

Analysis on Tourism Sector

Abstract

The study aims to identify and analyze the trends in tourism industry and more precisely, factors affecting the decisions of individuals for selecting a location for trip. The sample of study constitutes of 300 respondents who wish to go on tour or have already been on trips before. Descriptive Statistics have been employed to analyze the collected data. Findings of the study suggest that consumers prefer natural habitats like mountains with cold weather for trip and rely more on social media and personal recommendations for information. People wants to explore new places and consider factors like budget required, availability of transport facility, required hospitality facility, clean and healthy environment before deciding a place for tour.

Key words: Tourists, Tourism Industry, Destination,

INTRODUCTION

Tourism incorporates many industries, including lodging, transport, attractions, travel companies, and more but in the broadest sense, tourism is defined as when people travel and stay in places outside of their usual environment for business, leisure, health, or other reasons. Tourism has been one of the world's fastest and consistent growth industries from past four decades with growth rate of 4 percent annually. Globally, travel and tourism's direct contribution to GDP was approximately 2.9 trillion U.S. dollars in 2019.

Travel and tourism are one of the largest industries in India, with total contribution of 6.8 percent to GDP of India in 2019 and a total contribution of over 108 billion U.S. dollars to the country's GDP in 2019¹. This is expected to reach over 500 billion U.S. dollars by 2029. Despite the ailing economy, the tourism industry has grown as an important source of foreign exchange for the country. And for the people on the ground, it has been creating jobs in India, providing direct and indirect employment. (Keelery, 2020)

¹ <https://www.statista.com/topics/2076/travel-and-tourism-industry-in-india/#:~:text=Travel%20and%20tourism%20is%20one,billion%20U.S.%20dollars%20by%202029.&text=This%20has%20dramatically%20increased%20the,tourists%20between%202000%20and%202018>

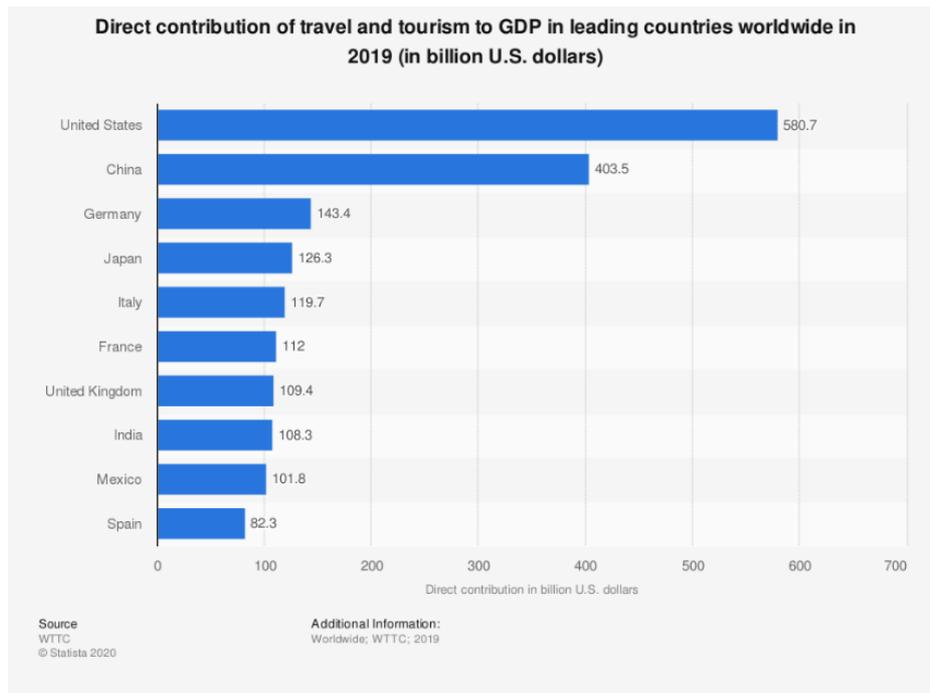


Figure 1: Direct contribution of travel and tourism to GDP in leading countries worldwide in 2019 (in billion U.S. dollars)

India is one of the fastest emerging tourist destinations in the world. With beautiful varying landscapes from beaches to snow-clad mountains with diverse culture, traditions and cuisines, the country has plenty to offer for international and domestic tourists alike. The country welcomed over ten million foreign tourists in 2018. The country welcomed over ten million foreign tourists in 2018, out of which Bangladeshi tourists made up the largest share, followed by American and British tourists (WTTC; 2019)².

