

6<sup>th</sup> SEM BTTM

CALICUT UNIVERSITY



# **TOURISM PLANNING AND POLICIES**

**2019 ADMISSION**

*Prepared By*

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## **TTM6B13: Tourism Planning and Policies**

**Lecture Hours Per Week: 6**

**Credits: 4**

**Objective:** The course aims to give a comprehensive idea about the tourism planning and policies and its application.

**Pedagogy:** A combination of Lecture, Case Analysis, Group Discussion, Seminars, Assignments, Practical and Assigned readings.

### **Module I**

Destination: the concept and definitions-Common Characteristics of Destinations-Significance of attractions for destinations- Evolution and growth of tourism in a Destination-TALC concept-Destination Image- Destination Marketing Organization (DMO).

### **Module II**

Benefits of Tourism: The economic benefits-Tourist Expenditure-Invisible Export-Role of balance of payments-Employment Generation-Investment and accelerator effect-Income generation-economic growth and diversification-local entrepreneurship development-redistribution of wealth-direct, indirect and induced benefits-multiplier effect-tourism multipliers-social significance of tourism-Positive cultural impacts of tourism-Environmental benefits of tourism.

### **Module III**

Impacts of Tourism: Economic impacts-Opportunity-cost-inflation-migration of labour-Social consequences- Demonstration effect-anti social activities and tourism-Cultural Impacts-Commercialization-Commoditization-Environmental impacts-

### **Module IV**

Sustainable Tourism: Sustainable tourism development- components- principles- Carrying capacity-EIA- Environmental auditing- Visitor management practices- Definition and concept of ecotourism-Principles.

### **Module V**

Tourism Planning: Planning system-Significance of planning in tourism-tourism Planning Levels- Geographical level Planning (Destination Planning)-Business level planning-Different approaches to tourism planning-'Boosterism'-Physical/spatial approach-Community-Sustainable approach-Strategic planning-tourism planning process-Tourism policy-national tourism policies in india-1982,92,2002,latest policies (overview).

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**Books Recommended for Reference:**

1. M.R.Dileep, (2018). Tourism-Concept, Theory and Practice, IK International, New Delhi. ISBN 978-93-85909-67-2.
2. Sampad Kumar Swain and Jitendra Mohan Mishra (2011). Tourism: Principles and Practices, Oxford University Press. New Delhi
3. Hall, C.M., 2008, Tourism Planning: Policies, Process and Relationships, Pearson Education: Essex.
4. Kelly I and Nankervis T, 2009, Visitor Destinations, John Wiley and Sons, Milton: Australia
5. Richard T, Wright. Dorothy f. Broose, Enviornmental science Toward a Sustainable Future, PHI Learning, Pvt Ltd, new Delhi
6. K. Anilkumar , S.V. Sudheer, Negative Factors of Tourism, Abhijeet Publications , new Delhi. ISBN 978-93-81136-71-3

## **MODULE I**

### **DESTINATION**

- According to WTO, a destination is a unique place where a visitor spends at least one night and exhibit tourism products such as attractions, support services, and tourism resources complete with defined management, physical and administrative boundaries, and a well-known image.
- According to Peace (1998) destination is a combination of products and services available in one location that draws visitors
- A tourist destination is a city, town or other area that is significantly dependent or revenue from tourism or a country, state, region, city or town which is marketed or markets itself as a place for tourist to visit
- It may contain one or more tourist attraction and possibility some to visit traps
- Tourism destination is a physical space in which a tourist spends at least one night
- The destination can be defined as an amalgamation of tourism products offering an integrated experience to consumers
- The place where someone is going or where something is being sent or taken
- A tourism destination is any area large or small that attracts and caters for tourists with tourism being the dominant or one of the dominant income generation for the area
- Bierman (2003) defines a destination as a country, state, region, city or town which is marketed or markets itself as a place for tourists to visit
- Destinations are naturally formed or can be constructed
- Burkart and Medlik's (1974) defined the destination as 'the geographical unit visited by a tourist may be a self contained centre, a village or a town or a city, a district or a region, an island, a country or a continent
- Mill and Morrison (1992) deal with the destination as a part of the tourism system. Their definition says: At a destination there is a mix of interdependent elements. The elements are interdependent, because in order to produce a satisfying vacation experience, all elements must be present. The destination is composed of: Attractions – Facilities – Infrastructure – Transportation – Hospitality.

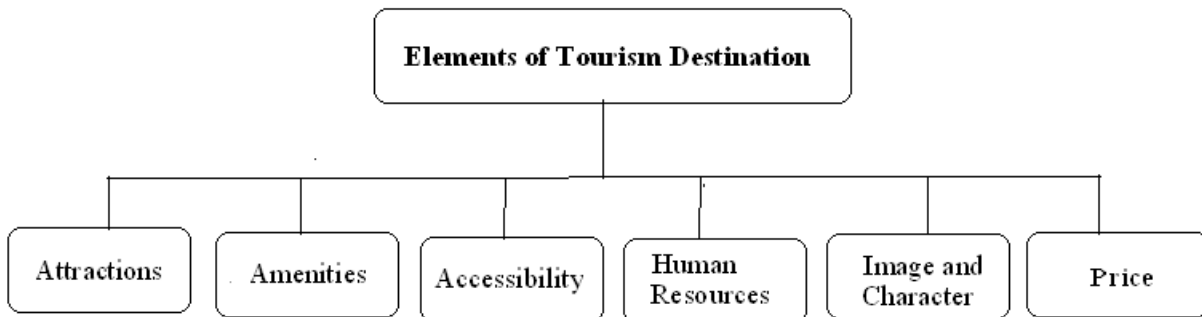
#### **What is Tourism Destination?**

A tourism destination is a physical space in which a tourist spends at least one overnight. It includes tourism products such as support services and attractions and tourist resources within one day's return travel time. It has physical and administrative boundaries defining its management, and images and perceptions defining its market competitiveness

- The common characteristics of tourist destinations are attraction, comfort, and accessibility, a specific area with certain tourism resources, facilities, and transportation conditions, which can attract a certain number of tourists to carry out tourism activities
- The ultimate primary purpose of attractions is to attract the customer's attention so that they can come to a specific location and explore the various attractions on vacation. In the travel and tourism industry, attractions therefore play a particularly important role as this attracts tourists from all over the world.

### Elements of Tourism Destination

Tourism destination is constituted by the following six elements. These are briefly discussed in the line of depicted figure.



**Attractions:** These are often the focus of visitor attention and may provide the initial motivation for the tourist to visit the destination. These can be categorized as natural (e.g. beaches, mountains, parks, weather), built (e.g. iconic buildings such as the Eiffel tower, heritage monuments, religious buildings, conference and sports facilities), or cultural (e.g. museums, theatres, art galleries, cultural events). They could be in the public realm such as a nature park, cultural or historical sites or could be community attractions and services such as culture, heritage or lifestyle. Other, less tangible factors, such as uniqueness and emotional or experiential triggers are also attracting tourists to destinations.

**Amenities:** These are the wide range of services and facilities which support the visitors' stay and include basic infrastructure such as utilities, public transport, and roads as well as direct services for the visitor, 'Destination', includes accommodation, visitor information, recreations facilities, guides, operators and catering and shopping facilities.

**Accessibility:** The destination should be accessible to a large population base via road, air passenger services, rail or cruise ships. Visitors should also be able to travel with relative ease within the destination. Visa requirements, ports of entry, and specific entry conditions should be considered as part of the accessibility of the destination.

**Image:** A unique character or image is crucial in attracting visitors to the destination. It is not sufficient to have a good range of attractions and amenities if potential visitors are not aware of this. Various means can be used to promote the destinations image (e.g. marketing and branding, travel media, marketing). The image of the destination includes uniqueness, sights, scenes, environmental quality, safety, service levels, and the friendliness of people.

**Human Resources:** Tourism is labour intensive and interaction with local communities is an important aspect of the tourism experience. A well-trained tourism workforce and citizens who are equipped and aware of the benefits and responsibilities associated with tourism growth are indispensable elements of tourism destination delivery and need to be managed in accordance with the destination strategy.

**Price:** Pricing is an important aspect of the destination's competition with other destinations. Price factors relate to the cost of transport to and from the destination as well as the cost on the ground of accommodation, attractions, food and tour services. A tourist's decision may also be based on other economic features such as currency exchange.

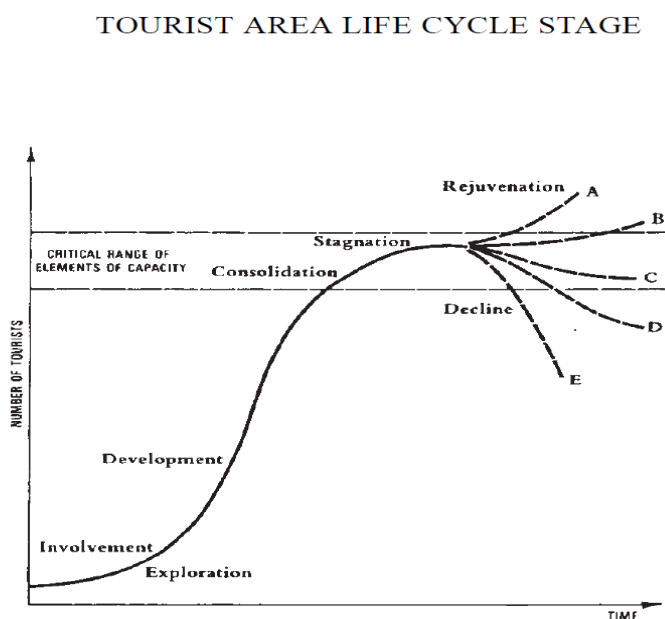
## Types of destinations

Smith (1997) categorizes destinations into six types:

1. **Ethnic destinations** – places which promote ethnic and lifestyle of an indigenous community e.g. dances, religion, ceremonies etc.
2. **Cultural destinations** – places which promote vanishing lifestyle e.g. local settings, remote villages, and rural areas with activities like consuming local means, undertaking costume festivals, folklore dances performances, art and craft demonstration in old style fashion.
3. **Historical destinations** – areas which promote historical elements with attractions like old towns, churches, monuments, archaeological sites and museums and sound and light performances done in the ancient way.
4. **Environmental destinations** – areas which promote natural and environmental attractions e.g. national parks, mountain climbing, canoeing and camping etc.
5. **Recreational destinations** – are centers of sports like golf courses, tennis, ski-slopes, pump-fringe beaches which promote games and social contacts in relaxed environmental. Forms of tourism here are sports and beach tourism.
6. **Business destinations** – areas which promote trading, transactions and meeting, conferences with other activities like recreation and leisure.

## Tourism Area Life Cycle

According to the tourist area life cycle concept, a tourist destination progresses through five stages: exploration, involvement, development, consolidation, stagnation, and post-stagnation



- The development stage is the last stage where there is continued growth in the number of visitor arrivals. There is a noticeable development of additional tourist facilities and increased promotional efforts. The destination experiences a shift in control of the tourist trade to outsiders, and the number of tourists at peak periods outnumbers the local residents. This results in some antagonism toward tourists.
- Once the growth rate of visitor arrivals begins to decrease, the destination enters a consolidation stage. Tourism has become a major component of the local economy, and a well-delineated business district has begun to take shape. Some of the facilities are outdated and the destination tries to extend the tourist season.



- This leads to the stagnation stage where peak numbers of tourists and capacity levels are reached. The destination has a well-established image, but it is no longer popular and the lodging facilities begin to erode and turnover
- Finally, the destination reaches the post-stagnation stage facing options ranging from rejuvenation to decline, represented by various levels of change (both positive and negative) in the number of tourist arrivals. The result depends on the destination's ability to position itself and find a viable market.

### **The Role of Destination & Attraction in Tourism.**

A tourist destination plays an important role in attracting tourist, a tourist destination is a geographical location which has all the important components to attract tourists and full fill their all demands and needs, A tourist destination comprises of different components which are characterized as the 4 A's. The 4 A'S are classified as follows:

**Attractions** which motivate and attract tourist to visit the destination and it consist of the man made as well as natural attraction features or cultural events.

**Amenities** which include a range of supporting facilities and services like accommodation, food, entertainment and recreation which are required by tourists at the destination.

**Access** in terms of development and maintenance of transport which provides the link to the tourist destination as well as the tourist attractions at the destination.

**Ancillary** services which are provided to customers and industry by the destination through a local tourist board.

### **Tourist attractions**

Gunn stated that tourism attractions form an essential part of tourism destinations and that they are one of the four key segments of the tourism system. Attractions are located within the destination and they form the basis of the tourism product at the destination. A destination without potential or real tourism attractions cannot be developed into a tourism destination.

There are various forms of attractions but not all of them can be used for tourism, therefore those used for tourism purposes must be classified as tourism attractions. Tourism attractions form part of the basic tourism resources and are one of the major reasons why tourists visit a destination.

**Inskeep** stated that tourism attractions can be divided into 3 categories;

**Nature attraction:** Nature attraction consists the environment and natural resources such as wildlife sanctuaries, sunset and sun rise viewpoints, national parks, beaches, mountains, rivers, and other natural phenomena.

