promote regional and international cooperation for the economic and social development of the region, and to open new potential for trade and tourism. Countries linked by the Asian Highway share a wealth of historical and cultural heritage and unspoiled natural beauty. These countries could join together in promoting tourism under a common tourism banner. Promotion of tourism would provide excellent opportunities to strengthen not only intraregional cooperation within South Asia, but with Southeast Asia, China, the Middle East, and Europe. Accordingly, UNESCAP at its 52nd session suggested that member countries initiate activities to promote tourism along the Asian Highway. A questionnaire survey to identify major tourism attractions was subsequently conducted by the Secretariat. The results of the survey identified tourism attractions and suggested various national and regional levels to promote tourism.

The Intergovernmental Agreement on the Asian Highway Network was adopted on November 2003 by an intergovernmental meeting held in Bangkok, was open for signature in April 2004 in Shanghai, and entered

into force in July 2005. A total of US$26 billion has been invested in the improvement and upgrading of the Asian Highway network. However, there is still a shortfall of US$18 billion. The UNESCAP Secretariat is working with its member countries to identify financial sources for the development of the network to improve their road transport capacity and efficiency, which in turn will facilitate tourism development in the region, providing adequate return on the investment.

7.10 REMOVING BARRIERS FOR ENTRY

It is critical that air, sea, and road access be expanded and enhanced if regional tourism development is to take off, but it is equally critical to ensure that most artificial barriers in terms of visa facilitation are made as easy as possible for visitors to the region and for each of the countries in the SAARC alliance. Currently, except for Maldives, Nepal, and Sri Lanka, visa formalities are cumbersome for the rest of the countries of SAARC. Almost all countries in the ASEAN region allow visa free or visa-upon-entry facilitation for intraregional travel. The ASEAN group goes one step further to offer an ASEAN Air Pass, whereby traveling to one ASEAN country qualifies a traveler to visit other countries at a concessionary airfare. An ASEAN Hotel Pass (Hip-Hop Pass) with similar incentives is also in effect. In the European Union, most member countries may be visited with a common EU visa, obtained from one of the member countries. ASEAN is aiming to have a common ASEAN visa by 2009. The South Asian region is far from achieving such levels of freeing formalities among the SAARC member countries and for visitors to the region. In 1998, the SAAEC Expert Group on the Visa Exception Scheme recommended that there was a need to expand the Scheme by nearly doubling the number of categories entitled to be included for visa exemption. At present, some 21 categories of persons are exempted from requiring visas for travel within the SAARC region. The Expert Group deliberated on improving the existing guidelines and procedures of the Scheme. The simplification of visa procedures across the board should help accelerate trade and tourism in the region through the facilitation of increased people-to-people contact. A 2007 review of the decisions on trade and access facilitation indicated that a gap existed between the decisions taken at the various stages to ease visa facilitation and its implementation. To achieve results, the region's officials need to shift from a control mindset to one that is customer oriented and pragmatic.

7.11. PROMOTING SOUTH ASIAN TOURISM IS NOT ABOUT PROMOTION

The South Asian region possesses all the ingredients needed to be a prime international tourism destination. Given the successes achieved by

India and Maldives, individual countries have the opportunity to get it right. However, as a regional entity, South Asia needs to be repositioned in the minds of the international visiting public by erasing a negative perception that is currently associated with the region's poverty, chaos, and disorganization. Getting this perception right requires deciding what must come first. To deliver on the promise of successful tourism, the region needs to get its collective act right, or create a desired promotional platform as a pull factor for the region's stakeholders to get the act right eventually. Intraregional tourism promotion is a precursor to promoting the region for international visitors. Taking that route will strengthen the capacity within the region to develop better structures and institutions to correct some of the problems that are endemic in the region's polity.

The following process-based actions are proposed to achieve the objective discussed in this chapter:

- Further liberalize air access between countries of SAARC, facilitating any SAARC airline to operate to other SAARC countries without restriction.

- Facilitate ocean and other water-based, road and highway, and railway transportation of people of SAARC (to serve tourism as well) through the liberal operation of fast ferry services, shipping services, and cruising operations, and by exploring road and rail transport options.

- Undertake joint programs at both regional and bilateral levels to jointly develop the infrastructure and institutions needed to establish tourism operations and investments, which should be driven by the private sector or as public–private partnership ventures.

- Commence joint initiatives at both governmental and private sector operator levels to enhance the current Buddhist circuit, the Ramayana Trail, and other regional and bilateral thematic tour circuits.

- Undertake the publication of an annual South Asian Tourism Events Directory (to be published a year in advance to enable tour sales for those events).

- Commence a twinning of cities program within the SAARC region.

- Establish a SAARC joint Climate Change Response using Sri Lanka's pioneering Tourism Earth Lung initiative as the platform.

7.12. LETS SUM UP

Tourism promotion can be compared to dream selling. To sell dreams to people, the dreams sold must be beautiful and believable. In promoting and branding South Asia as a tourist destination area, the challenge faced by the marketer is to ensure that the three key characteristics of brand identity are met: quality, consistency, and integrity. To ensure that these characteristics are maintained, an intense and continuous effort is needed at both the destination and the regional levels. This challenge stretches beyond the capacity of the marketer, to the level of the policy and strategic leadership in each of the South Asian countries, engulfed the collective conscience of the region. The need to position and promote the South Asian region has been identify, and the will exists, at least as demonstrated through the many resolutions that are made at the various flora. What is lacking, however, is consistent commitment, in terms of action on the ground, to transform the need and will into solid action. When looking at the relative success stories of regional cooperation in ASEAN and the European Union, the key success factors have been the pragmatism with which the leadership of these alliances has looked at the issues in seeking solutions. For South Asia and for South Asia tourism, it should be no different.

CHECK YOUR PROGRESS

1) Discuss the India's role in development of tourism in SAARC?

   …………………………………………………………………………………
   ……………..
   ....

2)   Discuss the problems faced by the SAARC countries in development of tourism?

   …………………………………………………………………………………
   ……………..
   ....

3) Comment on the "Chindia"*"?*

   …………………………………………………………………………………
   ……………..
   ....

4) Discuss in detail about the barriers in growth of tourism?

   …………………………………………………………………………………

7.13 CLUES TO ANSWERS

Check your progress

1) Refer Sec. 7.3 & 7.4.

2) Refer Sec. 7.11.

3) Refer Sec. 7.6.

4) Refer Sec. 7.10

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UNIT 8 GEOGRAPHIC, DEMOGRAPHIC AND PSYCHOGRAPHIC SEGMENTATION OF EFFECTIVE AND POTENTIAL TOURISM MARKETS OF INDIA

Structure

8.0 OBJECTIVES

This unit aims at to understand and know the various Effective and potential Tourism Markets for & of Indian tourism Industry through this unit aims at understanding the following things:

- ➢ Domestic and Outbound Tourism.
- ➢ Foreign Tourist Arrivals in India.
- ➢ Nationality-Wise Foreign Tourist Arrivals in India.
- ➢ Foreign Tourist Arrivals in India from different regions.
- ➢ Top 15 Source Countries for FTA's in India.
- ➢ FTAs from Top 10 Source Countries for 2010.

➢ Uniqueness of Indian Tourism Industry

8.1 INTRODUCTION

Indian tourism industry can be understood by different segmentations which are discussed in this unit on the bases of Geographic, Demographic and Psychographic Segmentation of Effective and potential tourism markets of India. India is the country with tremendous potential for the tourism development has not been able to take off the way it should be. But, in the past few years the foreign tourist arrivals in India has shown promising signs of improvement. As per the ministry of tourism website, FTAs (Foreign tourist arrivals) in India during 2011 were 6.29 million with a growth of 8.9%, as compared to the FTAs of 5.78 million with a growth of 11.8% during the year 2010 over 2009. The growth rate of 8.9% in 2011 for India is better than UNWTO's projected growth rate of 4% to 5% for the world in 2011 and 7% to 9% for Asia and the Pacific.FEE (Foreign Exchange Earning) from tourism in terms during 2011 were 77591 Crore with a growth of 19.6 %, as compared to the FEE of ` 64889 Crore with a growth of 18.1% during the year 2010 over 2009.FEE in US$ terms during the month of December 2011 were US$ 1688 million as compared to FEE of US$ 1558 million during the month of December 2010 and US$ 1510 million in December 2009.

8.2 UNIQUENESS OF INDIAN TOURISM INDUSTRY

India demands our attention for a number of reasons:

● In extent and cultural variety it is the equivalent of Europe, but with a much older civilization. There are at least 15 major languages, although Hindi is the most widely spoken. The country is a mosaic of different religions, ethnic groups and castes.

● With a population now well over a billion, India will surpass China as the world's most populous country by 2030. It has almost 20 per cent of the world's population on just 3 per cent of the world's land area, so that demographic pressures on the resource base are severe.

● Over half of India's population is under 25 years of age, 40 per cent of adults are illiterate and a third struggle to live below the official poverty line (two US dollars a day). Although India is a predominantly rural country, it also contains three major world cities – Delhi, Mumbai and Kolkata (Calcutta), each with 20 million inhabitants.

● Despite these pressures and many other socio-economic problems, India has retained a democratic form of government since independence, although the Congress Party has been dominant in politics for most of that

time. The cultural diversity of the country is recognized in the federal system of government, in which each of the 29 states and 6 autonomous territories has a large degree of control over its internal affairs, including tourism development.

● For many years following Independence, India was to a large extent a centrally planned economy. After 1991 the government embarked on a policy of liberalization, removing many restrictions on business enterprise, and the country was opened up to foreign investment. India is set to become one of the world's leading industrial nations, with technological expertise as part of its vast human resources. Bangalore and Hyderabad for example are among the world's leading centers of information technology. On the other hand great improvements need to be made in basic infrastructure, which is inadequate by Western standards, while bureaucratic controls and inertia continue to inhibit progress.

8.3 DOMESTIC AND OUTBOUND TOURISM

A substantial middle class estimated to be between 15 and 20 per cent of the population – or over 150 million people – has the means to participate in domestic tourism in India and the volumes are impressive, exceeding 200 million trips a year. Traditionally a good deal of domestic travel has been undertaken for religious reasons, as all the major faiths encourage pilgrimages to shrines or holy places. The best known of these is the Hindu centre of Varanasi (Benares) on the River Ganges, where the *Ghats,* the steps leading down to the water's edge are the focus for ritual bathing, readings from the sacred texts by gurus and cremations. There are many other shrines, some in remote locations in the Himalayas and Kashmir. Often these pilgrimages entail an arduous journey, partly on foot, and embrace all classes of society, including large numbers of wandering *sadhus* (holy men). Bodhgaya is the main pilgrimage centre for Buddhists, while the Golden Temple at Amritsar is the holy place of the Sikhs. Visits to family entertainment centres and amusement parks – reflecting India's fascination with high technology – as well as stays in beach and mountain resorts, are expected to increase as incomes rise among the middle class with a Western-style education and aspirations. Outbound tourism is much smaller in volume, but nevertheless accounted for 8.3 million departures in 2006, including nearly 3 million to neighbouring countries such as Nepal. Business travel accounts for 25 per cent of these journeys.

Leisure travel to countries outside South Asia should grow with the relaxation of strict foreign exchange controls imposed by the Indian government. For many years Britain has been the most popular European destination, reflecting the cultural and family ties between the two countries. Future travel patterns may well be influenced by the fact that

the USA is now India's main trading partner, and there are four times more Indian students in American universities than in British universities.

INBOUND TOURISM

Despite having vast tourism potential, India receives only a small share of world tourism, amounting to nearly 4.5 million arrivals in 2006. Even so, tourism has shown impressive growth since 1970, when 290 000 visitors were recorded. Tourism is now India's third largest earner of foreign exchange, and provides jobs for at least 8 million people. The impact is much greater if we consider the informal sector of the economy, and the very large numbers engaged in the handicraft industries. A number of factors are holding back the expansion of tourism in India:

● Inadequate infrastructure, especially water and power supplies;

● Negative publicity in the Western media. For example, outbreaks of disease and inter-communal strife, in reality confined to specific areas, are seen as affecting the whole country;

● Promotion of this enormous and complex country as one destination, whereas India consists of many quite different destinations and tourism products. There is a need to market specific destinations and target specific types of tourist;

● The seasonal concentration of visits in the final quarter of the year, creating occupancy problems for India's hotels;

● A shortage of medium-priced accommodation, particularly in Delhi and

● Other negative factors include air pollution in the cities during the dry season, noise, poor hygiene and harassment by beggars and street vendors. The main generating markets for India include Britain, Germany, France, the USA, the Middle East and Japan. Many arrivals from the Middle East and Britain are in fact returning expatriates, who tend to stay with friends or relatives and make little use of tourist facilities. The average length of stay of tourists to India – at 28 days – is among the worlds highest – backpackers for example, from Europe, Australia and North America, who are including India as part of an Asian tour, spend at least 3 weeks in the country. These young budget travelers have played an important role in opening up new destinations to conventional tourism. However the typical backpackers of the new millennium are different from their predecessors of the 1970s in at least two respects.

● They are usually following an established route pattern, staying at hostels and cheap hotels patronized by other Western budget travelers;

● They are less concerned with a search for 'spiritual values'. Nowadays, an extended visit to India is seen more as an interesting way of filling the 'gap year' between college and a career. The most popular time to visit India is from October to December when the weather is at its best, but there is a steady flow of business travelers throughout the year

8.4 FOREIGN TOURIST ARRIVALS IN INDIA

Indian tourism industry has recorded a substantial growth in past few years. Based on the information contained in the Disembarkation cards, data regarding the number of Foreign Tourist Arrivals (FTAs) and related aspects have been compiled and presented in this chapter. The FTAs in India continued to grow from 1.28 million in 1981, to 1.68 million in 1991, 2.54 million in 2001, to reach 5.78 million in 2010. During the year 2010, India registered a positive growth of 11.8 % over 2009. The growth rate of 11.8% in 2010 for India is better than UNWTO's projected growth rate of 5% to 6% for the world in 2010. The compound annual growth rate (CAGR) in FTAs in India during 2001 to 2010 was 9.6 %. Table below gives the number of FTAs in India for the years 1981 to 2010 and the growth rate over previous year.

Year	FTAs in India	Annual Growth (%)
1981	1279210	2.0
1982	1288162	0.7
1983	1304976	1.3
1984	1193752	-8.5
1985	1259384	5.5
1986	1451076	15.2
1987	1484290	2.3
1988	1590661	7.2
1989	1736093	9.1
1990	1707158	-1.7
1991	1677508	-1.7
1992	1867651	11.3
1993	1764830	-5.5
1994	1886433	6.9
1995	2123683	12.6
1996	2287860	7.7
1997	2374094	3.8

Year	FTAs in India	Annual Growth (%)
1998	2358629	-0.7
1999	2481928	5.2
2000	2649378	6.7
2001	2537282	-4.2
2002	2384364	-6.0
2003	2726214	14.3
2004	3457477	26.8
2005	3918610	13.3
2006	4447167	13.5
2007	5081504	14.3
2008	5282603	4.0
2009	5167699	-2.2
2010	5775692	11.8

Source: Bureau of Immigration, India

The growth in FTAs in India during the eighties & nineties did not follow any consistent pattern. While 3 years, viz. 1986, 1992 and 1995, saw double-digit positive growth, there was negative growth in the years 1984, 1990, 1991, 1993, 1998, 2001, 2002 and 2009. In the subsequent write up in this publication, distribution of FTAs according to various characteristics such as age, sex, nationality, purpose of visit, etc. are given. It may be clarified that distribution of FTAs in 2010 has been worked out for figure of 5.78 million, which is higher than the total FTAs as per the unit level data furnished by Bureau of Immigration (BOI).

The country-wise details of FTAs in India during 2008 to 2010 are given below. It may be seen from this Table that, the FTAs from USA were maximum during 2008, 2009 and 2010. The growth rate in FTAs in India in 2010 as compared to 2009 was maximum for Iraq (72.1%) followed by Turkey (50.6%), Sudan (48.7%), Afghanistan (45.5%), Iran (42.2%), Saudi Arabia (38.9%), Egypt (36.6%), Republic of Korea (35.6%), Japan (34.7%), Vietnam (33.7%), Ukraine (32.4%), Malaysia (32.3%), Indonesia (30.4%) and Nigeria (30.3%). FTAs from Argentina, Mexico, Italy, Portugal, Spain, Hungary, Kazakhstan, Poland, Russia, Kenya and South Africa recorded more than 20% growth in 2010 as compared to 2009. Some of the countries for which decline in FTAs were observed were

Bangladesh (7.9%) followed by U.A.E (3.7%), Finland (3.2%), Pakistan (2.6%), Bahrain (1.7%) and U.K. (1.3%). The 21 countries which accounted for more than 1% share each in FTAs in India during 2010 are: Afghanistan, Australia, Bangladesh, Canada, China (Main), France, Germany, Italy, Japan, Korea (South), Malaysia, Maldives, Nepal, Netherlands, Russia, Singapore, Spain, Sri Lanka, Thailand, U.K. and USA.

8.5 NATIONALITY-WISE FOREIGN TOURIST ARRIVALS IN INDIA, 2008-2010

Country of Nationality	No. of Arrivals			Percentage Share			Percentage Change	
	2008	2009	2010	2008	2009	2010	2009/08	2010/09
North America								
Canada	222364	224069	242372	4.21	4.34	4.20	0.8	8.2
U.S.A	804933	827140	931292	15.24	16.01	16.12	2.8	12.6
Total	1027297	1051209	1173664	19.45	20.34	20.32	2.3	11.6
Central & South America								
Argentina	5087	6011	7626	0.10	0.12	0.13	18.2	26.9
Brazil	11530	13964	15219	0.22	0.27	0.26	21.1	9.0
Mexico	9272	8185	10458	0.18	0.16	0.18	-11.7	27.8
Others	17616	18444	29425	0.33	0.36	0.51	4.7	59.5
Total	43505	46604	62728	0.82	0.90	1.09	7.1	34.6
Western Europe								
Austria	25900	27930	32620	0.49	0.54	0.56	7.8	16.8
Belgium	36277	34759	37709	0.69	0.67	0.65	-4.2	8.5
Denmark	34253	30857	35541	0.65	0.60	0.62	-9.9	15.2
Finland	29223	24874	24089	0.55	0.48	0.42	-14.9	-3.2
France	207802	196462	225232	3.93	3.80	3.90	-5.5	14.6
Germany	204344	191616	227720	3.87	3.71	3.94	-6.2	18.8
Greece	6672	6664	7441	0.13	0.13	0.13	-0.1	11.7
Ireland	18924	19223	20329	0.36	0.37	0.35	1.6	5.8
Italy	85766	77873	94100	1.62	1.51	1.63	-9.2	20.8
Netherlands	71605	64580	70756	1.36	1.25	1.23	-9.8	9.6
Norway	22369	22092	22229	0.42	0.43	0.38	-1.2	0.6
Portugal	15415	17184	21038	0.29	0.33	0.36	11.5	22.4
Spain	62535	59047	72591	1.18	1.14	1.26	-5.6	22.9
Sweden	58961	43327	45028	1.12	0.84	0.78	-26.5	3.9
Switzerland	42107	38290	43134	0.80	0.74	0.75	-9.1	12.7
U.K.	776530	769251	759494	14.70	14.89	13.15	-0.9	-1.3
Others	10842	10013	11291	0.21	0.19	0.20	-7.6	12.8
Total	1709525	1634042	1750342	32.36	31.62	30.31	-4.4	7.1

Country of Nationality	No. of Arrivals			Percentage Share			Percentage Change	
	2008	2009	2010	2008	2009	2010	2009/08	2010/09
Eastern Europe								
Czech Rep.	8549	8328	9918	0.16	0.16	0.17	-2.6	19.1
Hungary	5263	4980	6022	0.10	0.10	0.10	-5.4	20.9
Kazakhstan	7534	6848	8786	1.14	0.13	0.15	-9.1	28.3
Poland	23517	19656	25424	0.45	0.38	0.44	-16.4	29.3
Russia	91095	94945	122048	1.72	1.84	2.11	4.2	28.5
Ukraine	12344	12436	16462	0.23	0.24	0.29	0.7	32.4
Others	42808	36282	38990	0.81	0.70	0.68	-15.2	7.5
Total	191110	183475	227650	3.62	3.55	3.94	-4.0	24.1
Africa								
Egypt	5326	5869	8017	0.10	0.11	0.14	10.2	36.6
Kenya	14941	22704	29223	0.28	0.44	0.51	52.0	28.7
Mauritius	19713	18866	21672	0.37	0.37	0.38	-4.3	14.9
Nigeria	13997	18338	23893	0.26	0.35	0.41	31.0	30.3
South Africa	42337	44308	55688	0.80	0.86	0.96	4.7	25.7
Sudan	3473	4987	7418	0.07	0.10	0.13	43.6	48.7
Tanzania	14872	17020	17645	0.28	0.33	0.31	14.4	3.7
Others	27091	32382	40969	0.51	0.63	0.71	19.5	26.5
Total	141750	164474	204525	2.68	3.18	3.54	16.0	24.4
West Asia								
Bahrain	7224	7901	7766	0.14	0.15	0.13	9.4	-1.7
Iraq	7789	16400	28221	0.15	0.32	0.49	110.6	72.1
Israel	42720	40581	43456	0.81	0.79	0.75	-5.0	7.1
Oman	34042	32971	35485	0.64	0.64	0.61	-3.1	7.6
Saudi Arabia	16983	15552	21599	0.32	0.30	0.37	-8.4	38.9
Turkey	10934	10282	15483	0.21	0.20	0.27	-6.0	50.6
U.A.E.	63502	47234	45482	1.20	0.91	0.79	-25.6	-3.7
Yemen Arab Rep	11583	12695	14931	0.22	0.25	0.26	9.6	17.6
Others	20765	21227	22894	0.39	0.41	0.40	2.2	7.9
Total	215542	204843	235317	4.08	3.97	4.07	-5.0	14.9
South Asia								
Afghanistan	32438	50446	73389	0.61	0.98	1.27	55.5	45.5
Iran	30149	34652	49265	0.57	0.67	0.85	14.9	42.2

Country of Nationality	No. of Arrivals			Percentage Share			Percentage Change	
	2008	2009	2010	2008	2009	2010	2009/08	2010/09
Maldives	54956	55159	58152	1.04	1.07	1.01	0.4	5.4
Nepal	78133	88785	104374	1.48	1.72	1.81	13.6	17.6
Pakistan	85529	53137	51739	1.62	1.03	0.90	-37.9	-2.6
Bangladesh	541884	468899	431962	10.26	9.07	7.48	-13.5	-7.9
Sri Lanka	218805	239995	266515	4.14	4.64	4.61	9.7	11.1
Bhutan	9952	10328	12048	0.19	0.20	0.21	3.8	16.7
Total	1051846	1001401	1047444	19.91	19.38	18.14	-4.8	4.6
South East Asia								
Indonesia	19609	20068	26171	0.37	0.39	0.45	2.3	30.4
Malaysia	115794	135343	179077	2.19	2.62	3.10	16.9	32.3
Myanmar	12147	12849	14719	0.23	0.25	0.25	5.8	14.6
Philippines	17222	21987	24534	0.33	0.43	0.42	27.7	11.6
Singapore	97851	95328	107487	1.85	1.84	1.86	-2.6	12.8
Thailand	58065	67309	76617	1.10	1.30	1.33	15.9	13.8
Vietnam	4877	5577	7458	0.09	0.11	0.13	14.4	33.7
Others	7360	1730	2980	0.14	0.03	0.05	-76.5	72.3
Total	332925	360191	439043	6.30	6.97	7.60	8.2	21.9
East Asia								
China (Main)	98093	100209	119530	1.86	1.94	2.07	2.2	19.3
China (Taiwan)	28939	23464	23915	0.55	0.45	0.41	-18.9	1.9
Japan	145352	124756	168019	2.75	2.41	2.91	-14.2	34.7
Rep. of Korea	79802	70485	95587	1.51	1.36	1.65	-11.7	35.6
Others	3044	3883	4896	0.06	0.08	0.08	27.6	26.1
Total	355230	322797	411947	6.73	6.25	7.13	-9.1	27.6
Australasia								
Australia	146209	149074	169647	2.77	2.88	2.94	2.0	13.8
New Zealand	29261	30876	37024	0.55	0.60	0.64	5.5	19.9
Others	2838	2501	3604	0.05	0.05	0.06	-11.9	44.1
Total	178308	182451	210275	3.38	3.53	3.64	2.3	15.3
Others	34540	15588	12087	0.65	0.30	0.21	-54.9	-22.5
Stateless	1025	624	670	0.02	0.01	0.01	-39.1	7.4
Grand Total	5282603	5167699	5775692	100.0	100.0	100.0	-2.2	11.8

Source: Bureau of Immigration, India

8.6   FOREIGN TOURIST ARRIVALS IN INDIA FROM DIFFERENT REGIONS

FTAs in India from different regions of the World during last three years. It is observed clear is that the FTAs in India have been increasing from all regions viz. North America, Central & South America, Western Europe, Eastern Europe, Africa, West Asia, South Asia, South East Asia, East Asia and Australasia during the year 2010. The growth was maximum from Central & South America (34.6%) followed by East Asia (27.6%), Africa (24.4%), Eastern Europe (24.1%), South East Asia (21.9%), Australasia (15.3%), West Asia (14.9%), North America (11.6%), Western Europe (7.1%) and South Asia (4.6%). The percentage share in FTAs in India during 2010 was the highest for Western Europe (30.3%) followed by North America (20.3%), South Asia (18.1%) South East Asia (7.6%), East Asia (7.1%), West Asia (4.1%), Eastern Europe (3.9%), Australasia (3.6%), Africa (3.5%) and Central & South America (1.1%). The arrivals in India from Western Europe were also the highest during the years 2009 and 2008 with more than 31% share. The following graph gives the trends in FTAs in India during the last three years from all the regions.
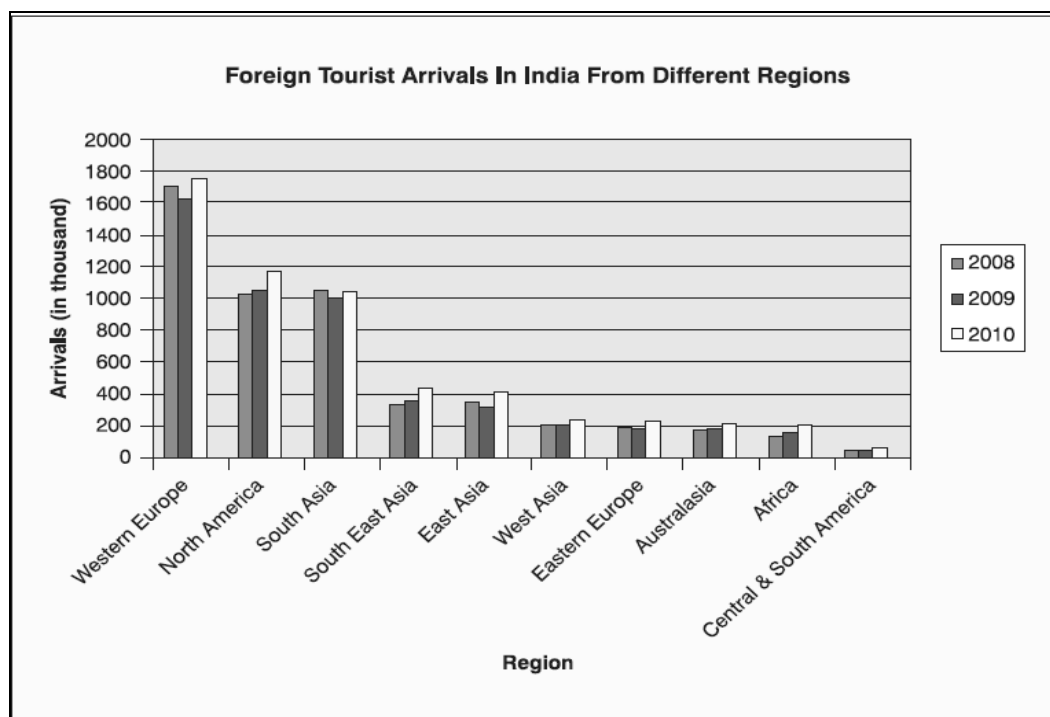
FTAs IN INDIA FROM DIFFERENT REGIONS OF THE WORLD, 2008-10

Region/Country	No. of Arrivals			Proportion to the Total			Percentage Change	
	2008	2009	2010	2008	2009	2010	2009/08	2010/09
Western Europe	1709525	1634042	1750342	32.36	31.62	30.31	-4.4	7.1
North America	1027297	1051209	1173664	19.45	20.34	20.32	2.3	11.6
South Asia	1051846	1001401	1047444	19.91	19.38	18.14	-4.8	4.6
South East Asia	332925	360191	439043	6.30	6.97	7.60	8.2	21.9
East Asia	355230	322797	411947	6.73	6.25	7.13	-9.1	27.6
West Asia	215542	204843	235317	4.08	3.97	4.07	-5.0	14.9
Eastern Europe	191110	183475	227650	3.62	3.55	3.94	-4.0	24.1
Australasia	178308	182451	210275	3.38	3.53	3.64	2.3	15.3
Africa	141750	164474	204525	2.68	3.18	3.54	16.0	24.4
Central & South America	43505	46604	62728	0.82	0.90	1.09	7.1	34.6
Others	34540	15588	12087	0.65	0.30	0.21	-54.9	-22.5
Stateless	1025	624	670	0.02	0.01	0.01	-39.1	7.4
Total	5282603	5167699	5775692	100.0	100.0	100.0	-2.2	11.8

Source: Bureau of Immigration, India

8.7 TOP 15 SOURCE COUNTRIES FOR FTAs IN INDIA

Table gives the percentage share and rank of top 15 source countries for India during 2010, the corresponding figures for 2009. The top 15 tourist generating countries for India during 2010 and 2009 were same except that Republic of Korea which is a new entrant in the list at

15th position and it has replaced Italy. There have been changes in the rankings of some countries in 2010 as compared to 2009. While Germany, Malaysia and Russian Fed. have improved their rankings in 2010, decline in the ranks was observed for France, Australia, China(Main) and Singapore. FTAs in India from United States of America were the highest (16.12%) during 2010, followed by United Kingdom (13.15%), Bangladesh (7.48%), Sri Lanka (4.61%), Canada (4.20%), Germany (3.94%), France (3.90%), Malaysia (3.10%), Australia (2.94%), Japan (2.91%), Russian Fed. (2.11%), China (Main) (2.07%), Singapore (1.86%), Nepal (1.81%) and Republic of Korea (1.65%). USA continued to occupy number one rank in tourist generating markets for India in 2010. The share of FTAs from top 15 countries during the year 2010 was 71.86% as compared to 73.22% in 2009.

