



A STUDY ON THE CHALLENGES OF TOURISM INDUSTRY

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Abstract

The tourism sector is extremely important to the functioning of the world economy since it is a significant source of both employment opportunities and money for a great number of nations. However, there are a lot of obstacles that stand in the way of this industry's continued expansion and sustainability. The purpose of this research is to identify and investigate the most significant problems that are now confronting the tourist sector, as well as to investigate the factors that have contributed to these problems and the potential answers to these problems. When stakeholders have a common awareness of these difficulties, they are better equipped to collaborate on the development of initiatives that will make the tourist industry more resilient and sustainable.

keywords: tourism, world economy, challenges

Introduction

The concept of tourism is typically seen to be multifaceted, with aspects that may be broken down into physical, social, cultural, economic, and political categories. Tourism all around the world is now the industry that brings in the second most money. When attempting to comprehend and evaluate the reasons for a tourist's trip, it is essential to categorize the visitors that make up that population. There are a variety of methods that may be utilized to entice both domestic and international visitors; nevertheless, it is imperative that we have an understanding of the kinds of services that are necessary to both entice and keep the clients. There is a significant market opportunity for rural tourism, particularly among international visitors; nevertheless, this industry has not yet grown since the government has not implemented any kind of methodical strategy to entice international visitors. The tourism sector is one of the developing businesses that has the ability to reshape the overall economic potential of a country. It is one of the most significant civil industries in the world and contributes around 10% to the total gross national product of the world. In the beginning of human history, it is likely that people traveled because they were required to do so in order to fulfill their main biological demands. In following times, the rise of empire provided a push for people to travel for a variety of reasons, including political, commercial, social, and religious reasons. During those times, it was challenging to travel due to the ancient transportation facilities and the absence of both safety and comfort along the route. The two primary fundamental restrictions were time and financial resources. The Romans went to baths, festivals, and various temples and shrines for both their health and their entertainment. The beginning of religious excursions, in especially the Hindu pilgrimages, substantially expanded the scope of travel in days gone by. The tremendous advancements made in the

sphere of industries and other productive activities immediately led to increased economic and social growth, greater progress, higher real income, longer periods of leisure time, and increasingly affordable and diverse tourism plant amenities. Education has helped more people become culturally aware, which in turn has stoked their desire to see the world. The achievements made greatly contributed to the development of contemporary tourism by significantly reducing the amount of time and area that was required. One may go to any location on the planet in a couple of hours because to globalization, which has turned the globe into a "close neighborhood." To paraphrase what G. Fraustie said, "It is generally expected at the present time that fairly in fairly near future the average citizen of an economically developed country will be able to meet his needs by working thirty hours a week." Therefore, the amount of time that a person will spend working productively in the future will account for around 6 percent of his existence. The Government of India has recently revised and redesigned the country's tourism policy, which includes a number of long-sought-after steps. These include the encouragement of greater privatization of tourism-related services, an emphasis on tourism education and training, the selection of priority areas and activities for immediate attention and action, highly effective publicity measures, the organization of special fairs and festivals, the holding of international seminars, symposia, and workshops on tourism, and, as a final step, the establishment of a Because of its advantageous positioning, the state tourism planners prioritized the construction of "Highway Tourism," "Created Destinations," and "transit Resorts" all along the five national highways that cut through the state. After attaining the level of success that was intended in "Highway Tourism" and "Resort Development," the promotion of "Rural Tourism," "Adventure Tourism," and "Sports and Convention Tourism" is currently being carried out in a methodical manner.

Objectives of Study

1. To conduct an analysis of the existing challenges that stand in the way of the expansion of tourism in the state, particularly with regard to issues of tourist information and public awareness.

Significance of the Present Study

Because each of tourism's facets is so intricate and intricate, any amount of information may still leave considerable room for additional research despite the fact that tourism is an inter-disciplinary subject for the study by its very nature. The relevance of the study, from the perspective of the state, is in the fact that it has identified and brought to light the problem areas that exist in the industry of tourism development. Its primary objective is to discover solutions to issues and deficiencies in the areas of infrastructure development, the provision of a sufficient number and quality of transit, accommodations, entertainment and leisure, education, marketing and publicity, and other related areas. The recommendations made by the respondents that have been integrated into this document would serve as guidance for the future actions that are to be taken. It is possible that the study on tourism in India is equally

important for all those individuals who are interested in carrying out similar studies in the context of other states and regions. This is due to the fact that certain methods and approaches that were developed and utilized by the researcher here should be helpful in carrying out additional studies of a nature that is comparable.