**Culture attraction** consists of entertainments and human activities such as khajuraho dance festival, Tansen Samaroh, jaisalmer camel festival, Nehru boat race Kerala etc.

**Unique attraction** Tourists are motivated to visit a particular destination by the information that they receive and their own motivation 'Push' them to visit a destination where their needs and wants can be satisfied. Smith (1996) stated that the 'push' factors are the socio-economic factors of the tourist as well as their motivation to travel and the 'pull' factors are the information received and the resources which are provided at the destination.

### **Components of tourism**

Tourism is a combination of sectors to form an industry. Such sectors are:

a) **Attraction sector** – These are nature based or man made used for tourism product development. There are three main types of attractions:

i) **Natural attraction** – are nature based like oceans, lakes, mountains, beaches, climate, wildlife, rivers etc.

ii) **Cultural attractions** – are secondary elements of attractions comprising the way of life of indigenous community in a particular area (natural setting) having not been highly affected by modernization. The cultural elements include rural village, remote setting, architecture, dress, art, handicraft, beliefs, religion, language, local food etc.

iii) **Special attractions** – are tertiary element of attraction consisting of built environment by man e.g. museums, entertainment centers, aquariums, athletic stadiums, theme parks, casinos and gambling centers, zoos and orphanages. Hotels and camping sites can also be categorized as special attraction.

b) **Transportation sector** – forms dynamic element of tourism involving modes and means of transport and travel infrastructure like ports and airports. It links TGR and TDR. It is also a tourism product/service and determines the tourists' experience on transit. It qualities are:

i) Reliability ii) Affordability iii) Convenience iv) Variety v) Comfort.

c) **Hospitality sector** – comprise of accommodation organization, catering organization and attitudes of community towards tourists and tourism business.

It is therefore subdivided into sub-sectors like lodging subsector (accommodation), food service subsector (catering) and entertainment. As shown below:

□ **Lodging** comprises hotels, apartments, campsites, bandas, log cabins, lodges, villas, resorts, inns and tree houses etc.

□ **Food service** subsector includes fast food operators, vending outlets, restaurants, functional catering/institutional catering etc. Functional catering offer meals on premises and transport them for consumptions during events like wedding, conferences, hospitals, schools etc.

□ **Entertainment** subsectors comprise organizations that offer live or recorded music, discotheques, clubs, traditional entertainment music etc.

d) **Organization sector** – comprise of all the operations within the tourism distribution system who determine the movement of travel packages from manufacturers to tourists through intermediaries and support services. They include tour operators and tour agencies that are connected to principals and consumers and support networks as shown below.

Principals include hotels, insurance companies, airways, and airport companies who manufacture travel elements which are packaged and priced by tour operators (wholesalers). Tour operators also make itineraries (schedule), maps; disseminate travel information, arranging travel requirements like booking and making reservations for travelers at a fee. The package is delivered to tourists through travel agents (retailers) at a commission. Tour operators can also use other support members like consolidators, air brokers and sales representatives to sell their tickets.

e) **Tourism infrastructure** – include built environment like statues, railways, theme parks, monuments, and other supply system such as telephone supply and sewage system and transport facilities like roads, rails etc. They are tertiary elements of attraction which can be considered special attractions because they facilitate satisfaction from cultural and natural resources/attractions.



f) **Destination services** – are service those facilities tourists consume throughout destination life cycle. it include travel information, insurance, entertainment, transport, catering, accommodation, language translation, security, banking, tour guiding, authority etc.

Stages of tourism consumption are:

- i) Pre-visit ii) Transit iii) Stay at the destination iv) Departure

### **Destination as product element of Tourist Destination.**

## **CONCEPT OF TOURISM DESTINATION**

Destinations provide tourism supply inform of attractions, facilities, infrastructure and organization which satisfy tourists' demands. Tourism product is comprises of attractions, goods and services, transportation, accommodation, DMO,DMC,machines, equipment and experiences into an inclusive intangible service to satisfy tourists' needs.

The needs of tourists include novelty, adventure, freedom, change, spirituality etc.

**Elements of tourism products** include (according to Smith):

- ☐ Tangible products ☐ Service ☐ Hospitality ☐ Price ☐ Freedom of choice

Kotler (2004) says that these products are developed in three levels which are:

a) **Actual products** - are the tourism packages that tourists purchase e.g. cultural products.

b) **Core product** – is the satisfaction expected from the actual consumed i.e. the ability of cultural tourism product to satisfy the search for novelty.

c) **Augmented products** – are the extra services or additional benefits which are expected to add value to the actual products and core products e.g. a free guided tour to a cultural homestead, free language interpretation.

Destinations vary depending on available products, development and forms of tourism promoted e.g. Kenya can be a historic, adventure or recreational destination.

### **Characteristics of destination**

a) **Accessibility** – it has to provide various means and modes of transport and transport infrastructure in order to link TGR and TDR.

b) **Diversity of attractions** – must provide diverse natural attractions as well as artificial attractions e.g. landscapes, wildlife, flora and fauna, museums, villa parks, amusement centers, entertainment centers, cultural and ethnic attractions and built environment.

c) **Proximity to other nearby destinations** – must be interlinked by being close to other destinations to complement the wholesome tourism experience. This facilitates communications, joint marketing, easy planning, and enhancement of tourists' satisfaction and development of tourism circuit.

d) **Presence of conservation efforts for future sustainability** – must have authority to plan and conserve natural resources and create protected areas like national parks and reserves in order to facilitate their use and future use and benefiting community.

e) **Presence of product development strategies for consumption** – it must have developed product to be consumed by tourists and must satisfy their needs.

f) **Differentiation** – they must be unique in physical characteristics i.e. wildlife, community attraction and built attractions. They must be distinct in image and different in comparison with other destinations.

### **Destination Image**

- A destination image is the expression of all objectives, knowledge, impressions, prejudice, imaginations & emotional thoughts an individual or group might have of a particular place
- The sum of beliefs, ideas and impressions that a person has of a destination

### **Components**

- Organic – image formed by individuals themselves through such things as past experiences with destinations and through unbiased sources of information (eg; News reports, Movies, Newspapers, Articles etc)
- Induced – images created through information received from external sources, including destination advertising and promotion

### **Destination Management Organisations (DMO)**

- Destination Management Organization as the marketing side of a National Tourist Organisation or else National Tourism Administration responsible for the overall marketing of countries as tourism destinations
- DMOs have the responsibility for the planning and marketing of areas mainly on a local or regional level
- A Destination Management Organisation or company (DMO or DMC) is a term for a professional services company possessing extensive local knowledge, expertise and resources specializing in the design and implementation of events, activities, tours, transportation and program logistics
- These services can be transportation, hotel accommodation, restaurants, activities, excursions, conference venues, themed events, incentive schemes as well helping overcoming language barriers
- DMOs or DMCs may operate in one or more locations. Some will focus only a single city, state or country while others cover a wide range of geographical locations

#### **Examples of DMOs**

- Singapore
- Khajuraho group of monuments in Madhya Pradesh
- A destination marketing organisation is similar to a destination management organisation and the two terms are sometimes used interchangeably. However, in the case of a destination marketing organisation, the focus is on promoting a destination, in order to make it more attractive to tourists, businesses and other potential travellers.
- A DMO may use a wide range of marketing techniques, including display advertising, content marketing, social media promotion, offline advertising and experiential marketing. There are many different types of destination, so destination marketing efforts may consist of country marketing, city marketing, or marketing a specific geographical region.

#### **DMOs engage in a variety of activities that will help promote and develop sustainable travel practices, including:**

- Educating travelers about the destination's attractions and offerings
- Marketing through targeted campaigns
- Working with other organizations on issues related to sustainability to achieve common goals
- Addressing resident concerns related to tourism

## **The Importance of Destination Management Organizations**

DMOs are committed to sustainable tourism and are of critical importance because they:

### **1. Take Advantage Of Their Destination's Unique Potential**

Every destination has something different and unique to offer. DMOs bring out that exclusivity to the front to portray the destination as a better attraction than other ones.

### **2. Conduct Market Research**

Knowing what to do, how to do, and when to do it is an art. And DMOs are the masters at it. These organizations are able to conduct market research through their short and long-term strategies to further elevate the destination's status for years to come.

### **3. Implement Destination Marketing Strategies**

For destinations, it is especially important to be visible online to guide potential visitors. Destination management organizations focus on marketing strategies to promote a destination's events, products, services, landmarks, and attractions.

DMOs are responsible for promoting their city's tourism industry through strategic advertising campaigns that reach target audiences with specific messages or information. This strategic destination content takes the form of social media, print collateral, co-sponsoring events, hosting influencers, working with the local chamber of commerce, and more! Look into the ways your local DMO promotes visitors coming to your home.

### **4. Drive Economic Growth in a Sustainable Way**

In the 21st century, a sustainable economy is more important than ever. As travel becomes accessible to a wider range of people across all income brackets and cultures, destinations must promote tourism in a way that their economic growth remains sustainable. And that's what DMOs do.

### **5. Attract Investment**

Every destination needs to be the best it can be, and that includes marketing its own community to attract investors. Hence, DMOs are one of the most effective ways for destinations to market themselves in exactly the right way to draw more investment feasibly! This requires a collaborative approach from both public and private stakeholders.

## **6. Engage With Stakeholders To Develop More Favorable Conditions**

DMOs take everyone on the path to sustainable and successful tourism. They not only cater to travelers, but also serve as an interface between visitors and local businesses; they can help develop new products or improve existing ones to meet the needs of both tourists and locals.

Destination Management Organizations (DMOs) are the backbone of tourism destinations. They exist to promote destinations, attract visitors, and develop a regional economy. DMOs are responsible for everything from attracting major sporting events to promoting local festivals. They work with businesses to help them understand what travelers need to have an enjoyable experience.



## MODULE II

### **BENEFITS OF TOURISM**

#### **Benefits of Tourism**

- Tourism brings many benefits including but not limited to the following few:-
- Growth and boost in economic activities
- Boost wide scale industry revenues
- Infrastructure development
- Country's improved brand image
- Source of foreign exchange earnings
- Source of employment generation
- Connectivity and growth to local, regional and even the remotest areas
- Global connectivity
- Improvement in Infrastructure and living standards
- Cultural growth
- Betterment of society
- Introduction of new technologies

#### ***Social Benefits***

- Brings in outside dollars to support community facilities and services that otherwise might not be developed.
- Encourages civic involvement and pride.
- Provides cultural exchange between hosts and guests.
- Encourages the preservation and celebration of local festivals and cultural events.
- Facilities and infrastructure developed for tourism can also benefit residents.
- Encourages the learning of new languages and skills.
- Tourism related funds have contributed towards schools being built in some areas.

#### ***Environmental Benefits***

- Fosters conservation and preservation of natural, cultural and historical resources.
- Encourages community beautification and revitalization.
- Could be considered a clean industry

#### ***Economic Benefits***

- Helps diversify and stabilize the local economy.
- Provides governments with extra tax revenues each year through accommodation and restaurant taxes, airport taxes, sales taxes, park entrance fees, employee income tax etc..
- Creates local jobs and business opportunities. These include those jobs directly related to tourism (hotel and tour services) and those that indirectly support tourism (such as food production and housing construction).
- The **multiplier effect**:



- Brings new money into the economy. Tourist money is returned to the local economy as it is spent over and over again.
- Helps attract additional businesses and services to support the tourist industry.
- Is labour-intensive.
- Earns valuable foreign exchange
- The economic effects of tourism include improved tax revenue and personal income, increased standards of living and more employment opportunities
- The tourism economy represents 5% of world GDP
- Tourism contributes to 6% total employment
- International tourism ranks fourth (after fuels, chemicals and automotive products) in global exports
- The tourism industry is valued at US\$ 1 Trillion a year
- Tourism accounts for 30% of the world's exports of commercial services(service to customers engaged primarily in the sale of goods or service) eg; Catering, logistics, stores
- Tourism accounts for 6 % of total exports
- 1.4 billion international tourists were recorded in 2018 (UNWTO)
- In over 150 countries, tourism is one of 5 top export earners
- Tourism is the main source of foreign exchange for 1/3<sup>rd</sup> of developing countries & ½ of less economically developed countries

In short, Tourism is an example of an economic policy pursued by governments because

- It brings in foreign exchange
- It generates employment
- It creates economic activity

### **Tourism Expenditure/Tourist Expenditure**

Tourism expenditure refers to the total consumption expenditure made by a visitor, or on behalf of a visitor for goods and services during his/her trip and stay at the destination place (country). It also includes payments in advance or after the trip for services received during the trip.

- This concept encompasses a wide variety of items, ranging from the purchase of consumer goods and services inherent in travel and stays to the purchase of small durable goods for personal use, souvenirs and gifts for family and friends. Tourism expenditure is not restricted to payments made during the visit.
- It also includes advance outlays necessary for the preparation and undertaking of the trip and travel-related purchases made in the place of residence after returning from a trip.
- These categories refer to payments for travel insurance, transport, the purchase of travel guides, etc.
- There are certain types of outlays or acquisitions which are to be excluded from tourism expenditure.
- These are purchases for commercial purposes, capital-type investments or transactions (e.g., real estate, cars, boats, etc.), even if they may in the future be used for tourism purposes, and cash or donations made to private persons or institutions which do not represent payment for tourism goods or services.