TOP 15 SOURCE COUNTRIES FOR FTAs IN INDIA DURING 2009 & 2010

2009				2010			
Country	Rank	FTAs	% Share	Rank	Country	FTAs	% Share
USA	1	827140	16.01	1	USA	931292	16.12
UK	2	769251	14.89	2	UK	759494	13.15
Bangladesh	3	468899	9.07	3	Bangladesh	431962	7.48
Sri Lanka	4	239995	4.64	4	Sri Lanka	266515	4.61
Canada	5	224069	4.34	5	Canada	242372	4.20
France	6	196462	3.80	6	Germany	227720	3.94
Germany	7	191616	3.71	7	France	225232	3.90
Australia	8	149074	2.88	8	Malaysia	179077	3.10
Malaysia	9	135343	2.62	9	Australia	169647	2.94
Japan	10	124756	2.41	10	Japan	168019	2.91
China(Main)	11	100209	1.94	11	Russian Fed.	122048	2.11
Singapore	12	95328	1.84	12	China(Main)	119530	2.07
Russian Fed.	13	94945	1.84	13	Singapore	107487	1.86
Nepal	14	88785	1.72	14	Nepal	104374	1.81
Italy	15	77873	1.51	15	Rep. of Korea	95587	1.65
Total of top 15 Countries		3783745	73.22		Total of top 15 Countries	4150356	71.86
Others		1383954	26.78		Others	1625336	28.14
All Countries		5167699	100.00		Grand Total	5775692	100.00

Source: Bureau of Immigration, India

8.8 FTAS FROM TOP 10 SOURCE COUNTRIES FOR 2010

I. UNITED STATES OF AMERICA

United States of America maintained its position as the largest market for India during 2010. The arrivals grew from 82052 in 1981 to 931292 in 2010 at a CAGR of 8.7 %. The share of USA in the total FTAs in India also grew though marginally to about 16.12% during 2010 as compared to

16.01 % during 2009. During 2010, 99% of the tourists from USA came by air, 0.6% by land and 0.4% by Sea.

II. UNITED KINGDOM

The United Kingdom has been the second largest among tourist generating markets for India in the year 2010 as in the past. The arrivals grew from 116684 in 1981 to 759494 in 2010 at a CAGR of 6.7%. The share of United Kingdom in the total tourist traffic to India was 13.15 % during 2010 as compared to 14.89% during 2009.

III. BANGLADESH

Bangladesh continued to occupy the third position in terms of tourist arrivals in India with 7.48% share during 2010. The arrivals from Bangladesh grew to 431962 in 2010 from 192509 during 1981, with a CAGR of 2.8 %. The most preferred mode of travel for nationals from Bangladesh in 2010 was land (84.6%), followed by air route (15.4%). During 2010, out of total arrivals from Bangladesh, 70.3% were male and 29.7% were female. The dominant age group was 35-44 years with 23.7% tourists followed by the age group 25-34 years 20.9% and 45-54 year 20.1%. Arrivals were maximum during the quarter January-March (27.3%) followed by the quarter April- June (25.1%). The maximum tourist from Bangladesh came to India during 2010 for 'Others' purpose (55.4%) followed by 'Visiting friends & relatives' (19.4%) and Leisure, 'Holiday and Recreation' (11.4%).

IV. SRI LANKA

Sri Lanka has been placed at fourth position among the top 15 tourist generating countries for India with 4.61% of the total tourist arrivals during 2010. Arrivals from Sri Lanka, which were 75842 in 1981, grew up to 266515 in 2010 at a CAGR of 4.4%. While there is no uniform pattern in arrivals from Sri Lanka during 1996-2003, the arrivals have been continuously increasing since 2003. The peak quarter for Sri Lankan tourists visiting India during 2010 was July- September (29.6%), followed by January-March (26.7%). During 2010, majority of tourists (99.7%) travelled by air, followed by land (0.2%) and sea (0.1%). As far as port of disembarkation is concerned, maximum disembarked at Chennai airport (71.3%), followed by Mumbai (4.1%) Bangalore (3.6%) and Delhi (3.4%). Out of the total Sri Lankan nationals who visited India during 2010, majority 58.5% were male and 41.5% were female. The dominant age-group was 35-44 years (19.7%), followed by the age group 45-54 years (19.0%) and 25-34 years (16.9%). The maximum tourist from Sri Lanka came to India during 2010 for 'Leisure, holidays & recreation' (36.5%)

followed by 'Others' purpose (33.1%) and 'Business and Professional' (15.5%).

V. CANADA

Canada occupied fifth position in 2010 among the top tourist generating countries for India. The arrivals from this country have risen to 242372 in 2010 from 25358 in 1981 at a CAGR of 8.1%. The share of Canada in the total foreign tourist traffic in India was 4.20% as compared to 4.34% in 2009. Among 242372 Canadians who visited India during 2010, 98.4 % traveled by air, 0.9 % by land and 0.7% by sea. As far as port of disembarkation is concerned, 33.9% disembarked at Delhi airport, followed by 27.2% at Mumbai, 9.3% at Chennai, 6.6 % at Bangalore and 2.7% at Kolkata. Of the total arrivals, while 55.3% were male and 44.7 % were female. The predominant age-group was 35-44 & 45-54 (19.1%) followed by the age group 55-64 years (14.9%) and 0-14 years (14.7%) respectively. The quarter October- December accounted for 31.0% of the arrivals, followed by the quarter January- March with

30.2% during the year 2010. The maximum tourist from Canada came to India during 2010 for 'Visiting friends & relatives' (49.8%) followed by 'Others' purpose (18.8%) and 'Leisure, Holiday & Recreation (18.0%).

VI. GERMANY

During the year 2010, Germany improved its position to sixth from seventh in 2009 among the top tourist generating countries for India and contributed 3.94 % of the total FTAs in India. The arrivals grew from 55471 in 1981 to 227720 in 2010 at a CAGR of 5.0%.But the tourist arrivals in India from Germany increased by 18.8% in 2010. The most prefered mode of travel to India by the German tourists during 2010 was air (94.5%), followed by sea (4.5%), and land (1.0%). As far as port of disembarkation is concerned, 29.1% disembarked at Delhi airport, followed by Mumbai (27.7%), Bangalore (11.0%), Chennai (9.4%) and Kolkata (4.1%). Of the total German national arrivals in India during 2010, 65.4% were male and 34.6%) were female. The age group 45-54 years dominated the arrivals (26.1%), followed by 35-44 years (23.5%). The peak quarter of arrivals of German nationals during 2010 was January-March (33.7%) followed by October-December (28.4%). During 2010, the maximum tourists from Germany came to India for 'Business and Professional' (35.5%) followed by 'Leisure, Holiday & Recreation' (27.8%) and 'Others'purpose (19.5%)

VII. FRANCE

France slipped to the seventh position in 2010 among top tourist generating country for India, and contributed 3.90% of the total arrivals in

India during 2010. The arrivals grew from 57272 in 1981 to 225232 in 2010 at a CAGR of 4.8%. The year 2010 witnessed 14.6% growth over 2009. During 2010, majority (97.7%) of the arrivals from France visited India by air, 1.2% by land route and rest by sea route. As far as port of disembarkation is concerned, 31.7% disembarked at Delhi airport followed by Chennai (25.4%), Mumbai (22.1%) and Bangalore (10.5%). Of the total French arrivals, 58.4% were male and 41.6% were female. The age groups 35-44 & 45-54 years accounted for maximum arrivals (19.6%) followed by age group 25-34 years (16.8%), and age group 55-64 years (15.6%). During 2010, the quarters January- March and July- September were the most popular of visits by for the French tourists, accounting for 32.6% and 25.0% respectively. The maximum tourists from France came to India during 2010 for 'Leisure, Holidays & Recreation' (30.1%) followed by 'Visiting friends & relatives' (25.7%) and 'Others' purpose (23.1%).

VIII. MALAYSIA

During 2010, Malaysia occupied the eighth position among tourist generating countries for India with a share of 3.10% share. During 2009 it had occupied 9th position among tourist generating countries for India. The tourist traffic from Malaysia increased from 26458 in 1981 to 179077 in 2010, with a CAGR of 6.8%. It may be seen that Malaysia is one of the few countries which showed an increase of more than 30% in FTAs in India during 2010. Air was the predominant mode of travel for Malaysian tourists with 99.7% arrivals during 2010. As far as port of disembarkation is concerned, the maximum number of Malaysian tourists disembarked at Chennai airport (32.2%), followed by Delhi (12.7%), Mumbai (8.9%) and Bangalore (8.8%). During 2010, 56.4% of FTAs from Malaysia in India were male. The dominant age-group of the arrivals were 45-54 years with 20.8% of tourist followed by 35-44 years (20.4%) and 25-35 years (16.6%)? The peak quarter of visit for Malaysians during 2010 was January-March (26.9%) followed by October-December (26.3%)? During 2010, the maximum tourists from Malaysia came to India for 'Leisure, Holiday & Recreation' (39.4%) followed by 'Visiting friends & relatives' (26.8%) and 'Others' purpose (20.9%).

IX. AUSTRALIA

During 2010, Australia slipped to ninth rank from its 8th rank in 2009 among top 15 tourist generating markets for India, with 2.9% of the total share of arrivals. The tourist traffic from Australia during 1981 was 20940 which increased to 169647 in 2010, showing a CAGR of 7.5 %. As far as port of disembarkation is concerned, the maximum tourists disembarked at Mumbai (27.3%) followed by Delhi airport (25.9%), Chennai (12.1%) and Bangalore (11.5%). During 2010, majority of the tourists (60.2%) from Australia were male. The age group 35-44 years with 20.7% of tourists

dominated the arrivals, followed by 45-54 years (19.7%). The peak quarter of visit by Australians during 2010 was October- December (35.8%) followed by the quarter January- March (25.6%). During 2010, the maximum tourists from Australia came to India for 'Visiting friends & relatives' (39.4%) followed by 'Leisure, Holiday & Recreation' (24.4%) and 'Business and Professional' (20.3%).

X. JAPAN

Japan is one of the most important tourist generating markets for India in the East Asia, and it contributed 2.91% to the total FTAs in India during 2010. During 2010, Japan occupied tenth position among tourist generating countries of the world. The arrivals from Japan grew from 29032 in 1981 to 168019 in 2010 at a CAGR of 6.2 %.During the year 2010, 97.3% of tourists from Japan visited India by air, 2.3% by land routes and 0.4% by sea routes. As far as port of disembarkation is concerned, 37.5% disembarked at Delhi airport followed by Mumbai (22.8%), Bangalore (14.5%) and Chennai (12.9%). Of the total Japanese nationals who arrived in India, majority (81.0%) were male. The dominant age-group of Japanese tourists was 35-44 years contributing about 28.3% of tourist arrivals followed by the age group 45-54 years (27.2%) and 25-34 years (17.7%).The maximum number of tourists arrived in the quarter January–March (28.6%) followed by October-December (25.6%). During 2010, the maximum tourists from Japan came to India for 'Business and Professional (56.9%) followed by 'Leisure, Holiday & Recreation' (19.2%) and 'Others' purpose (14.0%).

8.9 LETS SUM UP

After completion of this unit we have understood that among the Indian tourism sector is one of the most crucial sectors of the economy in the country. It is not only a significant contributor to GDP and foreign exchange reserve of the country, but also it provides widespread employment. Tourism sector can also be considered the backbone for allied sectors, like hospitality, civil aviation, and transport. Sensing the importance of the sector, Indian Government has invested abundantly in the past for infrastructure development. It has been partially successful with increase in foreign tourist arrivals over the last decade, courtesy "Incredible India Campaign". Infrastructure in the hospitality sector is still a matter of concern amongst other factors like season-based tourism in some states.

Domestic tourism is very huge in the country, promoted by various intents. Pilgrim and leisure tourism are two very important sectors. A lot of scope is available for new businesses to enter and tap the segment. With the

rising economic status of the middle class and affluent population, outbound travel is on the rise. Though Thailand, Malaysia, and Singapore circuit the most favored destinations among the tourists, interest for off-track destinations are also increasing. Foreign tourist arrivals in the country have increased substantially during the past decade motivated by both, business and leisure needs and are further expected to grow at a CAGR of around 8% during 2010-2014. In the coming units we will be discussing India's Performance in International Tourism – A Critical Assessments, Role and Contribution of Leading Organizations in Promotion of Tourism, Some Key Perspectives of International Tourism etc.

8.10   CHECK YOUR PROGRESS

1. Discuss the important Inbound Market of India.

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2. Write a detailed note on the uniqueness of tourism industry in India?

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3. Which are the important domestic tourism markets of India?

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4. Which are the different tourist markets for India from different region?

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5. What makes the people from USA & UK to travel to India?

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8.11 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec. 8.3

2. Refer Sec. 8.2.

3. Refer Sec. 8.3.

4. Refer Sec. 8.6.

5. Refer Sec. 8.3 & 8.8.

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UNIT 9 INDIA'S PERFORMANCE IN INTERNATIONAL TOURISM – A CRITICAL ASSESSMENTS

9.1 Objectives.

9.2   Introduction.

9.3   Tourism Industry in India

9.4   International Tourist Arrival in India

9.5   Domestic Tourist Traffic In India

9.6   Sub-Segments of Tourism Industry

9.7   Emerging Trends In Hotel Industry

9.8   Major Tour Operators

9.9   India's Position in the World

9.10 Indian Tourism Industry Outlook

9.11 Lets sum up

9.12 Clues to Answers

9.1 OBJECTIVES

After studying this unit you will be able to achieve following objectives:

- Understand Tourism Industry in India.

- Understand International Tourist Arrival In India.

- Know about the Domestic Tourist Traffic in India.

- Understand the concept of nature tourism & India's Position in the World.

- Discuss the current skill development initiatives in the tourism Industry.

9.2 INTRODUCTION

World tourism enjoyed its fourth consecutive year of growth in 2008. International tourist arrivals grew by 2.3% in 2008 to reach a figure of over 924 million. This represented 21 million more arrivals than in 2007. The growth in international tourist arrival in 2008, 2.3%, is lower compared to 6.6% in 2007.

Inbound Tourism, 1950-2008

Source: UNWTO[1]- Tourism highlights 2008

In 2007, just over half of all international tourist arrivals were motivated by leisure, recreation and holidays (51% - 458 million). Business travel accounted for some 15% (138 million), and 27% represented travel for other purposes, such as visiting friends and relatives (VFR), religious reasons/pilgrimages, health treatment, etc. (240 million). The purpose of visit for the remaining 7% of arrivals was not specified.

Inbound Tourism by Purpose of Visit (% Share), 2007

- ■ Leisure, Recreation & Holidays
- ■ VFR, Health, Religion & Other
- ■ Business & Professional
- Not specified
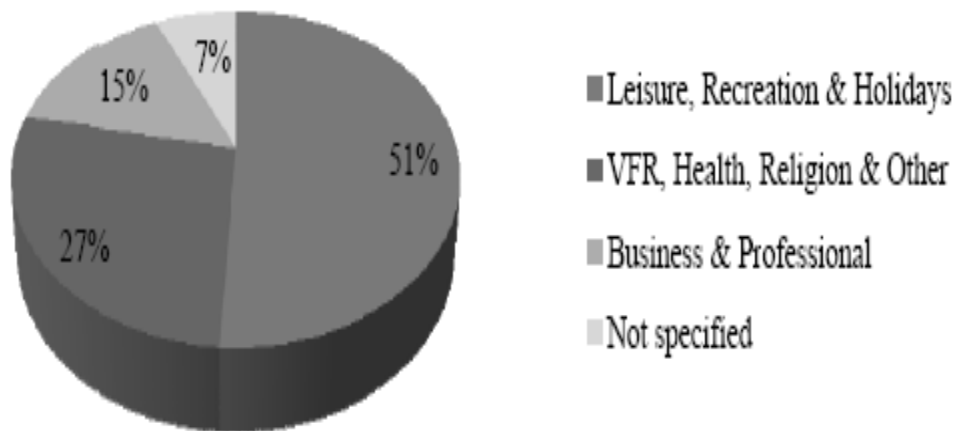
Source: UNWTO - Tourism highlights 2008

Global tourism industry Outlook:

UNWTO's Tourism 2022 vision forecasts that international tourist arrivals are expected to reach 1.6 billion by the year 2020.Of these worldwide arrivals in 2020, 1.2 billion will be intera-regional & 378 will be long – haul travellers.

Based on the long term growth patterns IMaCS estimates that the international tourist to cross 1.75 billion by 2022.

International tourist arrivals (in 000's) 1950-2022
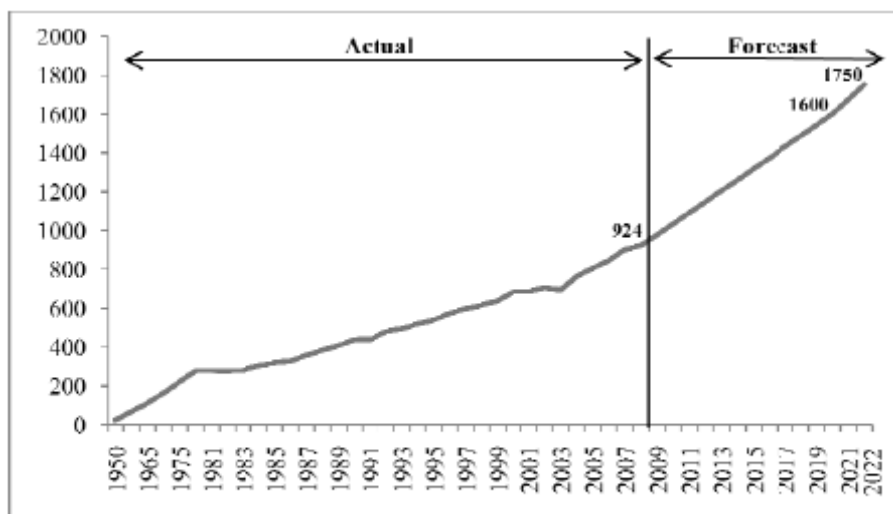
Source: UNWTO; IMaCS analysis

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 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% per year, compared to the world average of 4.1%. 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% in 1995 to 46% in 2020.As per the World Travel and Tourism Council, the World Travel & Tourism (T&T) industry is expected to post US $ 7,340 billion of economic activity, and this is forecasted to grow to US $ 14,382 billion by 2019. It also estimates that T&T accounts for approximately 7.6% of global employment. At present there are 77.3 million T&T Direct Industry jobs and 219.8 million jobs in the T&T Economy (including indirect), and these will rise to 97.8 million T&T Direct Industry jobs and 275.7 million T&T Economy jobs by 2019.Based on the long term growth rate, IMaCS estimates that the World Travel & Tourism industry to post US $ 17,615 billion of economic activity by 2022.

9.3 TOURISM INDUSTRY IN INDIA

The T&T industry in India accounted for approximately 6% of GDP and 30.5 million jobs (including direct and indirect) in 2008. The Travel and Tourism Competitiveness Report 2009 brought out by World Economic Forum, ranks India as 11th in the Asia-Pacific region and 62nd overall in a list of 133 assessed countries in 2009, up three places since 2008. In terms of travel, India stands 9th in the index of relative cost of access (ticket taxes and airport charges) to international air transport services, having almost the lowest costs in the world.

We will look at the three broad categories to understand the tourist traffic in India

- International tourist arrival in India

- Outbound tourism from India

- Domestic tourist traffic in India.

9.4 INTERNATIONAL TOURIST ARRIVAL IN INDIA

Tourism is one of the largest net earners of foreign exchange for the country recording earnings of US $11,747 million in 2008, a growth of 9.5%, according to the Ministry of Tourism. The International Tourist Arrival (FTA) has increased from 2.4 million in 1998 to 5.37 million in

2008. FTA registered a growth of 5.6% in 2008 over 2007. FTA in India (in million) 1998-2008
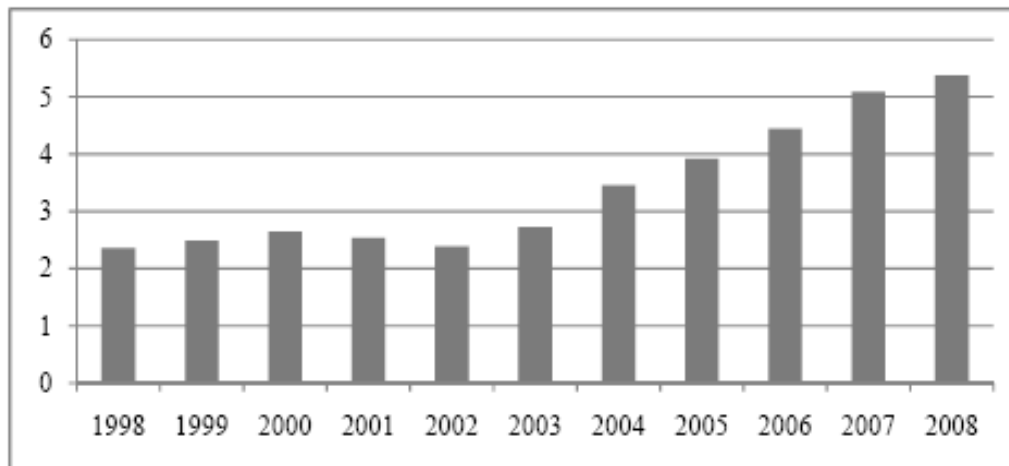
Source: Ministry of Tourism, Government of India

FTA in India from different regions (in millions)
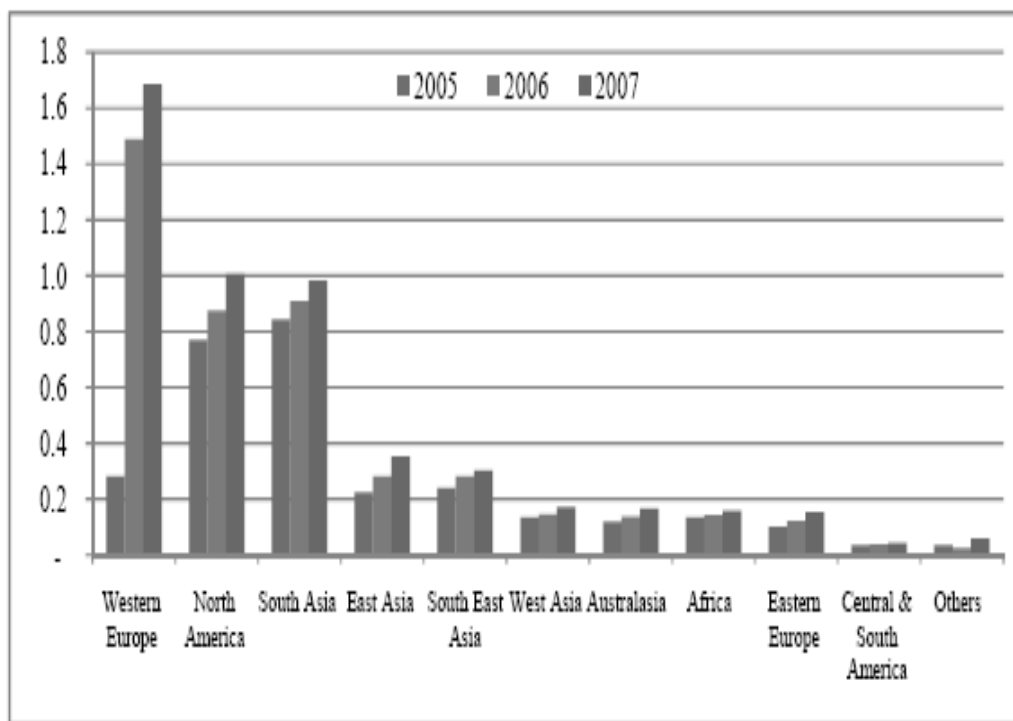
Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

FTAs in India from different regions of the world during last three years are depicted in the above figure. It is clear that the FTAs in India have been increasing from all regions during the last three years. The FTAs in India in 2007 were the highest from Western Europe (33.2%) followed by North

America (19.8%), south Asia (19.3%), East Asia (6.9%), and South East Asia (6%). The Foreign Exchange Earnings (FEE) from tourism in India in 2008 were Rs.50,730 crore. In US $ terms it was US $ 11.75 billion. The FEE from tourism grew by 9.5% in US $ terms, and by 14.4% in Indian Rupee (INR) terms in 2008 as compared to 2007

Foreign Exchange Earning (FEE), INR &USD
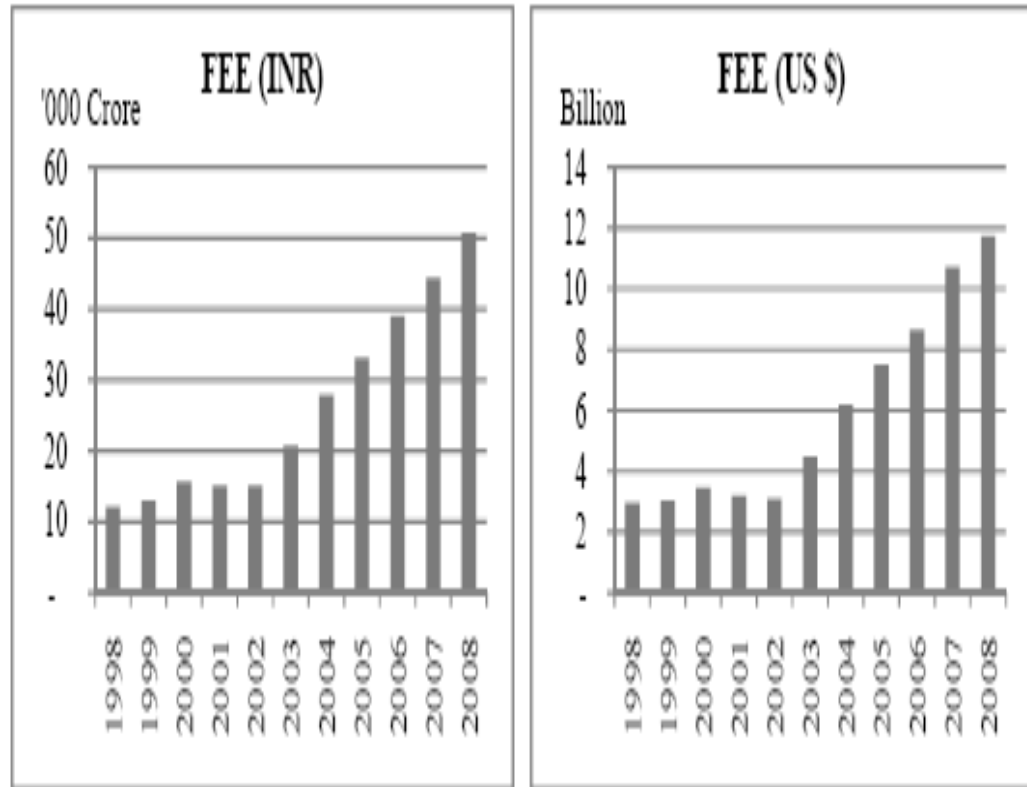
Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

Top 10 States/UTs to attract international tourist in India in 2007 and their percentage share of total international tourist visits is provided in the table below.

Top 10 States/UTs to attract international tourist in India

S. No.	State	% share
1	Delhi	15.3
2	Maharashtra	14.6
3	Tamil Nadu	12.9
4	Uttar Pradesh	11.3
5	Rajasthan	10.6
6	West Bengal	8.8
7	Andhra Pradesh	5.9
8	Karnataka	4.1
9	Kerala	3.9
10	Goa	3.0
	Total of Top 10 States/UTs	**90.4**

Source: Ministry of Tourism, Government of India

Outbound Tourism

The number of outbound Indians has been consistently rising over the last ten years. It increased from 3.8 million in 1998, to 9.8 million in 2007 with a compound annual growth rate of 11 %

Number of Outbound Indians (millions), 1998-2007
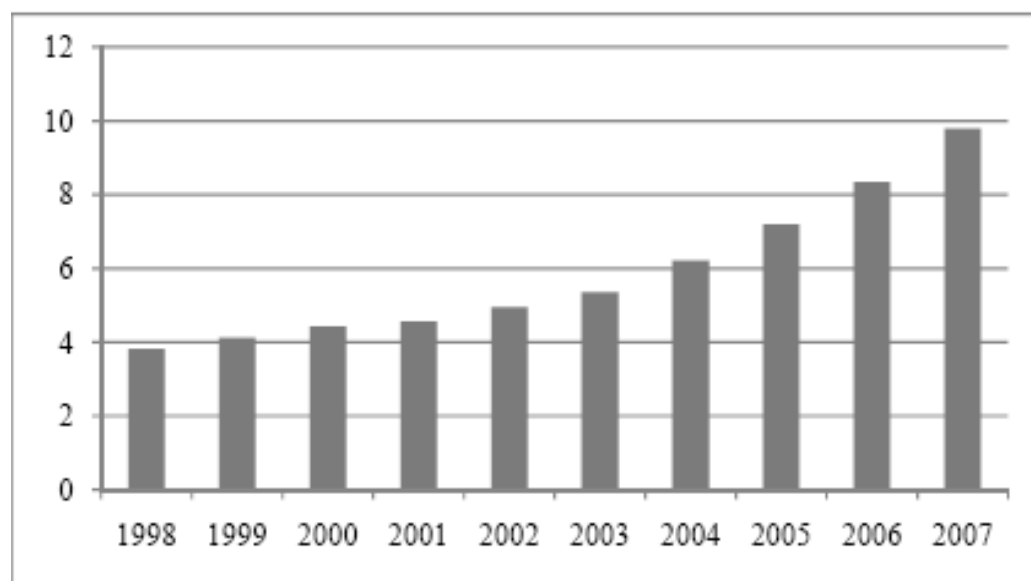
Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

9.5   DOMESTIC TOURIST TRAFFIC IN INDIA

The domestic tourist visits to all States/UTs have risen from 168.2 million in 1998 to 526.6 million in 2007 at a compounded annual growth rate of 13.5%.

Number of Domestic Tourist Visits to All States/UTs (millions), 1998-2007
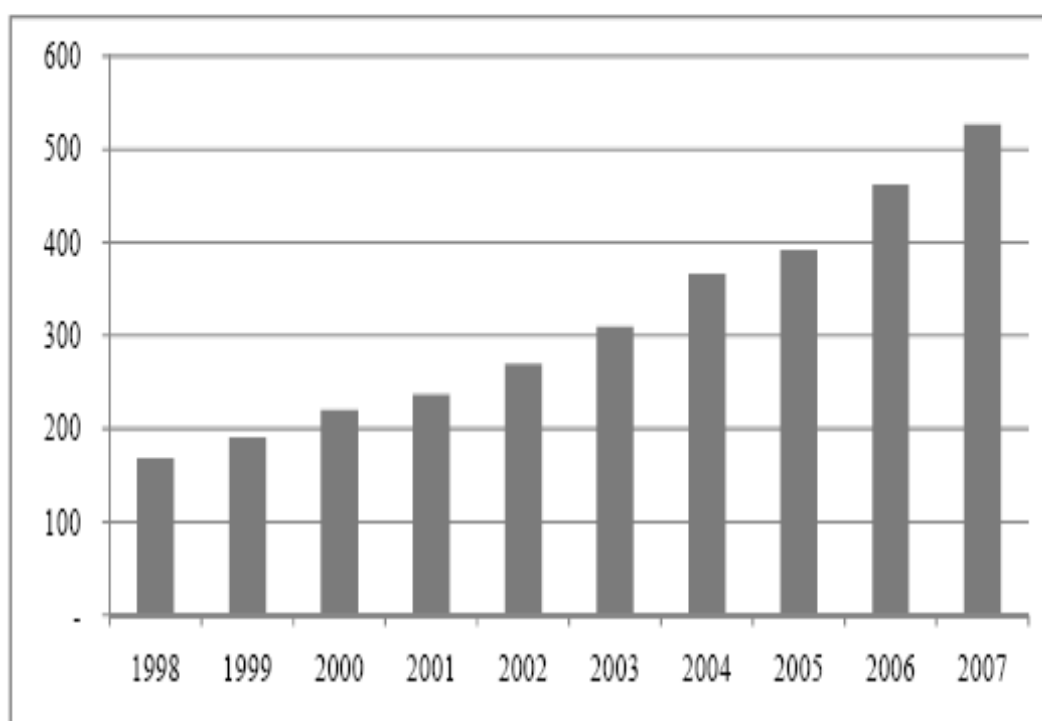
Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

Top 10 States/UTs to attract domestic tourist in India in 2007 and their percentage share of total domestic tourist visits is provided in the table below.