Tourism Policy of Government

When the national policy started placing emphasis on the sector from the Third Five Year Plan onward, it was during this time that the plan outlay for promoting tourism was boosted to RS. 8.00 crores from a meager RS. 1.58 crores during the Second Five Year Plan. This was the moment when tourism in the country really began to come of age. Increasing amounts of money from the public sector have been spent on tourism during the course of the most recent two five-year plans, with Rs. 195 crores being spent during the Sixth Plan and Rs. 345 crores being spent during the Seventh Plan¹. An expenditure budget of 804.10 billion rupees has been decided upon for the Eighth Plan period, which is a significant increase over the previous budget. In November of 1982, a tourist policy was developed for the very first time and submitted to Parliament for the very first time. Unfortunately, this strategy was more of a declaration of goal than a specific plan that could be put into action. The Sixth Plan document laid out the goals of the tourist industry, but it was in no way a comprehensive policy statement or an action plan for the growth or promotion of tourism in the country. Instead, it simply outlined the goals of the tourism industry. A viewpoint on the expansion of tourism that looks further into the future was expressed in the Seventh Plan. In addition to this, it argued for the recognition of tourism as an industry, the distinct separation of the responsibilities played by the private and public sectors, and the encouragement of investment in the public sector that exploits the potential of tourism to support the local arts and handicrafts sector and to foster national cohesion. An important step in the development of a tourist strategy was the presentation in May 1988 of a thorough report on tourism by the National Committee on tourist. This study served as the foundation for a long term perspective plan for tourism, which was a notable achievement. During the Seventh Plan, a number of new policy measures were implemented with the goal of putting the tourist industry on a road toward faster expansion. The industry status of tourism was officially acknowledged. There are now 15 states and 3 Union Territories that have recognized tourism as an industry in their respective jurisdictions. In addition to this, the hospitality sector has been designated as an industry in four states. As a direct result of this, a variety of financial incentives have been offered to private business owners in order to encourage them to participate in tourism-related endeavors. The private sector will be responsible for driving the expansion of the tourist industry in the years to come. The state may make a contribution to tourism by developing broad strategies of development, providing fiscal and monetary incentives to accelerate private sector investments, and designing efficient regulatory and supervisory mechanisms to safeguard the interests of the business, the consumer, and the environment. These are all ways that the state can encourage private sector investment. The idea of "Special Tourism Areas" is being introduced as part of the Eighth Plan. Under this

concept, a select number of tourist locations that have a high potential for tourism will be selected and given access to fully functional infrastructural facilities.

Challenges Faced by Tourism Industry in India

The preceding research of the expansion of tourism in India demonstrates that, despite the fact that the business has had a considerable overall rise in the country over the course of the last two or three decades, the majority of the potential for its expansion has not yet been utilized, and there is still a great deal that has to be improved. The restricted and somewhat unsatisfactory expansion of this sector in our nation has been the result of a number of problems and varied challenges it has been encountering. This industry is afflicted with a number of problems and has been confronting a variety of obstacles. The following is a list of the significant causes that have contributed to the stagnation of the tourist industry in India: Inadequate airline capacity, particularly during the peak tourist season, poor facilities of our airports, delays in receiving the bookings, flight cancellations, and flight delays make air travel in India a living hell for visitors from other countries.

- Because of the deplorable conditions of traveling by rail in India, visitors typically try to avoid doing so unless it is absolutely necessary.
- A lack of clean and pleasant accommodations for travelers, in general, but relatively excellent accommodations for low spending middle class tourists, in particular, creates an unappealing environment for tourism. When traveling across long distances, the lack of a lodging might make things more difficult.
- The absence of an up-to-date information system with rapid retrieval facilities is an annoyance for visitors since it leads them to have to wait in line.
- The tourist business is very seasonal, with its busiest season spanning just six months (October to March), with the majority of visitors coming in November and December. This is one of the primary factors that is preventing the industry from expanding further.
- The development of tourism was hampered by the absence of an integrated tourist promotion campaign during the periods covered by the five-year plan.
- Another problem that is inhibiting its expansion is the indifference shown by several states and union territories toward tourism, which does not yet have the status of an industry in their jurisdictions.
- A lukewarm attitude towards the domestic tourism as a result of the emphasis placed by the authorities on international tourism rather than the country's own

Measures Taken for Promotion of Tourism

A variety of steps have been taken toward the expansion of tourism in India by both the federal and state governments, as well as any relevant agencies or ministries in each level of government. Recent significant advancements in this area include the following list of steps: 18 Extension Circuits have been singled out for expansion as part of an effort to market India as a tourist destination in the 1990s. These circuits focus primarily on escapades related

to nature and animals, as well as winter and summer activities involving water and beaches. A National Institute of Water Sports has been established in Goa with the purpose of increasing pilgrimage tourism. This institute's goals are to promote water sports and to increase the level of professionalism in the industry. Within the nation, there are 21 spots that have been chosen.