**Total tourism expenditure can be broken down from different perspectives:**

- Domestic and international tourism expenditure;
- Within international expenditure, between transport fares and other types of expenditure;
- Expenditures on same-day visits and overnight stays;
- The products to which the expenditures relates.

**Invisible Export**

Invisible export is the part of international trade that does not involve the transfer of goods or tangible objects, which mostly include service sectors like banking, advertising, copyrights, insurance, consultancy etc.

- In balance of payment, invisible exports refers to the export of services which a domestic country exports to the outside world. These services are regarded as invisible owing to their nature as they are intangible.
- The exporter is defined as the supplier of the service

Eg; Invisible exports typically represent the intangible items that leave a country, which may or may not receive tabulation in the country's export calculations

- Examples of these items can include balance of payment, overseas payments licensing and profit repatriation (process of returning an asset) among others

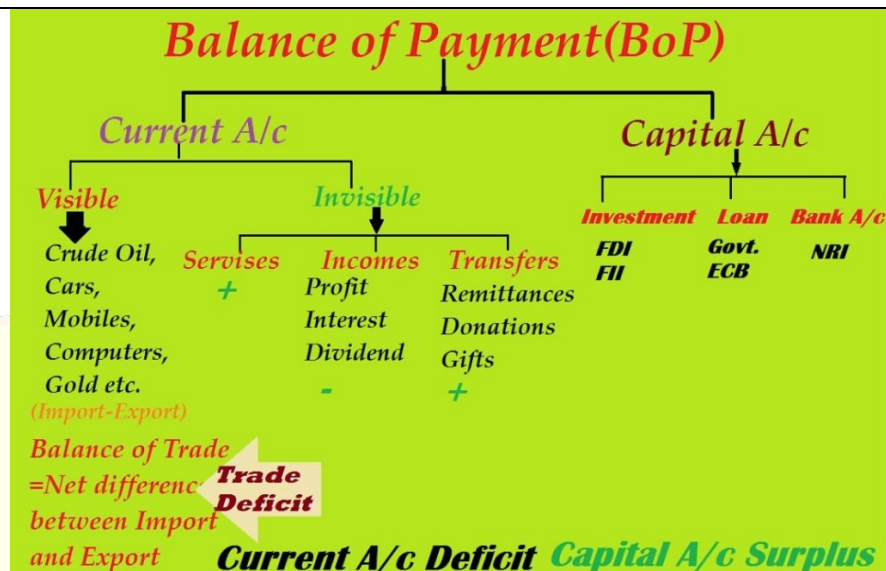
An invisible trade is an international transaction that does not include an exchange of tangible goods. Customer service outsourcing, overseas banking transactions and the medical tourism industry all are the examples of invisible trade

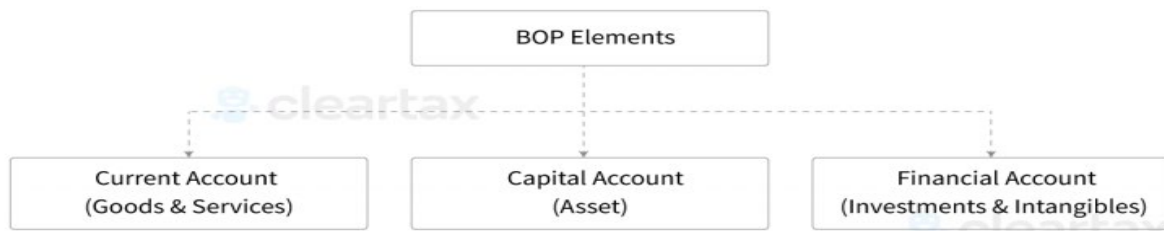
**Balance of payments**

The balance of payments (also known as balance of international payments and abbreviated BOP or BoP) of a country is **the difference between all money flowing into the country in a particular period of time (e.g., a quarter or a year) and the outflow of money to the rest of the world.**

**Role of Balance of payments**

- Balance of payment is used to monitor all international monetary transactions.
- All trades conducted by both the private and public sectors are accounted for in the BOP in order to determine how much money is going in and out of the country.
- The basic purpose of BOP accounting is to know the strength and weakness of the economy





## **Employment Generation**

- Employment generation is a natural process of social development.
- Human beings bring with them into the world an array of needs that present employment opportunities for others to meet. Were it not so, the world could not have sustained a more than tripling of population over the past century.
- Economically, employment provides income to poor families, revives domestic demand for goods and services, and stimulates overall growth. Socially, employment can also promote social healing, encourage the return of displaced persons, and improve social welfare in the long run.

## **Importance of Employment Generation**

- Employment generation reduces poverty

Relationship between unemployment and poverty

- If employment opportunities are generated, then more people will be employed which leads to increase in income level
- These assets help to develop socio- economic conditions of the rural poor and thus, eradicate poverty

## **Suggestive measures to increase employment: -**

- Improve quality of education
- Invest in technology
- Invest in physical infrastructure
- Structural reforms by lower taxes
- Lower interest rates

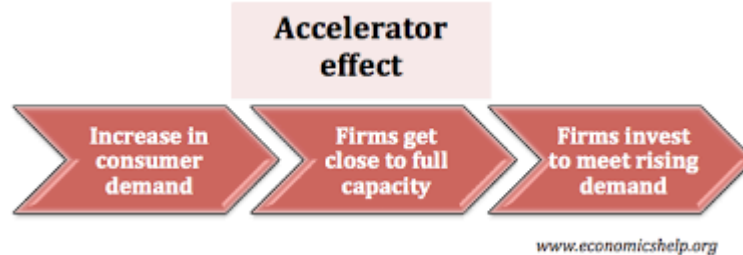
## **Employment generation programs in India**

- Nehru Rozgar Yojana
- National food for work programme
- Training pf rural youth for self- employment
- National Rural employment programme
- Jawahar Rozgar Yojana
- Rural employment Generation Programme

## **Investment and Accelerator Effect**

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The accelerator effect happens when an increase in national income (GDP) results in a proportionately larger rise in capital investment spending. In other words, we often see a surge in capital spending by businesses when an economy is growing quite strongly

### **Definition of the Accelerator Effect**

The accelerator effect states that investment levels are related the rate of change of GDP. Thus an increase in the rate of economic growth will cause a correspondingly larger increase in the level of investment. But, a fall in the rate of economic growth will cause a fall in investment levels.

### **Why the accelerator effect occurs?**

- If firms see a rise in demand and expect this demand to be maintained, then they will soon start to reach full capacity.
- Therefore, to meet the future demand, they will respond by investing now. To meet a growth in demand may require considerable investment outlay.
- Because of economies of scale in investment, it is more efficient to make a significant investment (e.g. increase capacity 20%) – rather than small annual increases in investment of 2%.
- Therefore, firms will wait for promising economic conditions, before embarking on investment decisions.
- The accelerator effect examines the effect on levels of investment from a change in economic output (or demand for a product)
- The simple accelerator model suggests that a fall in the growth rate can lead to lower investments
- This suggest the accelerator effect can explain how an economic slowdown leads to a recession
- Accelerator model suggests the business cycle can be volatile

### **Formula for Accelerator effect**

$K = f(y)k$  = Capital & output

Eg; Assume  $f = 2$

- If Y increases by 15 billion. Then Investment will need to be 30 billion ( $15 \times 2$ )
- If the next year Y increases by 5 Billion, then the investment will be only 10 billion
- Therefore a fall in the growth rate in the economy can lead to lower investment and further downward pressure on the economy



## **Income Generation**

- Income generation means a derivative transaction involving the writing of covered options, caps, or floors that is intended to generate income or enhance return.
- Income generation interventions attempt to address poverty, unemployment, and lack of economic opportunities to increase participants ability to generate income and secure livelihood

### **Income Generating Activities: -**

#### **Potential Income Generating activities**

- Food drying, processing & preservation  
Dried fruits, vegetables and herbs, processed fruit and vegetable
- Preparation and marketing of dairy products  
Butter, ghee, cream, cheese, yogurt etc..
- Agricultural production  
Vegetables, medicinal plants, flowers and fruits
- Establishment and improvement of livestock and poultry raising
  - Low educational older women engage in various activities
  - Production of milk and meat
- Other activities relevant to agriculture and animal production
  - Mushroom cultivation
  - Silkworm breeding
- Handicrafts
- Shopkeeper activities
  - Dispensary at village level
  - Pharmacy at village

### **Types of Income Generation**

- Earned Income  
Earned from working a job
- Profit Income  
Earned from buying and selling of goods
- Interest Income  
Earned from lending money
- Residual Income  
Earned when the job is done and you will get paid
- Dividend Income  
Earned through owning stock/companies

## **Economic Growth and Diversification**

- Economic diversification is the process of shifting an economy away from a single income source toward multiple sources from a growing range of sectors and markets.
- Traditionally, it has been applied as a strategy to encourage positive economic growth and development.
- Economic diversification can be defined as the shift toward a more varied structure of domestic production and trade with a view to increasing productivity, creating jobs and providing the base for sustained poverty-reducing growth.
- A diversified economy creates a sustainable cycle of economic activity where business continually feed off one another and grow larger as the economy grows
- A diversified economy opens the doors for providing the goods and services a growing community needs

## **Local entrepreneurship Development**

- Local entrepreneurship shows great potential as an economic development strategy for rural communities with stagnating or declining economies.
- Entrepreneurs again play a key role in increasing the standard of living in a community. They do this just by creating jobs, but also by developing and adopting innovations that lead to improvements in the quality of life of their employees, customers and other stakeholders in the community
- Entrepreneurship is important as it has the ability to improve standards of living and create wealth, not only for the entrepreneurs but also for the related businesses
- Entrepreneurs also help drive changes with innovation, where new and improved products enable new markets to be developed.

## **Redistribution of Wealth**

- Redistribution of Income and wealth is the transfer of income and wealth(including physical property) from some individuals to others through a social mechanism such as taxation, welfare, public services, land reform, monetary policies, confiscation, divorce or tort law
- In a nut shell the redistribution of wealth acts as a social mechanism where some income and wealth of a affluent individuals is transferred to others

The mechanism can take place via

- Taxation
- Welfare
- Acts of charity – among other application
- The term typically refers to redistribution on an economy – wide basis rather than between individuals
- The free market is likely to lead to a situation where income and wealth are not distributed evenly amongst the population
- The inequitable distribution of income and wealth can be described as market failure

## **Definition of Redistribution of wealth**

The transfer of income, property or wealth from one individual or group to another individual or group

Example; Yearly income taxes paid to the local or federal government that are then allocated to various agencies and individuals

## **Direct, Indirect and Induced benefits of Tourism**

For example , government taxes paid by tourism enterprises will be a direct impact of the sector; however taxes paid by tourism employees will be induced impacts.

Similarly – in country tourist expenditure will have both direct and indirect impacts as the money follows the tourism supply chain.

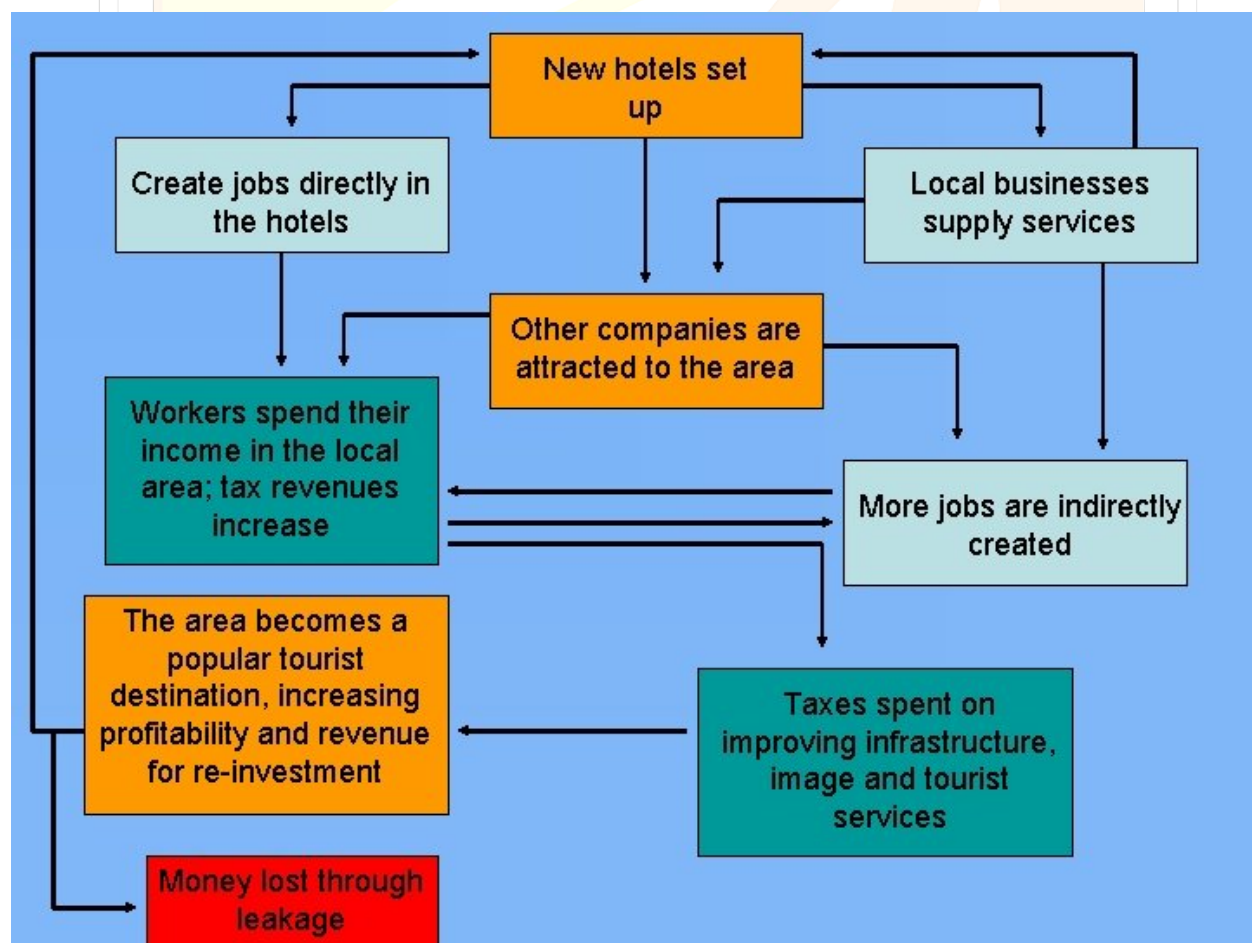
## **Multiplier effect**

- Tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sectors of industry
- This is known as the multiplier effect which in its simplest form is how many times money spent by a tourist circulates through a country's economy