S. No.	State	% share
1	Andhra Pradesh	24.3
2	Uttar Pradesh	22.1
3	Tamil Nadu	13.5
4	Rajasthan	7.2
5	Karnataka	4.9
6	Uttarakhand	3.8
7	Maharashtra	3.7
8	West Bengal	3.5
9	Madhya Pradesh	2.6
10	Gujarat	2.6
Total of Top 10 States/UTs		88.2

Source: Ministry of Tourism, Government of India

9.6 SUB-SEGMENTS OF TOURISM INDUSTRY

The tourism industry in India can be categorized under three major sub segments as depicted below: *Sub-segments of Tourism Industry*
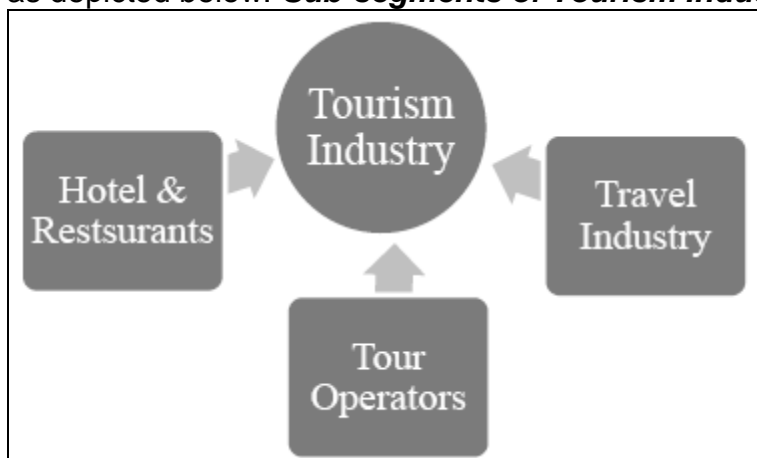
The Hotel & Restaurants Industry has contributed between 1.2% and 1.5% of the GDP over the last seven to eight years. The Ministry of Tourism estimates that there are more than 8,700 hotels at 54 key locations across the country with a total room supply of about 174,000 including hotels in the classified, approved but not classified, and licensed by the state governments but not approved categories.

According to an estimate5, the Indian Hotels & Restaurant Industry is expected to be Rs. 827.76 billion in by 2009-10 growing at compounded annual growth rate of 11% over 2006-07 (Rs. 604.32 billion).

Major players

In the large/luxury hotels segment there are about 11 long-standing players such as ITC Hotels, Asian Hotels, The Oberoi Group of Hotels, Hotel Leela Ventures, ITDC, Indian Hotels, The Park Hotels and international players like Hilton Hotels, Marriott International, Le Meridien Hotels & Resorts, and Radisson Hotels & Resorts. There are about 16 listed hotel groups in the mid-segment including Bharat Hotels, Oriental Hotels, Nehru Place Hotels, Jaypee Hotels, Piem Hotels and Taj GVK Hotels. In addition, there are more than 90 listed hotels and resorts in the small/mid sized segment including Country Club, EIH Associate Hotels, Kamat Hotels and Mahindra Holidays and Resorts. Apart from these, as mentioned earlier, there are a number of guest houses and hotels, particularly in the budget and small hotel segments, which are primarily run by localized players.

Hotel Industry Outlook

The hotel industry is presently undergoing rapid growth particularly in the luxury category.

International hotel chains such as Six Continents, Carlson Hospitality and Marriott are looking to increase their capacity in India, one of the fastest growing hospitality markets across the globe. A host of mid-market and budget hotel brands like Accor are also chalking entry plans for the market.

Based on the study conducted by the Ministry of Tourism, the existing (2006) demand and supply of rooms per annum are presented in the table below.

Demand Supply Scenario for Hotel Rooms, 2006

Category	Supply		Demand		Shortage	
	54 key locations*	All India	54 key locations*	All India	54 key locations*	All India
Classified	84,259	133,744	99,140	157,365	14,881	23,621
Others	89,728	142,425	82,456	130,883		
Total	173,987	276,170	181,596	288,248	7,609	12,078

*Source: Ministry of Tourism; *54 key locations identified all over the India as sample for the study*

The same study also forecasts the estimated demand for hotel rooms per annum assuming that the past growth in tourist traffic will also continue in future. The same is presented below.

All India Estimated Demand for Hotel Rooms – 2010 & 2015

Category	2010	2015
Classified	342,053	868,913
Others	240,680	515,095
Total	582,733	1,384,008
Source: Ministry of Tourism		

In 2010, 58.7% of the total demand is estimated to be in the classified category and 53% of the total classified demand is estimated to be in the budget category and the rest in luxury category. In 2015, the share of classified category is estimated to increase to 62.7% with budget category's share decreasing to approximately 47%.

9.7 EMERGING TRENDS IN HOTEL INDUSTRY

Some of the emerging trends of the Indian hotel industry are discussed below:

- **Service Apartments -** Service apartments are fully furnished and self-catering units combining the benefits of a home along with the facility such as house-keeping, room-service, 24-hour receptionists, security and travel desk. Besides this, they also contain other amenities such as 24- hour security, power backup, leisure activities, home appliances, refrigerator, self-help kitchen, laundry, telephone, high-speed internet connectivity, fire safety, private parking, health clubs with some of the apartments even offering value-add services for tourists and NRI groups such as site seeing and guided shopping for spouses. Service apartments are well equipped apartments specifically designed for experts with short stays in the country to give them and their family the comforts as well as the privacy of home. The boom in ITES and software businesses has acted as a catalyst in the growth of all sorts of accommodation businesses along with serviced apartments. Service apartment also fulfills all kinds of short-term and long-term accommodation needs of individuals, corporate houses and MNCs with quality living.

- **Spas -** The need for solitude, space and peace to recharge oneself has played an important role in the growth of spas in the country. A spa offers relaxation and rejuvenation to its clients. Luxuries at the spas include facials, baths, body therapies through international procedures as well as Thai or Indian classics, body treatments, facials, massages, aroma therapy, hair removal, hydrotherapy, manicures and pedicures, customised packages to deal with

specific problems, beauty advice and therapies and perfectly planned diets.

- **Budget hotels -** Budget hotels in India witnessed tremendous growth due to strong domestic travel and positive economic and investment environment. The minimum expectation of any budget traveller is a clean and comfortable room (air-conditioned) with a refrigerator, a 17 inch flat-screen television, tea and coffee makers at the bedside, in-house gym, cyber café, ATM machine, 24-hour automatic check-in kiosk and wi-fi facilities. This is the new definition that budget hotels have given to the hotel industry by satisfying the value for money concept.

- **Wildlife resorts** - The wildlife lodges segment has caught the attention of hospitality companies. For example, Taj Safaris, a JV between Taj Hotels and CC Africa, has opened two luxury wildlife resorts in Madhya Pradesh. Leisure Hotels is also targeting to enter the wildlife lodges segment with a lodge near Kanha National Park in Madhya Pradesh. CC Africa is planning to set up four new safari lodges in India—two in South India, one in Kaziranga (Assam) and another in Gir (Gujarat). These new lodges are expected to be fully operational by October 2011. Fortune Park Hotels, a subsidiary of ITC Ltd, is also one of the hospitality companies planning to enter the wildlife lodges segment. Some of the other high-end luxury wildlife lodges are The Oberoi Vanyavilas and Aman-i-khas at Ranthambore. In the recent past, high-end luxury tourism has been promoted by the Ministry of Tourism and the growth in the high-end wildlife lodges is result of it.

9.8 MAJOR TOUR OPERATORS

In order to encourage quality standards and services, the Ministry of Tourism approves travel agents, tour operators, tourist operators and adventure tour operators in the country to strict guidelines. As per the estimate of Ministry of Tourism, there are nearly 6,000 travel trade companies and firms comprising of tour operators, travel agents and tourist transporters.

Major players

The major organized players, besides the plethora of organized players, in this category India are:

S. No.	Name
1	Thomas Cook India Private Limited
2	Kuoni India Limited
3	Cox & Kings India Limited
4	Raj Travels & Tour Limited

Source: IMaCS analysis

9.9 INDIA'S POSITION IN THE WORLD

India's share in international tourist arrival as well as rank has improved over the last 10 years. Both have significantly improved since 2002.

Foreign Tourist Arrival (FTA) in World & India and India's Rank

Year	World FTA	India FTA	India's Rank
1998	614.3	2.36	47th
1999	637.4	2.48	46th
2000	684.7	2.65	50th
2001	684.4	2.54	51st
2002	704.7	2.38	54th
2003	692.2	2.73	51st
2004	761.4	3.46	44th
2005	803.0	3.92	43rd
2006	847.0	4.45	44th
2007	903.0	5.08	42nd
2008	924.0	5.37	-

Source: UNWTO; Ministry of Tourism, India

India's Share in World Travel Receipt & World FTA, 1998-2008

Source: UNWTO; Ministry of Tourism, India
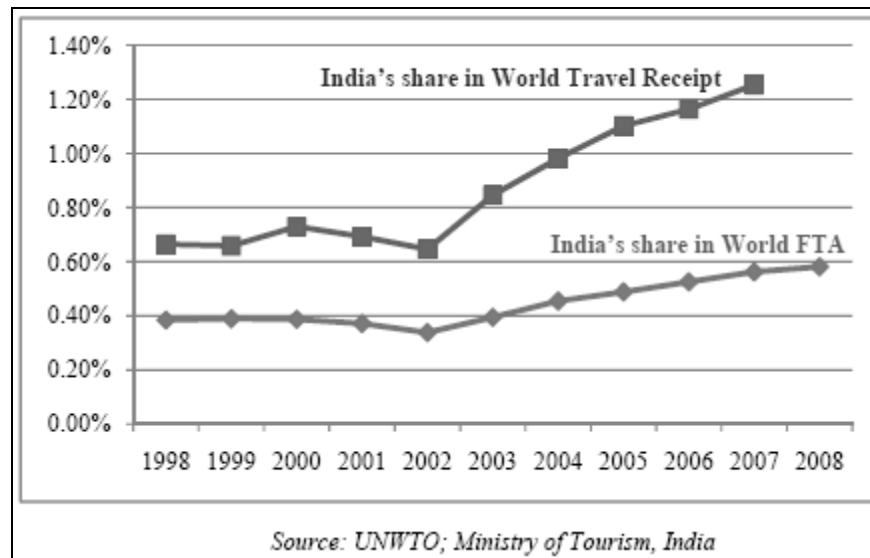
World travel receipts have increased from US $ 444.1 billion in 1998 to US $ 856.0 billion in 2007 at a compounded annual growth rate of 7.6%. At the same time the travel receipt (foreign) in India has risen from US $ 2.95 billion in 1998 to US $ 10.73 billion at a compounded annual growth rate of 15.4%. While the growth in tourism has been impressive, India's share in total global tourism arrivals and earning is quite insignificant and is expected to improve in the next decade.

9.10 INDIAN TOURISM INDUSTRY OUTLOOK

Indian tourism industry has expanded rapidly over the past few years and is well poised to grow at faster pace in the coming years underpinned by the government support, rising income level and various international sports events. Government of India's **'Incredible India' campaign launched in 2002** has also been quite successful.

The World Travel & Tourism Council estimates that the Indian Travel & Tourism (T&T) industry will post Rs 4,412.7 billion (US $ 91.7 billion) of economic activity in 2009, growing to Rs. 14,601.7 billion (US $ 266.1 billion) by 2019 registering a nominal compounded annual growth of 12.7%. It also expects the Indian T&T industry to grow at 7.7% per annum in real terms between 2009 & 2019. Based on the long term growth rate, IMaCS estimates that the India Travel & Tourism (T&T) industry to post Rs. 21,011 billion of economic activity by 2022.

CHECK YOUR PROGRESS

1) Discuss the India's position in international tourism in last few years?

……………………………………………………………………………

………………..

2) Discuss the role of "Incredible India" in development of Indian tourism Industry?

……………………………………………………………………………

………………..

3) Comment on the statement "**Outbound market of India has huge potential***"?*

………………………………………………………………

4) Discuss in detail about the emerging trends in the hospitality Industry in India?

………………………………………………………………………………

9.11 LETS US SUM UP

After this unit now we have understood that how the T&T industry in India accounted for approximately 6% of GDP and 30.5 million jobs (including direct and indirect) in 2008. The Travel and Tourism Competitiveness Report 2009 brought out by World Economic Forum, ranks India as 11th in the Asia-Pacific region and 62nd overall in a list of 133 assessed countries in 2009, up three places since 2008.

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. Now after studying this unit we have understood the development of tourism through different ages and the how Government of India's 'Incredible India' campaign launched in 2002 has also been quite successful.

The World Travel & Tourism Council estimates that the Indian Travel & Tourism (T&T) industry will post Rs 4,412.7 billion (US $ 91.7 billion) of economic activity in 2009, growing to Rs. 14,601.7 billion (US $ 266.1 billion) by 2019 registering a nominal compounded annual growth of 12.7%. It also expects the Indian T&T industry to grow at 7.7% per annum in real terms between 2009 & 2019. Based on the long term growth rate, IMaCS estimates that the India Travel & Tourism (T&T) industry to post

Rs. 21,011 billion of economic activity by 2022.In past few years Indian tourism Industry had registered quite an impressive growth and government has also taking interest in training the manpower and creative the conducive atmosphere for the development of the tourism in the country. In other units we will be studying the role of India in the development of tourism in SAARC & ASEAN region.

9.12 CLUES TO ANSWERS

Check your progress

1) Refer Sec. 9.3 & 9.4.

2) Refer Sec. 9.10 & 9.11.

3) Refer Sec. 9.4 & 9.9.

4) Refer Sec. 9.7

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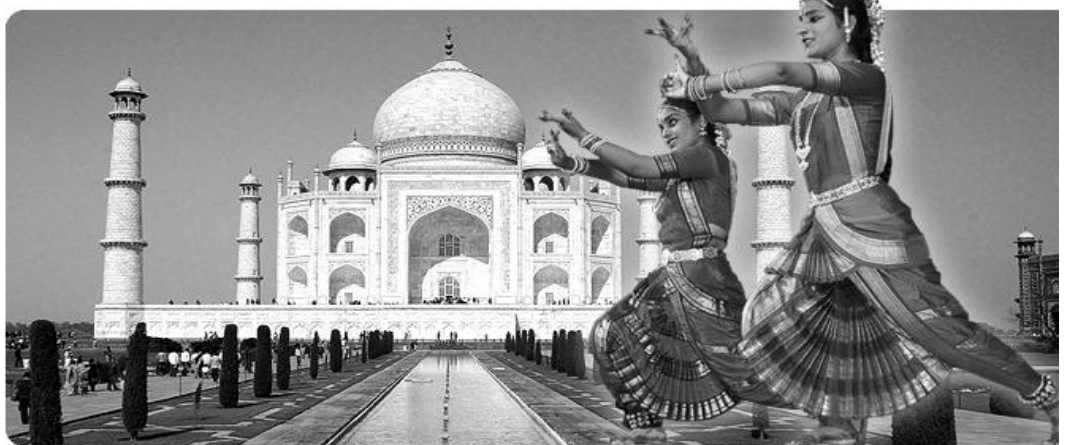
UNIT 10   WTO

Structure

10.0 OBJECTIVES

This unit aims at to understand the role & importance of UNWTO in tourism promotion & development. After going through this unit you will be able to understand the following things:

- ➢ To understand the history of WTO
- ➢ To understand the mission of WTO
- ➢ To understand the aims of WTO
- ➢ Understand the role & responsibility of UNWTO in promotion & development of tourism worldwide

10.1 INTRODUCTION

In this unit we will study about the history, role & responsibilities of WTO in development of tourism Industry worldwide. Today, the World Tourism Organization (WTO) is the most widely recognized and the leading international organization in the field of tourism. The World Tourism Organization (UNWTO) is the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism.

As the leading international organization in the field of tourism, UNWTO promotes tourism as a driver of economic growth, inclusive development and environmental sustainability and offers leadership and support to the sector in advancing knowledge and tourism policies worldwide. UNWTO encourages the implementation of the Global Code of Ethics for Tourism, to maximize tourism's socio-economic contribution while minimizing its possible negative impacts, and is committed to promoting tourism as an instrument in achieving the United Nations Millennium Development Goals (MDGs), geared towards reducing poverty and fostering sustainable development. UNWTO generates market knowledge, promotes competitive and sustainable tourism policies and instruments, fosters tourism education and training, and works to make tourism an effective tool for development through technical assistance projects in over 100 countries around the world.

10.2 HISTORY

World Tourism Organization (founded 1975) is a specialized agency of the United Nations (UN). It is a successor to the International Union of official Travel Organization (IUOTO) which existed from 1947 to 1975. UNWTO's membership includes 155 countries, 7 territories and over 400 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities. The detailed history of the UNWTO is as follow:

1946

The First International Congress of National Tourism Bodies, meeting in London, decides to create a new international non-governmental organization to replace the International Union of Official Tourist Propaganda Organizations (IUOTPO), established in 1934.

1947

The First Constitutive Assembly of the International Union of Official Travel Organisations (IUOTO) is held in The Hague. The temporary IUOTO headquarters are established in London.

1948

Creation of the European Travel Commission (ETC), the first Regional Commission within IUOTO. It is followed by those for Africa (1949), Middle East (1951), Central Asia (1956) and the Americas (1957). IUOTO is granted United Nations consultative status.

1951

IUOTO transfers its headquarters to Geneva, Switzerland, where it remains until 1975.

1954

IUOTO takes part in the United Nations Conference on Customs Formalities for the Temporary Importation of Private Road Motor Vehicles and for Tourism held in New York, which adopts two key multilateral instruments to facilitate travel and tourism promotion activities.

1957

Robert Lonati (France) becomes the first IUOTO Secretary-General; his mandate will be extended until 1974.

1963

Following an IUOTO initiative, the United Nations Conference on Tourism and International Travel meets in Rome. This conference adopts a series of recommendations on the definition of the terms 'visitor' and 'tourist' regarding international statistics; the simplification of international travel formalities, and a general resolution on tourism development, including technical co-operation, freedom of movement and absence of discrimination.

1965

IUOTO takes an active part in the work of the International Conference on Facilitation of Travel and Maritime Traffic, organized by the International Maritime Organization (IMO) in London. The Conference adopts the Convention on Facilitation of International Maritime Traffic.

1966

The 79th meeting of the Executive Council of IUOTO in Madrid, approves a proposition to modify the legal statutes of the Union and creates a working group to study the effects and consequences of this change.

1967

The United Nations, following an IUOTO initiative, declares 1967 International Tourism Year (ITY), with the slogan Tourism, Passport to Peace.

1969

The Intergovernmental Conference in Sofia (Bulgaria) and the United Nations General Assembly press for the creation of an intergovernmental organization on independent tourism.

1970

On 27 September, the IUOTO Special General Assembly meeting in Mexico City adopts the Statutes of the World Tourism Organization (WTO). From 1980 onwards, this day will be celebrated as "World Tourism Day".

1975

First WTO General Assembly meets in May in Madrid at the invitation of the Spanish Government. Robert Lonati is voted in as the first WTO Secretary-General and the Assembly decides to establish its headquarters in Madrid.

1976

The WTO General Secretariat is set up in Madrid on 1 January.

The agreement is signed for WTO to become an executing agency of the United Nations Development Programme (UNDP), carrying out technical co-operation with Governments.

1980

The World Tourism Conference held in Manila (Philippines) adopts the Manila Declaration on World Tourism.

1982

The World Tourism Conference in Acapulco (Mexico) adopts the Acapulco Document.

1985

The VI WTO General Assembly, held in Sofia (Bulgaria), adopts the Tourism Bill of Rights and Tourist Code. Willibald Pahr (Austria) is voted new WTO Secretary-General.

1989

Inter-Parliamentary Conference on Tourism, jointly organized with the Inter-Parliamentary Union, adopts The Hague Declaration on Tourism. VIII WTO General Assembly, Paris (France). Antonio Enríquez Savignac (Mexico) is voted new WTO Secreteary-General.

1991

The International Conference on Travel and Tourism Statistics in Ottawa (Canada) adopts a resolution defining the statistical needs of the tourism industry. IX WTO General Assembly in Buenos Aires (Argentina) approves the recommendations of the Ottawa Conference and adopts "Recommended Measures for Security in Tourism" and "Creating Tourism Opportunities for Handicapped People in the Nineties".

1992

WTO participates in the United Nations Conference on Environment and Development held in Rio de Janeiro (Brazil), where "Agenda 21" is created.

1993

X WTO General Assembly held in Bali (Indonesia), Antonio Enríquez Savignac (Mexico) is re-elected as Secretary-General. The United Nations Statistics Commission approves the Ottawa recommendations and adopts the Standard International Classification of Tourism Activities (SICTA).

1994

Joint WTO and UNESCO meeting on the Silk Road, held in Samarkand (Uzbekistan), adopts the Samarkand Declaration on Silk Road Tourism.

1995

Accra Declaration on the WTO-UNESCO cultural programme "The Slave Route" in Accra (Ghana). WTO Forum on Parliaments and Local Authorities: Tourism Policy-Makers, held in Cadiz (Spain), which underscores the importance of co-operation between local, regional and national authorities. WTO, WTCC and the Earth Council produce Agenda 21 for the Travel and Tourism Industry, as a follow-up to the Rio Conference. XI WTO General Assembly in Cairo (Egypt) adopts the WTO Declaration on the Prevention of Organiz**ed Sex Tourism.**

1996

II WTO Forum on Parliaments and Local Authorities: Tourism Policy-Makers, held in Bali (Indonesia), **adopts the Bali Declaration on Tourism,**

1997

XII WTO General Assembly in Istanbul (Turkey) approves a White Paper to define WTO strategy in confronting the challenges of the 21st century. Francesco Frangialli (France) is voted new WTO Secretary-General.

1998

The WTO.THEMIS Foundation is created in Andorra, to promote quality and efficiency in tourism education and training.

1999

The World Conference on the Measurement of the Economic Impact of Tourism, held in Nice (France), approves the Tourism Satellite Account. XIII WTO General Assembly in Santiago (Chile) adopts the Global Code of Ethics for Tourism.

2000

The United Nations Statistics Commission approves the international standards included in the Tourism Satellite Account (TSA). Third WTO Forum on Parliaments and Local Authorities: Tourism Policy-Makers, in Rio de Janeiro (Brazil).

2001

First World Conference on Sport and Tourism, jointly organized by WTO and the International Olympic Committee, Barcelona (Spain). Conference on Tourism Satellite Accounts in Vancouver (Canada) aimed at promoting the use of Tourism Satellite Accounts. XIV WTO General Assembly held jointly in Seoul (Republic of Korea) and Osaka (Japan), adopts the Seoul Declaration on Peace and Tourism and the Osaka Declaration for the Millennium. Francesco Frangialli (France) is re-elected Secretary-General. the Assembly requests looking at the possibility of transforming WTO into a United Nations specialized agency.

2002

2002 is declared International Year of Ecotourism. Quebec (Canada) holds the World Ecotourism Summit, which adopts the Quebec

Declaration on Ecotourism. WTO takes part in the World Summit on Sustainable Development (Johannesburg, South Africa), during which the programme "Sustainable Tourism – Eliminating Poverty" (ST-EP) is presented. The final declaration of the Summit includes a direct reference to sustainable development of tourism. IV WTO Forum on Parliaments and Local Authorities: Tourism Policy-Makers, held in Panama City.

2003

WTO Strategy for Crisis Management is adopted at ITB Berlin (Germany). First International Conference on Climate Change and Tourism, Djerba (Tunisia). XV WTO General Assembly, Beijing (China), approves the composition of the World Committee on Tourism Ethics and unanimously supports the programme Sustainable Tourism – Eliminating Poverty (ST-EP). The Assembly approves the transformation of WTO into a United Nations specialized body by resolution 453(XV). The transformation is ratified at the United Nations General Assembly by resolution A/RES/58/232.

2004

First World Conference on Tourism Communications (TOURCOM), organized by WTO in Madrid, during FITUR. The World Committee on Tourism Ethics, the implementation body for the Global Code of Ethics (adopte**d in 1999), holds its first meeting in Rome (Italy).**

2005

Following the Asian tsunami catastrophe in December 2004, UNWTO Secretary-General summoned an emergency meeting of the UNWTO Executive Council which adopts the Phuket Action Plan. UNWTO conference on the "Tourism Satellite Account (TSA): Understanding Tourism and Designing Strategies" in Iguazu, jointly organized with the governments of Argentina, Brazil and Paraguay. Applying the agreement signed between UNWTO and the Government of Korea in 2004, the official head office of UNWTO's ST-EP Foundation is opened in Seoul. XVI UNWTO General Assembly held in Dakar (Senegal), confirms the leading role UNWTO can play in eliminating poverty through sustainable tourism development. Francesco Frangialli (France) is re-elected for a third mandate as Secretary-General. The General Assembly also approves the adoption of the initials UNWTO in English and ЮНВТО in Russian.

2006

XXX anniversary of UNWTO in Madrid. Chaired by United Nations Secretary-General Kofi Annan, the UN's Chief Executives Board meets for the first time at UNWTO headquarters.

First International Conference on Tourism and Handicrafts, Teheran (Islamic Republic of Iran).

2007

Fifth International Forum for Parliamentarians and Local Authorities, Hamamet (Tunisia.) Second International Conference on Climate Change and Tourism, Davos (Switzerland), adopted the Davos Declaration, endorsed by the London Ministerial Summit on Tourism and Climate Change. First International Conference on Tourism, Religions and Dialogue of Cultures, Cordoba (Spain) The XVII Session of the UNWTO General Assembly held in Cartagena de Indias, Colombia, adopts the Davos Declaration and encourages UNWTO to engage itself in the response to one of the greatest challenges of our times.

10.3 MISSION

UNWTO works in six main areas - competitiveness, sustainability, poverty reduction, capacity building, partnerships and mainstreaming - to achieve responsible, sustainable and universally accessible tourism.

1) **Improving Tourism Competitiveness**

➢ Market Trends
➢ Statistics
➢ Crisis Management

Market trends: UNWTO provides the tourism community with up-to-date market intelligence including the latest tourism market trends, short and long-term tourism forecasts and knowledge on specific market segments and source markets. *The UNWTO World Tourism Barometer* is UNWTO's flagship report and monitors short-term tourism trends on a regular basis, providing the sector with relevant and timely information.

Statistics: The United Nation recognizes UNWTO as "the appropriate organization to collect, to analyze, to publish, to standardize and to improve the statistics of tourism, and to promote the integration of these statistics within the sphere of the United Nations system."

To fulfill this role, UNWTO gather statistics from over 212 countries and territories into a regularly updated database. UNWTO Compendium of Tourism Statistics, produced annually since 1975, provides data's and indicators in inbound, outbound and domestic tourism, as well as on the number and types of tourism industries, the number of employees by tourism industries, and macroeconomic indicators related to international tourism. UNWTO Yearbook of Tourism Statistics, which provides data, by country of origin, on arrivals and overnight stays related to inbound tourism.Advocating the value of tourism as a driver of socio-economic growth and development and its inclusion as a priority in national and international development policies.

2) **Promoting Sustainable Development of Tourism**: Promoting sustainable tourism – one that makes optimal use of environmental resources, respects the socio-cultural authenticity of host communities and provides socio-economic benefits to all stakeholders.

3) **Advancing Tourism's Contribution to Poverty Reduction and Development**: Maximizing the contribution of tourism to reduce poverty and achieve the Millennium Development Goals (MDGs), UNWTO works to make tourism a tool for development at national, regional and community level and to include tourism in the international development agenda and priorities.

4) **Improving Tourism Competitiveness**: Improving UNWTO Members' tourism products and destinations, through knowledge building and exchange, human resources capacitating and the promotion of quality and excellence in areas such as statistics, market trends, marketing, destination management or crisis and risk management.

5) **Knowledge, Education and Capacity Building**: Supporting countries to assess and address their needs in education and training, as well as providing networks for knowledge exchange.

6) **Building Partnerships**: Engaging with the private sector, regional and local tourism organizations, academia and research institutions, the civil society and the UN system to build a more sustainable, responsible and competitive tourism sector.

At the very heart of UNWTO's Programme of Work is Technical Cooperation and Services, the operational arm of the Organization, translating its technical expertise and knowledge of best practices from around the world into practical application in the field. For more than thirty years, UNWTO has been providing technical assistance to its Members with the aim of building up a stronger, healthier and more efficient tourism sector; optimizing socio-economic benefits of tourism; helping alleviate poverty at the grass-root level; promoting sustainable livelihoods; preserving and enhancing cultural and natural heritage;

and involving the local communities in the development process. The horizontal and cross-cutting nature of tourism requires unity and collaboration from all stakeholders in order to face the global challenges of the 21st century most effectively and build a more sustainable and competitive sector, while minimizing its negative effects. UNWTO also works closely with other United Nations agencies and programmes in making tourism contribute to the UN and global objectives.

10.4 STRUCTURE

The bodies of the World Tourism Organization are the:

1. General Assembly: The General Assembly is the principal gathering of the World Tourism Organization.It meets in every two years to approve the budget and programme of work and to debate topics of vital importance to the tourism sector. Every four years it elects a Secretary-General. The General Assembly is composed of Full Members and Associate Members. Affiliate Members and representatives of other international organizations participate as observers.The World Committee on Tourism Ethics is a subsidiary organ of the General Assembly. It is the supreme organ of the organisation. It meets every two years to approve the budget and programme of work and to debate topics of vital importance to the tourism sector. It also provides general guidelines for the administration of the organization. Every four years it elects a Secretary-General. The General Assembly is composed of delegates representing full members, associate members and representatives of Affiliate Members. The General Assembly has created six subsidiary organs in the form of Regional Commissions. These are: Africa, the Americas, East Asia and the Pacific, South Asia, Europe and Middle East. The commissions meet at least once a year and are composed of all the full members and associate members from that region. Affiliate members from the region participate as observers.

2. Regional Commissions : UNWTO has six regional commissions- Africa, the Americas, East Asia and the Pacific, Europe, the Middle East and South Asia. The commissions meet at least once a year and are composed of all the Full Members and Associate Members from that region. Affiliate Members from the region participate as observers.

3. Executive Council: The Executive Council is UNWTO's governing board, responsible for ensuring that the Organization carries out its work and adheres to its budget. It meets at least twice a year and is composed by Members elected by the General Assembly in a ratio of one for every

five Full Members. As host country of UNWTO´s Headquarters, Spain has a permanent seat on the Executive Council. Representatives of the Associate Members and Affiliate Members participate in Executive Council meetings as observers. It is the governing board of WTO. It is responsible for ensuring that the organization carries out its work and adheres to its budget. It meets at least twice a year and is composed by members elected by the general assembly in a ratio of one for every five full members. At host country of UNWTO's headquarters, Spain has a permanent seat on the Executive Council. Representatives of the Associate Members and Affiliate Members participate in executive council meeting as observers. The Executive Council has created subsidiary organs.These are as follows: Technical Committee for Programme and Coordination (TCPC), Committee on Budget and Finance (CBF), Facilitation Committee, Environment Committee, Sub-Committee for the review of applications for affiliate membership, Sub-Committee on Statistics, Joint WTO-IATA Working Party. The subsidiary organs of the council meet on a regular basis to discuss matters falling within their competence and on which they report to the council.

4. Committees: Specialized committees of UNWTO Members advise on management and programme content. These include: the Programme Committee, the Committee on Budget and Finance, the Committee on Statistics and the Tourism Satellite Account, the Committee on Market and Competitiveness, the Sustainable Development of Tourism Committee, the World Committee on Tourism Ethics, the Committee on Poverty Reduction and the Committee for the Review of applications for Affiliate Membership.