For any country, it's Tourism and Hospitality Industry are the most vibrant industry. The current earnings of Indian Tourism are limited to the destinations which are already explored. On the other hand, there are many places that are unknown to both domestic and overseas tourists, which are totally untouched and undiscovered. These unexplored destinations have the potential to become point of attraction and generate large revenues to add to the Country's GDP.

² <https://www.statista.com/statistics/207005/foreign-tourist-arrivals-in-india-by-source-country/>

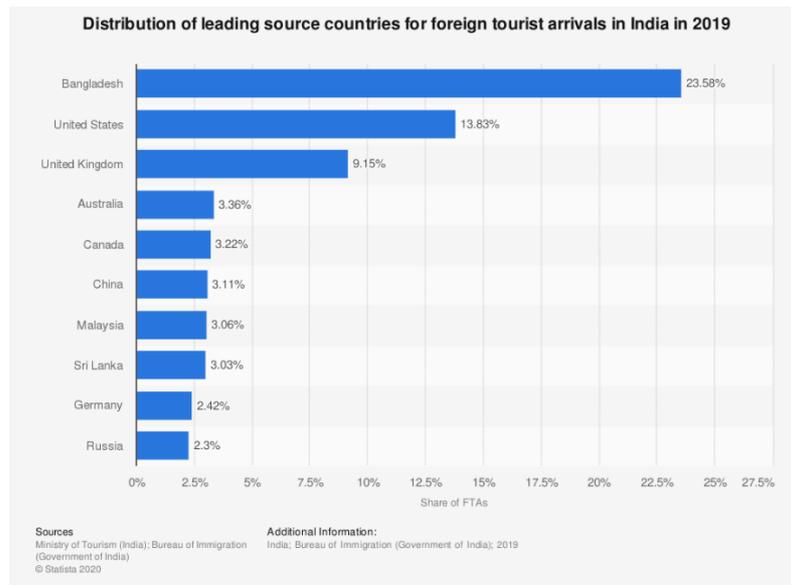


Figure 2: Distribution of leading source countries for foreign tourist arrivals in India in 2019

Rapidly growing middle class income group rising disposable incomes and a new found passion to travel are the reasons which have provided opportunities for exploring new locations (Gupta, 2018). The Indian tourism and hospitality industry have emerged as the largest service sector in India. Although the country is seventh largest in the world in terms of its geographical area, it is unparalleled in its beauty, uniqueness, culture, and history, which make it a top tourist destination. India sees the 11 largest tourist inflow in the Asia-Pacific region and the 42 worldwide, according to India Tourism Statistics 2013. Thus, the present study is focused on identifying the trends in tourism in India and finding out the factors affecting it in terms of which variables are considered most by present and potential tourists for deciding their tourist destinations.

REVIEW OF LITERATURE

Narayan et al., (2008) suggested that hospitality, food, logistics, security, and value for money have significant impact on satisfaction, while amenities, core-tourism experience, hygiene, fairness of price, information centers, culture, distractions, personal information, and pubs do not have a significant impact. A destination with good amenities, good hospitality, and good security along with value for money satisfy the customer. **Goritiya & Basu, (2018)** concluded that although the differences in preferences of tourist are not much significant yet they have shown significant interest for those destination to explore which they have not seen yet and not yet aware about. **Venkatesh and Suresh, (2016)** confirmed that information search and culture are the most prominent keys influencing factors for Indian tourism promotion. Study also suggested that location destination, technology, travel review websites and political changes also act as driving factor for Indian tourism promotion on social media. **Bethapudi, (2013)** suggested that information communication technology plays important role in tourism industry and should be updated; the enterprises websites should be up to date with latest technology and software to unleash the full potential of their business. **Jauhari et al., (2010)** inferred that majority of respondent used internet services for travel bookings like train and airplane