## **Three important concepts**

- Direct Impact :- The tourist initial spending which creates direct revenue
- Indirect Impact :- The initial process of respending that is employees salary
- Induced Impacts :- The secondary process of respending that is employees purchases

## **Tourism Multiplier**



- The tourism multiplier effect occurs when the economic benefits of tourism are multiplied
- This is largely fueled by the growth in the tourism industry and associated industries that grow as a result of tourism
- It can bring wide reaching benefits to people involved directly and indirectly with the tourism industry

### **Social significance of Tourism**

Social and cultural impacts of Tourism are the ways in which tourism is contributing to;

- Change in value systems
- Individual behaviour
- Family relationships
- Collective lifestyles
- Moral conduct
- Creative expressions
- Traditional ceremonies
- Community organization

### **Positive cultural Impacts of Tourism**

- Tourism provides monetary incentives for the development of many local crafts and culture; thus it has an effect on the income of the local artisans and artists
- Tourism also helps to preserve, retain and enrich our cultural heritages
- Besides, tourism will open new visitors for multi- socio-cultural activities.

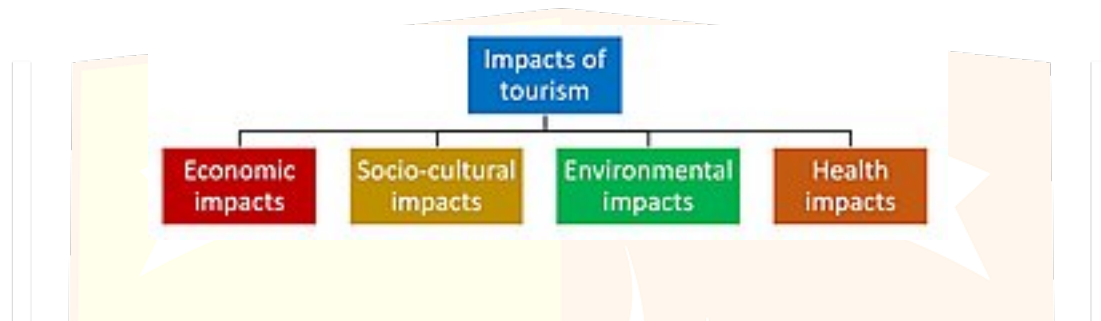
### **Environmental benefits of Tourism**

- On the other hand Tourism has the potential to create beneficial effect in the environment by contributing to environmental protection and conservation.
- It is a way to raise awareness of environmental values and it can serve as a tool to finance protection of natural areas and increase their economic importance

## MODULE III

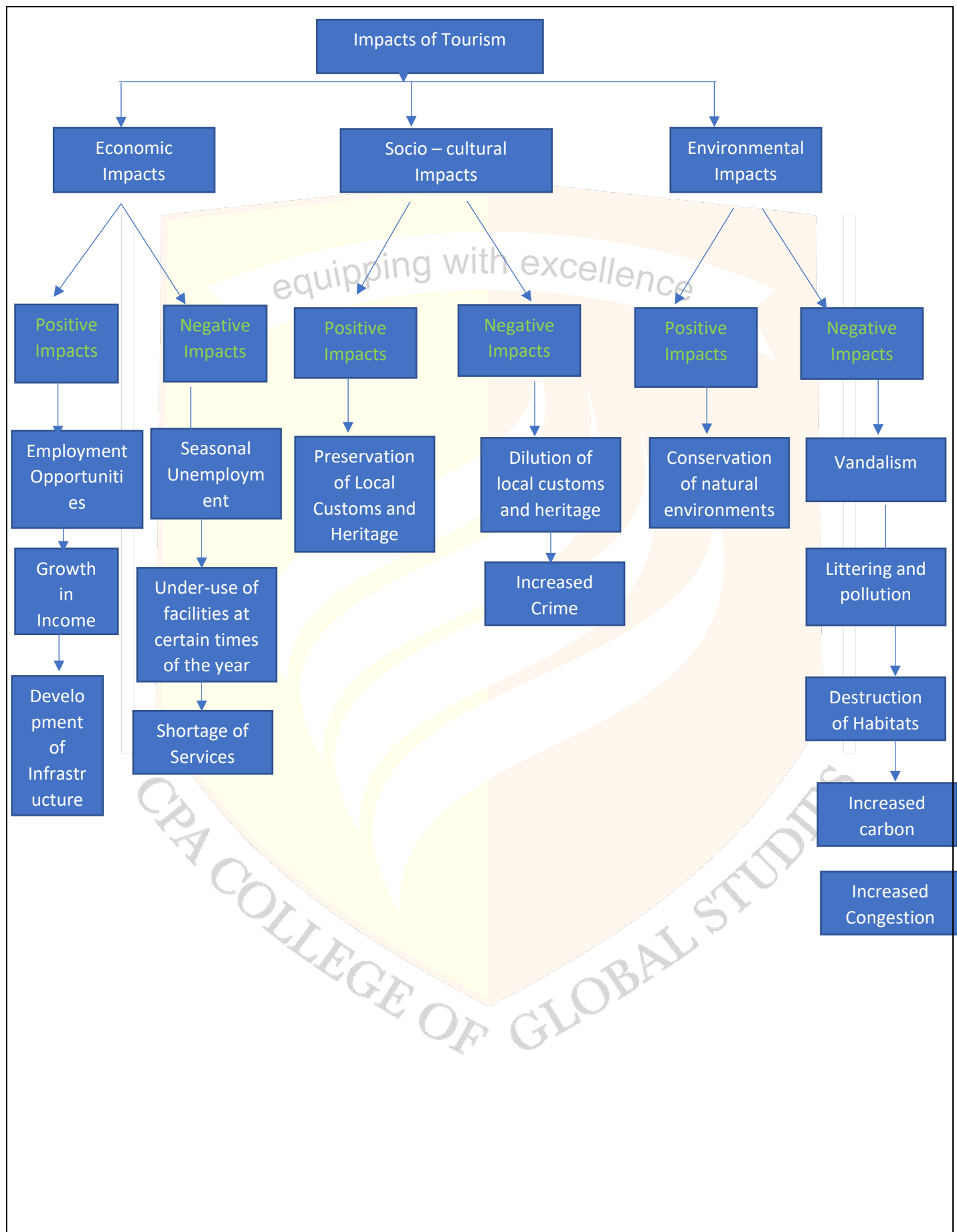
### IMPACTS OF TOURISM

#### Impacts of tourism



	Positive	Negative
Economic	<ul style="list-style-type: none"> <li>• Contributes to income and standard of living</li> <li>• Improves local economy</li> <li>• Increases employment opportunities</li> <li>• Increases tax revenues</li> <li>• Creates new business opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Increases price of goods and services</li> <li>• Increases price of land and housing</li> <li>• Increases cost of living</li> <li>• Increases potential for imported labour</li> <li>• Seasonal tourism creates high-risk, under- or unemployment issues</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>• Protection of selected natural environments or prevention of further ecological decline</li> <li>• Preservation of historic buildings and monuments</li> <li>• Improvement of the area's appearance (visual and aesthetic)</li> </ul>	<ul style="list-style-type: none"> <li>• Pollution (air, water, noise, solid waste, and visual)</li> <li>• Loss of natural landscape and agricultural lands to tourism development</li> <li>• Loss of open space</li> <li>• Destruction of flora and fauna</li> </ul>
Social/Cultural	<ul style="list-style-type: none"> <li>• Improves quality of life</li> <li>• Facilitates meeting visitors (educational experience)</li> <li>• Positive changes in values and customs</li> <li>• Promotes cultural exchange</li> <li>• Increases demand for historical and cultural exhibits</li> </ul>	<ul style="list-style-type: none"> <li>• Language and cultural effects</li> <li>• Unwanted lifestyle changes</li> <li>• Displacement of residents for tourism development</li> <li>• Negative changes in values and customs</li> <li>• Exclusion of locals from natural resources</li> </ul>





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## **Economic Impacts**

### **1. Employment Opportunities**

Employment : Work performed for a wage or salary in cash or in kind

UNWTO estimates that the tourism industry employs over 235 million people worldwide ( that is 6-8% of all job world wide

Example : a) A chef in a restaurant

b) women making Handicrafts.

c) Flight attendant

Jobs directly linked to tourism industry.

Jobs that are specifically created to serve the needs of tourists

Example ;

- Hotel staff/retailers
- Travel Agents
- Tour Guides

Jobs that play a supporting role in catering to the needs o tourism

Example; Hospitality trainers/lectures, taxi drivers

Expansion/diversification of jobs in the tourism industry

- Ever – newer/different types of tourism activities to cater to different tourist profiles
- Need for personal tour guides, trained specialists in sport diving – more niche and more personalized services

### **2. Growth in Income**

Income growth for individuals

Example ; Fishermen

Local tour companies hire fisher-man to help them view and swim with whale sharks per boat for their service

Fishermen are paid between us\$ 80-100 per boat for their service

Fishermen can expect additional income in top of their fishing livelihood

Tour companies will experience an increase in revenue

Overall increase in revenue for the country through taxes collected from the fishermen and tour companies

#### **Income growth for individuals**

Example ; Fishermen are hired by tour operators to take tourists in their boats

#### **Income growth for country**

- Taxes from fishermen/tour companies
- Tourism Receipts (expenditure by international visitors)

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### **3.Increase in foreign exchange**

Foreign exchange – Money earned from other countries in exchange for goods and services

Example : Singapore (has many international hotel chains)

Marriott

- These chains invest in building and furnishing hotels and resorts and training staff at tourist destination
- Incoming tourism business investments  
Example ; when international hotel chains invest in building/furnishing hotels/training staff
- Direct contribution to government revenue

Tourist pay taxes to government example; petrol for rented cars

- Indirect contribution to government revenue

Tourist spend money in tourism related goods and services example; Petrol for cars

- Since taxes are collected local currency, this increases the foreign exchange of the host country.

### **4.Infrastructure Development**

- Construction of transport and communication networks electrical frameworks and systems for water and waste disposal
- Tourism cannot develop and would not be able to operate on a large scale without sufficient infrastructure and appropriate facilities such as
  - Airports
  - Roads
  - Electricity
  - Hotels etc..
- Creates employment for local workers as many are needed during the Construction process
- Local Industries are boosted because local materials may be used to Construct the infrastructure.
- Encourages economic growth due to increased spending in the local economy
- Infrastructure built to enhance tourism also brings benefits to the locals.

### **Negative Impacts**

#### **1.Underuse of facilities**

- Maintenance burden for the country
- Underused facilities can be costly to maintain
- Money from tourists normally pays for the cost of maintaining such facilities

#### **2.Seasonal Unemployment**

- Certain tourist activities depend on climate conditions
- Countries may experience regular fluctuations in tourist numbers
- People in tourism related jobs have to find other source of income when employment is temporarily unavailable
- Employment during periods of high tourist demand only

Example ; Mountain ski resort operators- employment during winter only

Why is seasonal unemployment a negative impact?

Negative impact because in other times of the year (eg; during summer) many people employed in the tourism industry became jobless and they have to find other source of income/return to other jobs such as farming

### **3.Shortage of Services**

- Poor and uneven resource allocation
- Tourist infrastructure may require the use of large amount of land, water and power
- This could lead to a shortage of services. example; Water supplies or power in non- tourist areas

Examples:

- Large amount of water is required to water the grass on golf courses and fill swimming pools
- Drinking water for nearby residents could be diverted to meet the needs of tourist infrastructure
- Large amount of electricity are required to power tourist facilities
- Locals can suffer from a shortage of water or power when they cannot afford to pay as much as tourists.