10.5 AIMS

The aims of the organization are defined in article 3 of the statute which is divided into the following three sections:

1. The fundamental aim of the organization shall be the promotion and development of tourism with a view to contributing to economic development, international understanding, peace, prosperity and universal respect for, and observance of, human rights and fundamental freedoms for all without distinction to race, sex, language or religion. The organization shall take all appropriate action to attain this objective.

2. In pursuing this aim, the organization shall pay particular attention to the interests of the developing countries in the field of tourism.

3. In order to establish its central role in the field of tourism the organization shall establish and maintain effective collaboration with the

appropriate organs of the United Nations and its specialized agencies. In this connection the organization shall seek a cooperative relationship with and participation in the activities of the United Nations Development Programme as a participating and executing agency.

10.6 MEMBERSHIP

There are three categories of members of the organization. The categories are:

1) Full Members: Full members are all the sovereign states. States whose national tourism organizations are Full Members of IUOTO at the time of adoption of these Statutes by the Extraordinary General Assembly of IUOTO shall have the right to become Full Members of the Organization, without requirement of vote, on formally declaring that they adopt the Statutes of the Organization and accept the obligations of membership. Other States may become Full Members of the Organization if their candidatures are approved by the General Assembly by a majority of two-thirds of the Full Members present and voting provided that said majority is a majority of the Full Members of the Organization

2) Associate Members: Associate members are the territories or groups of territories not responsible for their external relations but whose membership is approved by the state assuming responsibility for their external relations. Territories or groups of territories whose national tourism organizations are Full Members of IUOTO at the time of adoption of these Statutes by the Extraordinary General Assembly of IUOTO shall have the right to become Associate Members of the Organization, without requirement of vote, provided that the State which assumes responsibility for their external relations approves their membership and declares on their behalf that such territories or groups of territories adopt the Statutes of the Organization and accept the obligations of membership. Territories or groups of territories may become Associate Members of the Organization if their candidature has the prior approval of the Member State which assumes responsibility for their external relations and declares on their behalf that such territories or groups of territories adopt the Statutes of the Organization and accept the obligations of membership. Such candidatures must be approved by the Assembly by a majority of two-thirds of the Full Members present and voting provided that said majority is a majority of the Full Members of the Organization. When

an Associate Member of the Organization become responsible for the conduct of its external relations, that Associate Member shall be entitled to become a Full Member of the Organization on formally declaring in writing to the Secretary-General that it adopts the Statutes of the Organization and accepts the obligations of full membership

3) Affiliate Members: Affiliate members are international bodies, both inter-governmental and non-governmental concerned with specialized interests in tourism, as well as commercial and non-commercial bodies and associations whose activities are related to the aims of WTO or fall within its competence. Affiliate membership of the Organization shall be open to international bodies, both intergovernmental and non-governmental, concerned with specialized interests in tourism and to commercial bodies and associations whose activities are related to the aims of the Organization or fall within its competence. Associate Members of IUOTO at the time of adoption of these Statutes by the Extraordinary General Assembly of IUOTO shall have the right to become Affiliate Members of the Organization, without requirement of vote, on declaring that they accept the obligations of affiliate membership. Other international bodies, both intergovernmental and nongovernmental, concerned with specialized interests in tourism, may become Affiliate Members of the Organization provided the request for membership is presented in writing to the Secretary-General and receives approval by the Assembly by a majority of two-thirds of the Full Members present and voting and provided that said majority is a majority of the Full Members of the Organization. Commercial bodies or associations with interests defined in paragraph 1 above may become Affiliate Members of the Organization provided their requests for membership are presented in writing to the Secretary-General and are endorsed by the State in which the headquarters of the candidate is located. Such candidatures must be approved by the General Assembly by a majority of two third of the Full Members present and voting provided that said majority is a majority of the Full Members of the Organization. There may be a Committee of Affiliate Members which shall establish its own rules and submit them to the General Assembly for approval. The Committee may be represented at meetings of the Organization. It may request the inclusion of questions in the agenda of those meetings. It may also make recommendations to the meetings. Affiliate Members may participate in the activities of the Organization individually or grouped in the Committee of Affiliate Members.

WTO is the only intergovernmental organization open to the operating sector. This combination of public and private sector involvement encourages a hands-on approach to strategic issues affecting the industry. WTO also provides a forum for industry to "establish the frameworks and global standards of travel and tourism". It attempts

consolidation of one or the world's fastest growing industries. WTO's activities include:

1. Technical Cooperation
2. Education and Training
3. Environment and Planning
4. Facilitation and Liberalization
5. Marketing and Promotion
6. Publication

10.7 SUSPENSION OF MEMBERSHIP

If any Member is found by the Assembly to persist in a policy that is contrary to the fundamental aim of the Organization as mentioned in Article 3 of these Statutes, the Assembly may, by a resolution adopted by a majority of two-thirds of Full Members present and voting, suspend such Member from exercising the rights and enjoying the privileges of membership. The suspension shall remain in force until a change of such policy is recognized by the Assembly.

Withdrawal from membership

Article 35, Any Full Member may withdraw from the Organization on the expiry of one year's notice in writing to the Depositary Government. Any Associate Member may withdraw from the Organization on the same conditions of notice, provided the Depositary Government has been notified in writing by the Full Member which is responsible for the external relations of that Associate Member. An Affiliate Member may withdraw from the Organization on the expiry of one year's notice in writing to the Secretary-General.

Entry into force

Article 36, the present Statutes shall enter into force one hundred and twenty days after fifty-one States whose official tourism organizations are Full Members of IUOTO at the time of adoption of these Statutes have formally signified to the provisional Depositary their approval of the Statutes and their acceptance of the obligations of membership.

Depositary

Article 37, These Statutes and any declarations accepting the obligations of membership shall be deposited for the time being with the Government of Switzerland. The Government of Switzerland shall notify all States entitled to receive such notification of the receipt of such declarations and of the date of entry into force of these Statutes

10.8 LETS SUM UP

After completion of this unit we have understood that UNWTO is the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and practical source of tourism know-how. With its headquarters in Madrid, Spain, UNWTO plays a central and decisive role in promoting the development of responsible, sustainable and universally accessible tourism, with the aim of contributing to economic development, international understanding, peace, prosperity and universal respect for, and observance of, human rights and fundamental freedoms. In pursuing this aim, the Organization pays particular attention to the interests of developing countries in the field of tourism.

The UNWTO plays a catalytic role in promoting technology transfers and international cooperation, in stimulating and developing public-private sector partnerships and in encouraging the implementation of the Global Code of Ethics for Tourism, with a view to ensuring that member countries, tourist destinations and businesses maximize the positive economic, social and cultural effects of tourism and fully reap its benefits, while minimizing its negative social and environmental impacts.

10.9 CHECK YOUR PROGRESS

1. Discuss the important members of UNWTO.
   …………………………………………………………………………

2. Write a detailed note on the activities done by UNWTO?
   …………………………………………………………………………
   …………………………………………………………………………
3. What do you understand by the Associate membership of UNWTO?
   …………………………………………………………………………
4. Write a note on the history of UNWTO?

   …………………………………………………………………………

5. What is the importance of the General Assembly?

10 .10 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.10.6
2. Refer Sec. 10.3 & 10.5

   3. Refer Sec. 10.6

   4. Refer Sec. 10.2

   5. Refer Sec. 10.4

10.11 Suggested Readings

Seth P.N., Successful Tourism Management, Sterling publications, New Delhi

Velas & Hornell Becherel, *International Tourism*, VNR, 2006

Zulfikar Mohammed, *Introduction to Tourism & Hotel Industry*, UBSPD, 2006

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UNIT 11 WTTC and TTRA

Structure

11.0 Objectives

11.1 Introduction

11.2 WTTC

      11.2.1 WTTC Mission

      11.2.2 Activities of WTTC

      11.2.3 WTTC Membership

      11.2.4 Benefits of the Membership

      11.2.5 Research Activities

11.3 TTRA (Travel and Tourism Research Association)

      11.3.1 Objectives

      11.3.2 Advantages/Benefits of TTRA

      11.3.3 Membership Categories

      11.3.4 TTRA Chapters

11.4   Lets Sum Up
11.5   Check your progress
11.6   Clues to Answers

11.0 OBJECTIVES

This unit aims at to understand the role & importance of WTTC (World Travel and Tourism Council) & TTRA (Travel and Tourism Research association) in tourism promotion & development. After going through this unit you will be able to understand the following things:

➢ To understand the importance of WTTC & TTRA
➢ To understand the mission of WTTC & TTRA
➢ To understand the aims of WTTC & TTRA

➢ Understand the role & responsibility of WTTC (World Travel and Tourism Council) & TTRA (Travel & tourism research association) in promotion & development of tourism worldwide.

11.1 INTRODUCTION

In this unit we will study about the history, role & responsibilities of (World Travel and Tourism Council) WTTC & TTRA (Travel & tourism research association) in development of tourism Industry worldwide. Today, The World Travel and Tourism Council (WTTC) is the forum for global business leaders in tourism industry. WTTC is the only body representing the private sector in all parts of the industry worldwide. These include accommodation, transportation, cruises, catering, entertainment, recreation and travel-related services.   WTTC mission is to raise awareness of the economic and social contribution of travel and tourism and to work with governments on policies that unlock the industry's potential to create jobs and generate prosperity. The activities of the council can be summarized under three broad themes: Global Activities, Regional Initiatives and Economic Research.

Whereas, TTRA (Travel & tourism research association) is seeking to improve the travel and tourism industry through education, publications and networking activities.

11.2 WTTC

The World Travel & Tourism Council (WTTC) has it's headquarter in United Kingdom. The World Travel & Tourism Council (WTTC) is the forum for business leaders in the Travel & Tourism industry. With Chief Executives of some one hundred of the world's leading Travel & Tourism companies as its Members, WTTC has a unique mandate and overview on all matters related to Travel & Tourism.

11.2.1 WTTC MISSION

WTTC works to raise awareness of Travel & Tourism as one of the world's largest industries, supporting 255 million jobs and generating 9 per cent of world GDP.

WORLD TRAVEL & TOURISM COUNCIL

WTTC advocates partnership between the public and private sectors, delivering results that match the needs of economies, local and regional authorities and local communities with those of business, based on:

1. Governments recognizing Travel & Tourism as a top priority
2. Business balancing economics with people, culture and environment
3. A shared pursuit of long-term growth and prosperity

11.2.2 ACTIVITES OF WTTC

The Council regularly sets Strategic Priorities with a view to identifying those issues which most impede the operation or development of the sector. Details of the issues on which the World Travel & Tourism Council is currently campaigning can be reached through the left-hand navigational menu. And WTTC's success in generating a climate of understanding of the importance of Travel & Tourism is based on its:

1. High quality and authoritative research into the facts about Travel & Tourism, and into the issues affecting the sector;
2. Ability to harness the unrivalled the knowledge and experience of the Council Members, who number the most prominent executives in the industry;
3. Willingness to collaborate with other leading industry bodies in pursuit of mutual aims;
4. Visible, timely and newsworthy programme of communications - including its famous Summit meetings - to inform discussions between the Travel & Tourism industry, governments, and the community at large.

WTTC and its Members fully recognize the power of the Travel & Tourism industry in driving sustainable economic recovery and growth. The WTTC Environment Initiative was borne out of this shared vision. Perhaps one of the most central issues within environmental sustainability and one of the greatest threats to the world today is climate change. The WTTC Environment Initiative aims to solidify the voice of leaders in the Travel & Tourism industry on this global issue and communicate good examples of the industry taking the global lead on sustainable development. The Initiative consists of a Steering Group comprised of WTTC Members who are the 'sound board' for the outputs of the Initiatives Working Group which consists of Heads of Environment, Sustainability and CSR within our WTTC Member companies.

To date, the Initiative has successfully embarked on a number of projects aimed at underlining its leadership role through:

- **Leading the Challenge on Climate Change**: In February 2009, Travel & Tourism industry leaders set out a vision for, and commitment to, tackling greenhouse gas (GHG) emissions through the WTTC publication 'Leading the Challenge on Climate Change'. The report also underscores the important role of partnership in attaining the vision defined by WTTC and calls for an alignment of goals and efforts among leaders of industry, employees, customers and policy-makers - whether in the commercial or public domain. Two years on from the launching, WTTC has explored through its Members, how the industry is moving on with this global challenge. Through interviews with its Members, WTTC demonstrates and celebrates the achievements of WTTC Members in advancing carbon emissions mitigation while helping their operating environment adapt to the impacts of climate change.
- **Climate Change: A Joint Approach to Addressing the Challenge** : A sound framework is critical for the Travel & Tourism industry to allow the transparency needed to make informed investment decisions, many of which can determine nations' economic development. WTTC has launched in 2010, its climate change policy recommendations outlining clear principles for governments guiding them towards fostering an enabling environment for the sustainable development of our industry while recognising its immense economic and developmental importance.
- **Hotel Carbon Measurement Initiative**: In 2011, WTTC in conjunction with the International Tourism Partnership have embarked on a groundbreaking initiative for the hotel sector. The project aims to streamline the way the hotel industry measures and communicates carbon emissions to their clients. This is particularly relevant for corporate consumers who are interested in quantifying the potential carbon footprint of their hotel stay ad meeting/event at a hotel.
- **Communiqué**: –It calls on governments to continue to develop the policy structure needed to ensure that Travel & Tourism can achieve low-carbon growth, even in the absence of a global agreement at the United Nations Conference on Climate Change in Durban. Broadly, it calls for a clear process of developing climate change policy preferably in consultation with the industry, thereby providing businesses with the confidence they need to operate and plan for the future. For the full text of the communiqué, please click here.
- **Events**: WTTC has organized a number of events at high-level forums such as the UN Climate Change Conference in

Copenhagen aimed at communicating examples of the industry moving forward on carbon emissions mitigation and adaptation projects.

11.2.3 WTTC MEMBERSHIP

The World Travel & Tourism Council (WTTC) is the forum for the Chairmen, Presidents and CEOs of one hundred of the world's foremost Travel & Tourism companies. Membership of the Council is by invitation only. The membership is divided into two parts:

- Council Members
- Industry Partners

11.2.4 BENEFITS OF THE MEMBERSHIP

➢ Networking opportunities in the form of regional meetings, receptions and conferences for Members, government officials and invited guests.
➢ The forum for bringing key concerns to the attention of senior officials in government and in international institutions.
➢ WTTC activities enable to attract high level political and media attention.
➢ Exclusive involvement with WTTC's principle partners and participation in high level meetings worldwide.
➢ Involvement in projects to facilitate the development of the industry.
➢ WTTC can conduct work at the request of Members seeking specific information or external lobbying.
➢ Access to exclusive economic research data which provides a comprehensive overview of global developments.
➢ WTTC regularly publishes country-specific and regional reports as well as economic data for 175 countries.
➢ Special reports include taxation, human resources development, liberalization, information technology and corporate social leadership
➢ WTTC offers a unique opportunity to the development potential of the industry – by helping to identify

- Future Risks,
- Challenges & Opportunities

11.2.5 RESEARCH ACTIVITIES

For more than twenty years, the World Travel & Tourism Council has led the debate on contemporary issues affecting the sector, and has initiated a constantly evolving programme of activities aimed at raising awareness of the most pressing issues and bringing about change.

Research

Measuring the size and growth of the Travel & Tourism sector around the world is challenging, but it is critical for an understanding of its economic contribution. WTTC has developed a complex methodology for producing consistent, comprehensive and comparable estimates for Travel & Tourism's economic impact across the world, incorporating and compatible with the Tourism Satellite Account: Recommended Methodological Framework (TSA:RMF 2008) approved by the United Nations Statistics Division. Over the past 20 years, and along with research partners Oxford Economics, WTTC has continually reviewed and enhanced its methodology, developing a system for producing estimates for the economic contribution of Travel & Tourism to 181 countries, 20 regions and the world overall. These are not strictly Tourism Satellite Accounts (TSAs) - and are not intended to replace country TSAs - but the estimates are derived from official country TSA statistics, where available, as well as other published data, and are complemented by economic modelling, which allows for cross-country benchmarking. For those countries for which no relevant statistics are available, this research provides a starting point for understanding the direct and indirect economic impact of Travel & Tourism and, ultimately, for better long-term planning.

11.3 TTRA (TRAVEL AND TOURISM RESEARCH ASSOCIATION)

Travel and Tourism Research Association has its Head Quarter in USA and is a unique organization with the purpose to improve the overall health of the tourism industry through education, publications, conferences and other networking activities.

11.3.1 OBJECTIVES

The broad objectives of TTRA are as follow:

- Facilitates access to numerous sources of information to support your research efforts.
- Educates members in research, marketing and planning skills through publications, conferences and networking.
- Encourages professional development and recognizes research and marketing excellence through its awards program.
- Creates opportunities to interact with your peers throughout the industry.

- Fosters development of travel and tourism research and related curricula in institutes of higher education.
- Promotes the development and application of professional research in the travel and tourism industry.

11.3.2 ADVANTAGES/BENEFITS OF TTRA

When members are asked to identify the most important benefits of belonging to TTRA, their response is almost always networking and

educational opportunities. TTRA's members share research and marketing ideas, recommend suppliers and provide advice regarding careers.

Members can benefit from TTRA if you are involved in areas regarding:

- Developing and exploring new research trends, issues and methodologies.
- Determining the effectiveness (attitudes, conversion studies, return on investment) of your promotional campaigns.
- Identifying and measuring travel motivators.
- Recognizing new opportunities.
- Identifying emerging markets.
- Forecasting.
- Gathering competitive intelligence and benchmarking your product/location.
- Using research data to make sound strategic, tactical and marketing decisions.

No other international organization of this magnitude offers

a)   Access to a unique membership combination of academics, practitioners and vendors and

b) Exclusive networking opportunities among these groups that result in

c) Mutually beneficial business relationships and collaboration.

All of that and it has brought to all its members with a very research-centric, world perspective that is the essence of TTRA.As an association with more than 40 years of history, TTRA and its members represent an impressive body of travel industry related knowledge. Historical trends, ground-breaking research and important studies are all housed in the TTRA compendium of knowledge.

Overall Benefits

- Professional status recognition in the travel and tourism industry
- Identify partners for joint marketing and research projects
- Share knowledge, experience and ideas
- Enjoy discounts on meetings, conferences.
- Build personal contacts within the global community of TTRA members
- Benefit from and contribute to newsletter, social network and discussions

Benefits to the Destinations

- Discounts on TTRA's international and chapter conferences
- Improve understanding of travel trends, behaviors/motivations of your target audiences
- Share research ideas and methodologies with destination peers plus university, industry and vendor experts
- Informative conference sessions designed to enhance your marketing efforts that drive successful results

Benefits to the Academics

- Stay up-to-date on the latest travel industry research through the Journal of Travel Research
- Publish in the peer-reviewed Journal of Travel Research and present papers at TTRA and Chapter conferences
- Pursue grant opportunities through international and chapter contacts
- Provide students with professional development experiences by taking advantage of scholarships for conference registration and membership

Benefits to the VENDORS/CONSULTANTS

- Network with destination marketing and research professionals who purchase travel-related research
- Promote your company's capabilities with your target market of clients by exhibiting at our conferences
- Increase awareness of your expertise, products and services by sponsoring scholarships, event functions, breakouts, webinars and other TTRA products
- Enhance your reputation by contributing to the growth of tourism marketing research.

11.3.3 MEMBERSHIP CATEGORIES

The *Premier Membership* is designed for the highly active member with a wide variety of needs. For those seeking educational resources, membership includes the Journal of Travel Research and the best rate for the annual conference.

The *Organization Membership* has the same benefits as the Premier Membership, but with discounted pricing for having multiple members from the same organization. The Organization Membership is the only category of membership that may be transferred to a different

person. If you are an educational institution and hold an Organization Membership with TTRA your students will get 50% off their Student Membership   Fees.

The **Standard Membership** is an affordable option for those seeking basic membership. The Standard Membership allows access to all services and benefits at a reduced rate, allowing you to pick and choose the services that best meet your needs.

The **Student Membership** allows students to gain exposure to the industry and network with professionals and other students. Individuals must show proof of enrollment in a current degree granting program in order to be eligible.

Graduating Student Members receive their first professional membership year free.

11.3.4 TTRA CHAPTERS

Travel and Tourism Research Association has at present nine chapters with a prime focus to established as a place for all those interested in travel and tourism research in the region (or of the region) to come together. The Association membership comprises research managers, industry research users, 'vendors' (research consultants), academic researchers and post graduate students.

1) Travel and Tourism Research Association Asia Pacific Chapter
2) California University of Pennsylvania
3) Canada
4) Central States-USA
5) Europe
6) Greater Western-USA
7) Hawaii, USA
8) Southeast States-USA
9) Texas, USA

11.4 LETS SUM UP

After completion of this unit we have understood that WTTC & TTRA are the leading international tourism organization in the field of tourism. WTTC is the only body representing the private sector in all parts of the industry worldwide. It is the only body representing the private sector in all parts of the Travel & Tourism industry worldwide. WTTC's mission is to raise awareness of the full economic impact of the world's largest generator of wealth and jobs - Travel & Tourism. Council has

become the leadership organization for the industry, representing 100 Members who are the key players in the world's most influential Travel & Tourism companies, covering all sectors of the industry. WTTC policies are set by the Executive Committee and implemented from the Headquarters in London. Whereas, Travel and Tourism Research Association has its Head Quarter in USA and is a unique organization with the purpose to improve the overall health of the tourism industry through education, publications, conferences and other network activities. Professional status recognition in the travel and tourism industry ,Identify partners for joint marketing and research projects ,Share knowledge, experience and ideas ,Enjoy discounts on meetings, conferences, Build personal contacts within the global community of TTRA members & Benefit from and contribute to newsletter, social network and discussions. We have clearly understood the roles & activities done by these two tourism organizations .In coming units we will be studying about the regional tourism organizations like PATA & DOT of India.

11.5 CHECK YOUR PROGRESS

1. Discuss the important activities done by WTTC.
   …………………………………………………………………………
   …………………………………………………………………………..

2. Write a detailed note role done by WTTC on the climate change?
   …………………………………………………………………………
   …………………………………………………………………………..

3. What do you understand by the TTRA?
   …………………………………………………………………………
   …………………………………………………………………………..

4. Write a note on the role of TTRA in promotion of tourism Industry?

   …………………………………………………………………………
   …………………………………………………………………………

5. What are the benefits of being the member of WTTC?

   …………………………………………………………………………
   …………………………………………………………………………

11 .6 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.11.2.2
2. Refer Sec. 11.2.2
3. Refer Sec. 11.3
4. Refer Sec. 11.3.1 ,11.3.2

5. Refer Sec. 11.2.3,11.2.3

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UNIT 12 PATA AND OECD

Structure

12.0 Objectives

12.1 Introduction

12.2 PATA (Pacific Asia Travel Association)

    12.2.1 PATA'S Mission

    12.2.2 PATA Activities

    12.2.3 Benefits for Members

12.3 PATA Chapters

    12.3.1 PATA Chapter Bylaws

    12.3.2 Chapter Objectives

    12.3.3 Chapter Membership

12.4 PATA Activities

12.5 OECD (Organization for Economic Co-operation and Development)

    12.5.1 Activities

12.6 The OECD Tourism Committee

    12.6.1 Statistical Activities of the OECD Tourism Committee.

    12.6.2 International Forum on Tourism Statistics

    12.6.3 Tourism Satellite Account

12.7   Lets Sum Up
12.8   Check your progress
12.9   Clues to Answers
12.10   Suggested Readings

12.0 OBJECTIVES

    This unit aims at to understand the role & importance of PATA (Pacific Asia Travel Association) & OECD (Organization for Economic Co-operation and Development) in tourism promotion & development. After going through this unit you will be able to understand the following things:

➢   To understand the history of PATA & OECD
➢   To understand the mission of PATA & OECD
➢   To understand the aims of PATA & OECD
➢   Understand the role & responsibility of PATA & OECD in promotion & development of tourism worldwide

12.1 INTRODUCTION

In this unit we will study about the activities & responsibilities of PATA (Pacific Asia Travel Association) & OECD (Organization for Economic Co-operation and Development) in development of tourism Industry worldwide. Since 1951 PATA has led from the front as the leading voice and authority on travel and tourism in the Asia Pacific region, in partnership with private and public sector members, PATA enhances the sustainable growth, value and quality of travel and tourism to-from-and-within, the region. The Association provides leadership and counsel on an individual and collective basis to over 80 government, state and city tourism bodies; nearly 50 international airlines, airports and cruise lines and many hundreds of travel industry companies across the Asia Pacific region and beyond. The organization is continuously working in the direction for the promotion & development of tourism industry in the Pacific Asian Region.

Whereas, the OECD (Organization for Economic Co-operation and Development) which was established in 1961 is to promote policies that will improve the economic and social well-being of people around the world. The present unit focuses on the role of these two international organizations in the development of tourism Industry.

12.2 PATA (PACIFIC ASIA TRAVEL ASSOCIATION)

The Pacific Asia Travel Association (PATA) was founded in 1951. PATA continues to be the leading authority, advocate and catalyst for the responsible development of Asia Pacific's Travel and Tourism Industry. The Association had 44 founder members. India which was an associate member of PATA since 1957, become a full-fledged active member in 1964.PATA's uniquely structured organization has helped unite the many facets of tourism in the region. PATA provides leadership and advocacy to the collective efforts of nearly 100 government, state and city tourism bodies, more than 55 airlines and cruise lines and hundreds of travel industry companies. In addition, thousand of travel professionals belong to a global network of PATA chapters.

12.2.1 PATA'S MISSION

The Pacific Asia Travel Association (PATA) is a membership association acting as a catalyst for the responsible development of the Asia Pacific travel and tourism industry. In partnership with PATA's private and public sector members, we enhance the sustainable growth, value and quality of travel and tourism to, from and within the region.

12.2.2 PATA ACTIVITIES

PATA activities include assisting small and up-and coming destinations to develop their infrastructure, providing expertise and planning group travel schemes, destinations, hotels operations and discounts. It provides up-to date information and practical and theoretical experience in the field of tourism. Through its Research, Development, Education and Marketing Councils, PATA serves as a central source, supporting its diverse membership in tactical marketing programmes for their destinations and products together with training and educational programmes for human resource development. The PATA publication, Pacific Travel News, it relied upon by wholesale and retail travel agents as an important source of authoritative material on the Pacific. PATA also publishes its Hotel Directory and Travel Guide listing the hotels, resorts and travel services in the Pacific area. PATA has produced the Pacific Area Destination Handbook which compiles in a single volume all the data that is required for the planning and sale of travel and is the world's most authoritative and comprehensive handbook on 31 Pacific Destinations. PATA has nine categories of membership: Active Government, Associate Government, Active Carrier, Associate Carrier, Active Industry, Allied, affiliated Allied, Associate and Sustaining. People from the following areas can become the member of PATA

- Airline
- Airport
- Consulting
- Cruise Line
- Destination Management Company
- Education
- Event Venue
- Finance
- Government (Tourism Organization)
- Hotel Chain/Hospitality Management Company
- Individual
- Individual Hotel property
- Insurance
- Media

- On-line Travel Business
- Others
- PATA Affiliate Hotel
- Retail Travel Agent
- Students
- Tour Operator (Multi-Offices/Units)
- Tour Operator (Single Office)
- Tourist Attraction
- Transportation Provider
- Travel Agent
- Travel Association

12.2.3 BENEFITS FOR MEMBERS

Marketing cost advantages for a member

- Members can promote their company brand and profile on www.PATA.org and begin to network with other PATA members.
- Members can showcase news and events in the PATA eNewsletter distributed globally to industry professionals.
- Members can Participate and win in the PATA Gold Awards, which recognize exceptional achievement in a variety of fields such as marketing, advertising and public relations.
- All members gets the discounts to attend PATA events and PATA endorsed events
- PATA also negotiates discounts at other industry events on behalf of its members

Receive research and intelligence analysis as a member

- Free real time data via TIGA (Travel Intelligence Graphic Architecture) for:

  - International visitor arrivals
  - Forecast of international visitor arrivals to Asia Pacific
  - Hotel development pipeline
  - Airlines seat capacities
  - Tourism economics/GDP
  - Exclusive access to research directly o indirectly affecting the travel-and-tourism industry

- Eligible to receive or purchase (subject to your membership category) PATA reports
- Eligible to purchase proprietary reports at substantial discounts.

- Free copy of VISA-PATA Travel Intentions Survey

Leadership and advocacy opportunities for a member

- Eligible to share your area of expertise by joining a PATA Taskforce
- Voice your opinion, influence and impact tourism within your region
- Achieve sustainable objectives through our Green project
- Create a niche for yourself by join Young PATA and interacting with other young enthusiasts

Unique networking opportunities for a member

- Members can Connect to a community of more than 8,000 PATA members worldwide
- Associate with 40-Chapters globally
- Volunteer your services on PATA Committee that address industry issues such as Crises Management, Healthcare, and Sustainability etc
- Eligible to serve on PATA Board of industry peers to set and influence Tourism trends
- Network across sectors of the Tourism industry at PATA events
- High-profile speaking opportunities at events organized and endorsed by PATA
- Right to use the PATA logo and collaterals

12.3 PATA CHAPTERS

As we have learnt about the benefits of getting the membership of PATA, Now let's understand about the importance of the PATA chapters, The PATA Chapters are established throughout the world to assist in the fulfillment of the objectives of the Association. They are local community organizations of travel industry professionals who join in a co-operative endeavor-within the framework of PATA to develop travel and tourism to, from and within the Asia Pacific area. Currently 41 PATA Chapters around the world assist local travel industry communities. The Board of Directors is empowered to encourage the development and to authorize establishment of PATA Chapter at any place in the world. The primary purpose of a Chapter is to conduct continuing education programmes to keep PATA members abreast of the changes in Pacific travel. The Chapters also do considerable promotional work, and several times each year stage social events for the members. PATA chapters represent the association's vast geographical reach, both within and beyond the PATA region: Asia, Americas, Europe and the Pacific.

12.3.1 PATA CHAPTER BYLAWS

(i) PATA — refers to the Pacific Asia Travel Association, its Boards, Committees and Members, headquartered in Bangkok, Thailand. Members of PATA are divided into Member Categories (Government/Destination; Carrier; Industry and Hospitality) with varying fee structures by and within each category; hereinafter referred to as Members of PATA.

(ii) Chapter — refers to an independent group of Members of PATA and local travel & tourism related businesses or individuals who form a Chapter under the following bylaw guidelines.

(iii) Chapter Members — refers to all Members of the Chapter

(iv) PATA Members — refers to collectively Chapter Members and Members of PATA

12.3.2 CHAPTER OBJECTIVES

a. To actively support and contribute to PATA's mission and goals.

b. To promote and develop PATA Membership both at Chapter and PATA level.

c. To actively encourage participation among PATA Members, and potential new PATA Members in all PATA's activities and events.

d. To foster closer working relationships, cooperation, business and networking opportunities among PATA Members and the community at large.

e. To encourage and strengthen travel industry professionalism, applied research and skills through education and training.

f. To act as the local voice of PATA to help position, promote and protect Asia Pacific travel and tourism via sustainable economic, cultural and environmental methods.

g. To implement and assist in the execution of specific PATA Task Forces, projects and research.

h. To organize activities, events and opportunities that support the promotion of PATA destinations and tourism products of PATA Members.

i. To assist PATA in Public Relations activities in the Chapter area and general promotion / marketing of PATA events and activities.

j. To promote travel and tourism to students and young professionals and to encourage them to become PATA Members.

k. To embrace and implement through its Chapter Membership PATA's Charter of Sustainability and Corporate Social Responsibility.