bookings, for hotel bookings, to get the weather information. It was further found that there still exists segment of tourist which is unaware of availability of online services for spiritual tourism that needed to be targeted. **Vyas, (2019)** evaluated the different websites of government of India and of 5 different states. Delhi tourism was given ranked 1st followed by Tamil Nadu tourism and Maharashtra tourism. **Khan, (2018)** suggested that India became the point of attraction for tourist from all over the world, so it is crucial time on focusing providing customers with excellent customer services. For all these, the only answer is to embrace best and updated information technology. **Kaur, (2016)** suggested that for the continuous and sustainable development of tourism industry through both explored and unexplored areas, the Government needs to focus on certain aspects which include “Introduction of professional courses on tourism and hospitality, Better connectivity to all the new tourist destinations, Spread awareness among local people for the maintenance of their heritage. **Singh, (2008)** analyze the internal and external environment of India's travel agency e-commerce and believed that the characteristics of the tourism industry determine the feasibility of applying e-commerce. **Watkins, (2018)** analyzed the content and features of the tourism show. It summarized the relations between tourism show and tourism, discourses the value and modes of tourism show product development, and investigates the trends in the future. The findings of the study suggested that it is accentuate the need for more reliable tourism development strategies and programs to be executed by the Government of India to take full advantage of the potential of tourism for promoting economic growth.

1. Research Methodology

In tourism industry there are countless factors that determined the quantity and quality of business industry is going to get. The study of these factors and trends in tourism industry has not been so prominent with reference to Indian context, which had given a lot of scope for this research to deal with many prominent aspects of tourism industry. The present study focus on understanding people preferences and wants from various tourist places and also the platform they rely on for information. Precisely, the study explores the factors influencing the tourist to consider a destination for tour. This emphasis led to the formation of two hypotheses. The objectives are as follows:

(1) To identify the factors affecting decision making of people to consider a destination for tour.

India. and factors influencing decision making of people.

The present study is about the people's' travelling behaviour and level of awareness along most effective platform for promotion is also examined. Basically, the study describes the characteristics of population surveyed so, it is descriptive research by nature. Descriptive statistics, based on that data findings and implications are made.

Sampling method and sample size

In the present study, primary data was collected in the months of Jan and Feb 2021, from 105 respondents via structured questionnaire. Trends in Tourism has been chosen as a context for the present study as this industry has globally received the major damage due to Corona Virus and now it is trying to get back on its feet with a decent growth rate and its require more attention and marketing strategies even more than before.

Tourism is very important for the country as it contribute a visible amount in its GDP. As per the report of World Tour and Travel Council tourism generated around 16.91 lakh crore (US\$240billion) that makes about 9.2% of India's GDP in 2018 and supported 42.673 million jobs, 8.1% country's total employment³. The target population for the present study are young adults of 18 years of age or above who have done tour and travelling or planning to do or neither of the cases. we have included people from every state of the country.

Purposive judgmental sampling technique has been used to collect the data because researcher attempt to focus on the people who are interested in tour and travelling or have interest in it with knowledge about it for fulfilling the chosen objectives of the study.

2. Data Analysis and Results

Demographic Profile

The analysis of Demographic Characteristics of respondents surveyed under study are displayed below (see Table 1)

Table 1: Profile of Respondents

Characteristic	Per cent	Characteristic	Per cent
Gender		Occupation	
Male	27.4	Government job	0.7
Female	72.6	Private Job	8.1
		Business	5.9
		Student	82.2
		Unemployed	3
How much often you travel outstation?			
Once in a year	40.4		
Once in 6 months	33.7		
Once in 3 months	11.5		
Every month	13.5		
Rare	1		

3. Descriptive statistics

The frequency distributions-based inferences related to trends in tour and travelling in India are as mentioned below-

³ <https://web.archive.org/web/20191230065707/https://www.wttc.org/-/media/files/reports/economic-impact-research/countries-2019/india2019.pdf>

