

Innovative time of Tourism and its impact on tourism industry in India

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Introduction

Until 19th century, travel for recreation was only undertaken by the elite. With the advent of rail, mass travel was available for the first time and destinations such as Brighton, UK and Coney Island, NY developed. Status was then defined by the mode of travel. In 20th century status was revealed by the nature of the destinations. Travel and tourism has been going on since time immemorial, and for the 'twentieth century tourist, the world has become one large department store of countrysides and cities' (Schivelbusch, 1986). By 21st century, travel became a new economy - *tourism* - available to all with enough money.

The focus of the tourism industry has shifted from air travel, overnights, meals and so on to total experiences or fantasy worlds associated with specific destinations (Keller and Koch, 1995). This new tourism phenomenon is not only influenced by economic factors but also by new cultures and a new generation of tourists. In tourism, the different destinations compete worldwide through globalisation (Saayman, 1998).

The paradigm shift from mass tourism (also known as *Fordian Tourism*), which was the norm for more than three decades, no longer suffices to achieve competitiveness in tourism enterprises and regions. A new paradigm, or new tourism, is gathering momentum owing to its ability to face prevailing circumstances (Fayos-Solá, 1996).

Modern information and communication technology development in symbiosis with the transformation of tourism demand gave rise to a *new tourism*. This paradigm shift is not easy to define but is indicative of a new type of tourist who wants a new or different product. The new tourists are more experienced, more educated, more "green", more flexible, more independent, more quality-conscious and "harder to please" than ever before (Cater and Goodall, 1992; De Villiers, 1996). Furthermore, they are well read and know what they want and where they want to go.

What is New Tourism?

New Tourism is characterised mainly by *supersegmentation of demand*, the need for flexibility of supply and distribution, and achieving profitability through diagonal integration and subsequent system economies and integrated values, instead of economies of scale (Fayos-Solá, 1996). This paradigm permits the tourism industry to offer products adapted to the increasingly complex and diverse needs of demand, while being competitive with the old standardized products. These markets of experience have become global, affecting the demand as well as the supply side of the tourism industry. The tourism industry has undergone profound changes, which have been categorized by Poon (1993) in the following groups: (a) new consumers, (b) new technologies, (c) new forms of production, (d) new management styles, and (e) new prevailing circumstances.

Key shifts in global tourism market trends are as follows:

- In the long term, the average standard of living in western developed countries will increase, as will the amount of discretionary money available for travel;
- Rising affluence will bring with it increases in the amount of free time available. Longer weekends and increased paid holidays have helped to stimulate expansion in attraction visitation;
- There is a shift in emphasis from passive fun to active learning;

INCREDIBLE INDIA CAMPAIGN:

The Indian Ministry of Tourism launched the Incredible India campaign in 2002 to encourage visitors from around the world to experience India.

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The concerted marketing effort included Print, Radio and Television ads. The campaign also included road shows, which were planned for the UK, Canada, Singapore, Malaysia, Russia, Australia and New Zealand. The successful campaign received attention and praise from travel professional and is credited with increasing the number of tourists to the nation within just a few years.

India is probably the only country that offers various categories of tourism. These include history tourism, adventure tourism, medical tourism (ayurveda and other forms of Indian medications), spiritual tourism, beach tourism (India has the longest coastline in the East) etc.

FINANCIAL CRISIS IN INDIAN TOURISM INDUSTRY:

Recession has impacted all the sectors and on the backdrop of recessionary trends in US, European and other developed countries, the underdeveloped and developing countries are also experiencing the pinch. The direct and indirect effect of global slowdown has its impact on India too in the form of reduced money flow, reduced trade and visitors of the foreigners. Because of the recent crisis, the Tourism sector also affected.

IMPACT OF FINANCIAL CRISIS IN TOURISM INDUSTRY:

The Global financial crisis appears to be moving towards the resolution. Tourism is the a multi-sectoral activity and the industry is affected by many other sectors of the national and International economy. The financial crisis affected all the countries financial sectors and its leads to the decrease in the visitors of the foreigners and its leads to decrease in the foreign exchange. Here the researcher understood that, highest revenue earned during the period of 2008 and in 2009 the revenue was affecting due to the financial crisis.