12.3.3 CHAPTER MEMBERSHIP

a. All organizations or individuals providing goods/services related to the Travel & Tourism industry as defined by PATA shall be eligible for Membership in the Chapter including students studying travel & tourism related courses.

b. All Chapter Members are eligible to participate in any PATA or Chapter activities and events worldwide, however participation fees or discounts (if applicable) may vary depending on Membership category if a Member of PATA or Chapter Membership level. The Chapter shall use best efforts to encourage participation in PATA or Chapter activities by the Chapter Membership.

c. Life Membership in PATA is conferred as an honorary position and the Chapter shall confer same recognition upon any PATA Life Member residing within the Chapter geographic area.

d. After 1 year of being a Chapter Member, the Member should be encouraged to take up full Membership of a PATA category. PATA may offer an incentive to the Chapter and/or the Member if such a change in Membership occurs.

12.4 PATA ACTIVITES

Since 1951 PATA has led from the front as the leading voice and authority on travel and tourism in the Asia Pacific region

- In partnership with private and public sector members, PATA enhances the sustainable growth, value and quality of travel and tourism to-from-and-within, the region.

- The Association provides leadership and counsel on an individual and collective basis to over 80 government, state and city tourism bodies; nearly 50 international airlines, airports and cruise lines and many hundreds of travel industry companies across the Asia Pacific region and beyond.

- PATA's Strategic Intelligence Centre (SIC) offers unrivalled data and insights including Asia Pacific inbound and outbound statistics, analyses and forecasts as well as in-depth reports on strategic tourism markets

- PATA's events are create millions of dollars of new business each year for its members

- Thousands of travel professionals belong to 41 active PATA chapters worldwide and participate in a wide range of PATA and industry events.

- The PATA Foundation contributes to the sustainable and responsible development of travel and tourism in Asia Pacific through the protection of the environment, the conservation of heritage and support for education.

12.5   OECD (ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT)

History established in - 1961

Headquarters - Paris, France

Membership - 34 countries

History: The Organization for Economic Co-operation and Development (OECD) has celebrated its 50th anniversary, but its roots go back to the rubble of Europe after World War II. Determined to avoid the mistakes of their predecessors in the wake of World War I, European leaders realized

that the best way to ensure lasting peace was to encourage co-operation and reconstruction, rather than punish the defeated. The Organization for European Economic Cooperation (OEEC) was established in 1947 to run the US-financed Marshall Plan for reconstruction of a continent ravaged by war. By making individual governments recognize the interdependence of their economies, it paved the way for a new era of cooperation that was to change the face of Europe. Encouraged by its success and the prospect of carrying its work forward on a global stage, Canada and the US joined OEEC members in signing the new OECD Convention on 14 December 1960. The Organization for Economic Co-operation and Development (OECD) was officially born on 30 September 1961, when the Convention entered into force. Other countries joined in, starting with Japan in 1964. Today, 34 OECD member countries worldwide regularly turn to one another to identify problems, discuss and analyze them, and promote policies to solve them. The track record is striking. The US has seen its national wealth almost triple in the five decades since the OECD was created, calculated in terms of gross domestic product per head of population. Other OECD countries have seen similar, and in some cases even more spectacular, progress. So, too, have countries that a few decades ago were still only minor players on the world stage. China, India and Brazil have emerged as new economic giants. Most of the countries that formed part of the former Soviet bloc have either joined the OECD or adopted its standards and principles to achieve our common goals. Russia is negotiating to become a member of the OECD, and we now have close relations with Brazil, China, India, Indonesia and South Africa through OECD "enhanced engagement" programme. Together with them, the OECD brings around its table 40 countries that account for 80% of world trade and investment, giving it a pivotal role in addressing the challenges facing the world economy.

12.5.1 ACTIVITES

OECD uses its wealth of information on a broad range of topics to help government's to foster prosperity and fight poverty through economic growth and financial stability. We help ensure the environmental implications of economic and social development are taken into account.

OECD's way of working
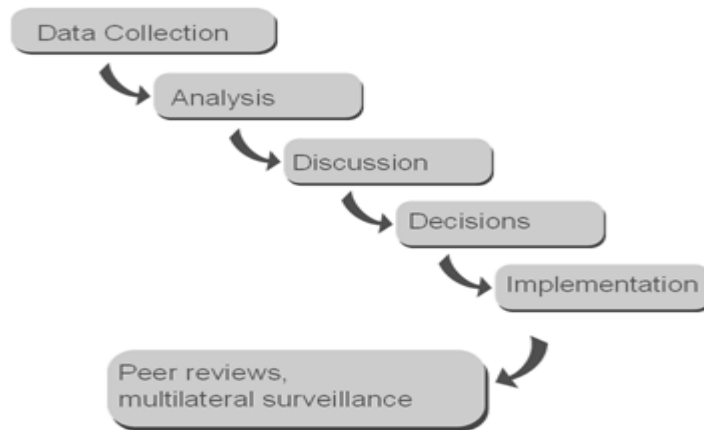
OECD's work is based on continued monitoring of events in member countries as well as outside OECD area, and includes regular projections of short and medium-term economic developments. The OECD Secretariat collects and analyses data, after which committees discuss policy regarding this information, the Council makes decisions, and then governments implement recommendations.

Peer reviews

Mutual examination by governments, multilateral surveillance and a peer review process through which the performance of individual countries is monitored by their peers, all carried out at committee-level, are at the heart of our effectiveness. An example of the peer review process at work is to be found in the Working Group on Bribery, which monitors the implementation by signatory countries of the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions.

Agreements, standards and recommendations

Discussions at OECD committee-level sometimes evolve into negotiations where OECD countries agree on rules of the game for international co-operation. They can culminate in formal agreements by countries, for example on combating bribery, on arrangements for export credits, or on the treatment of capital movements. They may produce standards and models, for example in the application of bilateral treaties on taxation, or recommendations, for example on cross-border co-operation in enforcing laws against spam. They may also result in guidelines, for example on corporate governance or environmental practices.

Publications

OECD publications are a prime vehicle for disseminating the Organisation's intellectual output. OECD publishes regular outlooks, annual overviews and comparative statistics. Among them:

- OECD Economic Outlook assesses prospects for member and major non-member economies.
- OECD Fact book is a key reference tool for everyone working on economic and policy issues.
- OECD Economic surveys provide individual national analyses and policy recommendations.
- Going for Growth presents comparative indicators and evaluations of national performance.

12.6 THE OECD TOURISM COMMITTEE

With OECD countries contributing some 70% of world tourism trade, the OECD Tourism Committee is in a unique position to serve as an international forum for co-coordinating policies and actions. The OECD is the only global forum for discussions of tourism policies among industrialized countries.

Once a year, the OECD brings together senior policy makers in the tourism area to discuss major industry developments, takes action when required, assembles material on policies and contributes to the work of other parts of the OECD. The OECD Tourism Committee also co-operates with the World Tourism Organization, the European Union and the International Labour Organization. It engages in dialogue with non-member countries, and provides a forum for discussion with industry, academia and other groups through consultation and seminars.

In 1971, the Committee created a Statistical Working Party whose main purpose is to provide Member countries with appropriate background material on which to base policy-making discussions and decisions. The Statistical Working Party meets once a year.

12.6.1 STATISTICAL ACTIVITIES OF THE OECD TOURISM COMMITTEE

The OECD Tourism Committee recognizes the major role of statistics and economic information in the development of more effective tourism policies at national, regional and local levels. In the same manner, tourism

statistics represent a useful tool to support decision-making in business and in the private sector.

Two key areas of priority have been identified:

 i) The development of new methodologies, and

ii) The promotion of a better use of statistics for business and policy. Incidentally, a majority of the work of the Tourism Committee involves a statistic component.

In this field, the Tourism Committee closely cooperates with other international organisations. Together with Eurostat (Statistical Office of the European Communities), the OECD organises a biennial Forum on Tourism Statistics and participates in the Eurostat Tourism Working Group. Furthermore, the OECD is an active member of the UNWTO Committee on Statistics and TSA. In 2009, the OECD established a partnership with the UNWTO for the organisation of the 5th International Conference on Tourism Statistics.

12.6.2 INTERNATIONAL FORUM ON TOURISM STATISTICS

Through the biennial International Forum on Tourism Statistics, the OECD and Eurostat provide key players in the private and public sector with a unique platform for the regular exchange of views and experiences on developments in tourism statistics.

The forum discusses major technical issues concerning the establishment of harmonized tourism statistics in an environment that strengthens co-operation between governments, the private sector, researchers, academics, OECD/EU member and non-member countries, and international organisations.

12.6.3 TOURISM SATELLITE ACCOUNT

The Tourism Satellite Account: Recommended Methodological Framework (TSA) is the internationally recognized principal standard to measure tourism in the economy. The OECD Tourism Committee played a lead role in the development of the TSA in co-operation with other international organisations and remains a major player in its development. Latest documents on the TSA are available at the United Nations Statistics Division (Tourism Statistics).

The OECD Tourism Committee promotes better use of TSA data for business and policy analysis for the benefit of decision-makers in tourism, in both public and private sectors. Its aim is to contribute to a wider dissemination of TSA-based economic and social analysis, as well as to the expansion of a "common perspective" on TSA usage.

The Tourism Committee study "Increasing the Use of TSA Data for Business and Policy" analyses the different uses of the TSA in OECD countries. The report includes key lessons to be shared and identifies the main difficulties in using the TSA. It also discussed specific policy recommendations in this area.

Publications

The biennial flagship publication OECD Tourism Trends and Policies includes key tourism statistics in OECD countries and selected non-member economies, providing a broad overview and interpretation of medium to long term tourism trends. This work aims to promote the better use of economic data for business and policy analysis.

The 2010 edition includes statistics for selected non-OECD countries: Brazil, Chile, China, Egypt, Estonia, India, Indonesia, Israel, Romania, Russia, Slovenia and South Africa. A specific chapter discusses the subject of the financial and economic crisis and tourism.

12.7 LETS SUM UP

After completion of this unit we have understood about the role & the activities performed by PATA (Pacific Asia Travel Association) & OECD (Organization for Economic Co-operation and Development) for the development of the tourism industry worldwide.

To summarize it we can say that, PATA provides up-to date information and practical and theoretical experience in the field of tourism. Through its Research, Development, Education and Marketing Councils, PATA serves as a central source, supporting its diverse membership in tactical marketing programmes for their destinations and products together with training and educational programmes for human resource development. The PATA publication, Pacific Travel News, it's relied upon by wholesale and retail travel agents as an important source of authoritative material on the Pacific. PATA also publishes its Hotel Directory and Travel Guide listing the hotels, resorts and travel services in the Pacific area.

Whereas, OECD (Organization for Economic Co-operation and Development) works to fight poverty through economic growth and financial stability. The OECD Tourism Committee recognizes the major role of statistics and economic information in the development of more effective tourism policies at national, regional and local levels. In the same manner, tourism statistics represent a useful tool to support decision-making in business and in the private sector.

In the next unit we will be discussing the role & activates done by the Department of tourism, India for the promotion of the Travel & tourism Industry.

12.8 CHECK YOUR PROGRESS

1. What are the benefits of getting the membership of PATA?
   …………………………………………………………………………

2. Write a detailed note on the OECD Tourism Committee?
   …………………………………………………………………………
3. What do you understand by the Chapters of PATA?
   …………………………………………………………………………
   .
4. Write a note on the history of OECD?

   …………………………………………………………………………

5. Discuss the activities of PATA for the promotion of tourism in Asia – pacific region?

12.9 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.12.2.3

2. Refer Sec. 12.6

3. Refer Sec. 12.3.1, 12.3.2 & 12.3.3

4. Refer Sec. 12.5

5. Refer Sec. 12.2 & 12.3.

12.10 Suggested Readings

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UNIT 13 DEPARTMENT OF TOURISM (DOT) - INDIA

Structure

13.0 Objectives

13.1 Introduction

13.2 NTO's (National Tourism Organizations)

13.3 Department Of Tourism

13.4 Role and Functions of the Department Of Tourism

13.5 Department of Tourism, Ministry of Tourism (Govt. Of India)

13.6   Organization of Department of Tourism

13.7 Functions, Activities and Role of Department of Tourism

13.8 Suspension of membership

13.9   Lets Sum Up

13.10   Check your progress

13.11   Clues to Answers

13.0 OBJECTIVES

After going through this Unit you will be able to:

- gain an insight into the role of department of tourism in development of tourism,

- understand the different responsibilities & activities done by the DOT, and

- know about the role of government in policy and planning for the further development of tourism in India.

13.1 INTRODUCTION

The Ministry of Civil Aviation and Tourism, a branch of the Government of India, is the apex body for formulation and administration of the rules, regulations and laws relating to the development and promotion of tourism. In India, the Department of Tourism, which comes under the Ministry of Civil Aviation and Tourism, functions as the National Tourist Organization. The administrative head of the Department of Tourism is the secretary (Tourism). As tourism professional you may have to deal with the department and its officials from time to time. The tasks of formulating, adopting, implementing and monitoring the national plan for tourism rest with the government of a country. The Planning Policy objectives and guidelines are set by the government. In most of the countries, the government's policy is that the tourism industry should develop in response to the market. However, this development should take place under the broader objective of respecting the environment which attracts tourists and has far wider and enduring value. Some important points that the government needs to look at while undertaking planning would be:

- ✓ balancing the needs of tourists, host communities and the environment;

- ✓ developing tourism organization, enacting legislation and introducing

- ✓ investment policies;

- ✓ improving quality and value for money;

- ✓ improving transport and communications;

- ✓ taking up promotional and image building programmes;

- ✓ increasing standards of training and professionalism; and

- ✓ Creating tourism awareness, etc.

13.2 NTO's (National Tourism Organizations)

The primary task of the department is to lay down the policy, collect tourism related data, attend to enquiries related to tourism, publicize India as destination, regulate the activities of different segments of the tourism industry etc. Accordingly various advisory bodies and committees are formed to implement the policies. **National Tourism Organisations** (**NTO's**) frame and carry out the tourism policy in accordance with the approvals given by the government. There are four basic forms of NTO's

according to **William C. Gaetuer** (**Tourism Development**, **Principles**, **Process and Policies**, 1996, Pp.207):

- State tourism secretariats,

- Government agencies within larger departments,

- Quasi-public tourism agencies, and

- Private industry.

Tourism secretariats are either independent ministries or form part of a related ministry. Although, a majority of the NTO's recognised by the **World Tourism Organisation** are of the secretariat or government department class, with approximately ten per cent being private or non-governmental, this mix is beginning to change. The composition of the NTO varies. For example, some countries have a National Tourism Board with all the segments of tourism represented in it. Similarly, the duration of the plans prepared also have different time frames and inbuilt strategic or tactical plans of shorter durations. Most NTO's have as their primary goal a mandate to increase the amount of foreign travel to their country. Although programmes intended to encourage domestic tourism are also initiated, most NTO mission statements explicitly focus on the need to increase international inbound travel. Only recently have NTO's begun to incorporate in their mission statements the goals of protecting tourist attractions, including environmental and social resources. These goals are viewed as complementing and enhancing marketing goals. But still, many NTO's operate only as a tourism promotional agency. Nevertheless, NTO's are the most visible of a country's public sector organizations dedicated to tourism development. The role of NTO's will continue to evolve in response to market competition and changing public policy. The organization structure of the NTO should be clearly laid out with defined tasks and responsibilities of each division/department/section. Take for example the organisation structure and tasks of the Indian NTO. Termed as Department of Tourism it comes under the Ministry of Tourism and Culture.

Ministry of Tourism and Culture

Department of Tourism

Marketing Research Division

Policy, Planning

Training

Travel Trade

Publicity & Promotion

Regulation Classification

Tourism Minister

Secretary Tourism Department

Director General

Joint Secretary

Financial Advisor

Additional   Director General

Deputy Director General
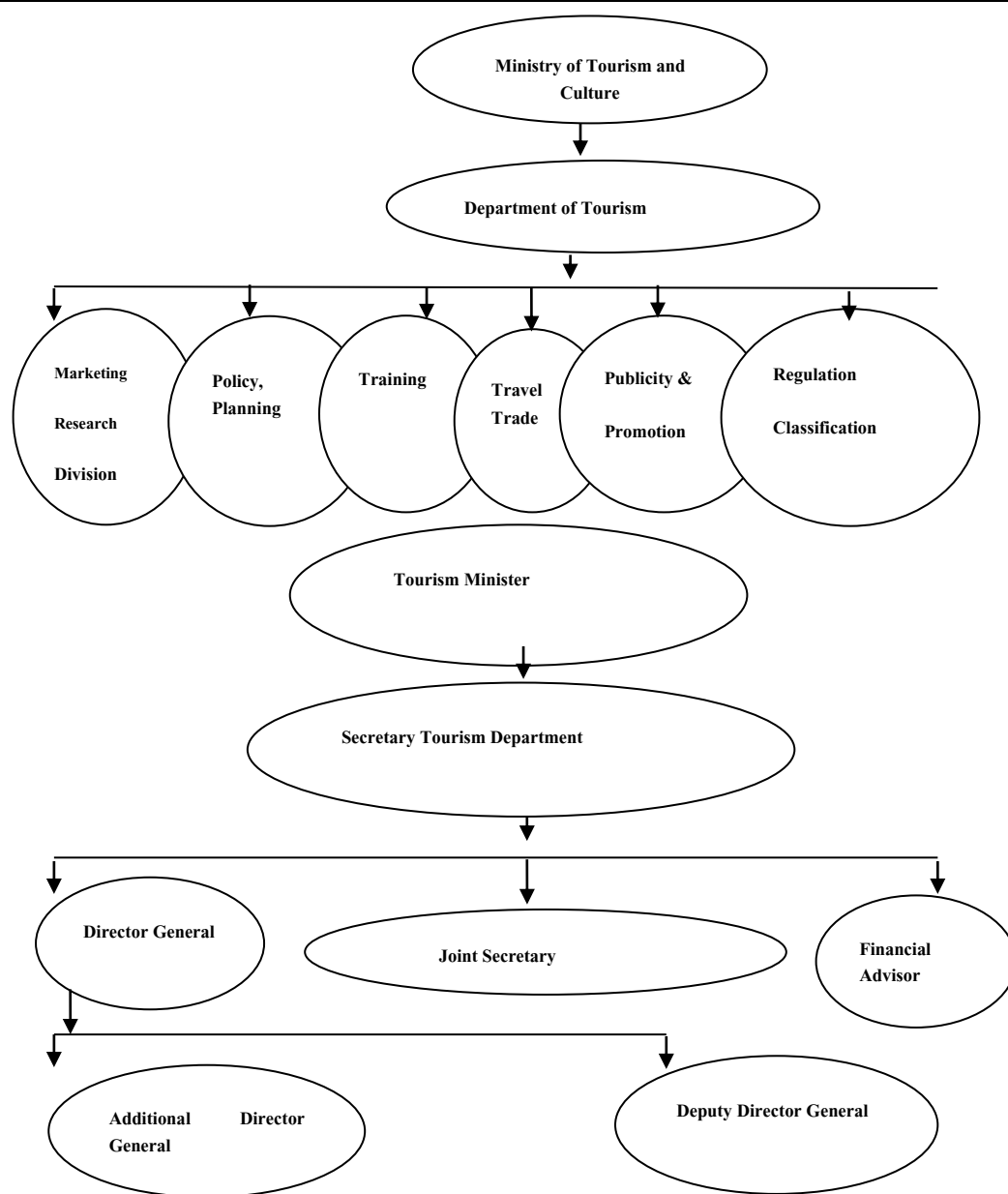
13.3 Department Of Tourism

Department of tourism works under the Ministry of Tourism which is the nodal agency for the formulation of national policies and programmes and for the co-ordination of activities of various Central Government Agencies, State Governments/UTs and the Private Sector for the development and promotion of tourism in the country. This Ministry is headed by the Union Minister for Tourism and supported by Minister of State for Tourism.

The administrative head of the Ministry is the Secretary (Tourism). The Secretary also acts as the Director General (DG) Tourism. The office of the Director General of Tourism {now merged with the office of Secretary (Tourism)} provides executive directions for the implementation of various policies and programmes. Directorate General of Tourism has a field formation of 20 offices within the country and 14 offices abroad and one sub-ordinate office/project i.e. Indian Institute of Skiing and Mountaineering (IISM)/ Gulmarg Winter Sports Project. The overseas offices are primarily responsible for tourism promotion and marketing in their respective areas and the field offices in India are responsible for providing information service to tourists and to monitor the progress of field projects. The activities of IISM/GWSP have now been revived and various Ski and other courses are being conducted in the J&K valley.

The Ministry of Tourism has under its charge a public sector undertaking, the India Tourism Development Corporation and the following autonomous institutions:

- Indian Institute of Tourism and Travel Management (IITTM) and National Institute of Water Sports (NIWS)
- National Council for Hotel Management and Catering Technology (NCHMCT) and the Institutes of Hotel Management.

13.4 Role and Functions of the Department Of Tourism

Tourism has been recognized as an important instrument in the economic and social development of a nation. It has the capacity to contribute towards employment, rural development, and balance of payment, earnings, national integration and international understanding. Thus, for social, economic, financial and political reasons governments take a direct interest in the development of tourism within their respective states. Government involves itself in tourism planning, regulation, development, promotion, and marketing of tourist products. It plays an active as well as a positive role in the promotion and development of tourism. The main reasons of Government's involvement in tourism are:

- Foreign Exchange Earnings and their significance for the balance of payments;
- Employment generation;
- Building the image of the country as a tourist destination;
- Provision of sound tourism infrastructure;
- Economic survival growth;
- Political structure;
- Private sector investors may be reluctant to invest in speculative tourism ventures;
- Planning, policy-making and control;
- Protects tourism resource and environment; and
- Tourism industry requires careful coordination in the development and marketing of tourism

Practically all nations in the world, irrespective of its size, pattern and structure, have tourism development and promotion organizations, which are controlled and financed by the centre or state or both governments. In India, every state and union territory have their own independent tourism departments, and several of them even have tourism development corporations sometimes we even find regional tourism development corporations. These tourism corporations are in public sector and operate at the state, central or regional level such as the India Tourism Development Corporation (ITDC), Tourism Finance Corporation of India Ltd., (TFCI), Himachal Pradesh Tourism Development Corporation, Haryana Tourism Corporation, Punjab Tourism Development Corporation etc. The tourism corporation in collaboration with the department of tourism, functions as a promoter, developer, facilitator and planner. These corporations market their respective state as tourist destinations and even provide timely and accurate information to inbound four operators. Tourism Corporations have information offices in the major cities and offer package tours in collaboration with Air Indian Airlines, India Railways travel agencies and tour companies.

13.5 Department of Tourism, Ministry of Tourism (Govt. Of India)

The Department of Tourism, Govt. of India is responsible for the development and promotion of tourism in those areas where private sector is reluctant. In fact, the basic tasks of the Ministry of Tourism are to undertake promotional activities and to develop tourism infrastructure.

13.6 Organization of Department of Tourism

An organizational chart of the department is given above. The major objectives of the department of tourism are as follows:

1. Promotion and publicity at home and abroad with the object of promoting travel to and within India;
2. Compilation, collection and dissemination of tourist information in India and abroad and attending to enquiries from international tourists, travel agents, airlines, steamship companies, tour operators and hotels;
3. Facilitation work, such as simplification of frontier formalities in respect of international tourists;
4. Cooperation with international travel and tourist organisations at government and non-government levels;
5. Development of tourist facilities and infrastructure at places of tourist interest to international and domestic tourists;
6. Regulation of activities of the various segments of the travel trade, such as hotels, travel agents, tour operators, wildlife outfitters, guides, tourist car operators and shopkeepers catering to tourists' needs;
7. Compilation of statistics, conducting and commissioning market research and surveys.

13.7 Functions, Activities and Role of Department of Tourism

The functions, activities and role of Department of tourism involve the dissemination of tourist information, development of tourist facilities, and regulation of the activities of various segments, such as hotels, travel agents, transport operators, wildlife outfitters, guides, etc. Other important functions are to project India's image abroad through publicity media such as advertising in print, TV/video, production of tourist publicity literature including posters, and maps, films, studio-visuals, putting up of cultural presentations, participation in trade fairs and exhibitions and the like.

The highlights of promotional activities undertaken overseas are:

1. Extensive electronic campaigns are launched in the major tourist generating markets of USA, UK, Europe, West Asia, Japan, Australia and South-East Asia. These are backed by print media campaigns aimed at product marketing.
2. Support is extended to wholesaler and tour operators overseas for launching new India programmes in the major markets.
3. Agreements are signed with international airlines for special India promotions to be launched abroad.
4. The Ministry also launches a massive campaign in the United states in cooperation with TWA (Trans-World Airlines) Gateway Holidays
5. An "Affordable India" campaign has been launched in Europe to generate off-- peak seasonal traffic
6. Incredible India campaign.

The department of tourism has taken the following important activities for infrastructure building:

1. Wildlife Tourism
2. Yatri Niwas
3. Social Tourism
4. Adventure and Sports Tourism
5. Mountain Resorts and Winter Sports
6. Transport at Selected Centres
7. Floodlighting/SEL Shows
8. Infrastructure Development at Tourist Centre
9. Cultural Tourism, Beach Tourism
10. Development of Andaman and Lakshadweep
11. Golf Courses
12. Tourism Planning at Selected Buddhist Sites
13. Setting up of Taj National Park

Besides promotional activities, the Ministry of Tourism is also involved in the task of developing tourist infrastructure by providing budget accommodation, wayside facilities, and development of specified tourist centres. The government has given high priority to development of human resources for hotel-catering industry on the one hand and tourism and travel industry on the other as an important aspect of infrastructure building.

The Department of Tourism is responsible for the promotion of India as a tourist destination and development of tourism infrastructure facilities in the country. It also performs regulatory functions in the field of tourism.

The functions and activities of the department include:

• **Promotional**

It carries out extensive publicity and promotion campaigns through its tourist offices located in the major tourist generating markets of the world viz., USA, Canada, UK, Western Europe, Australia, South East Asia, Japan and West Asia.

• **Development**

Various schemes under successive plans have been formulated and implemented for domestic and cultural tourism, development of supplementary accommodation, promotion of wildlife tourism, sports tourism, social tourism, mountains and beach resorts, promotion of fairs and festivals, in aid and subsidies for hostels, grant of loans for tourist transport operators, leisure tourism and development of travel circuits. It also assists the State governments, State Tourism Development

Corporations and other agencies for the implementations of various schemes under Five- Year Plans.

- **Regulatory**

It exercises the functions of laying down norms and conditions for the operation of hotels, travel agencies, tour operators and tourist transport operators and maintains approved lists of these agencies. The conference division handles international training, bilateral relations international cooperation and international conferences. The department was represented in the Tourism Promotional Seminars in Spain, France, Saudi Arabia, UAE, Oman, Qatar, Germany, Austria and Denmark. Conferences.

In the international conference field, the Nodal Ministry's clearance and clearance of Home and External Affairs Mini are arranged for various conferences.

- **India Convention Promotion Bureau**

In the last decade, an important component has emerged to the tourism scenario, i.e., convention and conference traffic. The benefits of holding of conventions in the country are manifold, besides earning valuable foreign exchange. By holding the conference they give the national members of that particular conference an exposure to international views and news regarding their particular area of specialization. In India, the conference traffic has increased steadily during the last few years. In order to promote conference traffic to India, the travel trade has set up India Convention Promotion Bureau (ICPB). The membership of ICPB comprises the Department of Tourism, national air carriers, hoteliers, travel agencies, tour operators, international congress sectors, state tourism development corporations, airport authorities and other segments connected with travel trade. ICPB has got the approval of International Congress and Convention Association which will help in obtaining more conferences and conventions to India.

- **International Bilateral Relations**

The department had negotiations with various, foreign countries under the Cultural Exchange Programmes. This Division has also handled tourism cooperation with the member-countries of SAARC and the implemental of greater cooperation in tourism between the member-countries by means of fiscal and physical incentives

- **Japanese Assistance to Buddhist Heritage Sites**

Sites associated with the life of Lord Buddha are situated in areas of Bihar and UP which were once rich in resource and development. These areas

are now some of the most backward and undeveloped areas in India. With a view to developing Buddhist pilgrims the central and state governments would undertake landscaping of the area, strengthen the road, rail and communication systems, build wayside amenities and hotels to suit both the pilgrim traffic and also the upmarket traffic from Japan, Thailand, etc.

- **Indo-German Cooperation**

      Germany is one of the largest markets of tourists to India. Additionally the per-capita expenditure on German tourists on overseas travel is the highest in the world. It has been recognized of late that there is considerable scope for promoting in-bound tourism from Germany to India.

- **Regional Offices Within India**

      The tourist offices in India and abroad disseminate information on places of tourist interest and available tourism facilities and amenities in India. These offices maintain liaison with the state governments, state tourism corporations and also help the Ministry of Tourism, Govt. of India in exercising control over different segments of the travel trade to ensure that services to tourists are maintained at the national, international level and are available at reasonable rates.

- **Overseas**

      A highly competitive market situation continues to prevail amongst the countries of the world who wish to attract affluent tourists from the developed world. Given the prevailing scenario the existence of the overseas tourist offices has acquired considerable importance. These offices are the Ministry's outposts in the traffic generating markets of the world and their prime function is to create an awareness of India as an important/attractive tourist destination. Tourist offices in India and abroad handle tourist enquiries, disseminate tourist information, undertake promotion by means of advertising and publicity, maintain liaison with travel trade and press. The main function of tourism offices abroad is to counter the adverse coverage by foreign media in respect of various events taking place in India. With the objective of achieving optimum impact the government and Air-India under the Operation Schemes are engaged in joint promotional efforts in Europe, UK, America, East Asia, West Asia and Australia through tourist offices located in various parts of the world.

- **Vigilance**

      The Vigilance Cell is headed by Chief Vigilance Officer of the rank of Joint secretary/Deputy C.V.O of the rank of Deputy Secretary and Confidential Assistant. With this set up, every possible effort is being

made to look into the complaints and get them processed/ investigated promptly.

- **Tourist Publicity Literature**

     Under its production programme, it has brought out a range of publicity material including shell folders on adventure, wildlife, South India, Agra and Rajasthan, tourist map of India and city maps of Delhi, Bombay and Agra and trekking maps of Himalayas. It also produced a general India brochure and those on various states and tourist destination in India.

- **Promotion of Domestic Tourism**

     It launches major campaign on "Tourism Environment / Awareness". These campaigns are being released in all leading magazines across the country in Hindi, English and other Indian languages. The themes of the campaigns are "We can and we will keep India beautiful". Besides, the department also launches advertising campaigns to promote lesser known bill resorts called "Holiday Campaign"; to promote Orissa and a campaign to promote Andaman and Nicobar and Lakshadweep Islands.

- **Tourism Planning**

     Attaching greater importance to tourism; the Approach Paper approved by the National Development Council in July 1984 included the following recommendation: "There is vast potential for development of tourism in the country. Tourism should be accorded the status of an industry. Private sector investment will have to be encouraged in developing tourism and public sector investment should be focused only on development of support infrastructure."

The states of Uttarakhand, Himachal Pradesh, Uttar Pradesh, Haryana, Meghalya, Andhra Pradesh, Kerala, Arunachal Pradesh, Tamil Nadu, Bihar, Tripura, Manipur, Assam, Karnataka and Union Teritories of Andaman and Nicobar and Lakshadweep have declared tourism as Industry while Orissa, Rajasthan and West Bengal have declared Hotels as Industry.The main thrust in the plans is to vigorously promote domestic tourism and move towards diversification of overseas tourism to India. Department of tourism instead of merely focusing on cultural tourism interest, has also   laid greater emphasis on leisure and holiday tourism, winter and water skiing, adventure sports, responsible and ecotourism etc.