### **4.Leakage in Income**

Leakage of Tourism receipts

Tourism spending : Global economy

- International airline tickets
- Imported food
- Foreign owned hotels

Tourism spending : National economy

- State owned airlines
- National food and beverage products

Tourism spending : Local economy

- Local Transport
- Local guest houses
- Local tours

Leakage occurs when revenue earned from tourism is paid to other countries for the import of goods and services needed to meet the needs of tourists

Example : Phuket, Thailand

- Travelers may use the services of foreign – owned business and buy imported items
- Some of the profits made by local business are sent to another country to pay for imports
- Money that does not stay in the local economy may bring few benefits to local businesses and workers

## **Socio – Cultural Impacts**

- Preservation of cultural and local customs  
For tourists –

- Place becomes more attractive/worthy of visit
- Promotes heritage/educational tourism

For Locals - Promotes a sense of pride, belonging and identity

### **1.Dilution of local customs and heritage**

For tourists – Real local culture or just a performance?

For Locals -

- Locals viewed as exhibits/commodities
- Loss of place identity

### **2.Increased Crime**

- Overpriced goods
- Scams
- Pick pockets

### **3.Tourism enclaves**

- All inclusive holidays
- Self – contained resorts
- Fenced up boundaries
- Little/almost no tourist – local

## **Environmental Impacts**

### **1.Conservation of natural environments**

- Funding from tourism helps protect and conserve environments such as coral reefs, rain forests and mountainous areas. Example ; Revenue from entrance fees to national parks and diving sites
- Visitor entrance fees
- Survival of animals relies on funding from international tourists who want to see these animals in the wild
- Money raised from wildlife tourism becomes a way to continue to preserve the animals and their habitats

### **2.Increased Congestion**

May be due to :

- Large number of tourists near popular attractions
- Tourists shops and accommodation that cluster near tourist areas
- Vehicles and pedestrian traffic

Apart from adding to local traffic, huge inflow of cars and buses can contribute to air pollution

### **3.Vandalism**

- Crime of deliberately damaging property belonging to other people
- Cultural, historical or natural sites may be vandalized by individuals or developers

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Example ; Thousands of stones and bricks of the Great Wall of China are covered with graffiti

#### **4.Pollution and Littering**

- A major problem that degrades some tourist areas
- Authorities sometimes fail to implement measures that would properly manage waste left behind by tourists

Example ; Cruise ships

- Tourist dump plastic bottles, food packaging from cruise ships
- Solid and liquid waste are sometimes dumped into the sea by ships
- Harbours, marines and the ocean became polluted

#### **5.Destruction of Habitats**

- Popular tourist sites can be overwhelmed with visitors during busy times of the year

Example ; Beaches and villages

- When too many tourists visit a destination , they may destroy habitats and wildlife
- Careless tourists trample on plants, while others collect eggs and feathers of birds as souvenirs
- These tourist make too much noises which can disturb and frighten off animals

#### **6.Increased Carbon Footprint**

- Carbon footprint is measured in equivalent amounts in carbon dioxide

Example; one way economy class flight generates 30kgs of carbon dioxide per passenger

- Amount of greenhouse gas emissions that would be produced by activities that involve the use of fossil fuels
- Activities may include travelling by planes and tour buses and electricity consumption by hotels

Example; Travelling by planes, Tour buses

#### **Economic Costs of Tourism**

- Tourism does not only have benefits but it also has costs
- Increase in prices of land, houses and food that can occur as a result of tourism

#### **Inflation**

- Inflation is **the rate of increase in prices over a given period of time.**
- Inflation is typically a broad measure, such as the overall increase in prices or the increase in the cost of living in a country.
- Inflation is the decline of purchasing power of a given currency over time.
- A quantitative estimate of the rate at which the decline in purchasing power occurs can be reflected in the increase of an average price level of a basket of selected goods and services in an economy over some period of time.
- The rise in the general level of prices, often expressed as a percentage, means that a unit of currency effectively buys less than it did in prior periods.

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- Inflation can be contrasted with deflation, which occurs when the purchasing power of money increases and prices decline.
- Inflation can occur when prices rise due to increase in production costs, such as raw materials and wages

### **KEY TAKEAWAYS**

- Inflation is the rate at which the value of a currency is falling and, consequently, the general level of prices for goods and services is rising.
- Inflation is sometimes classified into three types: Demand-Pull inflation, Cost-Push inflation, and Built-In inflation.
- The most commonly used inflation indexes are the Consumer Price Index (CPI) and the Wholesale Price Index (WPI).
- Inflation can be viewed positively or negatively depending on the individual viewpoint and rate of change.
- Those with tangible assets, like property or stocked commodities, may like to see some inflation as that raises the value of their assets.

### **Opportunity Costs**

- Best option not choices
- The cost of engaging in tourism rather than another form of economic activity
- Opportunity cost is the forgone benefit that would have been derived from an option not chosen.
- To properly evaluate opportunity costs, the costs and benefits of every option available must be considered and weighed against the others.

#### **The opportunity cost of tourism**

- By developing tourism many resources (land, labour, capital investment) are used to support the industry, thus making them unavailable for other industries
- Opportunity costs are the benefits that would be forthcoming if the public resources committed to a tourism project were
  - 1) Redirected to other public services
  - 2) Retained by the taxpayer
- Engaging in tourism rather than another form of economic activity  
Example ; In coastal area, with a predominantly rural farmland, opportunity costs refer to investing in tourism instead of arable farming market gardening or fishing  
Hawaii vacation verses ski vacation – Assume both are same. You would likely choose the one which maximizes your enjoyment/happiness
- The opportunity cost is the enjoyment you would derive from the one you did not select

#### **Other costs and benefits of Tourism**

- Environmental quality may be affected, with the direction of change generally adverse to the resident population
- Also benefits may result from expanded consumer choice caused by available facilities and services that were tourist induced and possible prices may be lower off -season rates as a result of off- season marginal pricing
- These and other effects have been treated less systematically because of difficulties of measurement or because of a judgement that they are lesser importance
- Nonetheless they should not be overlooked in a tourist impact study, particularly since their importance may vary widely among states

## **Migration of Labour**

- Growth in migration and tourism are two of the most significant manifestations of globalization
- Both involving the movement of people, migration and tourism are related, but there has been very little research into their relationship

### **What is the economic impact of emigration on tourism in origin countries?**

- There is a strong relationship between migration from a country and growth in VFR tourism to that country
- Tourism from destination markets to origin markets increases in line with migration from the origin market to the destination market
- Tourist spend more than domestic tourists when visiting their home country
- A significant proportion of migrant workers is employed in travel, tourism and hospitality sector
- Immigration can lead to social problems in destination countries
- Tourism in destination countries is increasingly dependent on migrant labours

### **Impacts of Tourism and Migration**

<b>Origin country</b>	<b>Destination country</b>
<ul style="list-style-type: none"><li>• Economic contribution through remittances and migrant investment</li></ul>	<ul style="list-style-type: none"><li>• Economic contribution</li></ul>
<ul style="list-style-type: none"><li>• Cultural exchange</li></ul>	<ul style="list-style-type: none"><li>• Cultural enrichment</li></ul>
<ul style="list-style-type: none"><li>• Savings on health and social security provision</li></ul>	<ul style="list-style-type: none"><li>• Additional pressure on social and economic structures</li></ul>
<ul style="list-style-type: none"><li>• Reduction in tax revenues</li></ul>	<ul style="list-style-type: none"><li>• Competition leading to wage reduction</li></ul>
	<ul style="list-style-type: none"><li>• Counteracting population decline and ageing</li></ul>
	<ul style="list-style-type: none"><li>• Increased tax revenues and consumer spending</li></ul>
	<ul style="list-style-type: none"><li>• Crime and human trafficking</li></ul>
	<ul style="list-style-type: none"><li>• Social conflict</li></ul>

## **Social consequences in Tourism**

- Change in value systems
- Individual behavior
- Family relationships
- Collective lifestyles
- Moral conduct
- Create expressions
- Traditional ceremonies
- Community organization

## **Demonstration Effect**

- The demonstration effect is the occurrence of indigenous and rural communities and cultures adopting western style and behaviour that they have observed in visiting tourists through demonstration and interaction
- The demonstration effect is the process of local people adapting or changing their own behaviour to emulate tourists.

- This can include the desire to emulate the wealth of tourists, or different aspects of their cultures or social structures.
- The effect is particularly prevalent in developing nations attracting western tourist markets. Local people, especially the younger generation, may compare their own cultures with those of tourists, and thus begin to question local customs and traditions.
- This can result in changes to social structures and norms, such as the roles of women, the styles and type of clothing worn, language changes and food or alcohol consumption, to name just a few.
- It is suggested that for the demonstration effect to exist, there are three requirements: the behaviour of tourists and hosts must be different; behaviours are transferred from one group to the other; and those imitating these behaviours must maintain them.
- Tourism in rural and indigenous communities has many positive and negative impacts.
- One of the most detrimental impacts on the culture of the host community is the demonstration effect.
- The demonstration effect is the occurrence of indigenous and rural communities and cultures adopting western style and behaviour that they have observed in visiting tourists through demonstration and interaction.
- The demonstration effect displays impact on the host communities through the establishment
- “The demonstration effect shows how influential the host communities are to western values and tourists’ image.”
- “The demonstration effect is seen as a corruptor of values in places that have strong cultural influence and strict social norms.”

### **Influence on Host Communities**

#### **Acculturation**

- Changing components of culture due to foreign influence

#### **Globalization**

- Reduction of undeveloped global spaces due to increase in availability of transport of people and products

#### **Modernization**

- Improved infrastructure, enhanced economy, and change in values at the cost of the independent culture of the host community



### **Positive and Negative impacts of Demonstration effect:**

- **Positive** :- May encourage residents to adopt more productive patterns of behavior
- **Negative** :- Locals may become resentful because they are unable to obtain the goods and lifestyles demonstrated by visitors

### **Anti-Social Activities and Tourism**

- Anti social behaviors are actions that harm or lack consideration for the well being of others.
- It has also been defined as any type of conduct that violates the basic rights of another person and any behaviour that is considered to be disruptive to others in society.

Examples;

- Noisy neighbours
- Graffiti
- Drinking or drug use
- Large groups hanging about in the street
- Litter problems
- Racism (Discrimination)
- Vandalism
- Aggressive begging
- Setting off fireworks late at night

### **Commercialization**

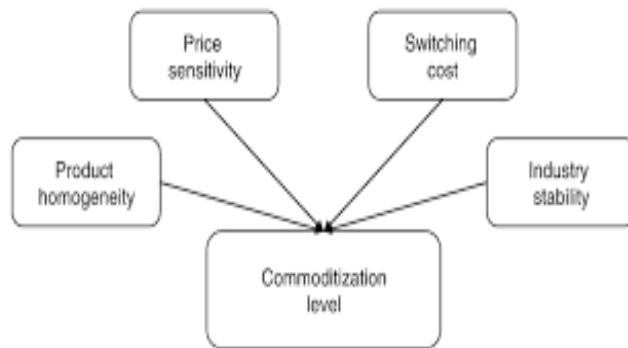
- The process of managing or running something principally for financial gain
- It is the process of introducing a new product to the market
- It is the transformation of cultural forms both tangible and intangible through the application of business values and the investment of capital, which is often also seen as involving or creating a market economy
- the action of turning something into, or treating something as, a (mere) commodity; commercialization of an activity, etc., that is not by nature commercial.

### **Commoditization**

- The ability of tourists to have authentic experience are re examined
- The offering of cultural products and practices for money – results in the emergence of a culture distinct from the traditional practice of tourists and less authentic by virtue of being both staged and a commodity
- To render (a good or service) widely available and interchangeable with one provided by another company.

E.g.; Consumers have access to millions of products with similar features. Think about flash drives, computers tablets and fitness trackers. These products were a breakthrough years ago, but they lost their uniqueness and became a part of daily life





### **Difference between Commoditization and Commodification**

- Commodification is putting a price on things that shouldn't have a price, things like friendship knowledge etc....
- Commoditization is what happens when a name brand is perceived as being no more desirable than the store brand
- Commodification is the transformation of goods and services (or things that may not normally be regarded as goods or services) into a commodity
- When we apply this to a culture, it means that parts of the culture, clothing, dance, music, heritage and geographic landscapes are being packaged and offered for sale

## MODULE IV

### SUSTAINABLE TOURISM

- Sustainable tourism is a concept that covers the complete tourism experience, including concern for economic, social and environmental issues as well as attention to improving tourists' experiences and addressing the needs of host communities.
- Sustainable tourism is defined by the UN environment program and UN world Tourism Organisation as "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"
- One example of sustainable tourism is the Six senses Fiji resort, which is powered solely on solar power, recycles rain water, runs in low waste model, and uses handwork such as furnishings and artwork created by local villages.



Sustainable travelers are significantly more likely to stay 7 or more days, where as the most recent trip of all others was less than 3 days.