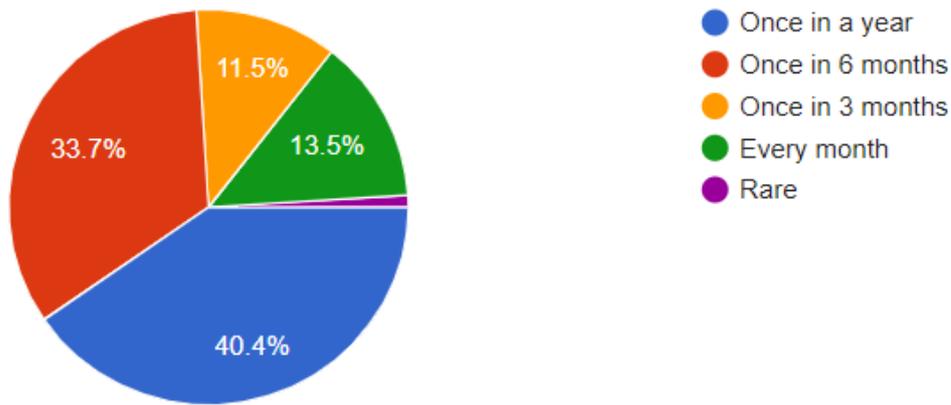


Figure 3:Traveling Frequency of respondents

(Source:

Most of the respondent travel outstation once in a year for tour purpose whereas around 33.7% respondent travel once in 6 months that is twice a year followed by 11.5% once in 3 months and 13.5% every month(see figure 4).It is inferred that majority of respondent visit outstation for tour and travel as only 1% of respondent rarely go outstation(see Figure 4).
2.

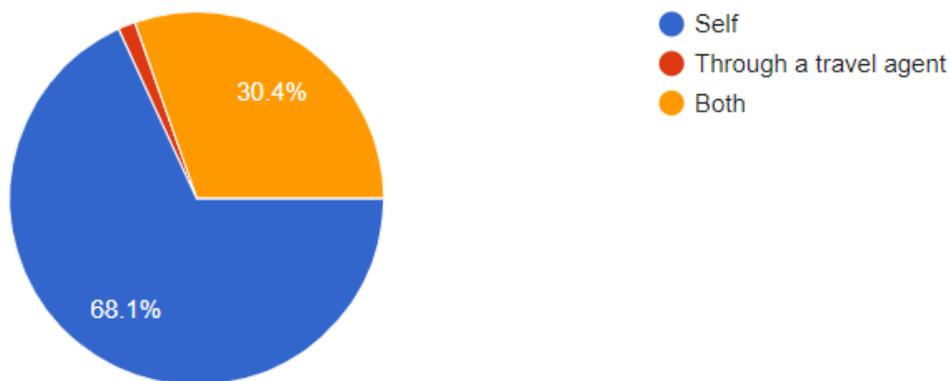


Figure 4:How respondents plan their trips

Most of the respondent plan their trip on their own where 30.4 % preferred travel agent (see Figure 5). It is inferred that majority of respondent rely more on themselves than travel agents for planning a trip in India. Only 1.5% respondent only went for both (see Figure 5).
3.