STATEMENT OF THE PROBLEM:

The present research will intend to study the perceived implications of the impact of global recession(financial crisis)on the Tourism Industry in India. Even though Indian tourism sector is vast one, the researcher is try to find out the impact of global recession in this field.

OBJECTIVES OF THE STUDY:

- * To Study the impact of new age tourism in Indian industry.
- *To study the growth and trend performances of Foreign Tourist Arrivals in India.
- * To analyse the Impact of financial crisis in Foreign Exchange Earnings of Indian Tourism sector.
- * To study about the top ten source countries for Foreign Tourist Arrivals in India for 2011-12.

ANALYSIS AND INTERPRETATION OF DATA :

Table No.1 shows about the Foreign Tourist Arrivals(FTAs)in India for the years 2002-2012.Here the values has been predicated by using, Trend analysis under the method of Least square for the years 2010-2012

TABLE NO:-1
Foreign Tourist Arrivals (FTAs) in India 2002-2012

Year	FTAs In India(in Million)
2002	2.38
2003	2.73
2004	3.46
2005	3.92
2006	4.45
2007	5.08
2008	5.28
2009	5.17
2010	5.79
2011	6.16
2012	6.53

Source:Bureau of Immigration,Govt.of India, for (2002-2012)

The table No.1 shows about the Foreign Tourist Arrivals in India for the year 2002-2012. It shows continuous growth year after year, except for the year 2009, due to the Financial Crisis in the Global. So in that year there was decrease in the arrivals of the foreigners. But it has been recovered in the year 2010 itself and now it has been start increasing.

TABLE NO:-2
Growth rate for Foreign Tourist Arrivals (FTAs) in India 2002-2012

Year	FTAs In India(in Million)	Growth rate
2002	2.38	--
2003	2.73	14.70
2004	3.46	26.74
2005	3.92	13.29
2006	4.45	13.52
2007	5.08	14.15
2008	5.28	3.93
2009	5.17	-2.08
2010	5.79	11.99
2011	6.16	6.39
2012	6.53	6.01

Source: Bureau of Immigration, Govt. of India, for (2002-2012)

From the table No.2 it has been clear that in the year 2004 the growth rate is more compare to all the years ie 26.74. Growth rate shows negative value in the year 2009. This has been due to the global financial recession. After that it is recovered. In the year 2012 it might be 6.01.

TABLE No:-3 Foreign Exchange Earnings (FEE) (in US\$ Million) from Tourism in India, 2002-2012

Year	FEE In India(in Million)
2002	3103
2003	4463
2004	6170
2005	7493
2006	8634
2007	10729
2008	11832
2009	11394
2010	13175
2011	14289
2012	15403

Source: Reserve Bank of India, for (2002-2012)

The table No.3 shows about the Foreign Exchange Earnings (FEE) (in US\$ Million) for the year 2002-2012. It shows continuous growth year after year, except for the year 2009 due the Financial Crisis. But it has been recovered in the year 2010 itself and now it has been start increasing

TABLE 4 : Growth rate for Foreign Exchange Earnings (FEE) (in US\$ Million) from Tourism in India, 2002-2012

Year		Growth
2002	3103	--
2003	4463	43.83
2004	6170	38.25
2005	7493	21.44
2006	8634	15.23
2007	10729	24.26
2008	11832	10.28
2009	11394	-3.70
2010	13175	15.63
2011	14289	8.45
2012	15403	7.80

Source: Reserve Bank of India, for (2002-2012)

From the table No.4 it has been clear that in the year 2003 the growth rate is more compare to all the years ie 43.83. Growth rate shows negative value in the year 2009. This has been due to the global financial recession. After that it has been recovered. In the year 2012 it might be 7.80.