- Accessible Tourism: - Tourist destinations, products and services are accessible to all people
- Community Tourism: - Type of tourism where local communities invite tourists into their communities, giving them insight into their culture and daily lives
- Alternative Tourism: - Aims to have a neutral or positive impact on its destinations
- Low – Carbon Tourism: - Any form of tourism with a low energy intensity, ensuring carbon dioxide emissions produced by transport, accommodation and activities are kept to a minimum

## **Sustainable Tourism Development**

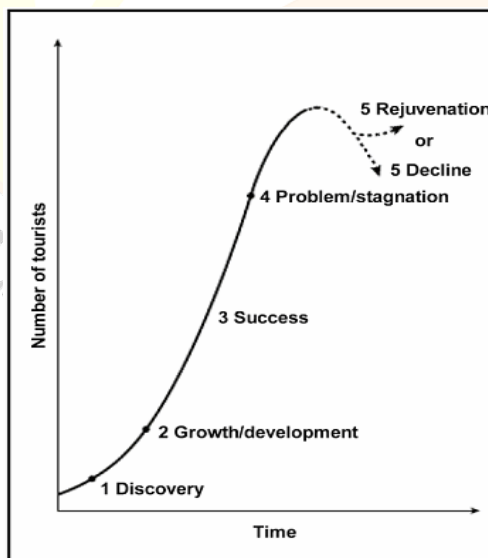
Sustainable development is progress that meets the needs of the present without compromising the ability of the future to meet their own needs

**Sustainable Tourism Development** guidelines and management practices are applicable to all forms of tourism in all types of destinations, including mass tourism and the various niche tourism segments. 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.

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.

## **Stages of Destination Development**



### **1. Discovery Stage**

A settlement is 'explored' or 'discovered' by a small number of people who later tell others about their experience. In time other people visit and local people seize upon the new economic opportunities provided by these visitors and provide services to meet the needs of these visitors or tourists.

### **2. Growth and Development Stage**

More tourists arrive having heard about the place by word of mouth, articles in Travel Supplements in papers such as The Sunday Times, brochures or tourist guides. The extra tourists attracted by the publicity and people willing to visit somewhere new will lead to the building of new hotels, restaurants, shops and services to cater for the influx of people.

### **3. Success Stage**

As more people visit the resort, the facilities are now fully utilised. At this stage mass tourism replaces what was once the original economic function of the settlement. This may cause some resentment with people in the town who have not benefited from the new industry or from the loss of distinct identity that the settlement held before. It may appear that the local culture is being diminished by a more international and non-unique culture compared to what may have existed before.

### **4. Problem – Stagnation Stage**

Popularity may be short lived. People may become bored with the resort once its initial appeal had waned. Little of the original natural environment will remain and negative comments about what it used to be like may lead people to find somewhere new to discover. The effect of falling tourism if a resort goes out of fashion leads to economic decline and the under-utilisation of tourist infrastructure. The eventual closure of some of the businesses will lead to a rise in unemployment.

### **5. Decline or Rejuvenation**

The tourist resort then has two options; either go into decline or rejuvenate and develop more sustainable strategies based upon lower visitor numbers.

### **Pre Requisites to Sustainable Development**

- High quality attraction

The goal of sustainable tourism development is the preservation of the attraction so that future generations can enjoy them

- Tourism Infrastructure

The sum total of basic facilities, equipment and installations needed for a functioning tourism industry. Example; Tourist facilities, Transportation system, Health facilities, Cultural and recreational infrastructures

- Community support and tolerance

Tourism is a means of transmitting culture harmony between traditional and foreign cultures must be established through demonstration and communication

Mutual respect can be gained

Acceptance of tourism and cultural changes can be achieved

- Government assistance at all levels

National level – Initiates tourism development

Regional and local level – strategy is broken down into components

Assigned to different agencies for implementation

- Personal security and safety of tourists

Personal security is a prime consideration

War Terrorism Political Instability Terrorism Natural disasters

Well equipped medical facilities and competent medical staff are required

Emergency first aid kit

Exit strategy for tourists in cases of emergency

- Code of ethics and behaviour of tourists

Tourists should extend their respect for local authority to the local population and culture

To promote cultural understanding, tourists must be aware of the local codes of ethics, social mores and behavioral conventions

### **Benefits of Sustainable Tourism development**

- Developing new businesses
- Expanding job opportunities
- Increasing income
- Marketing new products
- Improving Infrastructures
- Encouraging diversification
- Integrating local economy
- Promoting community pride
- Higher quality of life for local population

### **Components of Sustainable Tourism**

- Eco- Tourism
  - Focus on socially responsible travel appreciation of natural habitats
- Cultural tourism
- Responsible tourism
- Geo- Tourism
  - Tourism that sustains or enhance geographical character of a place (Geological attractions and destinations)



## **Principles of Sustainable Tourism**

### **1. Ecological Sustainability**

The need to avoid or minimize the environmental impact of tourist activity

### **2. Social Sustainability**

The ability of community, whether local or national to absorb inputs, such as extra people for short or long periods of time, and to continue functioning either without the creation of social disharmony as a result of these inputs or by adapting its functions and relationships so that the disharmony created can be mitigated

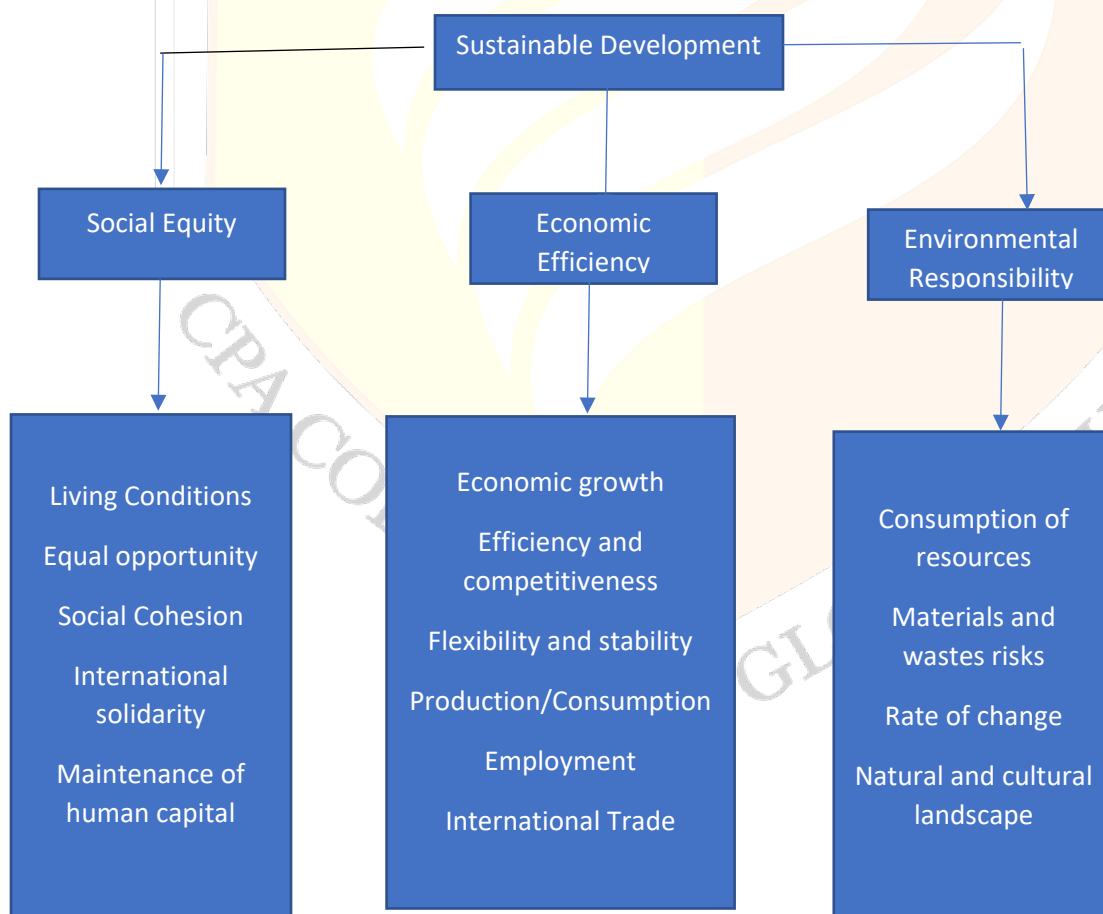
### **3. Culture Sustainability**

The mores of interaction, the styles of life the customs and traditions are all subject to change through the introduction of visitors with different habits, styles, customs and means of exchange the culture may be irreversibly altered

### **4. Economic Sustainability**

A level of economic gain from activity sufficient either cover the cost of any special measures taken to cater the tourist and to mitigate the effects of the tourist presence or to differ an income appropriate to the inconvenience caused to the local community visited

## **Three Pillars of Sustainable development**



### **Relationship between Sustainable Development and Sustainable Tourism**

- Sustainable development are applicable to all forms of Tourism
- Sustainable Tourism ensure the tourism resources are sustain

### **Carrying Capacity**

- The larger number of people a destination can effectively manage within its given environment and management capabilities.
- It is a tool of sustainability
- Carrying capacity is defined as the maximum number of visitors who can use a site without an unacceptable decline in the quality of experience gained by visitors
- There are number of factors to take into account when attempting to identify the level of carrying capacity

### **Factors identify carrying capacity**

- Average length of stay
- Characteristics of tourists and hosts
- Geographical concentration of tourists
- Degree of seasonability
- Accessibility of specific sites
- Level of infrastructure and its spare capacity
- The extend of spare capacity among various productive sectors of the economy

### **The 10 R's of sustainability**

- Recognize
- Refuse
- Replace
- Reduce
- Reuse
- Recycle
- Re-engineer
- Re – Train
- Reward
- Re educate

## **Sustainable Development Goals**

### **1.No poverty**

End poverty in all its forms everywhere

### **2.Zero Hunger**

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

### **3.Good health and well being**

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

### **4.Gender Equality**

Achieve gender equality and empower all women and girls

### **5.Clean water and sanitation**

Ensure availability and sustainable management of water and sanitation for all

### **6.Affordable and clean energy**

Ensure access to affordable, reliable sustainable and modern energy for all

### **7.Decent work and economic growth**

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

## **Types of carrying capacity**

**1.Physical carrying Capacity** – the maximum number of people able to use a resource at any one time. Example; Theatre has a certain number of seats

**2.Ecological carrying capacity** – The threshold of people using a site beyond which damage to the environment will occur. Example; Eroded footpaths

**3.Social Carrying capacity** – The maximum level of use that can be absorbed by an area without an unacceptable decline in the quality of experience of visitors

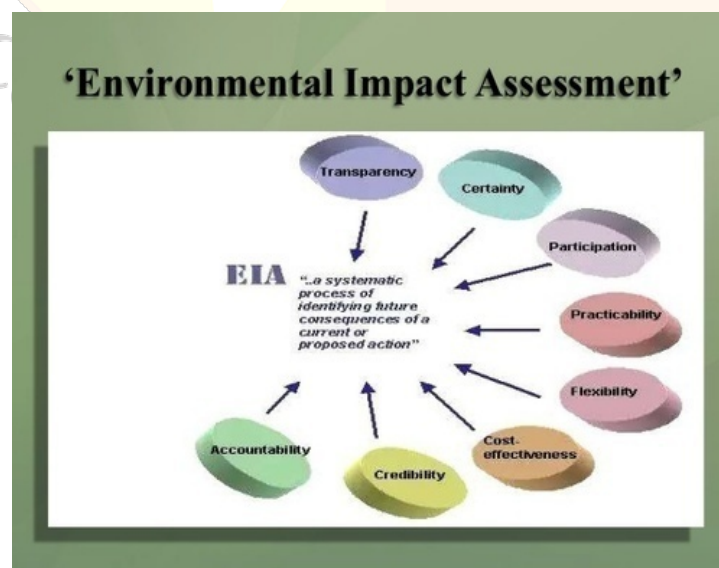
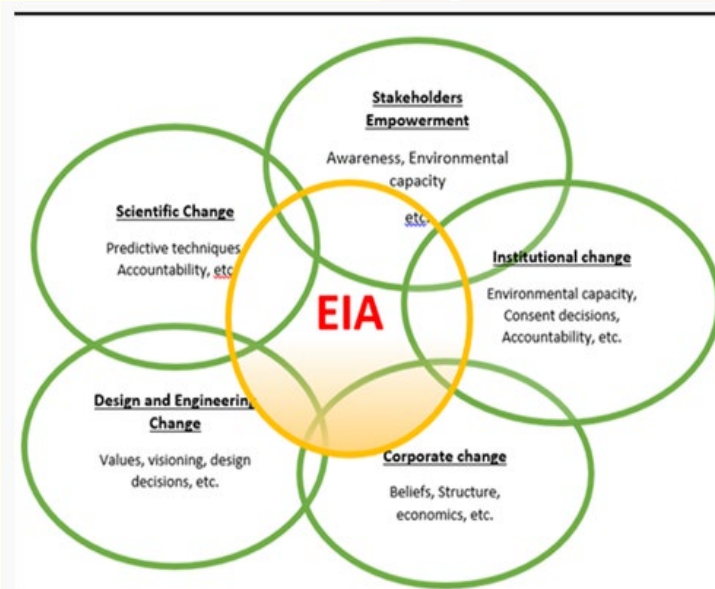
**4.Environmental Carrying Capacity** – the population of organisms that can be sustained at a steady state considering the resources available in the eco system in which they reside