It has been determined that the ITDC will be permitted to establish marketing and management development partnerships with M/s. Radisson Hotel Corporation of the United States of America in order to assist the ITDC in attracting a greater number of international tourists.

The Union Ministry of Civil Aviation and Tourism has come to the conclusion that privatizing these hotels is the best way to achieve their goals of attracting foreign cash and generating funds for the ITDC's hotel refurbishment program. The hotels in Delhi, Udaipur, Jaipur, and Aurangabad were included in the initial group of properties that were considered for privatization. It was proposed that the government should keep 40 percent of the stock while disinvesting 40 percent of it to worldwide hotel chains, giving 20 percent of it to hotel employees and financial institutions, and disinvesting the remaining 40 percent. This has upset the Indian hoteliers, who are now preoccupied with other matters.

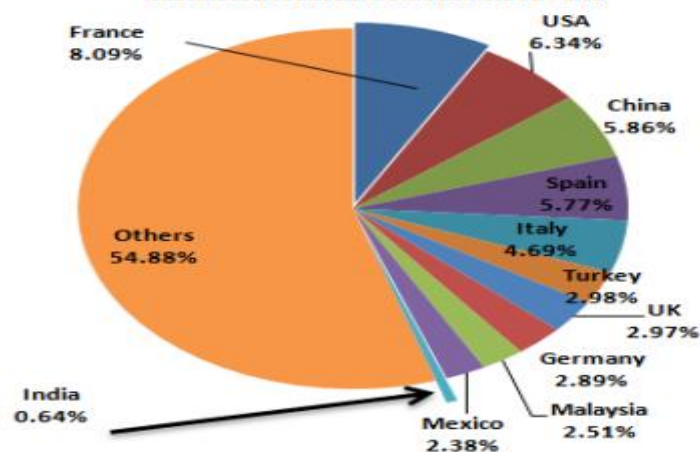
- The Yatri Niwases have benefited from the assistance provided by the Central government to the State governments in the establishment of low-cost lodging in significant tourist centers.
- In 1988, hotels and travel agencies were allowed to deduct an immediate tax-free amount equal to fifty percent of their foreign currency revenues.
- The government of India has declared that it will allow up to • businesses to begin operations between March 31, 1981 and April 1, 1990. In accordance with the "Equity Scheme," which went into effect in April, the bottom limit of the single room cost was increased from Rs.400 per night to Rs.1200 in order to accommodate the imposition of a 20% hotel expenditure tax. On the other hand, the Ministry of Tourism and Civil Aviation has strongly suggested to the Ministry of Finance that this tax be removed. Other reforms include the convertibility of part of the Indian rupee and a reduction in the tax rate that applies to vehicles that are utilized for taxi service from 230 to 175 percent.
- On July 6, 1992, India and Israel signed a protocol to promote tourism between the two nations by enabling travel and engaging in joint promotion of tourism from third countries, whenever it was viable to do so. • The goal of the treaty was to increase the number of tourists visiting both India and Israel.
- Air India, Indian Airlines, ITDC, and a few other hotel chains have come together to create a summer package that they are calling the "Super-Saver Package." This package consists of 11 itineraries of a seven-day stay in India with the option for an additional four days of stay and is based on attractive rates. The goal of this package is to increase the number of foreign tourists visiting India during the shoulder season.

- A computerized facility known as the "Real time Automatic Passenger Information Dissemination System (RAPID)" has already been introduced in Delhi and was opened in Chennai at the Indian Airlines Offices on April 13, 1992. This was done in order to automatically inform the passengers on the telephone of the revised departure timings of substantially delayed flights that were known at least two hours in advance. In addition to the "Palace on Wheels," a special tourists train comprising "meter gauge" carriages was also introduced.

Tourism industry and hotel industry

According to Jayawardena (2013), the expansion of the hotel business is heavily reliant on the growth of the tourist industry. Additionally, it has been widely acknowledged that the tourist industry is India's primary engine of economic expansion. According to the findings of a study that was conducted by Leonidou et al. (2013), the tourism and hospitality sector of India is projected to expand by 8.2% by the year 2020, at which point it would become the second largest employment in the whole globe. Figure 2 depicts the employment landscape as it exists at the moment in this specific sector of the economy. According to the findings of Jauhari (2009), the most significant factors that have an effect on the hospitality and tourism industries in India are the management of infrastructure; the policy of the government; workforce issues and education in hospitality and tourism; strategies for growth; crisis management; the management of destinations in India; and the use of online techniques for marketing. In addition, Babu and Maran (2013) state that "inadequate airline capacity, particularly during the peak tourist season, bad conditions of our airports, delays in getting the bookings, flight cancellations and delays render air travel in India a nightmarish experience for foreign tourists."