- **Promotion of Wildlife Tourism**

   To promote wildlife tourism, facilities are provided in the form of forest lodges and transport within the sanctuaries / national parks: forest lodges at Enjal (Gujarat), Manas (Assam), Dhangari (UP) and Parambikulam (Kerala) is in progress.

- **Wayside Facilities**

   Recognizing the importance of a well-programmed network of wayside amenities to keep pace with the fast developing' highway tourism within the country, the construction of wayside facilities on the roads leading to or connecting important tourist centres are taken up for implementation.

- **Tourist Arrivals/Earnings and Surveys**

   The Market Research Division Deptt. of Tourism, Govt. of India is responsible for collection, tabulation and dissemination of information on various aspects of tourism in India. The statistics being collected regularly include data of international and domestic tourist arrivals, occupancy statistics of approved hotels, number of tourists visiting selected monuments, etc. Various surveys/studies are undertaken from time to time to assess the availability and adequacy of infrastructural facilities, demand characteristics reactions of tourists, etc.

Domestic Tourism Statistics

The government introduced regular reporting 'system of foreign tourist arrivals and departures. A similar system is being developed on domestic tourist movements with the assistance of states/union territories. In addition, adhoc surveys are being taken up from 'time to time or gathering objective information on various aspects of international 'and domestic tourism in the country. With the increase in income levels and the 'emergency of a powerful urban middle class, the potential of domestic tourism has grown substantially during the last two decades. This has been further accelerated with increased awareness about domestic tourism. However, there are no precise estimates of total domestic tourist traffic in the country State governments have been therefore, persuaded to set up small statistical' cells for the collection of domestic tourism statistics through accommodation establishments and furnish them to the central government on a monthly basis.

Case Study: Incredible India Campaign

Incredible India is the name of an international marketing campaign by the Government of India to promote tourism in India in 2002 to a global audience. Tourism is a major industry in India and the Ministry of Tourism launched a campaign to promote Incredible India as a tourist destination in 2002.The phrase "Incredible India" was adopted as a slogan by the ministry. Before 2002, the Indian government regularly formulated policies and prepared pamphlets and brochures for the promotion of tourism, however, it did not support tourism in a concerted fashion. However, in 2002, the tourism ministry made a conscious effort to bring in more professionalism in its attempts to promote tourism. It formulated an integrated communication strategy with the aim of promoting India as a destination of choice for the discerning traveler. The tourism ministry engaged the services of advertising and marketing firm Ogilvy & Mather (India) (O&M) to create a new campaign to increase tourist inflows into the country.

The campaign projected India as an attractive tourist destination by showcasing different aspects of Indian culture and history like yoga, spirituality, etc. The campaign was conducted globally and received appreciation from tourism industry observers and travelers alike. However, the campaign also came in for criticism from some quarters. Some observers felt that it had failed to cover several aspects of India which would have been attractive to the average tourist.

In 2009, minister of tourism, Kumari Selja unveiled plans to extend the Incredible India campaign to the domestic tourism sector as well. USD 12 million out of a total budget of USD 200 million was allocated in 2009 for the purpose of promoting domestic tourism.

In 2009, the Ministry of Tourism launched a campaign targeted at the local population to educate them regarding good behaviour and etiquette when dealing with foreign tourists. Indian actor Aamir Khan was commissioned to endorse the campaign which was titled 'Atiti Devo Bhava', Sanskrit for 'Guests are like God'. Atithi Devo Bhava aimed at creating awareness about the effects of tourism and sensitizing the local population about preservation of India's heritage, culture, cleanliness and hospitality. It also attempted to re-instil a sense of responsibility towards tourists and re-enforce the confidence of foreign tourists towards India as a preferred holiday destination. The concept was designed to complement the 'Incredible India' Campaign

Appreciation and Criticism

Travel industry analysts and tour operators were appreciative of the high standards of the 'Incredible India' campaign. "The promo campaign is making a powerful visual impact and creating a perception of India being a magical place to visit," said Anne Morgaon Scully, President, McCabeBremer Travel, Virginia, USA. Average travelers too appeared to find the campaign interesting and informative, going by favourable comments on blogs on travel websites although the 'Incredible India' campaign was generally well received, industry observers differed in their opinions on the positioning of India in the campaign. G.S.Murari, Director, Fidelis Advertising and Marketing Pvt. Ltd. stated he was uncomfortable with the tagline 'Incredible India' and was of the opinion that since India was not a uni-dimensional country like Singapore or the Maldives, using a word like 'incredible' to describe India as a whole was not appropriate.

13.8 LETS SUM UP

After completion of this unit we have understood that Department of tourism, plays a pivotal role in promotion of tourism industry in India. The Department of Tourism, under a separate ministry at Centre, formulates various policies and programmes for the development of domestic as well as international tourism. It is also responsible for implementation of all the policies and for the development of required infrastructure and making necessary publicity. It is very clear that since 1966, the ITDC has been engaged in developing necessary infrastructure for the development of Tourism Avenue in India. ITDC is looking for constructing new hotels and restaurants, lodges for tourists including marketing of hotels making available transport facilities, distribution of publicity material for necessary advertisement ITDC also provide necessary consultation and managerial services in India and abroad. The Indian Institute of Tourism and Travel Management is an autonomous body established to impart education in tourism and travel management to meet the demands of professionally trained personnel for the Industry.

After the success of "Incredible India" campaign which actually gained lots of kudos all over the world this is the time to launch much more such promotional campaigns at state level also.

13.9 CHECK YOUR PROGRESS

1. Discuss the organisational structure of Department of Tourism, Government of India.
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2. Write a detailed note on the activities done by Department of tourism for the promotion of tourism in India?
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3. Discuss the role of media in the promotion of tourism industry?
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4. Write a note on the "Incredible India Campaign?

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5. What are the important functions of Department of Tourism?

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13 .10 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.13.2
2. Refer Sec. 13.6,13.7 & 13.8
3. Refer Sec. 13.7
4. Refer Sec. 13.7
5. Refer Sec. 13.3,13.4 & 13.5

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UNIT 14 TOURISM MEASUREMENTS – PROCEDURE, NEED, SCOPE & CONSTRAINTS

Structure

14.0 Objectives

14.1 Introduction

14.2 Demand-Side vs. Supply-Side Measures of Tourism

14.3 Difficulties in measuring tourism

14.4 Measuring & forecasting demand

14.5 Measuring demand

14.6 Research in measuring demand

14.7 Lets Sum Up

14.8   Check your progress

14.9 Clues to Answers

14.0 OBJECTIVES

This unit aims at to explain the Tourism Measurement – Procedure, Need, and Scope & Constraints in the service Industry, The unit also aims to explain the Demand-side versus supply-side measures of tourism. The other main objectives in the unit can be listed as

- The relationship between the Demand-Side vs. Supply-Side of Tourism

- How to measuring & forecast demand in tourism

- Different methods used in measuring demand

14.1 INTRODUCTION

Defining *tourism*:

Tourism means different things to different people, because it is an abstraction of a wide range of consumption activities which *demands* products and services from a wide range of industries in the economy. According to Webster's Ninth New Collegiate Dictionary, *tourism* means "1. The practice of traveling for recreation; 2. The guidance or management of tourists; 3. The promotion or encouragement of touring; b. the accommodation of tourists." This multidimensional nature of *tourism* is well reflected in the literature of *tourism* statistics.

For example, OECD observes that "*tourism* is a concept that can be interpreted differently depending on the context. *'Tourism'* may cover the tourists, or what the tourists do, or the agents which cater to them, and so on." Similarly, WTO defines *tourism* as "the activities of persons traveling to and staying in places outside their usual environment for no more than one consecutive year for leisure, business and other purposes", while at the same time WTO states that "*tourism* is thus a rather general term, which can refer to the consumption of tourists, to the production units supplying goods and services particularly to tourists, or even to a set of legal units or of geographical areas related in a way or other to tourists."

To summarize in more concise terms, *tourism* can be defined as a set of socioeconomic activities carried out either by or for tourists. Those carried out by tourists correspond to what tourists do, while those carried out for tourists correspond to what other socio-economic institutions do to support the needs of tourists. What is worth emphasizing is that *tourism* so defined is neither a pure *demand*-side phenomenon nor a pure *supply*-side one.

14.2 DEMAND-SIDE VERSUS SUPPLY-SIDE MEASURES OF TOURISM

The size of an economy is usually represented by GDP, which can be measured either from the *demand* side or from the *supply* side (An alternative approach is income approach, through which all forms of income sum up to GDP). From the *demand* side, it is the total value of the goods and services produced by the economy and delivered to final *demand*. From the *supply* side, it is the sum of all industries' value added generated in the production of goods and services.

Tourism also has a *demand* side and a *supply* side but differs from the whole economy in two important ways. First, *tourism* can not be defined

and measured from *supply* side independent of its *demand* side. Since *tourism* is primarily a consumption phenomenon, its *supply* is defined by its *demand*, in the sense that *tourism demand* is always defined first and then used as a guide for identifying its suppliers. Second, *tourism* final *demand* does not equal the value added generated by *tourism* suppliers in the process of supplying to *tourism* final *demand.* Since *tourism* suppliers have to produce their products with inputs from other industries, the value of these products contains the value added created in other industries.

Despite these differences, *tourism* can be measured from both the *demand* and *supply* side, as proposed by WTO. From the *demand* side, *tourism* is measured by *tourism* expenditures on goods and services. As WTO defines it, *tourism* expenditure is "the total consumption expenditure made by a visitor or on behalf of a visitor for and during his trip and stay at destination". According to this definition, *tourism* expenditure includes all goods and services consumed by a tourist. It encompasses a wide variety of items ranging from the purchase of consumer goods and services inherent in travel to the purchase of small durable goods for personal use, souvenirs and gifts to family and friends.

WTO also proposes a *supply* side approach. Based on this approach, "*tourism* is defined as a characteristic of establishments principally oriented towards the *supply* of goods and services to tourists. *Tourism* would then be determined by what and how much the tourist establishments produce".

The criterion used in WTO's manual to classify establishments into *tourism* is that customers of these establishments are mainly tourists. This criterion is most likely to be satisfied if at least one of the following two conditions holds. First, an establishment sells goods or provides services for final consumption, which, by nature, are principally demanded by tourists, such as hotels, long distance passenger transportation, and travel agencies, etc. Second, an establishment sells goods or provides services for final consumption in tourist zones in which the majority of customers are tourists, such as food and beverage services, taxi services, cleaners, and barber shops, etc.

14.3 DIFFICULTIES IN MEASURING TOURISM

No matter how we measure *tourism*, the two most important issues we have to deal with are conceptual comparability and definitional consistency. Since people frequently ask how big *tourism* is compared to the whole economy, a size measure of *tourism* without comparability and consistency is obviously of limited credibility and use. With GDP as the

most widely used size measure of an economy, it is a natural desire to measure *tourism* in a way that is conceptually comparable to GDP.

Tourism is primarily a consumption activity. Therefore, the total expenditure on *tourism* as a measure of *tourism* size seems to be a natural choice. However, the existence of business *tourism* causes the following problem.

Double counting. GDP as the total final *demand* includes *tourism* final *demand* but not business *tourism demand*, which is part of the intermediate *demand*. Therefore, the combination of *tourism* final *demand* and business *tourism demand* is not comparable to GDP. Fundamentally, this non-comparability is caused by two sources of double counting inherent in the total *tourism* expenditure in comparison to GDP. First, part of business *tourism* is used as input to produce *tourism* final *demand* and hence its value is already embodied in and counted as part of the value of *tourism* final *demand*. Second, the production (or *supply*) of business *tourism* uses business *tourism* as inputs. For example, in the business of providing hotel services the hotel industry uses hotel services as part of the inputs to its production. The value of business *tourism* used as inputs to the production of business *tourism* is double counted in the output of business *tourism*.

However, business *tourism* expenditures can not be completely excluded from the measure of the size of *tourism*, because it is mostly driven by non-*tourism* final *demand* and forms an additional net value of *tourism*. If business *tourism* expenditures are excluded, the measure of the size of *tourism* in an economy would be incomplete. The challenge is therefore to find a measure which takes into account both final *demand tourism* expenditure and business *tourism* expenditure, and at the same time maintains the comparability with GDP, namely, avoids double counting. The *demand* approach currently proposed or practiced does not face up to this challenge.

Defining and measuring *tourism supply* side as an industry has its own difficulties. Within both International Standard Industrial Classification (ISIC) and System of National Accounts (SNA), industries are classified according to what they produce and how they produce rather than for whom they produce. Defining one industry according to whom it serves while defining all the others according to what and how they produce is conceptually inconsistent. It also creates the following problems.

Incomparability. For many industries in the economy directly supplying to tourists, tourists are only a portion of their customers. To avoid misestimating the size of *tourism*, those industries have to be splitted into

a *tourism* part and a no tourism part and then regrouped to form the *tourism* industry. But a *tourism* industry so defined overlaps with other industries defined in the System of National Accounts. Unless all *tourism* related industries in the central framework are redefined accordingly, it will be impossible to make meaningful comparisons between the *tourism* industry and other industries.

Misleading inter-industry relationship. Intuitively, a "*tourism* industry" should have inputs from many *tourism* related industries. Since the *tourism* part of an industry which directly provides goods and services to tourists is counted as part of the "tourism industry", the "*tourism* industry" by definition (and to avoid double counting) would not need any input from those industries anymore. For example, inputs from the food industry and the transportation industry to the "*tourism* industry" would be zero, because, by definition, they are a part of the output of the "industry" rather than of its inputs.

Hard to implement. To estimate the output of the "*tourism* industry", it was proposed that a survey be conducted to find out what proportion of industries' outputs is for *tourism*. Although this is conceptually straightforward, it is also obviously impractical since many industries supporting *tourism* have no interest or no easy way to find out what portion of their outputs are used to support *tourism*.

Definition 1: Initial business *tourism demand* is the business *tourism demand* not induced by other business *tourism demand*

The following discussion explains more precisely what initial business *tourism demand* is and why it is needed.

The fundamental problem with business *tourism demand* is that, as an intermediate *demand*, it is driven by other *demands* including final and intermediate *demand*. The impact of a particular business *tourism demand* therefore is part of the total impact of these other *demands*, including earlier business *tourism demand*. Combining this particular business *tourism demand* with the earlier business *tourism demand* results in double counting. To avoid the double counting, we have to trace back the whole impact chain to the point where business *tourism demand* is not driven by other business *tourism demand*. Or in a reversed procedure, we go from final *demand* and follow the impact chain forward to every point where business *tourism demand* is first triggered. This is then like converting a final *demand* into an initial business *tourism demand*. The process of this conversion is mapped in Figure 2 and explained below.

Assume that there are four industries in an economy, Agriculture **(1),** Manufacturing **(2),** Trade **(3),** and *Tourism* **(4).** Each of these four industries uses other industries' outputs as inputs in its production. The numbered boxes above the dash-line represent final *demands* for each corresponding industry's output. The numbered boxes below the line represent intermediate *demands* for the corresponding industry's output at each round of the production.

14.4 MEASURING AND FORECASTING DEMAND

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."

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.

- **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.

The following are the major reasons behind measuring tourism demand and supply:

- To asses 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

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.

14.5 MEASURING DEMAND

Factor affecting the tourism demands are:

Vicissitudes or changes are the phenomena of life & today 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 conditions.

Demand is strongly affected and limited by the supply. If the supply aspects are not taken into consideration when using demand figures, planners might be led into the false assumption that in a particular area, the supply should be increased to meet the demand when, in actuality, the increased supply may be needed much more elsewhere.

There are several measures of actual demand:

1. Visitor arrivals

2. Visitor - days or visitor - nights

3. Amount spent

Visitor Arrivals

Simply counting the number of people who arrive at a destination is a measure of demand, although not a particularly adequate one. However, when visitors arrive by ship or aircraft, for example, to an island, quite accurate data are obtainable. Those who are en route to someplace else should not be included in the arrival data. **Visitor arrivals** are the easiest type of data to obtain, especially if public transportation is the principal mode used. Regular reporting of visitor arrivals is of value in measuring broad changes in demand. Variation in the number of arrivals month by month is quite significant because it indicates the rise and fall of demand during the course of a year. Arrival data become more of a problem if a

large proportion of visitors arrive by private automobile on many major highways. In this case, a sampling method is employed, sometimes involving a tourist information center. Those stopping at the center are asked to fill out a card with data about their trip. The total number of visitors is then estimated, based on the sample obtained. Visitors coming through seaports should be classified according to the United Nations' definition of tourists and excursionists. Excursionists remain in an area for less than twenty - four hours, whereas tourists stay twenty - four hours or longer. Arrival statistics should not include those who enter the country illegally, air travelers who do not leave the airport transit area, or analogous cases.

Visitor - Days or Visitor - Nights

Data on **visitor - days** and **visitor - nights** are much more valuable to tourism planners than are data on the number of arrivals. To calculate the former, the number of visitors is multiplied by their average length of stay. Public park planners and beach managers are interested in visitor - day figures. Hotel and other accommodations people want data on visitor - nights. When such data are obtained, it is not difficult to make an estimate of the likely expenditures made per visitor per day or night. Butthese expenditure figures are at best only estimates and need to be used carefully. Data on visitor - days and visitor - nights are of great benefit to planners who work on public facilities for tourists, such as utility systems, parking, and recreation areas. Similarly, private developers planning new hotels or other accommodations or services want and need visitor - night information. Thus visitor - days and/or visitor - nights are the most practical data to obtain and are useful to tourism people.

D = **no. of visitors** X **avg . no. of days or nights at destination**

Amount Spent

Amount spent is the most meaningful measure of demand, if it is determined accurately. However, it is the *most* difficult measure to obtain. Statistics of this type tend to be hidden or partially forgotten by the visitor. Thus, they are not as accurate as desired. However, to members of legislatures and the public, total tourist expenditures are the most easily understood and the most impressive.

The most common method of estimating tourist expenditures is to multiply visitor - days or visitor - nights by the average per - day or per - night expenditure. Thus,

D ($) = no. of visitor-days or visitor-nights X avg. expenditures per day/night

14.6 RESEARCH IN MEASURING DEMAND

Considerable interest exists in improving methods of measuring current demand. Tourism is a labor - intensive service industry. As such, it is looked upon by state governments as a promising business to relieve unemployment. But one of the main problems is to determine its present financial dimensions. Official tourism organizations are typically charged with the responsibility of undertaking research to measure economic impact and current demand. In this task they are assisted greatly by the Travel Industry Association of America (TIA).

Measures of Actual Demand

1.   Visitor arrivals

Number of people arriving at a destination who stay for 24 hours or longer

2.   Visitor - days or - nights

= *no. of visitors x avg. no. of days or nights at destination*

3.   Amounts spent

= *no. of visitor - days or - nights x avg. expenditure per day/night*

Projection Methodology

Several statistical methods or econometric analysis can be used to project demand

- **Trend analysis method**
- **Simple Regression — Linear least square method**
- **Multiple Regression — Linear least squares method**
- **Computer simulations and models**
- **Executive Judgement (Delphi) method**

14.7   LETS SUM UP

To summarize it we can say that tourism demand is 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. Demand, without doubt, is the fundamental measure of any area's success in attracting visitors. All planning activities are ultimately intended to increase or control demand. Marketing programs are aimed at

increasing demand, sometimes at certain periods during the year, and/or to attract particularly identified market segments. Understanding demand requires a knowledge of its definition, what comprises demand, what affects the levels of demand, and how future demand can be identified and estimated. Thus, use of demand data is essential in any tourist business situation. Development of a destination area, whether by public authority, private developers, or both, requires demand data that are as accurate as possible. Providing such data is one of the most important responsibilities of an official tourism organization. Similar data are provided by research organizations and consulting firms, usually when commissioned to make feasibility studies. Any development proposal must have ample estimates of expected demand before any financing can be committed. Becoming familiar with methods of measuring or estimating present and future demand, as described in this chapter, should enable you to produce such data. With the current high cost of land and construction, reasonably accurate demand statistics are of paramount importance.

14.8 CHECK YOUR PROGRESS

1. Discuss the important methods used in tourism forecasting.
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   …………………………………………………………………………
2. Write a detailed note on the demand & supply of tourism?
   …………………………………………………………………………
   …………………………………………………………………………
3. How to measure demand in tourism?
   …………………………………………………………………………
   …………………………………………………………………………
4. Discuss the Computer Simulations and Model?

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   …………………………………………………………………………

5. How to measure demand to a destination?

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14.9 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec. 14.6.

2. Refer Sec. 14.2.

3. Refer Sec. 14.3, 14.4 & 14.5.

4. Refer Sec. 14.6.

5. Refer Sec. 14.3.

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UNIT 15 DYNAMICS OF TOURIST DEMANDS AND TOURIST TRAFFIC TRENDS IN FUTURE PERSPECTIVE

Structure

15.0 Objectives

15.1 Introduction

15.2 Characteristics of Tourism Demand & Supply

15.3 Dynamics of Tourist Demands and Tourist Traffic.

    15.3.1 Case -1: African Continent

    15.3.2 Case -2: European Continent

    15.3.3 Case -3: Asia-pacific region

15.4 UNWTO Tourism 2020 Vision

15.5 Problems & Challenges faced by tourism industry in 2011

15.6 Summary

15.7 Check Your Progress

15.8 Suggested Readings

15.0 OBJECTIVES

This unit aims at explaining the following objectives & after going through this unit you will be able to understand the following things:

- Characteristics of the tourism demand & supply.
- Dynamics of Tourist Demands and Tourist Traffic.
- Future demand & trends of tourism industry
- Major issues & challenges faced by tourism industry today.

15.1 INTRODUCTION

In the previous units we have understood about the distribution of the tourism receipts & arrivals world-wide, important markets for tourism world-wide etc. According to an International Labour Organization, ILO, report international tourism was affected by the global economic crisis but is projected to grow significantly over the coming decade. The United Nations World Tourism Organisation (UNWTO) is expecting the sector's global economy to provide 296 million jobs by 2019. Where success depends so much on service quality, which, in turn, goes hand in hand with a skilled and motivated workforce. The tourism sector suffered a decline that began in the second half of 2008 and intensified in 2009 after several consecutive years of growth. A sharp reduction in tourist flows, length of stay, tourist spending and increased restrictions on business travel expenses led to a significant contraction of economic activity in the sector worldwide. But, in the year 2011 the tourism industry has recovered really well and again is on the path of the growth after reaching the mark of 980 million tourist arrivals in 2011.This unit will focus on the different characteristics, factors which effects the growth & development of the industry. And will address the different challenges & problems faced by the different regions worl-wide.

15.2 Characteristics of Tourism Demand & Supply

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

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 Shereton* 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.

15.3 Dynamics of Tourist Demands and Tourist Traffic

So we have clearly understood that the demand of the tourism is very dynamic in nature which means it is always changing with the special

characteristics, Tourism demand has special characteristics particular, namely:

1. Demand is very elastic.
2. Demand is sensitive.
3. Depending on the time.
4. Influenced by season
5. Demand focused on specific places.
6. Demand depends on the size of income.

The main factors that influence tourism demand are:
1. Revenue.
2. Price.
3. Quality.
4. Political relations between countries.
5. Economic relations between countries.
6. Socio-cultural relations between countries.
7. Changes in weather or climate
8. Factors holidays.
9. Government regulations.
10. Restrictions on the use of salt currency (Foreign exchange restriction).
11. Transportation technology.

15.3.1 Case -1: African Continent

International tourist arrivals grew by over 4% in 2011 to 980 million, according to the latest UNWTO World Tourism Barometer. With growth expected to continue in 2012, but at a slower rate, international tourist arrivals are on track to reach the milestone 1 billion mark at the end of the 2012.

International tourist arrivals grew by 4.4% in 2011 to 980 million, up from 939 million in 2010, in a year characterized by a stalled global economic recovery, major political changes in the Middle East and North Africa and natural disasters in Japan.

In 2011, Africa maintained international arrivals at 50 million, as the gain of two million by Sub-Saharan destinations (+7%) was offset by the losses in North Africa (-12%). The Middle East (-8%) lost an estimated 5 million international tourist arrivals, totaling 55 million. Nevertheless, some destinations such as Saudi Arabia, Oman and the United Arab Emirates sustained steady growth.

AFRICA TOURISM FACTS

Africa's tourism arrivals grew from 37 million in 2003 to 63 million in 2010

International tourism receipts in Africa totaled US $44 billion in 2010

In 2010 Morocco, Angola, Cape Verde, Madagascar, South Africa and Egypt all reported double-digit growth in arrivals. Tanzania, and Mauritius also showed strong growth rates in 2010

Direct travel and tourism employment in Africa totaled an estimated 7.7 million in 2010 **(SOURCES:** United Nations World Tourism Organization (UNWTO) and The World Travel)

 In early 2011, tourism in North Africa suffered from the shocks of political change. A number of countries issued travel warnings for North Africa; tour operators rerouted their customers and cancelled pre booked trips. In 2010, Egypt had received 14 million visitors. Tourism was also the second largest revenue source for the country, generating US$12.5 billion in 2010. Yet, in January 2011, occupancy levels in hotels in major tourism areas dropped to single digits, leaving small tourism entrepreneurs with little to no income. Approximately 210,000 tourists had left the country in the last week of January, costing the country US$178 million, according to Egypt's statistics bureau.

By April 2011, with some travel bans lifted, tourists began to return to Egypt, although, occupancy rates remained low. Egypt's government was eager to get tourism back. Mounir Fakhry Abdel Nour, the country's new

Minister of Tourism, launched a variety of innovative marketing strategies. While it will take time for Egypt's tourism sector to reach its former volume, there is a belief among many tourism stakeholders that Egypt's past popularity as a historical and cultural destination will continue to be what drives tourists to visit the "new Egypt".

There are many examples to learn from other destinations bouncing back after major setbacks. After the World Trade Center attack on September 11, 2001, New York City was in a state of shock, lodging occupancy levels plummeted and air travel was limited. Domestic and foreign visitors to New York City dropped to 35.2 million in 2001 and remained at a similar level of 35.3 million in 2002. However, 2003 recorded a new record high with 37.8 million arrivals. This experience provides a valuable example of tourism resiliency for destinations affected by extraordinary events.

Election-related political unrest in early 2008 caused Kenya's tourism arrivals to collapse. While the unrest was localized in a few areas of the country, tourists left the country and others changed their itineraries. Tourism arrivals dropped significantly during the first quarter of 2008 resulting in a 30% overall decline in 2008. In response, the Kenya Tourist Board (KTB) implemented their crisis management plan engaging both public and private sector stakeholders.

By 2010, Kenya recorded their highest number of international tourist arrivals ever. Tourism has proven to be one of the most resilient industries for countries that have encountered natural
Disasters, political unrest or other extraordinary events.
Clearly, factors which have affected the tourism industry in Africa in the past few years are:
1. Political Instability
2. Election related politics
3. Unrest in many countries
4. Natural Disasters

15.3.2 Case -2: European Continent

In 2011, by region, Europe (+ six per cent) was the best performer, while by sub-region South America (+10 per cent) topped the ranking. Contrary to previous years, growth was higher in advanced economies (+ five per cent) than in emerging ones (+3.8 per cent).

For a sector directly responsible for five per cent of the world's GDP, six per cent of total exports and employing one out of every 12 people in advanced and emerging economies alike these results are encouraging,

coming as they do at a time in which we urgently need levers to stimulate growth and job creation.

Despite persistent economic uncertainty, tourist arrivals to **Europe** reached 503 million in 2011, accounting for 28 million of the 41 million additional international arrivals recorded worldwide. Central and Eastern Europe and Southern Mediterranean destinations (+ eight per cent each) experienced the best results.

Changing face of the tourism industry in Europe

The growing importance of the tourism sector to the European economy is illustrated by its contribution to gross domestic product and its capacity to generate more employment than other economic sectors. As the European Commission points out in its Communication, the European tourism industry directly employs more than 5% of the EU's workforce and generates around 5% of its GDP, particularly in certain European regions. However, although Europe is still the world's No 1 tourist destination. European tourism is facing many challenges: the world economic crisis, Economic crisis in Greece, greater competition from other destinations, the impact of climate change and seasonal variations. Other challenges, such as demographic change in Europe, the diversification of tourism products, and the growing impact of information and communication

technologies, offer opportunities which should be explored in cooperation with regional and local authorities

Furthermore, the habits of tourists are changing (more and more people are travelling independently, the Internet is being used more, and more people are travelling "low cost" but also increased demand for sustainable tourism etc.) and factors which until a few years ago were not so decisive, are now crucial: high quality, sustainability, permanent innovation, training etc. In this context, emphasis must be placed on the enormous growth potential of the European tourism sector and the close connection with regional administrative, socio-economic and logistical structures, particularly in relation to the development of the transport sector, and above all improved connectivity of tourist destinations, the development of regional airports and the promotion of maritime links, which would encourage greater multimodality and ensure sustainable transport. It is particularly important to bear in mind the specific situation of the islands and peripheral outermost regions, which are totally dependent on air and sea transport. Europe has many competitive advantages: not just the wealth of its landscape, but also the enormous opportunities for tourism growth based on its heritage (cultural, gastronomic, religious, sporting, etc.). Growth potential also exists in the important events, congress and business sectors of tourism. Furthermore, the traditionally well-developed regions of the tourism industry also have a great capacity for innovation. Europe's worth in terms of heritage is a strategic factor in its development and it is particularly rich in this regard, since there are many European regions which either have immense tourism potential and are still at an early stage in their development as tourist destinations or have developed significant tourist activity. Particularly worthy of consideration are those areas that have specialized in tourism and, as mature destinations, need restructuring and rehabilitation in order to compete, in terms of quality and innovation, with the increasing global presence of emerging countries. In order to take into account the senior and disabled travel markets, destinations will need to adjust and to remove barriers; Tourism is therefore a vital source of income and employment. It is crucial to many regions of Europe, and for some of them it is absolutely essential, since it offers them a key means of achieving greater competitiveness. Actions resulting from European tourism policies will therefore have a significant impact on the development of many regions, given that the tourist industry drives and interacts with other economic sectors in the region. A European industrial policy on tourism should therefore be implemented together with an EU investment policy aimed at the development of Europe and its socio-economic structure, in order to ensure that the regions concerned have every opportunity to implement a sustainable competitiveness strategy.

15.3.3 Case -3: Asia-pacific

International tourist arrivals in Asia and the Pacific reached a historic high of 204 million in 2010, some 24 million more than in 2009 and 20 million above the 2008 pre-crisis peak. The region's 13 per cent growth in 2010 was double the world average and, following a modest 2 per cent decline in 2009, confirms Asia as the world's strongest growing region of the past two years. Most destinations posted double-digit growth, boosted by the strong development of local economies in the region. Receipts grew, accordingly, by 13 per cent in real terms to USD 249 billion. North-East Asia was the best performing sub-region (up 14 per cent), with double-digit growth in arrivals for virtually all destinations, particularly the fast growth of Japan and Taiwan (pr. of China) (both at up 27 per cent). Growth in China (up 9 per cent), the region's top destination, was below average, but still represented around a quarter of the additional arrivals achieved by the whole region. In 2010, travel for leisure, recreation and holidays accounted for just over half of all international tourist arrivals (51 per cent or 480 million arrivals). Some 15 per cent of international tourists reported travelling for business and professional purposes and another 27 per cent travelled for other purposes, such as visiting friends and relatives (VFR), religious reasons and pilgrimages, health treatment, etc. The purpose of visit for the remaining seven per cent of arrivals was not specified. (6 per cent). Over time, the trend has been for air transport to grow at a faster pace than surface transport, so the share of air transport is gradually increasing, according to the report. Slightly over half of travellers arrived at their destination by air transport (51 per cent) in 2010, while the remainder travelled over the surface (49 per cent) – whether by road (41 per cent), rail (2 per cent), or over water Arrivals in South-East Asia, the only sub-region to show positive results in 2009, were up 12 per cent. Destinations such as Vietnam (up 35 per cent), Singapore (up 22 per cent), Cambodia (up 17 per cent), Philippines (up 17 per cent), Thailand (up 12 per cent) and Indonesia (up 11 per cent) all recorded double-digit growth, although following weak 2009 figures. International arrivals in South Asia increased by 11 per cent, with particularly strong performances from Sri Lanka (up 46 per cent) and Maldives (up 21 per cent), and a comparatively more moderate result for the major destination India (up 8 per cent). In Oceania (up 6 per cent), growth in arrivals was just below the world average with leading and more mature destinations Australia (up 5 per cent) and New Zealand (up 3 per cent) showing growth after a flat 2009.