**5.Real carrying capacity** – The maximum number of visits that is possible after applying a series of correction factors

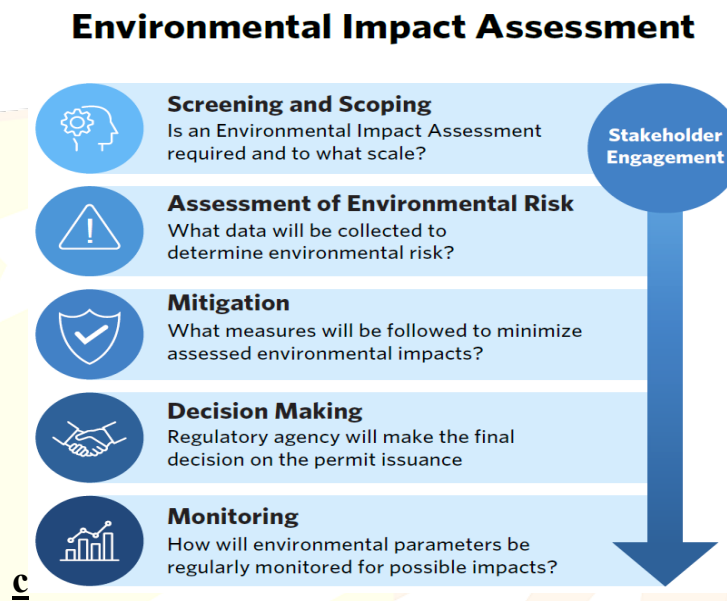
**6.Effective or Permissible Carrying capacity** – Maximum number of travelers allowed by environmental conditions and management capacity without affecting tourist demand in tourism activities

## **EIA – Environmental Impact Assessment**

- A systematic process of identifying future consequences of a current or proposed action
- EIA is the assessment of the environmental consequences of a plan, policy, program or actual project prior to the decision to move forward with the proposed action
- It is an environmental decision support tool, which provides information on the likely impacts of development projects to those who take the decision as to whether the project should be authorized
- Systematic identification and evaluation of the potential impacts (effects) of proposed projects, plans, chemical, biological, cultural and socio-economic components of the total environment
- The primary purpose of the EIA process also called the NEPA process
- EIA is an assessment of the possible positive or negative impact that a proposed project may have on the environment, considering natural, social and economic aspects.



## Steps in EIA Process



## Flow of EIA Process

Step 1 Site selection

Step 2 Conduct EIA

Step 3 Apply for NOC

Step 4 Arrange public hearing

Step 5 Application for environmental clearance

Step 6 Review by environmental appraisal committee, Change suggested - Accepted and Rejected

## **Significance of EIA:**

- EIA is more than technical reports, it means to a larger intention – the protection and improvement of the environmental quality of life
- EIA is a procedure to identify and evaluate the effects of activities (mainly human) on environment – natural and social

## **EIA Objectives**

- Environmental issues settled with the participation of people
- Verification of project implementation in terms of fulfilling environmental requirements
- Enhancing the society's quality of life with no hazards to the environment
- Promoting uniform environmental conditions in all countries



### **Uses of EIA**

- Systematic evaluation of a ecofriendly project
- Risk and hazard assessment
- Impact identification
- Monitoring of impact and advice
- Development control
- Project development

### **Environmental Auditing**

- It is essentially an environmental management tool for measuring the effects of certain activities on the environment against set criteria or standards
- Environmental Auditing is an attempt to provide information on the environmental performance of a company, and thus include environmental issues in the decision-making process
- An Environmental Audit assesses the nature and extend of harm to the environment caused by the activities, wastes or noise from a particular company
- An environmental audit provides an assessment of the environmental performance of a business or organisation
- Depending on the types of standards and the focus of the audit, there are different types of environmental audit
  - Environmental Compliance Audits – Evaluates a company’s environmental performance and environmental responsibility practices
  - Environmental management Audits – Verifies whether the company has met the environmental objectives, policies and performance set by management
  - Functional Environmental Audits – Focuses on one element or impact of a particular activity, such as waste water management audits, materials and air quality monitoring

### **Importance of Environmental Audit**

- Environmental auditing aims to help protect the environment and minimize the risks of business activities to the environment and human safety and health
- To build a good company reputation – EA can strengthen the company’s image. Audit help business become more sustainable. It also creates new marketing opportunities with their consumers
- To avoid negative campaigns – increasing external demands for environmental responsibility by pressure groups and environmental activists are forcing companies to check their compliance with environmental requirements
- To adapt and comply with more stringent environmental regulations – Government adopt more stringent environmental regulations and standards usually by international consensus

### **Objectives**

- Access the company’s compliance with law and regulations and other relevant requirements
- Establish a performance basis for planning

## **Visitor Management Practices**

- Visitor Management techniques as a way to develop sustainable tourism in protected areas.
- Visitor management is an important tool in recreational and protected areas, as increasing use levels can negatively impact the quality of recreational experience as well as natural resources.
- To meet the requirements of both nature and visitors, a prudent and careful management is necessary. In order to manage protected areas within acceptable ecological and social carrying capacities, tourism planners need to monitor visitor numbers, leisure activities and behaviour and understand expectations and motivations

## **VISITOR MANAGEMENT, A TOOL FOR SUSTAINABLE TOURISM DEVELOPMENT IN PROTECTED AREAS**

- Managing tourism in a sustainable way however requires both a long-term perspective and careful consideration of the many ways in which tourist activities and environment interrelate.
- Increasing recreational use of national parks and protected areas can impact natural and cultural resources and the quality of the visitor experience.
- Determining how much recreational use can ultimately be accommodated in a park or protected area is often addressed through the concept of carrying capacity
- Visitor management is an administrative action oriented towards maintaining the quality of park resources and visitor experiences

There are four strategic approaches which can be used to reduce the negative impacts of visitors on protected areas

1. Managing the supply of tourism or visitor opportunities, e.g. by increasing the space available or the time available to accommodate more use;
2. Managing the demand for visitation, e.g. through restrictions of length of stay, the total numbers, or type of use;
3. Managing the resource capabilities to handle use, e.g. through hardening the site or specific locations, or developing facilities; and
4. Managing the impact of use, e.g. reducing the negative impact of use by modifying the type of use, or dispersing or concentrating use.

The visitor management techniques available to managers of natural resources include

- Regulating access by area (zoning)
- Regulating visitation by visitor type (through pricing)
- Implementing entry or user fees;
- Providing interpretation programmes and facilities;
- Regulating visitor behavior (codes of conduct)
- Concentrating on allowing accredited organizations to bring visitors to the site

## **6 Key Visitor Management Techniques:**

1. Efficient Background Operation - Taking your guest details, Saving visitor's data: Visitor log
2. A Warm Welcome- Recognise your guests, Use dedicated receptionists
3. Check your visitors in fast, easy, and safely - Pre-registration, The touchless check-in
4. Contact The Host - Hosts have the responsibility to be prepared for their arrival, greeting the visitors in the meeting room on time
5. Find the Meeting Room - After a visitor has checked in, show your visitors an interactive map with the direction to their meeting room
6. Write a clear visitor management policy - Visitor access restrictions, Visitor record, Visitor Identification

## **Eco – Tourism**

Eco Tourism is a form of tourism involving responsible travel to natural areas, conserving the environment, and improving the well being of the local people

According to the International Eco Tourism Society (TIES), Eco Tourism can be defined as “responsible travel to natural areas that conserve the environment, sustains the well – being of the local people and involves interpretation and education”

### **Eco Tourism Scope and Relevance**

- Experience environmentally – friendly tourism
- Green building
- Locally sourced products are used in the restaurant
- The use of ecological and biodegradable cleaning products
- Support for the local economy
- The use of energy saving devices (light – bulbs in toilets etc)
- Eco friendly concept of building itself (bricks, woods, stone and especially the kind of location)
- Use of renewable energy resources
- Proper waste disposal systems

### **Components of Eco Tourism**

- Natural areas
- Contains educational and interpretive features
- Generally for small groups
- Minimizes negative impacts
- Support the protection of natural areas by generating economic benefits for host communities, organisations and authorities
- Managing natural areas with conservation purposes

### **Some Eco Tourism centers in Kerala**

- Thenmala – Kollam
- Konni – Pathanamthitta
- Parambikulam – Idukki
- Rhodo Valley – Munnar
- Thommanamkuthu – Idukki

- Aralam Wildlife Sanctuary – Kannur
- Eravikulam National park – Idukki
- Peppara Sanctuary – Thiruvananthapuram
- Gavi – Pathanamthitta
- Periyar – Idukki
- Athirapally, Vazhachal – Thrissur

### **Principles of Eco Tourism**

- Minimize Impacts
- Build environmental and cultural awareness and respect
- Provide positive experience for both visitors and hosts
- Provide direct financial benefit for conservation
- Provide financial benefits and empowerment for local people
- Raise sensitivity to host countries, political environmental and social climate
- Design, construct and operate low impact facilities

#### **Types of Ecotourism**

Medical Tourism

Island Tourism

Coastal Tourism

Adventure Tourism

Heritage Tourism

Disaster Tourism

Ayurveda Tourism

Space Tourism

Yoga Tourism

Sports Tourism

War Tourism

Dark Tourism

Geo-Tourism

Education Tourism

Agri Tourism

Shopping Tourism

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### **Eco tourism involves**

- Environmental efficiency
- Energy saving(solar energy)
- Waste sorting
- Green building
- Knowledge sharing
- Culture sharing
- Natural reserve conservation
- Landscape reading
- Heritage conservation

## Impacts of Eco - Tourism

	Positive Impacts	Negative Impacts
<b>Economic</b>	<ul style="list-style-type: none"> <li>* Revenue from eco-tourists</li> <li>* Job creation</li> <li>* Indirect revenue (multiplier effect)</li> <li>* Stimulates peripheral rural economy</li> </ul>	<ul style="list-style-type: none"> <li>* Start up costs</li> <li>* Underpaid and unskilled employees</li> <li>* Ongoing expenses</li> <li>* Uncertain revenue</li> <li>* Damage to crops by wildlife</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>* Incentives to protect environment</li> <li>* Eco-tourist's assistance with habitat enhancement</li> <li>* Education in protected areas</li> </ul>	<ul style="list-style-type: none"> <li>* Success = rapid growth</li> <li>* Tourism causes damage and stress</li> <li>* Financial value on nature</li> </ul>
<b>Sociocultural</b>	<ul style="list-style-type: none"> <li>* Aesthetic/ spiritual experiences</li> <li>* Fosters awareness among residents and eco-tourists</li> </ul>	<ul style="list-style-type: none"> <li>* Intrusion on local culture</li> <li>* Cultural influence</li> <li>* Displacement of local culture</li> </ul>

Source: Adapted from Weaver 1998

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## **MODULE V**

### **TOURISM PLANNING**

#### **Tourism planning**

Tourism planning refers to the overall process of deploying the development goals and the implementation of a comprehensive tourism system. In some places, tourism plans contain a set of legal norms, and in others, they are frameworks that may contain legal elements such as zoning

It is the dynamic process of determining goals, systematically selecting alternative course of action, implementing the chosen alternatives and evaluating the choice of it is successful.