Percentage share of top 10 countries and India in International tourist arrivals



Source: Working Group Report for the 12th Five Year Plan (2012-2017) of the Ministry of Tourism

Figure 2: The hospitality and tourism industry's percentage of the market in terms of employment

However, in order to accomplish such a goal, it will be necessary to make significant financial investments as well as develop brand new infrastructure facilities. The achievement of such goals would unquestionably contribute to the expansion of the Indian economy, in addition to providing more evidence of the clearly visible expansion of the tourist and hospitality sector. It is essential, however, for the goals of the government and businesses to be aligned in order to meet the prerequisites for sustainable development and the aspirations associated with it.

Growth and an increase in domestic travel in the tourism and hospitality industry

According to Jones et al. (2014), the key reasons behind the rise in the tourism and hospitality business are due to the increase in the number of tourists moving around the nation as well as the FTA or Free Trade Agreements of India with other countries. These two factors, along with a number of other factors, have contributed significantly to the expansion of the industry. The tourism and hospitality sector has been positively influenced as a result of the accessibility of simple financing choices as well as the growing interest of individuals in domestic tourism as opposed to international corporate tourism. The falling value of the Indian rupee, on the other hand, has almost definitely resulted in an increase in the number of visitors from other countries, but it has had an adverse effect on the intentions of India's domestic tourists, who are acutely aware of the constraints imposed by their limited financial resources. Because of this, a problem of this nature presents a possible obstacle for the tourism business as well. According to Nicolaidis (2015), "Managers of tourism enterprises and indeed all organizations need to use stakeholder management to enrich their often limited understanding of the strategic options they could generate." Nicolaidis makes this claim in his article "Managers of Tourism Enterprises and Indeed All Organizations Need to Use Stakeholder Management. "If a company employs a substantive argument that incorporates stakeholders, this will generally result in better judgments since the stakeholders will have access to knowledge that they would not otherwise have.

India's emergence as a business hub and international events

According to Sloan et al. (2014), the rise in the number of international events that have been staged in India has led to a considerable increase in the amount of attention that the world market pays to the Indian tourism and hospitality business. In addition, corporate conventions, rock concerts, and athletic events have all contributed in a good way to the overall success of the tourism effort to attract international visitors. This has unquestionably been a contributor to the expansion and increase in income of local businesses, as well as to the general economy of the area. As a result, the number of tourists visiting India is increasing, and the trend is anticipated to continue in the same direction, as shown in Figure 3.