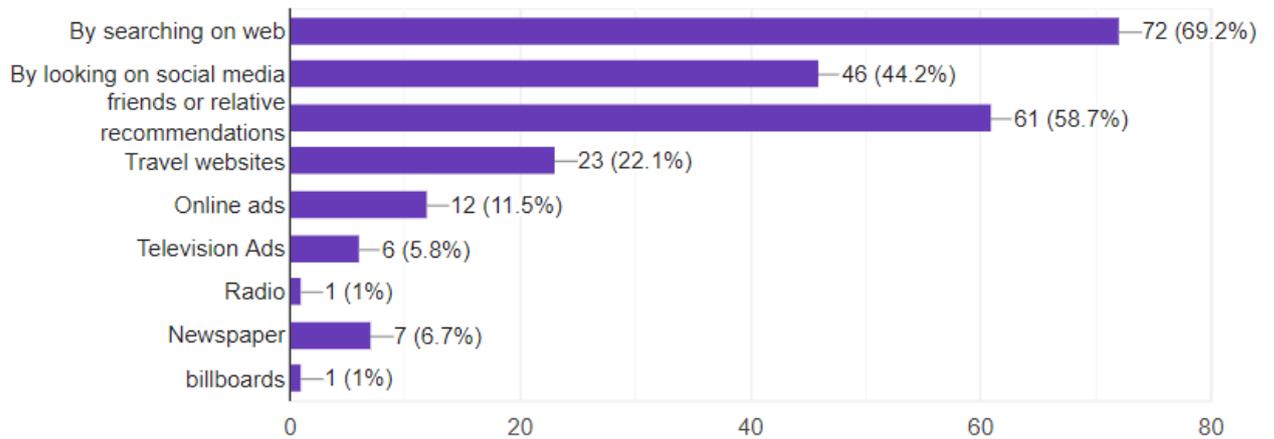


Figure 5: Distribution of different platforms used by respondents in searching their travel destination.

Most of the respondent look on web for the destinations for their trip whereas 22.1% specifically look on tour and travel websites (see figure 6). 44.2% of the respondent look on social media platforms for the destination for their next trip(see Figure 6).It is inferred that friend and relatives recommendation has an important role to play in deciding the destination as 58.7% of the respondent relied on recommendations(see figure 6).Only 1% of respondent got influenced by Radio and other 1% made their decision based on billboard ads. However, 5.8% respondent and 6.7 respondent made their decision from Television ads and newspaper respectively (see Figure 6).

4.

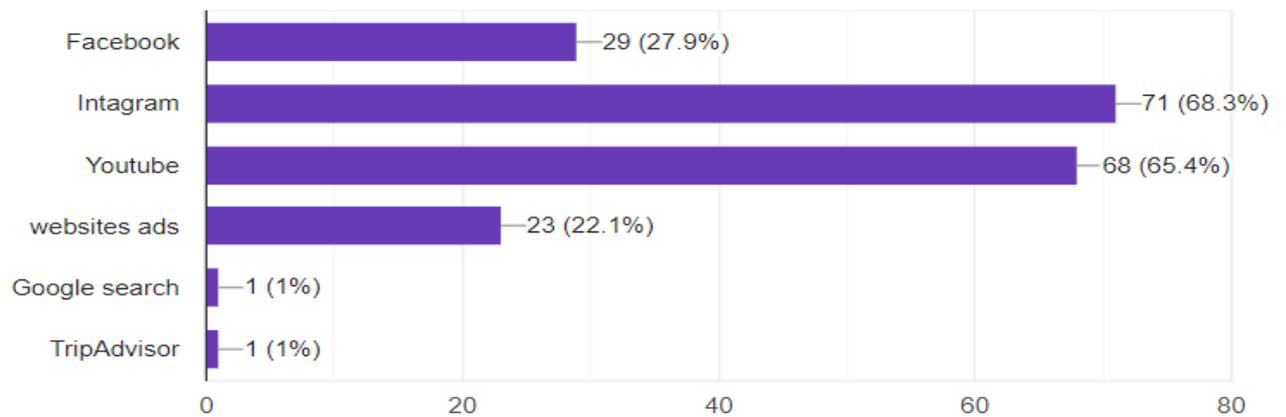


Figure 7 :Distribution of different online platforms used by respondents

To derive the most influential online platform for choosing the destination for trip , ranking of selected variables is taken from the respondent and “Instagram” is found to be the utmost influential followed by “Facebook “, “Website Ads”, “YouTube”, “Trip Advisor” found to be least used platform and least influential factor for decision regarding destination(see Figure 7).

5.