In Asia and the Pacific, for the first time ever, inbound tourism arrivals surpassed 200 million in 2010. Overall, the Asia-Pacific regional share of world arrivals rose by 1.2 percentage points in 2010, for a 22% share among the world's regions. The successful marketing stories of India and Malaysia, the massive rail expansion in China, the new resort

developments in Singapore and Macao, China and the revitalized policy of Japan towards tourism, as well as the "visit year" campaigns in Bangladesh, Nepal and Sri Lanka, have helped buoy Asia-Pacific tourism. ASEAN has also adopted a long-term tourism strategy to help the development of the tourism sector in the sub region. Tourism in Asia and the Pacific has grown vigorously for a variety of reasons. The resurgence in economic growth and international trade, and in particular intraregional trade, has resulted in an increase in demand for business travel. Middle-class incomes are rising in many countries, associated with the popular enthusiasm for "rising Asia", and boosting demand for travel within the region. Travel restrictions and visa requirements are continuing to be eased or reduced by Governments. The high level of investments – new resorts, hotels, attractions and airline services – that are coming on stream induce a "bandwagon" effect, bringing with them the need for marketing efforts to ensure that new products and services are seen and experienced. The 2010 outlook for Asia was generally positive and would not have repelled Asian travellers (often first-time) who are notoriously sensitive to bad news.

The most significant change among the top ten by inbound tourism arrivals in 2010 was the rise of China to 3ʳᵈ most popular destination – having overtaken Italy, Spain and the United Kingdom during the past few years. In terms of inbound tourism expenditure, China also moved up the rankings to the 4ᵗʰ slot. Among the top ten countries by inbound tourism arrivals, the Asia-Pacific is represented by a few countries other than China: Turkey-7ᵗʰ and Malaysia-9ᵗʰ; for receipts by: Australia-8ᵗʰ; Hong Kong, China-9ᵗʰ; and Turkey-10ᵗʰ.

15.4 UNWTO Tourism 2020 Vision

UNWTO's *Tourism 2020 Vision* forecasts that international arrivals are expected to reach nearly 1.6 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be intraregional and 378 million will be long-haul travellers.
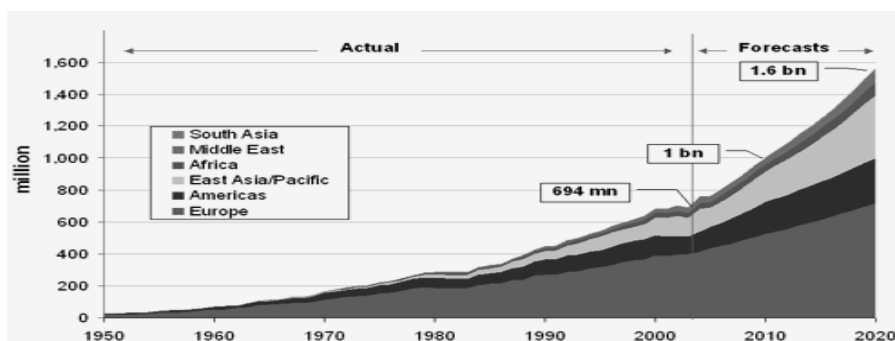
The total tourist arrivals by region shows that by 2020 the top three receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia.

East Asia and the Pacific, Asia, the Middle East and Africa are forecasted to record growth at rates of over 5% year, compared to the world average of 4.1%. 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 per cent in 2020.

	Base Year	Forecasts		Market share (%)		Average annual growth rate (%)
	1995	2010	2020			
		(Million)		1995	2020	1995-2020
World	565	1006	1561	100	100	4.1
Africa	20	47	77	3.6	5.0	5.5
Americas	110	190	282	19.3	18.1	3.8
East Asia and the Pacific	81	195	397	14.4	25.4	6.5
Europe	336	527	717	59.8	45.9	3.1
Middle East	14	36	69	2.2	4.4	6.7
South Asia	4	11	19	0.7	1.2	6.2

Long-haul travel worldwide will grow faster, at 5.4 per cent per year over the period 1995-2020, than intraregional travel, at 3.8 per cent. Consequently the ratio between intraregional and long-haul travel will shift from around 82:18 in 1995 to close to 76:24 in 2020.

15.5 Problems & Challenges faced by tourism industry in 2011

Tourism industry has faced number of problems in the year 2011, like 2011 saw the Japanese earthquake, followed by a pacific-wide tsunami and nuclear power crisis, by riots in the streets of London, by the fall of the Portuguese coalition government, by union protests throughout the world, from Madison, Wisconsin to Europe, from revolutions in much of the Arab world, to renewed bus bombing and rocket attacks against Israel, to a no-fly zone imposed over Libya.

From the perspective of the tourism industry, these momentous changes present a major challenge and may have long-term industrial

consequences. In fact tourism risk has never been higher and tourism officials must change the way they do risk management. Here are a few factors to consider when seeing the new world of tourism risk management.

Food prices are rising at alarming rates. There is no one factor to account for the rapid increase in the rise of food prices. These price rises are the result of a number of factors: irregular rainfall in much of the world including a major Texas draught, the high cost of fuel resulting in higher transportation costs, political disturbances in the Middle East, the need to ration food in a post earthquake/tsunami Japan have all contributed to "food sticker shock" and political tension. It may well be hypothesized that much of the world's political upheavals have less to do with a desire for democracy and as has occurred throughout history, more to do with the cost of food. The impact of tourism being caught in the crossfire is already manifesting itself. Restaurants have had to raise prices or lower their service. Transportation companies have been (and will continue to be) hard hit. The airline industry is especially vulnerable. Airlines depend on both the food industry (at least in first class or executive class) and the fuel industry. Already on the margin, airlines can do nothing more than cut services and raise prices. The result of such a policy may create an economic tsunami as the leisure traveler may well decide that travel is simply too expensive and thus the "staycation" (or stay-at-home-vacation) once again becomes a reality impacting hotels and attractions throughout the world.

Furthermore, from a tourism security perspective, the world's security situation has deteriorated. There are few nations today that are not suffering from either political or economically motivated violence. From Mexico's drug wars to most of Latin America's express kidnappings, from street violence from England to the Middle East, the tourism world must face the fact that there is an increase both in the potential for crime and for acts of terrorism. Indeed the current Libyan government, with a great deal of blood on its hands, is not above "punishing" the West by further acts of terrorism.

The international tourism industry must also face the reality that world currencies are no longer stable. It is impossible to predict the value of the US dollar or euro over the next twelve months. This inability to know the value of a currency means that long-range tourism prices are especially hard to predict and the fallout from this monetary instability is already impacting multiple tourism support systems. For example, tourism experts are now noting that hospitals are turning people away (despite their nation's laws) who do not have local insurance or a well-backed credit card.

The tourism industry must also recognize that despite what the politicians may tell us the world's economy has multiple challenges. Among these challenges is the fact that retirement accounts, throughout the Western world, are no longer sustainable. Well-healed unions may protest, but there is no way that a diminishing working population can afford to allow people to retire at full or three quarter wages for periods of 20 or thirty years or more. What this means is that the group of people who often travel the most, the young retirees, may have to make major lifestyle changes and these changes may have a great impact on the world of tourism.

Despite these numerous challenges it would be a mistake to predict the demise of the travel and tourism industry. Instead this is the time when thoughtful tourism professionals need to be creative and well aware of the multiple disciplinary character of their profession. Tourism officials need much more than simply marketers, that model is soon to die. Instead tourism professionals must take into account a wide range of disciplines that include knowledge of: economic factors, political factors, the price of commodities, and the impact of security on their industry, and how front-line customer service interacts with demographic changes, and how weather patterns may impact their industry.

The tourism industry can no longer ignore the issue of total tourism security, what is often called "tourism surety." As such the industry must view the interaction and overlapping of tourism economics, with locale reputation factors and combine these with tourism safety and security. Tourism cannot afford a medical crisis or a food crisis, a natural disaster or a political disaster, conventional wars or acts of terrorism, crime and gang violence and narco-trafficking. Each of these threats is interconnected and in a world connected by both the internet and rapid transportation nothing stays for long in any one place. Instead what impacts one part of the tourism industry in the end will impact the entire industry?

15.6   Summary

After this Unit, we have clearly understood that tourism industry is very volatile in nature & vulnerable to number of the factors .In the recent years the industry has registered an impressive growth and figure of International tourist arrivals grew by over 4% in 2011 to 980 million, according to the latest UNWTO World Tourism Barometer. With growth expected to continue in 2012, but at a slower rate, international tourist arrivals are on track to reach the milestone 1 billion mark at the end of the 2012. But on the other hand the industry is facing number of challenges

like the political crisis, economic crisis, drug peddling, competition world-wide medical crisis or a food crisis, a natural disaster or a political disaster, conventional wars or acts of terrorism, crime and gang violence and narco-trafficking which definitely poses a big challenge in front of the industry to deal with this challenges.

15.7   Check Your Progress

1. Write a note on the dynamics of the tourism industry in Asia-pacific region.

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2. Write a detailed note on the challenges faced by the Europe in the development of the tourism Industry?

   …………………………………………………………………………………

3. Write a note on the present status of tourism in Africa?

   …………………………………………………………………………………
   ………………….

3. Write a note on the major challenges faced by the tourism industry in Africa?

   …………………………………………………………………………………

4. Discuss the projections of the tourism in UNWTO vision 2020?

   …………………………………………………………………………………

15.8 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.15.3.3
2. Refer Sec. 15.3.2
3. Refer Sec. 15.3.1
4. Refer Sec. 15.3.1
5. Refer Sec. 15.4

15.9 Suggested Readings

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UNIT 16 TOURISM AND GLOBALIZATION: INTER-RELATIONSHIP, SCOPE AND IMPLICATIONS.

Structure

16.0 Objectives

16.1 Introduction

16.2 Defining Globalization

16.3 Tourism & Globalization - Scope & Implications

16.4 Globalization and the tourism industry

16.5 Factors facilitating globalization of the tourism industry

16.6 Advantages & Disadvantages of Globalization

16.7 Summary

16.8 Check Your Progress

16.9 Suggested Readings

16.0 OBJECTIVES

This unit aims at explaining the following objectives:

- You will understand the definition of the globalisation
- You will understand the scope & implication of globalisation to tourism industry.
- You will understand the factors facilitating globalisation in tourism industry.
- You will understand the advantages & disadvantages of globalisation

16.1 INTRODUCTION

In the present unit we will study about the globalisation & its effects on the tourism Industry. With the growing standards of the world and the existing concepts and complexities in political, economic and socio-cultural ideologies, man has always and continuously pondered over the aspects

of his nature. Unity, equality, trade and commerce are at the forefront of man's complexities. With these thoughts in mind, man has moved through history trying to satisfy his desires in relation to others. The advent of the twenty-first century gave birth to the idea of making the world a single village, thus, globalization. Globalization is the most talk-about issues in the 21st century. However, there is the difficulty of the world to come up with a single and uniform definition. This is because, so many people doubt if the happenings in the world today are as a result of globalization. Thus, due to these global differences of what this concept actually is about, globalization has grown to involve aspects not only of economy, but politics and other socio-cultural issues. Globalization affects almost every human being, this is because the process of globalization is said to have expanded almost through out the entire world either through transport, commerce, and communication. In addition, man's activities on the globe are all located under these sectors. Since tourism has been developing very rapidly from time to time and particularly in the 21st century, it is better to search for more definitions to reflect the current situation and to understand its present characteristics. The characteristics of tourism in the 18th century are, of course, different from what it is now in the 21st century. According to World Tourism Organization (2002), 'Tourism' is defined as "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 not related to the exercise of an activity remunerated from within the place visited." This definition identifies clearly the activities and length of stay in the destination outside the usual environment where people use to be

16.2 Defining Globalization:

Globalization is a generic term and it can be defined in a number of different ways depending on the context. The definition - description - given by Knight and de Wit (1997) appears to be the best operational one for any discussion pertaining to higher education in this context. According to them, Globalization "is the flow of technology, economy, knowledge, people, values, ideas…across the borders. Globalization affects each country in a different way due to a nation's individual history, traditions, culture and priorities."

Wikipedia defines Globalization as: Globalization (or **globalization**) refers to the process or processes of international integration. Human interaction over long distances has existed for thousands of years. The overland Silk Road that connected Asia, Africa and Europe is a good example of the transformative power of international exchange. Philosophy, religions, language, arts, and other aspects of culture spread

and mixed as nations exchanged products and ideas. In the 15th and 16th centuries, Europeans made important discoveries in their exploration of the World ocean and in beginning cross-Atlantic travel to the "New World" of the Americas. Global movement of people, goods, and ideas expanded significantly in the following centuries. Early in the 19th century, the development of new forms of transportation (such as the steamship and railroads) and telecommunications that "compressed" time and space allowed for increasingly rapid rates of global interchange. In the 20th century, road vehicles and airlines made transportation even faster, and the advent of electronic communications, most notably mobile phones and the Internet, connected billions of people in new ways leading into the 21st century.

16.3 Tourism & Globalization - Scope & Implications

Tourism and globalization have direct relationship with each other. Tourism has been a major source of revenue for countries, specifically in the Third world, in the past few decades. It is predicted that by 2010, one billion tourists would have traveled abroad and by 2020, this would have increased to 1.6 billion. In terms of revenue, it is predicted that by 2020, $1.5 trillion would be earned. Tourism is touted as a major source of employment worldwide.

The rise in global tourist arrivals in various countries demands an increased effective preservation. With globalization have increased deforestation, pollution, and disruption in the ecological balance. Pollution caused by littering and improper waste disposal has now become a major problem for the community. Hotels and inns mushroomed, changing the town's landscape and straining its water resources. Commercial production of wood carvings has also affected nearby forests. Trees have been cut down to support commercial wood carving activities that cater to foreign as well as domestic tourist demand. Revenue needs to be earned without disturbing the environment. So, a solution for this is eco-tourism. Eco-tourism is described as environment friendly, sustainable and nature-based. Currently, eco-tourism is the fastest growing sub-sector, growing at a rate of 10-15% annually. Eco-tourism now accounts for 25% of all leisure trips abroad.

Globalization has also become an umbrella term used for a complex series of economic, social, technological, cultural and political changes that are seen as increasing interdependence, integration and interaction between people and companies in different locations. In particular, it is due to the increase in worldwide business and trade between multinational and transnational corporations, among others, irrespective of their geographical locations, that the term has gained prominence (Cooper et

al, 1998). It is these inherent characteristics of globalization that have precipitated national boundaries to be more fluid or porous with respect to the movement of people and services.

16.4 Globalization and the tourism industry

The geographical widening of linkages between places has become a major factor in the development of international tourism, leading to the internationalization of tourism, leisure 'culture', more global flows of tourists, and increased competition (Tribe, 1997; Youell, 1998). Through the process of intensification, the long-established trickles of tourists to the most distant corners of the globe have been transformed into large scale tourist flows (Waters, 1995). Shaw and Williams (2002) have added that tourism is, in many ways, one of the most powerful exemplars of globalization as the geographical scale of travel and trade has become greater than it used to be, with spatial interactions taking place over greater distances and ever wider circles. Thus the globalization phenomenon has contributed significantly to the spread of tourists to the furthest reaches of the planet, leading to the shrinking of the "pleasure periphery" as it trends, in its most innocuous sense, towards a single world society (Bayly et al, 2004; Bhatia, 2006).

As observed by Cochrane and Pain (2000), due to globalization, there is increasing host-guest interaction as apparently distant cultures and societies potentially come face to face with each other at local level. Hence Waters (1995) observed that globalization is the stretched social relations in terms of the existence of cultural, economic, political, social and technological networks of connections across the world; the increased density of interactions across the globe; and the increased interactions between states which share common borders. As a consequence and to a very large extent, many travelers now conceptualize the world as a single place, leading to increased density of interactions and willingness by many people to travel to tourism different destinations.

16.5 Factors facilitating globalization of the tourism industry

A number of factors have played a major role in facilitating globalization in general and international tourism in particular. These include the increase in worldwide business and trade, technological developments in transport and communications, increased cultural and political interdependence, and the role of multinational and transnational corporations.

1. International Trade

The globalization of the world economy has played a critical role in bringing about changes in business tourism. As trade and foreign direct investments require travel abroad, they have undoubtedly contributed to

the further globalization and growth of the business tourism industry. According to the World Tourism Organization (WTO) (1983), the growth of international tourism and the increased movement of tourists have been fundamentally facilitated by shift to free markets. To this, Microsoft Encarta (2000) added that the removal of trade barriers had also facilitated business tourism.

2. Technological Improvements
One of the often cited drivers of globalization is the improvement in new technology. Improvements in transport and communications have fundamentally facilitated the growth and movement of international tourists. According to Shaw and Williams (2002), the process of globalization has significantly been advanced through technological developments in the fields of transport and communications, particularly long range aircrafts, the internet, computer reservations systems (CRS) and e-commerce. Microsoft Encarta (2000) also affirmed that a whole world of new opportunities for business and trade has been opened up by technological improvements in transport and communication systems as well as by internet banking.

Due to the exponential growth in air transport, global travel has shrunk in terms of time and distance, allowing tourists to travel to distant international destinations with ease [World Tourism Organization (WTO), 1983]. Hence Binns et al (1999) are of the view that tourism was now quintessentially linked to the phenomenon of time-space compression. The deregulation of transport and trade around the world have also made business travel more competitive and allowed the emergence of budget airlines and cruise lines. According to Wikipedia.com (2006), these low cost carriers have facilitated travel and are the fastest growing trend in the tourism industry. Competition for terminal slots and space, for example, as well as the stage of maturity of the domestic travel industry, has thus created the need for air travel to be expanded and harmonized regionally and internationally (Cooper et al, 1998; Knowles et al, 2001).

According to Page (1999), information technology (IT) has particularly revolutionized the organization and management of tourist businesses. For example, the introduction of computer reservation systems (CRS) and global distribution systems (GDS) in particular, has assisted the globalization of the supply side of tourist services. Inkpen (1998) estimated that there were over half a million GDS terminals around the world, connecting most of the world's airlines to potential travelers. These include some of the largest terminals that allow travelers to choose their airline, check one of the often cited drivers of globalization is the improvement in new technology. Improvements in transport and communications have fundamentally facilitated the growth and movement of international tourists. According to Shaw and Williams (2002), the process of globalization has significantly been advanced through

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3. Role of Multinational Corporations

Due to increased interconnections; the volatile and erratic nature of the international tourism demand; as well as the hyper-competition worldwide, the tourism industry has been characterized by the active involvement and dominant role played by multinational corporations (MNCs) and transnational corporations (TNCs). According to Page (2005), some international companies have taken advantage of globalization to seek for new opportunities to grow their enterprises, reap the benefits of the economies of scale, increase their market share, suppress competition, and achieve global dominance. As a result, the world has witnessed a flurry of different MNC and TNC strategies such as vertical and horizontal alliances, mergers, acquisitions, as well as formal linkages. According to Burns and Holden (1995), vertical integration is a business practice whereby companies at different levels in the distribution chain seek to control various stages of production, delivery and marketing of their products. For example, some tour operators have grown from medium-

sized national companies to truly international corporations that move millions of people around the globe each year (Burns and Holden, 1995; Cooper et al, 1998). Similarly, a number of tour operators today have their own aircrafts and hotels, while some airlines also offer chauffeur and car rental services (Demenech, 2006). Some global firms have also capitalized on these trends and produced standardized tourism products in order to contribute to the homogenization of the world tourism market.

Other business enterprises have sought to survive through horizontal integration whereby companies at the same level have sought mergers with companies at their level in the distribution chain (Youell, 1998). The mergers have been characterized by either two companies offering competing services; a result of a takeover of one company by another; or a voluntary agreement between two companies. Within the aviation industry, horizontal integration has resulted in some airlines expanding their operations into different countries. The British Airways, for example, have forged a trans-Atlantic alliance with American Airlines (Cooper et. al, 1998).

Horizontal integration has also been achieved through licensing and franchising. According to Knowles et al (2001), franchising is a contractual agreement whereby a firm allows another to sell products and provide services on its behalf for a fee. This is also evident in the tourism industry. According to Shaw and Williams (2002), this is the case with such brand names as the six corporate chains *Choice, Best Western, Marriott, Sheraton, Hyatt, and Radisson* of America, *Holiday Inn, Forte, and Hilton* of the United Kingdom, *Accor and Club Mediterranee* of France and *Inter-Continental* of Japan. To these one can add *MacDonald's, Wimpy, Avis Rent-a-Car, etc.*

4. Country image

Although tourists may vary in type, they all tend to be influenced by images of destinations and activities. The importance of image within tourism is such that the World Tourism Organization (1979, quoted by Cooper et al. 1993:25) have suggested that the term image embraces "the ideas, conceptions held individually or collectively of a destination". Thus 'destination image' has become so catholic and taken a wider currency that it is now taken to mean "the totality of beliefs and impressions that tourists, individually or collectively, have regarding each tourist destination. This is because tourism is a very sensitive phenomenon that involves the movement of people, not goods or commodities.

To boost the image of their countries, some governments have used MNCs to create good impressions about their countries. Incentives and tax concessions have been used to attract MNCs. This is because a

country that is shunned by international investors is, consequently, shunned by tourists. Therefore, the presence of MNCs and other international organizations and embassies in a country tends to give a positive image of that country, thus helping to attract international visitors.

16.6 Advantages & Disadvantages of Globalization:

Globalization means increasing the interdependence, connectivity and integration on a global level with respect to the social, cultural, political, technological, economic and ecological levels.

Advantages

- Goods and people are transported with ease and speed
- the possibility of war between the developed countries decreases
- free trade between countries increases
- global mass media connects all the people in the world
- as the cultural barriers reduce, the global village dream becomes more realistic
- there is a propagation of democratic ideals
- the interdependence of the nation-states increases
- as the liquidity of capital increases, developed countries can invest in developing ones
- the flexibility of corporations to operate across borders increases
- the communication between the individuals and corporations in the world increases
- environmental protection in developed countries increases

Effects of Globalization

- enhancement in the information flow between geographically remote locations
- the global common market has a freedom of exchange of goods and capital
- there is a broad access to a range of goods for consumers and companies
- worldwide production markets emerge
- free circulation of people of different nations leads to social benefits
- global environmental problems like cross-boundary pollution, over fishing on oceans, climate changes are solved by discussions
- more trans-border data flow using communication satellites, the Internet, wireless telephones, etc.
- international criminal courts and international justice movements are launched
- the standards applied globally like patents, copyright laws and world trade agreements increase

- corporate, national and sub-national borrowers have a better access to external finance
- worldwide financial markets emerge
- Multiculturalism spreads as there is individual access to cultural diversity. This diversity decreases due to hybridization or assimilation
- international travel and tourism increases
- worldwide sporting events like the Olympic Games and the FIFA World Cup are held
- enhancement in worldwide fads and pop culture
- local consumer products are exported to other countries
- immigration between countries increases
- cross-cultural contacts grow and cultural diffusion takes place
- there is an increase in the desire to use foreign ideas and products, adopt new practices and technologies and be a part of world culture
- free trade zones are formed having less or no tariffs
- due to development of containerization for ocean shipping, the transportation costs are reduced
- subsidies for local businesses decrease
- capital controls reduce or vanquish
- there is supranational recognition of intellectual property restrictions, i.e. patents authorized by one country are recognized in another

The disadvantages of globalization

There are also several potential disadvantages of globalization, including the following:

1. The over-standardization of products through global branding is a common criticism of globalization. For example, the majority of the world's computers use Microsoft's Windows operating system. Clearly, standardizing of computer operating systems and platforms creates considerable benefits, but critics argue that this leads to a lack of product diversity, as well as presenting barriers to entry to small, local, producers.
2. Large multinational companies can also suffer from diseconomies of scale, such as difficulties associated with coordinating the activities of subsidiaries based in several countries.
3. The increased power and influence of multinationals is also seen by many as a considerable disadvantage of globalisation. For example, large multinational companies can switch their investments between territories in search of the most favourable regulatory regimes. MNCs can operate as local monopsonies of labour, and push wages lower than the free market equilibrium.

4. Critics of globalisation also highlight the potential loss of jobs in domestic markets caused by increased, and in some cases, unfair, free trade.

5. Globalisation can also increase the pace of *deindustrialization*, which is the slow erosion of an economy's manufacturing base.

6. Jobs may be lost because of the structural changes arising from globalisation. Structural changes may lead to structural unemployment and may also widen the gap between rich and poor within a country.

7. One of the most significant criticisms of globalisation is the increased risk associated with the interdependence of economies. As countries are increasingly dependent on each other, a negative economic shock in one country can quickly spread to other countries. For example, a downturn in car sales in the UK affects the rest of Europe as most cars bought in the UK are imported from the EU. The Far East crisis of the 1990s was triggered by the collapse of just a few Japanese banks.

   Most recently, the collapse of the US *sub-prime* housing market triggered a global crisis in the banking system as banks around the world suffered a fall in the value of their assets and reduced their lending to each other. This created a liquidity crisis and helped fuel a severe downturn in the global economy.

   Over-specialization, such as being over-reliant on producing a limited range of goods for the global market, is a further risk associated with globalization. A sudden downturn in world demand for one of these products can plunge an economy into a recession. Many developing countries suffer by over-specialising in a limited range of products, such as agriculture and tourism.

7. Globalization generates winners and losers, and for this reason it is likely to increase inequality, as richer nations benefit more than poorer ones.

8. Increased trade associated with globalization has increased pollution and helped contribute to CO_2 emissions and global warming. Trade growth has also accelerated the depletion of non-renewable resources, such as oil.

16.7 Summary

After this Unit, we have clearly understood that it is claimed that globalization increases the economic prosperity and opportunity in the developing world. The civil liberties are enhanced and there is a more

efficient use of resources. All the countries involved in the free trade are at a profit. As a result, there are lower prices, more employment and a better standard of life in these developing nations. It is feared that some developing regions progress at the expense of other developed regions. However, such doubts are futile as globalization is a positive-sum chance in which the skills and technologies enable to increase the living standards throughout the world. The result of the globalization for the tourism industry is that, it has made the whole world like a small village wherein, people are travelling all over the world very frequently. The tourism industry has been benefited a lot with the opening up of the economies, liberalization which has resulted in removing the barriers of caste, creed & class and therefore generation of the huge outbound & inbound tourist traffic all over the world.

16.8 **Check Your Progress**

1. What do you understand by globalisation?
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   ………………………………………………………………………………
   ……………………………………………………………………………..

2. Write a detailed note on the challenges faced by the tourism Industry after globalisation?
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   ………………………………………………………………………………
   ………………………………………………………………………………

3. Write a note on the Advantages of globalisation?
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   ………………………………………………………………………………
   ………………………………………………………………………………

4. Write a note on the disadvantages of globalisation?
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   ………………………………………………………………………………

5. *Discuss the factors facilitating globalization of the tourism industry?*
   ………………………………………………………………………………
   ………………………………………………………………………………
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16.9 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.16.1 & 16.2

2. Refer Sec. 16.3 & 16.4

3. Refer Sec. 16.6

4. Refer Sec. 16.6

5. Refer Sec. 16.5

16.10 SUGGESTED READINGS

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UNIT 17 FACTORS AFFECTING INTERNATIONAL TOURISM AND NEED FOR EFFECTIVE CRISIS MANAGEMENT

Structure

17.0 Objectives

17.1 Introduction

17.2 Factors affecting International tourism

17.3 Crisis Management in Tourism

      17.3.1   BEFORE THE CRISIS: Preparing for the Worst

      17.3.2   DURING A CRISIS: Minimizing Damage in a Crisis

      17.3.3   FOLLOWING A CRISIS: Recovering Tourist Confidence

17.4 Summary

17.5 Check Your Progress

17.6 Suggested Readings

17.0 OBJECTIVES

This unit aims at explaining the following objectives:

- Factors affecting the International tourism Industry.
- How to manage a crisis situation in tourism industry
- Understand the vulnerability of the tourism industry & the ways to handle it.
- Understand the major natural, social & economic factors effecting the growth of tourism Industry.

17.1 INTRODUCTION

In the previous unit we have understood about the Tourism & Globalization - Scope & Implications. This unit will be highlighting the Factors Affecting International Tourism and Need for Effective Crisis Management. The tourism industry today is most vulnerable industry & is

affected by the small little changes. While tourism can provide a massive financial boost to an area and is often the backbone of its economy, there can also be significant problems such as the disintegration of the traditional culture of an area. Whereas some areas use their traditional culture as a selling point to encourage tourists to visit in order to sample it, other areas instead try to entice tourists by attempting to offer them a culture that is more similar to what they would experience at home. As a consequence, the indigenous culture and the local inhabitants can often be sidelined in order to encourage the influx of tourists. There is an immense need of the crisis management in the tourism Industry which had been discussed in this unit in detail.

17.2 Factors Affecting International Tourism

There are number of factors which affects the International tourism like terrorism, ICT, Globalization, climate etc., some of the factors has been discussed in this part

1. Terrorism: Tourism is a critical source of revenue generation and therefore a major component of economic development, a relationship that rewards states when positive conditions such as a strong global economy exist. *But what happens when negative conditions exist, such as terrorism?* The impact of terrorism on a state's economy may be enormous, leading to unemployment, homelessness, deflation, crime and other economic and social ills. "The contribution of tourism and travel to both industrialized and developing countries is now so great that any downturns in the level of activity in the industry are a cause of concern. The repercussions extend beyond activities directly associated with *tourism, notably airlines, hotels and catering*, to sectors that supply intermediate or final goods that are purchased by firms and employees in the industry, so that all sectors of the economy are affected to a greater or lesser extent.

International tourism is an industry that lives on personal contacts and has a message: to enable and facilitate a face-to-face intercultural dialogue. A successful tourism industry needs political stability, peace, security, and the potential for dialogue between different groups of people without mental or physical restrictions. Terrorism against tourists and in tourist destinations aims, among other things, to prevent intercultural contacts and dialogue. It seeks to hinder a possible, better and deeper understanding of the "others". Terrorism against tourists in general is either a politically or a culturally motivated act. There are various instances which show the impact of terrorism on tourism: like various attacks in – Srinagar, Mumbai, Delhi, Assam, Varanasi, London, Egypt,

Arabian countries etc. It will be the Endeavour of those who wish to hurt world to use terror tactics to scare tourists away. It does not require clairvoyance to figure that out. Hence, both the government and other sections of society interested in promoting tourism, both domestic and in-bound, must have a forward-looking policy on dealing with terrorism that does not hurt tourism.

2. Demographic Changes: Demographic change will have major implications for the tourism sector over the coming decades, but also presents important opportunities. This is among the central findings of the recently published UNWTO/European Travel Commission (ETC) report on 'Demographic Change and Tourism'. The report sets out the main demographic trends worldwide and in major current and emerging source markets and describes how destinations and the private sector can make the most of these in terms of product development and marketing.