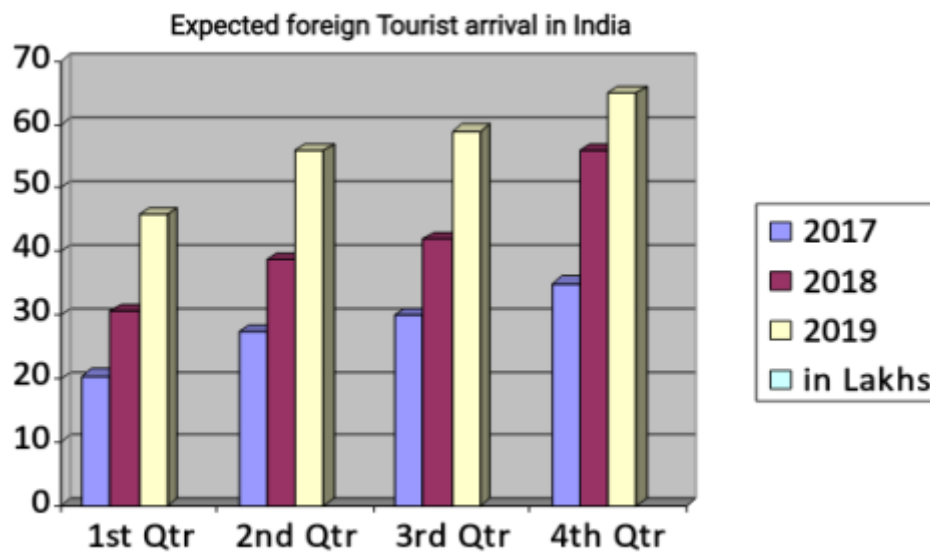


Figure 3: Expected foreign Tourist arrival in India

Source: www.tourism.gov.in, 2019

Economic growth

According to Swanson and Edgell Sr. (2013), the Indian economy has demonstrated that it is capable of withstanding the effects of the global economic slump and has established itself as one of the economies that is expanding at a rate that is among the highest in the world. The fact that the tourist and hospitality industry does not make a significant contribution to overall economic growth is another factor that clearly has an impact on the tourism business in India. On the other hand, Inversini and Masiero (2014) have argued that the interest and investment of foreign companies are significantly high in establishing facilities in India, which is a potential challenge to the domestic industries in the tourism and hospitality industry to competed with such high-level projects. They believe this poses a potential threat to the economy of India. According to Nicolaidis (2015), it is essential to gain the buy-in of all stakeholders towards growth initiatives in the sector. This is why it is crucial to obtain the buy-in of all stakeholders.

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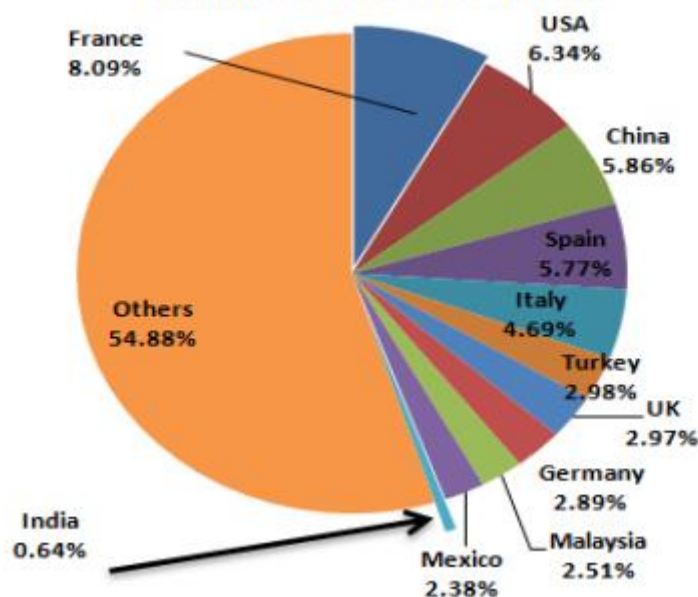


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Conclusion

These nations' tourist authorities have solicited the assistance of their respective experts in history, geography, sociology, psychology, and economic science in order to better serve the public. They were able to develop a long-term strategy for tourism in these nations with the assistance of these professionals. Regarding the situation in India, the action taken by the government has been primarily of ad hoc character. Not only this, but with regard to India's

tourist industry, revolving bureaucrats have been in charge. It is generally believed that India must engage in cutthroat competition with other nations of the world in the sphere of tourism. As a result, there is an urgent requirement, both at the national and the state level, for the formulation of an effective tourist strategy that is founded on the scientific principles of hotel administration. There are, however, some warning signs coming from western scholars. They contend that the social, cultural, and even the ecological cost of tourism is going to be heavy in the long term, and as a result, planning from a long term perspective needs to be drafted in order to take care of all of these factors and avoid the adverse effects that their presence can have. It will be necessary to engage in aggressive marketing both in the tourist-generating markets that already exist overseas and in order to investigate potential new markets. At the same time, there should be a concerted push for the growth of domestic tourist, as this would provide a solid foundation for the expansion of international tourism. It is imperative that the public sector and the private sector work together in an appropriate manner to ensure the continued expansion of tourism in the country in the coming years.

Suggestions

In conclusion, I would like to offer the following measures to modernize the tourism administration in order to make tourism a huge success.:

1. The structure's many decision-making bodies need to include hotel management and tourist professionals with extensive experience in their respective sectors. In order to carry out their duties in a manner that is both efficient and effective, each of the tourist information bureaus must have a sufficient number of employees and the necessary resources.
2. The state government should provide its workers with travel subsidies similar to those offered by the central government in order to encourage more employees to travel.
3. The State Government of Gujarat shall submit tourist development ideas to the Center, and the Center should offer sufficient help to the State Government in order for them to be completed.
4. The state government has to pass a comprehensive Tourist Act as soon as possible in order to direct and control the actions of the governmental and non-governmental sectors of this trade.
5. The State Tourism Department and the ITDC need to have better communication with one another.
6. It is recommended that a tourist Planning Board be established at the state level in order to carry out prospective planning and give the tourist sector in India with the necessary boost.

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