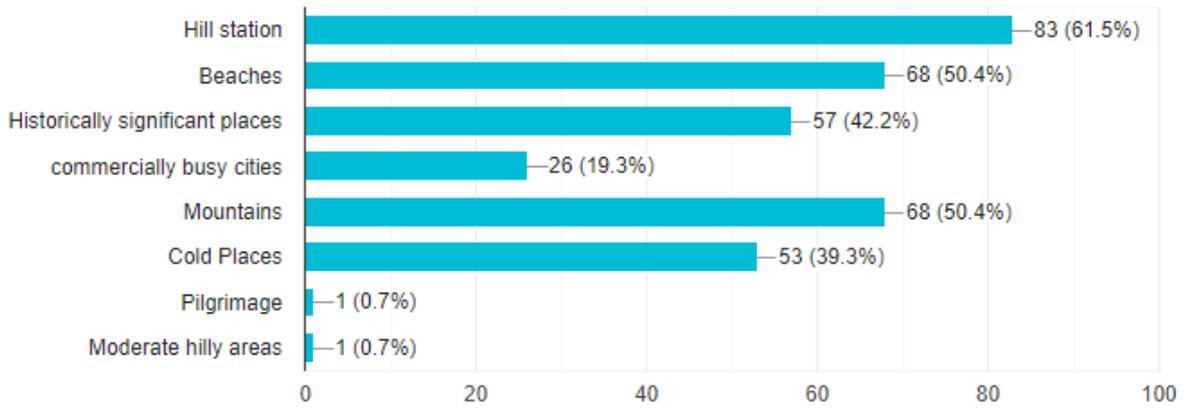


Figure 8: Distribution of types of travel location

To derive the type of location people prefer visiting most often, selected geographies were given to the respondents as options out of which 23.1% preferred “hill station”, 22.6% preferred “beaches”, 21% preferred “cold places” irrespective of the geography of the place, 14.7% preferred “mountains” whereas 12% preferred “commercially busy places” and only 5.8% respondents prefer “Historically significant places”(see Figure 8).

It is inferred that majority of respondents prefer places where they are surrounded by nature. 6.

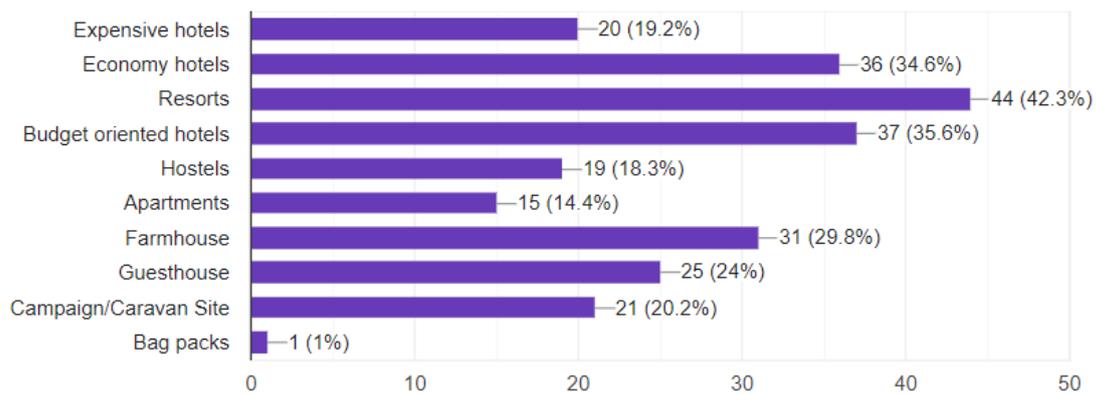


Figure 9: Distribution of accommodation opted by respondents

Stay is as important as the destination of the tour so we threw some options to the respondent to select from where they most like to stay while their trip and we found that 34.6% preferred “economy hotels”, 19.2% preferred “expensive hotels”, 42.3% preferred “resorts”, 29.8% preferred “farmhouse” , 18.3% preferred “hotels”, 14.4% preferred “apartments” , 24% preferred “guesthouse” , 20.2% preferred “caravan sites”(see Figure 9).

7.