Major demographic trends at the global level – rising populations, increased life expectancy, urbanization, migration, changing family structures – present fresh challenges for the tourism sector. Demographic change will impact upon the types of tourists that will travel, where they originate from, where they travel to, the types of accommodation they require and the activities they engage in while away.

Demographic Change and Tourism provides a comprehensive analysis of the major demographic trends through 2030 – by which time the world's population is forecast to reach 8.3 billion. It outlines the impact these trends will have on tourism demand and travel behaviour overall and analyzes how destinations and companies can best adapt in order to become increasingly competitive in the market place.

According to the report, visitor's profiles and preferences will become increasingly fragmented and destination's competitiveness will depend on their ability to develop and market tourism products to an aging, multi-ethnic population, structured into multi-generational families Population growth and increased life expectancy, for example, will radically challenge current assumptions of ageing for tourism. Younger tourists who are still working fulltime may look to relax on holiday, while older tourists with more time on their hands and a 'younger' outlook may go on holiday to try new activities.

3. Technology & Tourism: As technology is evolving faster than ever before, it has made most travellers around the world much more technology-savvy than in the past. The internet has revolutionized the tourism industry more than any other factor in the last few decades. Also, as more people are connected to each other, with access to the vast pool

of information available online, an increasing number of travelers are seeking information via the internet prior to making any travel decisions. Hence, it has become important for the tourism industry to adapt and uplift its practices and skills of the workforce within in to meet changing customer behavior. UNWTO has predicted two key areas for growth with regards to utilizing tourism technology in the tourism industry correctly. The first area is the marketing of the tourism destinations, products and services. Selling tourism products and services online has changed from being just "price-conscious" to being "an inspiration" to the viewer to travel. As the online user absorbs information from a variety of sources, it is usually the site or information source that can best stimulate the viewer to travel that will be remembered by the user. Digital Marketing, Search Engine Marketing, Mobile and Location Based Marketing, and a variety of other channels exist today for reaching the potential traveller. However, it is the appeal of the content, combined with the right pricing that will ultimately attract the user to your business. The second area is the infrastructure of the organization, which determines the readiness to respond to customer requirements. As more travelers are expect personalized products and services to meet their demands, it is important for tourism businesses to have tools that can store and monitor information in order to meet the individual needs of their clients. The better you know your customer, the more likely you will retain them for a longer period of time. Customer relationship management and other fundamental information management systems are essential for businesses to scale-up. Effective and high-speed ICT infrastructure and software applications in the HCT industry are crucial for tourism development. ICTs allow customer–management relations and supply chain management to be combined into a single source that facilitates a variety of operations – product selection, ordering, fulfilment, tracking, payment and reporting – to be performed with one easy-to-use tool. ICTs ultimately cut costs by enabling the provider to be in direct contact with the consumer and also impact employment through the need for required maintenance of ICT equipment.

Management within tourism companies uses ICTs to undertake a range of tasks that enhance the efficiency of employees in the workplace, notably online reservations. Staff reductions in areas (e.g. hotel front offices) where work traditionally took place were projected to have implications for cost savings. Remaining workforces need to work with new technologies for instance, inputting consumer orders into portable devices in addition to traditional tasks (e.g. service or taking reservations). Such changes create a need for multitasking skills which, in turn, leads to necessary adjustments to training programmes. The development of ICTs has also led to changes in demand and supply. A higher demand for flexible, individualized options and quality of information has personalized leisure

and tourism behavior; a consequence of increased ICT use. Through new technology and social and economic ratings (e.g. social media platforms like Facebook, Twitter, blogs) customers have the ability to share information and research ratings on destinations, quality of service in hotels and restaurants and environmental and social conditions. A number of hotels (e.g. Marriott Hotels and Resorts, Ritz Carlton Hotels, Hyatt Hotels and Resorts) have strengthened their brand image and communicate directly with the customers & creating more competitive atmosphere.

4. Natural calamites & tourism:

9/11, the Bali bombings, the bombings on the transport networks of Madrid and London, health crises, the Asian tsunami, terrorist attacks in Mumbai, the earthquake in New Zealand and the earthquake and tsunami in Japan are just some of the examples of the series of 'shocks' that have affected the tourism sector since 2001. The 'shocks' have had severe impacts on tourism across the world. Airlines have gone into bankruptcy and tourism flows have been transformed. Crises are the 'new normal', seen as an inevitable part of doing business in tourism. Consequently, the tourism sector must plan to anticipate these crises and manage the after effects better when, not if, they occur. This case study shows how the inevitability of such 'shocks' and 'wild card' events has been dealt with within the tourism sector and how the process of crisis management has been developed.

Tourism and Crisis

Tourism is potentially at risk from both natural and man-made disasters and the vulnerability of the sector has been highlighted since 2001 by a number of events. The terrorist attack on the World Trade Centre, New York and the Pentagon in Washington was the first of these 'shocks,' followed by the war in Afghanistan, the bombing of an Israeli-owned hotel in Mombasa, Kenya, the SARS epidemic in 2003, the Iraq War, bombings of the transport systems in Madrid and London, the Asian Boxing Day tsunami in 2004, the earthquake in New Zealand and the earthquake and tsunami in Japan.

The terrorist attacks on 9/11 had the most impact as it was so unexpected. The crisis had a dramatic effect on international tourism, forcing a number of airlines into bankruptcy and reduced the profitability of tourism worldwide. Trips were deferred due to fears of further attacks and then through fear of job security in the subsequent downturn of the world economy.

The attacks triggered of significant effects on tourism. Firstly, governments and international agencies put together rescue packages for the industry as part of the immediate response. This was followed by a call for better market intelligence across all sectors of tourism. Thirdly, the term 'crisis and risk management' entered the tourism vocabulary. And finally, immigration procedures and security measures were tightened.

Crises are not just a worldwide issue. Man-made crises such as riots, fires, kidnappings, air crashes and other transport disasters, business failures and oil spillages and natural disasters such as earthquakes, volcanic eruptions, hurricanes, tsunamis and floods often have a much more localised effect. Crises can also be a combination of both, partly man-made and partly natural causes, for example, the outbreak of disease following the destruction of basic infrastructure and the disruption of public services.

5. Economic Instability: Hit by the negative events of 2008, which resulted in a sharp downturn in consumer and business confidence and spending globally, Travel & Tourism lost momentum in the second half of last year and has now fallen into recession. Timely data shows that international travel demand fell by 1% globally from July through December 2008 compared with the same period in 2007, while preliminary estimates suggest that visitor spending barely matched its 2007 level.

As a result, the growth in Travel & Tourism Economy GDP slowed in 2008 to 1.0%. This followed four consecutive years of increases, averaging 3.6% in real terms, and in which 27 million jobs were created. Last year's growth was the weakest since the recessionary period of 2001-03 when the industry was hit by the collapse of the high-tech boom, the 9/11 terrorist attacks and the SARS outbreak.

Close to 2 million jobs were nevertheless created during 2008, but the industry was faced with increasingly difficult global headwinds in the second half of the year as consumer and business confidence collapsed. Foreign visitor arrivals still increased globally by 2.3% in 2008, with the Americas benefiting from currency trends and the Middle East and Africa continuing to prove their growing attraction as tourism destinations. Moreover, international visitor spending (including spending in destinations and on air fares to get there) rose significantly in US dollar terms for the second year in a row, albeit with gains concentrated in the first half of the year. However, real investment spending in Travel & Tourism contracted globally for the first time since 2002 and real corporate travel spending growth halved. As a result, the economic contribution of Travel & Tourism declined fractionally, to 9.6% of world GDP.

6. Globalization & tourism:

Globalization has created a link between the growing demand for labour in the tourism sector and labour migration. Labor migration, when properly governed, can help to fill labour shortages in high-skills and low-skills parts of the market, rejuvenate populations and enhance labour market efficiency, and promote entrepreneurship, dynamism, and diversity in destination and originating countries. The development of tourism products, the provision of labour and cultural enrichment are further positive results of migration. Migrant workers may bring new skills and knowledge to destination countries that could make companies more competitive, helping the country to grow. In some cases, originating countries also may benefit from temporary migration through the learning experiences offered by migrant work and the remittances sent to their home country. As a result, migrants may bring new skills, knowledge and decent work experiences back to their countries of origin and share them with local co-workers and organizations. Tourism is one of the world's largest multinational economic activities, it ranks among the top five export industries for 83% of countries. Tourism involves the greatest flows of goods, services, and people on the surface of the earth, and it is, therefore, the most visible expression of globalization. Although the role and share of tourism in international trade is constantly increasing in importance, trade in tourism services has been concentrated mainly in the developed countries, such as North America and the European Union. The share of developing countries in total world tourism is comparatively low, although rising significantly.

Globalization has opened new opportunities for developments in tourism. Globalization has facilitated growth in tourism through developments in electronic technology, communication, and transportation. It has affected worldwide suppliers and computerized information and reservation systems, which have become more flexible and cost-effective; decreased costs of air travel; and offered easier access to destinations. The rapid spread of information technology has improved the efficiency of the industry's operations as well as the quality of services provided to consumers. It has also generated increased demand for new travel services, such as computerized hotel and car bookings, online reservation services, teleconferencing, video brochures, smart cards, and electronic funds transfer. The increasing use of the Internet in destination marketing, direct sales, and bookings has given rise to electronic tourism markets.

The development of sophisticated websites has allowed for the direct dissemination of travel information to potential clients. The Internet has made travel products globally accessible at much lower costs. As a result, customer demand has become more technology - and Internet-driven. In fact, the Internet has become the most sought-after amenity in hotel

rooms, airports, travel information and entertainment centers, and educational institutions. The impact of technology and the Internet has dramatically affected all operations of the travel industry and significantly reduced the need for travel intermediaries.

17.3 Crisis Management in Tourism Industry

"A crisis is any unexpected event that affects traveller confidence in a destination and interferes with the ability to continue operating normally."

Crisis management strategies are needed to help retain the confidence of travellers and the travel industry, and to minimize the impact of a crisis on the destination. No matter what kind of crisis occurs, the techniques for dealing with it effectively are quite similar. Good communications based on the principles of honesty and transparency is the key to successful crisis management, but other tourism specialties also need to be involved, especially:

A) Communications

B) Promotion

C) Safety and security

D) Market research

To assist WTO members with this process, the following guidelines suggest specific actions to take:

I. Before a crisis

II. During the actual problems

III. Immediately after a crisis

The goal is to get tourists returning to the destination as quickly as possible and good crisis management techniques can speed up that process.

17.3.1   BEFORE THE CRISIS: Preparing for the Worst

Never underestimate the possible harm a crisis can do to your tourism. Crises are like viruses—sudden, insidious and virulent. They are extremely dangerous. The best way to minimize the impact of a crisis is to be well prepared.

A) Putting a **communications** strategy in place

• **Prepare a crisis management plan**

A crisis can take a myriad of forms so begin to plan by imagining the worst-case scenario. Audit current resources for dealing with a crisis. Designate responsibilities and a chain of command for decision-making. Collect a list of key contacts in an emergency. Involve public services and private tourism companies in the planning process—one key to effective crisis management is good cooperation. Rehearse for a crisis and update the plan annually.

• **Designate spokespersons**

It is essential that information to the media in a crisis be authoritative and coordinated. For this, the designated spokesperson should be a high ranking official, but not necessarily the top person in your organization. Additional spokespersons also need to be designated to take turns during a crisis. Train spokespersons by practicing in mock news conferences and crisis rehearsals.

• **Establish a press and communications department**

To be prepared for a crisis, every tourism organization needs to set up a communications department. The department should include staff trained in working with the media, a good contact list of local and international media, several telephone lines, fax broadcast machines or a mass email computer programme capable of reaching the media on short notice, and background information on your organization—including maps, stock photos, arrivals statistics and fact sheets on previous crises. If possible, make this background information available in a special media section of your destination's website.

• **Communicate regularly with media**

Reputations can take years to develop, so it is important to communicate frequently in good times as well as bad. The policy should be one of honesty and transparency. You can face a crisis with a certain degree of credibility, if you have made an effort to establish good contacts with the media by supplying them with information about what is new in your destination, if you have promptly responded to any questions they have and if you have made good friends with reporters during fam trips organized for foreign journalists.

• **Pay attention to local media**

Local newspapers, television reports and radio are a primary source of information for international media. In a crisis, local news reports can go global within minutes. So even though your principle target is media in the main generating markets, you cannot afford to ignore local journalists. Local newsmen and newswomen will also stay interested in your crisis recovery story long after the international media has moved elsewhere to a new crisis.

• **Train spokespersons in safety and security issues**

Communications on security should be responsive rather than pro-active. When a crisis erupts, the spokesperson should be able to communicate in an authoritative manner on security issues, striking a good balance between providing enough information without putting too much emphasis on security issues. According to one tourism minister experienced in such matters: "You do security, you don't talk about it."

B) Promotion planning

• **Develop a data base of partners in the travel trade**: All tour operators sending tourists to your destination, as well as major travel agencies and transport companies in your key generating markets should form the foundation of the data base, but also include incoming operators and tour organizers, as well as local hotels, transport companies, local promotion boards and tourism associations.

• **Build an email or fax broadcast system**

Communications systems capable of reaching the partners in your database should be in place for use in a crisis. But begin communicating news directly to your partners on a regular basis before a crisis strikes. If you only communicate during problematic periods, the image transmitted will be one of nothing but trouble.

• **Be honest and ethical in promotion**

Just as in communications, building and maintaining credibility is fundamental in tourism promotion. Avoid overselling or misrepresenting your product and be ethical in the choice of promotional content or you could create your own crisis. The Bahamas, for example, was recently slammed in the international media for using photos in its advertising that were taken in Hawaii, the Seychelles and Florida.

• Set aside budget reserves for emergencies

Recuperating from a crisis requires money for additional promotion and communication activities. A prudent manager will set aside budget reserves in a special emergency fund for use if a crisis occurs. Try to get advance permission to spend crisis funds without going through lengthy bureaucratic procedures to permit a quick and flexible response in an emergency.

• Stay out of the Travel Advisory War

Travel advisories should be issued in accordance with Article 6 of WTO's Global Code of Ethics for Tourism, which states: "...governments should issue such information without prejudicing in an unjustified or exaggerated manner the tourism industry of host countries and the interests of their own operators." Travel advisories should be discussed with authorities in the host country and travel professionals before they are issued. Warnings should be limited to specific geographical areas rather than blanket an entire country and be lifted as soon as the situation returns to normal. Avoid retaliatory travel advisories.

• Improve communication of security issues with tourists

Make tourist safety and emergency information available on your website. Some of the most useful information to include is: emergency telephone numbers; exchange rates; design of banknotes; common rules of behaviour; places to avoid traveling; safe places to leave luggage; average prices of common purchases; the need to report crimes before a tourist returns home; and the importance of keeping photocopies of travel documents. The Tourism Authority of Thailand (TAT) website, for example, includes information on tough laws aimed at ending child prostitution and urges visitors to report incidents.

• Encourage tourists to learn food safety practices

The World Health Organization has prepared an excellent booklet of advice called "Safe Food for Travellers". Adapt this information on how to avoid illness while travelling for use in promotional material, especially on the destination

C) Reviewing **security** systems

• Maintain a working relationship with other government departments responsible for safety and security

Decisions made by police agencies, emergency services, as well as the departments of interior, health, and consumer affairs, judiciary, foreign affairs, and civil defence have a great influence on how a crisis involving tourists is managed. Start a Safety and Security working group to bring these partners together on a regular basis to discuss tourism. In South Africa, for example, the Tourism Safety Task Group is made up of the Department of Environmental Affairs and Tourism, the national police, the tourism board (SATOUR), the Tourism Business Council, the Department of Foreign Affairs and nine provincial tourism departments.

• **Get involved in defining security procedures**

Tourism authorities need to make sure they are aware of all security measures being taken that affect the industry. Review the entire tourism chain—airport arrivals, ground transport, hotels, restaurants, shopping zones and all tourist sites. Consider the need for enhanced security at all sites, including places like beaches or entertainment districts. The goal is to provide a safe environment with procedures that are as invisible as possible and do not restrict the arrival of tourists.

• **Designate a National Tourist Safety and Security Focal Point**

Every National Tourism Administration should designate a person to act as a liaison with other government bodies, specialized services, the tourism sector and the WTO services on safety and security issues. The NTSS Focal Point will also keep records on basic facts of tourist security, such as rules and regulations, identification of risks, safety statistics and incidents. In addition, this person should join the WTO Safety and Security Network, sharing information with their counterparts around the world and posting safety information on the WTO website.

• **Train local personnel in security issues**

NTAs can take an active role in improving safety and security by sponsoring workshops on safety issues for local tourism workers and especially by encouraging partnerships between public security and private security companies in the tourism sector, such as local police and hotel security guards. In addition, undertake community awareness programmes that help local residents recognize the value of tourism to their communities. They can help make it safer for visitors by reporting suspicious activities.

• **Establish tourism police and emergency call centres**

Special tourism police forces, such as the ones in Argentina, the Dominican Republic, Egypt, Greece and Malaysia, are trained to offer assistance in several languages. Mexico's Green Angels patrol the

highways with bilingual crews. Other countries offer call centres with multi-lingual operators to handle emergencies involving visitors. Information on how to contact these emergency services needs to be communicated clearly to tourists on arrival.

D) Research readiness

• Establish strong contacts with key partners in the private sector

Set up reciprocal agreements with major hotels, airlines and tour operators to exchange up-to-the-minute data on overnight stays, occupancy rates, pricing, etc. Build an email or fax system capable of exchanging your data with these key partners.

• Monitor hospital admissions involving tourists

Information on non-crisis situation hospital admissions of tourists can be used as a point of comparison to put any possible problems in the future in a proper perspective.

• Monitor crime against tourist

Statistics on crimes against tourists can help experts find gaps in security services, improve the quality of the destination and possibly help avoid crisis-scale problems in the future. Crime statistics can also be used as background information, providing a context for crisis communication and a reference point for demonstrating a return to normalcy.

17.3.2   II. DURING A CRISIS: Minimizing Damage in a Crisis

The first 24 hours of a crisis are crucial. An unprofessional response could wreck further havoc on the destination, while responsible management of the crisis can actually enhance relations with the travel trade and help the destination recuperate faster.

A) Communications from the front line

• Be honest and transparent

To protect your credibility, adopt policy of full disclosure about what is known and what is not known. Deliver facts in a non-patronizing manner. Do not try to cover up an incident and do not lie. Be assured that the true facts about a crisis will eventually come out and news of lies or a cover-up could do greater harm than the crisis itself.

• **Do not impose a news blackout**

Failure to provide information to the media will not only deprive you of the chance to express your point of view, it will also force the media to seek alternative news sources—often less careful with their words than you would be.

• **Establish a media centre**

The media will come to your offices immediately in a crisis, so set aside a room they can use that is equipped with desks, phones and data lines. Use it for media briefings. If the crisis occurs in a different location, set up a second media centre there with a second spokesperson who is in constant communication with the headquarters. Work with security services to help television reporters gain access to positions with good backgrounds for on camera reports.

• **Act fast**

News travels around the world in a matter of seconds. In order to work effectively with the media, you need to respond as quickly as they do. Begin to release information once you are ready to answer the five key questions: who, what, where, when, and why? If some of the information is still missing, simply say that it is not yet available and promise to get back to the journalists as soon as possible. Set up a timetable for regular bulletins. Provide background information on your destination.

• **Remember the victims**

The first communication about the crisis should include information about what is being done to help the victims. News about economic losses to the tourism industry comes across as insensitive where loss of life or injury is concerned. Tourism is a humane industry and needs to show its compassionate face in a crisis. When two French sunbathers were run over during a police chase recently on Miami Beach, the tourism director immediately arranged to fly in the grieving parents, he met them personally at the airport and spent the evening with the family in hospital. His personal involvement, rather than police negligence, was the focus of the story that ran in the morning newspaper.

• **Avoid speculation and categorical reassurances**

Speculation about what caused a disaster or who is to blame damages your credibility. Information has to be perceived as accurate and reliable and not contaminated by efforts to encourage people. While the safest time to visit a troubled destination is possibly immediately following an incident, categorical reassurances such as "it is completely safe here" can

have the opposite effect by making travellers suspicious. It is better to stick to information about what is being done to make the destination safer.

• **Put the crisis into context**

Use good maps and plenty of statistics to demonstrate that the crisis is limited to a specific area or that it has only affected a portion of your country's tourism industry. When highly-publicized health problems among British tourists to the Dominican Republic created a crisis in 1997, part of the recovery strategy was to show through statistics that less than one percent of the two million British tourists in the past year had fallen ill. This fact emphasized the hundreds of thousands of people who had travelled safely to the Dominican Republic.

• **Challenge untrue statements**

Take time to contact media outlets that are making mistakes in their reporting immediately—before the inaccuracies can be repeated by other journalists. Be prepared with facts and offer interviews or other assistance. Don't automatically assume the media is against you, credibility sustains their businesses and, while journalists don't enjoy being corrected, they value the truth.

• **Use the media spotlight to highlight positive aspects**

During the crisis period, you have an unprecedented opportunity to speak with reporters in depth about your destination. Make sure to work positive details into news releases, for example: new tourism developments, growth statistics or how important tourism is to the community. Look for human interest stories, such as local residents helping victims.

• **Place information about the crisis on website**

Internet allows each tourism destination to become its own news channel. Communicate directly to potential tourists over your destination website, emphasizing which areas are affected by the crisis and which are unaffected, as well as what is being done to end the crisis. Be honest and factual. Update the information on a daily basis.

• **Network with other news sources**

Other organizations that are providing information on the crisis to the media, such as police, disaster relief, airlines, hotel associations, tour operator groups and WTO should be kept informed about your response so that they can refer to it in their communication. Let these partners know

how to reach your spokesperson in order to correct any possible errors or request more information.

B) Hard decisions about **promotion**

• **Communicate directly with travel trade**

Don't make your key partners rely on the media for information about the crisis. Provide details about the extent of the disaster, what is being done to assist victims, how security services are working to end the crisis and what is being done to make sure it doesn't happen again. UK tour operators have successfully used conference calls in crisis situations to link up the various people responsible for safety, promotion and tourism policy so that everyone is getting the same information at the same time. FAM trips organized for tour operators during or immediately following the crisis are the best way to allow them to assess the true situation for themselves.

• **Change promotional message to address safety concerns**

Rather than suspending promotion when a crisis hits, immediately change the message to reflect the current situation and address safety concerns about the destination. Advertising should express sympathy for victims or provide information about what is being done to end the crisis.

Use ads to direct potential tourists to a hotline or website for more detailed information. After the Prestige oil tanker sank off the Spanish coast, for example, huge billboards sponsored by the regional tourism board went up thanking Madrid residents for their concern over the crisis.

• **Press ahead with promotional events and travel shows**

The travel trade needs to understand that your destination is stable and not going to disappear because of the crisis. The best way to demonstrate that is to press ahead with scheduled promotional events. A crisis will undoubtedly create more attention for a destination at a trade show and allow more opportunities to communicate positive developments, as well as up-to-date information about the end of the crisis.

• **Seek increases in promotional budgets**

A crisis usually results in more government attention for the tourism industry than it would receive under normal circumstances with everything operating smoothly. Use the opportunity to seek increases in promotional budgets—which will be needed to help the industry recover and stimulate visitors to return.

• Initiate financial assistance and/or fiscal measures to support tourism companies

Governments need to work closely with the industry in difficult times to ensure that there is not a damaging loss of product that could limit the recovery when better times come. Temporary tax incentives, subsidies, reduced airport charges and free visas are some of the measures taken to encourage tour operators, airlines, and cruise companies to continue operating immediately following a crisis.

C) Ensuring security

• Set up a hotline

If there is an emergency call centre in operation, it can become the hotline for inquiries from tourists and their families during a crisis. If there is no call centre, one needs to be set up immediately following a crisis with multi-lingual operators who have a good understanding of security issues.

• Monitor what is being done to improve safety and security

Use inter-agency contacts and relationships to help keep your organization informed about what security services are doing to end the crisis and improve safety.

• Coordinate with security services for media access

Where possible, try to help organize with security services for reasonable media access to the stricken area. A few years ago, a Caribbean country tried to restrict access to an area hit by a hurricane. CNN simply hired a helicopter to fly over and take 'exclusive' pictures of the devastation. The images were all the more powerful because they were 'banned' by authorities.

• Communicate internally

In the heat of a crisis, internal communication often gets overlooked. But it is important to keep all tourism staff up-to-date on the seriousness of the crisis and what is being done to end it. Not only does it strengthen the tourism team, it can also prevent erroneous information from being spread.

D) Quick research tactics
• Get to know your visitors

Send out survey teams to find out who is travelling during the crisis, where they come from and why, then feed information back immediately to the promotion department.

• **Monitor media reports**

Keep track of what is being published and broadcast about your destination during the crisis and feed that information back to the communications and promotion departments. Even if media monitoring is normally the responsibility of the communications department, they will be stretched too thin during a crisis and will appreciate the assistance.

17.3.3   III. FOLLOWING A CRISIS: Recovering Tourist Confidence

While media attention moves quickly to fresh stories, the damage wrought by a crisis can stay in the minds of potential tourists for a long time. Recovery demands a redoubling of efforts, especially in the areas of communications and promotion.

A) Image building **communications**

• **Be pro-active in communications**

Promote what you are doing to restore tourism to normalcy. Tell journalists about your recuperation plans and how long it will take for them to have effect. Provide plentiful information, including copies of speeches, editorial pieces, maps and photos. Recuperating from a crisis requires extra budgetary and human resources in communications.

• **Look for positive news**

Gear news items to reflect the normalcy of tourism activity, for example, the arrival of specialized tour groups or the opening of new attractions. The goal is to demonstrate "business as usual" in your destination. Egypt has effectively promoted the discovery or reopening of archeological sites as part of its recovery strategy. Promote news not directly related to tourism, such as cultural events, scientific discoveries, sporting triumphs, film shoots and shopping trends.

• **Increase FAM (Familiarizations Trip) trips for journalists**

Invite the press back to show them what has been achieved. Target the theme of the FAM trip to address your particular image problem and make sure it includes plenty of contact between journalists and local residents. Concentrate on positive television coverage to counteract the harmful effect of TV images of the crisis in the minds of potential tourists. The great thing about FAM trips is that they allow plenty of time to make friends with individual journalists—who are often motivated to take a special interest in your country for years to come.

• **Remember anniversaries**

A major crisis will be revisited by the media during year-end reviews and on key anniversaries—100 days, six months, one year, and two years. These dates offer a good opportunity to communicate. Anticipate this attention and be prepared with materials and stories that reflect the recovery of the destination.

• **Anticipate legal actions**

People affected by international incidents will lobby for investigations, make complaints and pursue lawsuits. If the media reports something about you that is not accurate, write a letter to the editor to correct the matter. If someone takes you to court, the inaccurate media report could be produced as evidence and it does no good to claim is was not true. You will need some evidence to show that you disagreed with the report at the time.

• **Create your own news outlet on the destination website**

Provide an alternative to mass media news sources on your own website. Make the website as newsy as possible, taking advantage of its unlimited space to provide more in-depth information. To demonstrate that your website is providing up-to-date information it needs to include today's date in a prominent place. And it needs to be updated daily with positive stories that demonstrate a return to normalcy following a crisis.

B) Flexibility in **promotion**

• **Create new niche market products**

Packages should be targeted at the most resistant market segments, such as: golf, skiing, sporting events, culture, honeymoons.

• **Target experienced and special interest travelers**

More experienced travelers and repeat visitors are less likely to be scared away by the crisis. Individual travelers with a particular passion, be it diving, mountain climbing, or archeology, will go where they need to go to enjoy their hobby.

• **Create special price offers**

Rather than engaging in price wars in a crisis stricken region or slashing prices across the board, create special offers. Malaysia and Sri Lanka build their special offers around holiday weekends and festivals. The key is not necessarily to offer the cheapest prices, but rather to offer valuefor-money.

• **Take travel advisories seriously**

Establish contact with governments that have issued travel advisories against the destination. Provide a regular flow of information on the crisis, including details of the exact location of the incident, what is being done to make the area more secure and where it is safe for visitors to travel. Begin lobbying the government and invite representatives to see the situation for themselves.

• **Intensify cooperation**

A crisis brings people together in a spirit of solidarity and cooperation is essential to a quick recovery. Improve coordination among tourism promotion boards throughout the country and redouble collaboration between public and private sectors in marketing campaigns. Also explore the possibility of multi-country regional promotions and products.

C) S**ecurity** for the future

• **Evaluate security procedures**

Following a crisis, a second look is needed at security systems to make sure they are in place, but not in an obvious way and not contributing to a negative image of the destination. Do not let the 'hassle' of dealing with security frighten visitors or prevent tourism from resuming.

• **Push to improve quality of services and facilities**

Encourage quality through feedback of survey results on tourist perceptions, by rewarding excellence and by setting up tourist complaint services. Tourists should have somewhere to complain if services do not meet expectations. Peru's Tourist Protection Service (SPT), which operates under the auspices of the country's consumer protection commission, provides this service by mediating complaints, providing general tourist information and analysing data on the nature of complaints to help point out where improvement is needed.

D) Using **research** effectively

• **Survey generating markets on perceptions of your destination**

Research potential tourists and survey your travel partners in primary source markets for readiness to travel and for information about their perceptions or apprehensions about your destination. Feeding this information back to promotion officials will allow them to tailor campaigns to correct damaging impressions. In order to begin changing perceptions, it is essential to know where you stand.

17.4 Summary

After this Unit, we have clearly understood that there are number of factors which affect the tourism industry & we have also understood about the management of the crisis situation. A successful tourism industry needs political stability, peace, security, and the potential for dialogue between different groups of people without mental or physical restrictions. Terrorism against tourists and in tourist destinations aims, among other things, to prevent intercultural contacts and dialogue. It seeks to hinder a possible, better and deeper understanding of the "others". Terrorism against tourists in general is either a politically or a culturally motivated act. There are various instances which show the impact of terrorism on tourism: like various attacks in – Srinagar, Mumbai, Delhi, Assam, Varanasi, London, Egypt, Arabian countries etc. It will be the Endeavour of those who wish to hurt world to use terror tactics to scare tourists away. It does not require clairvoyance to figure that out. Hence, both the government and other sections of society interested in promoting tourism, both domestic and in-bound, must have a forward-looking policy on dealing with terrorism that does not hurt tourism. Then there are other factors like Globalization which has opened up new opportunities for developments in tourism. Globalization has facilitated growth in tourism through developments in electronic technology, communication, and transportation. It has affected worldwide suppliers and computerized information and reservation systems, which have become more flexible and cost-effective; decreased costs of air travel; and offered easier access to destinations. A lots of other factors affecting the International tourism Industry ,Therefore, Crisis management strategies are needed to help retain the confidence of travelers and the travel industry, and to minimize the impact of a crisis on the destination. No matter what kind of crisis occurs, the techniques for dealing with it effectively are quite similar. Good communications based on the principles of honesty and transparency is the key to successful crisis management.

17.5 Check Your Progress

1. Write a note on the affect of terrorism on the tourism Industry.
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   ………………………………………………………………………

2. Write a detailed note on the affect of Globalisation on tourism Industry?
   ………………………………………………………………………
   ………………………………………………………………………
3. Write a note on the crisis management in tourism Industry?

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4. Write a note on the affect of Natural Disasters on tourism Industry?

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…………………………………………………………………………………

5. Write a note on the effect of economic instability & the tourism Industry?

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17.6 CLUES TO THE ANSWERS

Check your progress

1. Refer Sec.17.2

2. Refer Sec. 17.2

3. Refer Sec. 17.3

4. Refer Sec. 17.2

5. Refer Sec. 17.2

17.7 Suggested Readings

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