TABLE NO:- 5

Foreign Exchange Earnings (FEE) (in Rs. Crore) From Tourism in India, 2002-2012

Year	FEE In India(in crores)
2002	15064
2003	20729
2004	27944
2005	33123
2006	39025
2007	44360
2008	51294
2009*	54960
2010*	58855
2011*	63789
2012*	68722

Source:Reserve Bank of India, for (2002-2012)

The table No.5 shows about the Foreign Exchange Earnings (FEE) (in Crores) for the year 2002-2012.It shows continues growth year after year, except for the year 2009 due the Financial Crisis. But it has been recovered in the year 2010 itself and now it has been start increasing and in the year 2012 it might be reached to Rs.68,722 Crores.

TABLE NO:- 6

Top 10 Source Countries for Foreign Tourist Arrivals (FTAs) in India in 2010

S.No	Source of country	FTAs In India(in million) (P)	Percentage (%)share
1	USA	.916	16.40
2	UK	.755	13.52
3	Bangladesh	.381	6.82
4	Canada	.240	4.30
5	Germany	.224	4.01
6	Sri Lanka	.219	3.92
7	France	.218	3.90
8	Japan	.165	2.95
9	Australia	.164	2.94
10	Malaysia	.160	2.87
Total of top 10 countries		3.442	61.64
Others		2.142	38.36
All countries		5.584	100

Source: Bureau of Immigration ,Govt of India (2012)

The table No.6 shows about the top 10 countries for FTA's in India for the year 2010(P). USA places the first position, followed by UK and least place go for the Malaysia.

TABLE NO:- 7
Comparison of Old and New Tourists

	New Tourists	
Search for the sun	=>	Experience something different
Follow the masses	=>	Want to be in charge
Here today, gone tomorrow	=>	See and enjoy but not destroy
Just to show that you had been	=>	Just for the fun of it
Having	=>	Being
Superiority	=>	Understanding
Like attractions	=>	Like sports
Precautions	=>	Adventurous
Eat in hotel	=>	Try local fare
Homogeneous	=>	Hybrid

Source: *Tourism, Technology and Competitive Strategies*, Auliana Poon.

Travel is no longer a novelty to the new tourist. Studies support what industry executives have been noticing for the last few years. People expect more out of their vacations than they used to and they are more adventuresome. Surveys done by the Canadian Tourism Research Institute indicate a high degree of interest in getaway vacations, ecotourism, cultural tourism and combining a business trip with a pleasure trip.

Over the next ten years, tourism products and attractions will have to cater to visitors who are more demanding and discriminating, as well as more active and more purposeful in their choice of destination. There will be a shift in emphasis from passive fun to active learning, and the quality and genuineness of visitor experiences will be crucial to future success in a competitive market.

An Acronym that is relevant to describe the 'new' tourist is REAL, which stands for:

- **R**ewarding
- **E**nriching
- **A**dventuresome
- **L**earning Experience

A key underpinning concept for REAL tourism is authenticity of experience, which is often related to the environment and culture and seen to be unaffected by "mass" tourism

Conclusion

A new tourism is emerging, sustainable, environmentally and socially responsible, and characterised by flexibility and choice. A new type of tourist is driving it: more educated, experienced, independent, conservation-minded, respectful of cultures, and insistent on value for money.

Starting in the eighties and mid-eighties (depending on the tourism receiving region in question) a number of dramatic environmental changes occurred which moved the "tourism industry" much closer to the characteristics of the new economy. Used to more convenience, faster service and more options from his/her every-day-life the new tourist also insisted on more options, more entertainment and fun, more diversified sports facilities and cultural variety in his/her vacation (see e.g. Weiermair & Fuchs, 2000). This new consumer (tourist) thereby has exercised pressure upon the tourism industry and tourism enterprises to develop new products, services and experiences. Information technology is opening up an astonishing array of travel and vacation options for this new tourist. To remain competitive, tourism destinations and industry players alike must adapt. For many, the challenge is to "reinvent" tourism. Market intelligence, innovation, and closeness to customers have become the new imperatives. Thus, on the horizon of the postmodern landscape, a New Age of tourism is dawning: New Age tourism for New Age people.

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