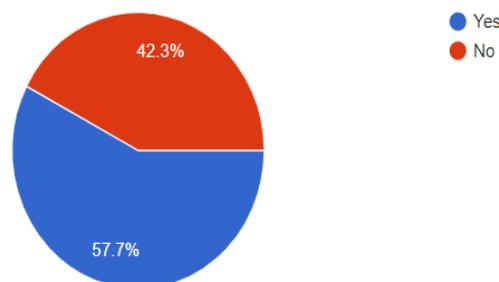


Figure 10: Distribution of respondents who are bored of visiting old places

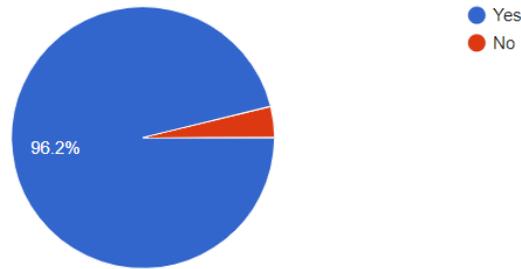


Figure 11: Distribution of respondents wishing to explore new places

In question asked about whether respondents are bored of visiting same old places, 57.7% responded “yes” whereas 42.3% responded “NO” (see Figure 10). along with this one more question was asked whether the respondents want to explore new places? 96.2% respondents showed interest in exploring new unknown places where only 3.8% (see Figure 11) disagreed. It is inferred that majority of respondent is looking for new places and there is big opportunity for new places and underrated places if they are promoted well (see Figure 10&11).

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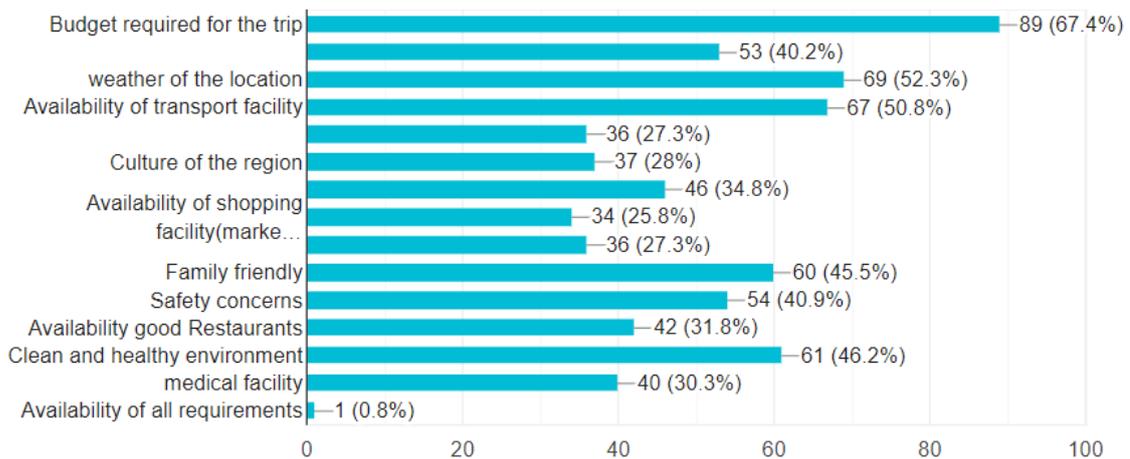


Figure 12: Distribution of different factors for decision making

To derive which are the factors that people look in a place to consider it for tour. We provided them the option to choose more than one factor from the following factors. 67.4% (see figure 12) of the respondent considered “budget required for the trip” most important factor followed by, 52.3% for “geographical aspect of the location”, 50.8% for weather of the location”, 46.2% for “clean and healthy environment”, 45.5% for “family friendly”, 40.9% for “safety concerns”, 40.2% for “geographical aspect of location”, 34.8% consider “season(summer, autumn, winter)”, 31.8% consider “availability of good restaurants”, 30.3% consider “medical facility”, 28% consider “culture of the region”, 27.3% consider “availability of required hospitality facility”, whereas other 27.3% consider “availability of adventure sports”, 25.8% consider “ availability of shopping facility” whereas about 0.8% respondent considered all these factors essential for a good tourist place(see figure 12).

4. Finding and Implications

Tourism industry vast and it has a number of opportunities as we can see from our results about 99% of respondents go for a tour at least once a year. Only 1% rarely goes for any tour or trip, so it can be clearly seen that tourism has plenty of consumers out there which are their potential customers. Therefore, tourism should be promoted to target all the potential customers.

Majority of people plan their trip self-whereas others do it but help a travel agent that is some part self and some part by a travel agent e.g. selecting a destination self and hotels through a travel agent.

There are a minority of people who totally depend upon a travel agent for location, travel, hotel, food (full tour packages), etc. Therefore, it can be inferred that people rely more on self and least fully on a travel agent. So, travel agents need to work on their promotional strategy and their services along with their products, they need to launch new products like different packages covering every price range every tourist place, individual packages, combined packages, solo tour package, family tour package, etc. along with that it is also important to make their services available individually like if someone wants just transport facility they can have it, this will help them to get business from self-planners.

As per the response it is found that people prefer two methods more for deciding their location for a trip, one is an online platform, and another is a recommendation from friends and relatives. So, it is inferred that it is very important to increase the digital presence of all the tourist places not just by the travel agencies but also by the locals of those places because it will create a sense of trust among the people which ultimately brings them more business. Along with it will be better to for locals showcase their local culture or something that is unique about that place to make it a point for people to talk about and recommend it to others.

Among the different online platforms Instagram is the one that influences the decision making of an individual regarding the place for any tour or even for planning the whole trip. Instagram is a platform which is all about images and videos and as per Business Today⁴ Indian viewers spent around 5 hrs. 16 minutes daily watching videos online. So, it will make more sense making videos of the location and posting it on Instagram followed by other social media platforms and web platforms respectively.

Geography of the location is a major factor for a tourist place to be good and from a tourist's perspective. From the above result it is inferred that people majorly have an attraction towards natural habitat, mostly towards mountains and cold weather, as in India people generally have an attraction towards snow. So, a mountain is abundant with nature's grace. Therefore, it is good to promote mountain regions, but it is necessary to promote other geographical regions.

Stay is as important as a good place for a tour. So, a good stay accounts for an overall best experience for a trip. As per the response data we interpret that majority of people look for average hotels and the other look for resorts followed by expensive hotels. Some also prefer a guesthouse and a farmhouse. It can be clearly seen that a good stay calls for more tourists so it is essential to promote the stays and making their booking an easy task.

In today's time people are curious and want to explore something new every day and some goes for a tourism industry people get bored of the destinations just after their first visit only and look for different places for their next tour. As per the response results 96.2% people said yes that want to explore new places that justify the above point. Therefore, it is necessary to look for new places and promote underrated places or known places which have all features that a good tourist place should have as a result such places will get more tourists and tourists will have an extra option in the bucket list.

Every mountain with snow or a landscape with greenery cannot be a tourist place. There are some factors that make a place fit to be called a tourist place. As per the survey majority of people voted for "weather of the location", "availability of transport facility", "budget required for the trip", followed by "clean and healthy environment", "family friendly",

⁴ <https://www.businesstoday.in/latest/trends/indian-viewers-consume-the-most-online-video-content-per-day-survey/story/407904.html>

“safety concerns”, “geographical aspects of location”, “availability of good restaurants”, “medical facility”. These factors together make up for a good tourist place, but it is not that all factors are necessary, two three factors can also make up for good place like pocket friendly, environment geography, good transport etc.

5. Conclusion

Above results and interpretation conclude that people are more digital active than physical as they move into digital world than physical world. So, it is high time when all tour and travel agency should focus on their digital presence and planning their promotional strategy accordingly. Platforms like Instagram, YouTube, online website should be used vigorously for promotions. Destinations which have features like good natural heritage, transport facility, good hospitality facility, medical facility. If promoted with effective strategy can make up for a good tourist place including the places which are already in the list of tourist destinations but are underrated also need to be promoted effectively. It is time to reinvent the services accordingly as the people have access to information in an instant, considering this travel agencies or people from tourism industry should start focusing more on digital marketing.

6. Limitations of the study

This study survey includes every state making response population ratio too small that can vary thorough survey is done in individual states. This study has been limited to the regions of India. There is possibility of more than hundreds of untapped/ underrated locations within India. All of which can't be included in this study. Online intercept judgmental sampling has been used which can involve biasedness in the results of the study. The scope of the study has been limited to untapped/underrated places only.

7. Need and scope of the study

The study can be further used to research on such tourist places focusing place or city and finding ways to promote using digital marketing. The scope of the study can also increase by taking response from local people.

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