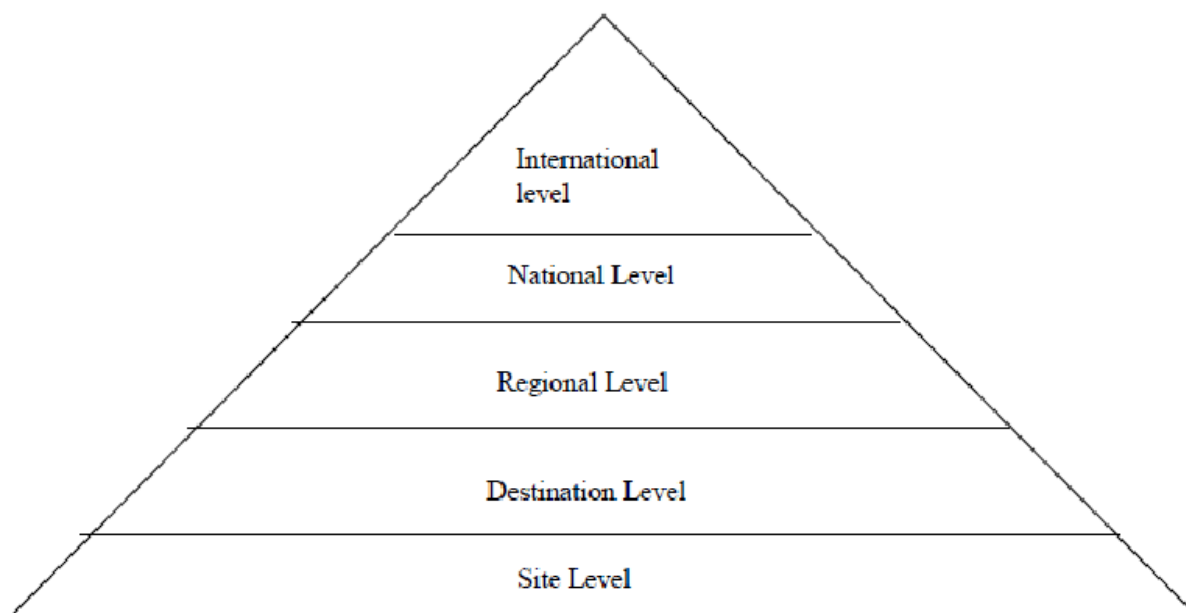
#### **Planning system**

The planning system is the management, control and regulation of development, balancing public and private development needs with the protection of amenity, and the environment in wider public interest

#### **Significance of Planning in Tourism**

- Tourism development planning enables a range of benefits to all stakeholders involved  
For example
- It increases income and jobs from tourist spending
- It helps preserve cultural and natural heritage for tourists
- It increases understanding of other cultures
- Tourism is still not developed in India to the required extend. Both the government and private sectors can help in developing tourism
- Tourism is a multi-spectral activity involving other sectors such as agriculture, fisheries, manufacturing, historic parks and recreational facilities, transportation and other infrastructure facilities
- tourism can bring various direct and indirect economic benefits which can be optimized through careful and integrated planning; without planning these benefits may not be fully realized
- Tourism can generate various socio – cultural benefits and problems and planning can be used as a process for optimizing the benefits and for integrating tourism into the local society
- Tourism is presently India's third largest export industry after readymade garments and Gem and Jewellery

## **Tourism Planning Levels**



**Fig: 4.1 Different level of tourism planning**

### **a). International Level**

- The international level planning is done through the different international organizations like
- United Nations World Tourism Organization (UNWTO), The International Air Transport Association (IATA ), the Pacific Asia Travel Association (PATA ) etc.
- The scope of international level of planning is limited because it needs the cooperation among different countries.
- This level of tourism planning is mainly concentrating on the matters like:-  
International transportation services  
The flow of tourists among different countries  
Multi country marketing strategies and promotion programmes

### **b). National Level**

- This is what take place within the country and is done by the government. Ideally national level planning should be done by the concerned government by involving private sectors and public sector; and also considering the opinion of the public.
- This level of planning is focused on matters like:-
- Defining tourism objectives
- Framing of tourism policy

- Developing a physical structure plan including identification of major tourist's attractions,
- designing tourism development regions, arrangement of transportation facilities (both domestic and international) and services.

Establishing service standards for various components of tourism industry.

- ☐ Establishing tourism information systems
- ☐ The major tourism routes in the country and their regional connections
- ☐ Tourism marketing( marketing research, strategies and promotional programmes)
- ☐ Human resource development, education and training programmes
- ☐ Research to understand the tourism impacts
- ☐ Socio-cultural, environmental and economic consideration and impact analysis
- ☐ National level implementation of techniques, including long term and short term development strategies and programming

#### **c). Regional Level**

- This level of planning is for a region of a country. This region can be a state, a province or a tourist circuit. This regional level planning are usually formulated in accordance with the national level tourism policy and plans.
- Regional level planning is more specific than national level .
- Regional level planning mainly concentrates on the elements like:-
- Arranging regional level transportation facilities and services
- Formulating of regional policy
- Identification of major tourist's attractions at regional level and development tourism development areas.

Development of accommodation facilities and services at regional level.

- Regional level socio-cultural, environmental and economic consideration and impact analysis
- Regional level education and training programmes
- Tourism marketing strategies and promotional programmes.
- Organizational structures , legislations, taxation, regulations and investment policies
- Implementation of techniques including project programming and regional regulations

#### **d). Destination Level**

- In some regions sub regional level or local level planning is required. This is more specific than regional level and it is also called as zonal level planning.
- For planning purpose a destination zone is defined as a geographic area containing critical mass of development that satisfies traveler objectives.
- The success of this level of planning depends on the active involvement of the local bodies.

The main focus of this level of planning are

- ☐ Identification and development of major tourist's attractions

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- ☐ Arrangement of internal transportation network
- ☐ Other infrastructural and institutional factors

#### **e). Site Level**

- ☐ This is the most popular level planning and is termed as individual property development.
- ☐ All business sectors, non-profit organizations and government agencies have increasingly employed professionals to plan a wide range of facilities, services and attractions by using site level plans.
- ☐ The demand for resorts and other specific attractions has generated the need for new forms of cooperation and guidelines between the decision makers and the planners at the site level for tourism development.

### **Various Approaches of Tourism Planning**

Based on Getz (1987) there are four different approaches of tourism planning at the destination level can be recognized according to the values that support the planning or policy activity include **boosterism, economic, physical/spatial, and community-oriented** that emphasizes the role the destination community plays in the tourism development and experience.

Based on Getz (1987) there are four different approaches of tourism planning at the destination level can be recognized according to the values that support the planning or policy activity include boosterism, economic, physical/spatial, and community-oriented that emphasizes the role the destination community plays in the tourism development and experience. Then to these four approaches, Hall (1998) added an additional approach of sustainable planning. Each of tourism planning approach differs in its underlying assumptions about planning, and their strengths and weakness that play in the tourism development. The following describes the strengths and weaknesses for each approach.

#### **1.Boosterism**

Boosterism is one of the tourism planning approaches that have attitude towards tourism development which is inherently 'good' and will provide benefit to the hosts destination. This approach also characterized as being part of an attitude to the development of 'growth' is good and any negative impact of tourism development will be dominated by positive benefits. From this approach perspective the primary planning problem is one of how to attract as many people as possible to a given location or destination

Boosterism approach however, doesn't take into account or involves their host community in the decision making process, planning and policy process surrounding the tourism developments. Yet it is still being adopted by governments and politicians to promote tourism growth, regional economic diversification and employment creation.

This attitude approach towards tourism development is seen as to give benefits to the host destination and community which can bring higher living standards to a destination and improves quality of life of the people especially in the developing countries.

## **2.Economic**

The second approach of tourism planning is the economic (industry-oriented approach). It is an approach that aims to promote economic growth and development in a destination, as well apply the use of marketing and promotion to attract visitors.

The economic approach emphasizes more on the economic impacts of tourism and the most efficient and effective use of tourism to create income and employment benefits for the regions, communities, and countries as a whole. The main strengths of this planning approach are as it is mainly focuses on the economic impacts of tourism, it believes that tourism development is becomes a key driver of economic growth or will boost the country's economy through the creation of employment, generation of foreign exchange earnings, contribution of government revenues, stimulation or improvement of infrastructure investment, and the create contribution to the local economy.

## **3.Physical/Spatial**

The physical/ spatial approach to tourism planning considers tourism as a form of land use to be managed using spatial strategies and regarded as having an ecological base with a resultant need for development to be based upon certain spatial patterns, capacities or thresholds that would minimize the negative impacts of tourism on the physical environment

The key planning approaches from this perspective include carrying capacity, hazard and risk assessment, resource and landscape evaluation, resource appraisal and allocation, decision making and evaluation and the development of appropriate institutional arrangements.

While the main point of this approach is to control and maintain the capacities, land use and the number of physical infrastructure being built for tourism, so it won't exceeds the environmental and social carrying capacities of the destination. As a result, it will help to minimize the negative environmental impacts resulting from tourism development.

## **4.Community**

Community tourism planning approach is focuses on the social and political context within which tourism occurs and it advocates greater local community control over the development process. Under this approach, community is considered as the focal point or actor that encourages the development process of the tourism and seeks for public participation in a destination in order to enhance their economic livelihoods while protecting their cultural values, and preserving the natural environment.

Community planning approach which implies a high degree of public participation in tourism planning process, highly involved the community in the decision making and planning process, as well as in the sharing of tourism benefits and in the sharing of tourism profits with the wider community

the main strengths of this community based approach in terms of its benefits, will likely to create and increased employment opportunities available to the locals

## **5.Sustainable**

The sustainable approach towards tourism is an integrative form of tourism planning which brings together economic, environmental (physical/spatial), and socio-cultural (community) planning methods. This approach



seeks to provide lasting and secure livelihoods which minimize depletion of resources, environmental degradation, cultural disturbance and social instability

### The Planning Process

- ☐ 1).Define tourism system
- ☐ 2).Objective setting
- ☐ 3).Data Gathering
- ☐ 4).Analysis and generation of Alternatives
- ☐ 5).Evaluation of Alternatives
- ☐ 6).Feasibility Analysis
- ☐ 7).Impact Assessment
- ☐ Impacts on Local Government
- ☐ Impacts on the Business
- ☐ Impact on residence
- ☐ 8).Selection of the best plan
- ☐ 9).Implementation of plan
- ☐ 10). Monitoring and evaluation.

**Tourism: Principles, Practices, Philosophies**

**Part Four: Tourism Supply, Demand, Planning and Development**

## **An Overview of the Tourism Planning Process**

STAGE 1	STAGE 2	STAGE 3	STAGE 4	STAGE 5	STAGE 6	STAGE 7
<b>Define the System</b>	<b>Gather Necessary Data</b>	<b>Analyze &amp; Interpret Data</b>	<b>Create Preliminary Plan</b>	<b>Approve the Plan</b>	<b>Create the Final Plan</b>	<b>Implement the Plan</b>
In doing so, ensure that the definitions for the policy formulation and destination planning are consistent	Again, much of the data used for policy formulation may be helpful for the planning process. However, additional and more detailed data will be required for the planning process	In doing so, it is useful to relate data to the specific facilities, events, activities, and programs that impact on the factors that determine/influence destination success	The plan should start to make clear the detailed nature of the facilities, events, activities, and programs that will deliver the unique high quality destination experience that will enhance the competitiveness of the destination within strategic market segments	It is critical to ensure that where approval is required no relevant stakeholders are overlooked	At this stage, the level of detail becomes increasingly rigorous and directly related to the specific geography, legislation, and timing of the "real world"	This stage allocates responsibility for development actions to specific individuals and organizations, defines the exact timing of these actions, and establishes contingencies for unexpected occurrences. This stage also monitors, follows up, and evaluates

This edition: 2009 Chapter 16: Tourism Planning, Development and Social Considerations

## **Destination Planning**

Destination Management Planning **provides tourism organizations with the tools to produce sustainable and competitive tourism in the destination.** It is organized around a destination's unique tourism assets and unique development, marketing and management needs.

## **Business Level Planning**

Business (or division) planning has to do with **staying competitive by creating useful products and staying competitive with other goods or services.** It deals with only one business, compared to the corporate level which deals with all parts of the company.

## **Strategic Planning**

Strategic planning is **a process in which organizational leaders determine their vision for the future as well as identify their goals and objectives for the organization.** The process also includes establishing the sequence in which those goals should fall so that the organization is enabled to reach its stated vision.

## **Tourism Policy**

Tourism policy is a set of discourses, decisions, and practices driven by governments, sometimes in collaboration with private or social actors, with the intention to achieve diverse objectives related to tourism.

**The First Tourism policy was announced by the Government of India on November 1982.** The mission of First Tourism Policy was to promote sustainable tourism as means of economic growth, social integration and to promote the image of India abroad as a country with a glorious past, a vibrant present and a bright future

One of the principal objectives of establishing a tourism policy is **to guarantee and safeguard the effective standardisation of processes and practices within the respective tourism industry in which the policy is implemented.**

## **TOURISM POLICY IN INDIA**

Tourism emerged as the largest global industry of the 20th century and is projected to grow even faster in the 21st century. India has immense possibilities of growth in the tourism sector with vast culture and religious heritage, varied natural attractions, but a comparatively small role in the world tourism scene. Tourism policy strengthens the tourism sector and envisages new initiatives towards making tourism the catalyst in employment generation, environmental regeneration, development of remote areas and development of women and other disadvantaged groups in the country. It would lead to larger foreign exchange earnings and create conditions for more foreign direct investment.

## **ORIGIN OF TOURISM POLICY IN INDIA**

Tourism planning in India was started after independence. The conscious and organized efforts to promote tourism in India were made in 1945, when a committee was set up by the Government under the leadership of Sir John Sargent, then Educational Adviser to the Government of India (Krishna.A.G. 1993). Thereafter systematic tourism development took place in India. The tourism planning approach has been evolved in Second and Third five year plans. The sixth five year plan emphasizes tourism as an instrument for economic development, integration and maintains social harmony. After 1980s tourism activity gained momentum as

employment generator, source income, foreign exchange earnings and as a leisure industry. The government has taken several significant measures to promote tourism industry

### **Tourism policy 1982**

The First Tourism policy was announced by the Government of India on November 1982.

The -mission of First Tourism Policy was to promote sustainable tourism as means of economic growth, social integration and to promote the image of India abroad as a country with a glorious past, a vibrant present and a bright future.

Policies to achieve this will be evolved around six broad areas such as Welcome (Swagat), Information (Suchana), Facilitation (Suvidha), Safety (Suraksha), Cooperation (Sahyog) and Infrastructure Development (Samrachana).

This policy also gives importance to conservation of heritage, natural environment, development and promotion of tourist products.

The shing of tourism development are to foster understanding between people, to -create employment opportunities and bring about socio-economic benefits to the community, particularly in the interior and remote areas.

It also strives towards balance, sustainable development and preserve, enrich and promote India's cultural heritage.

One of the major objectives is the preservation and protection of natural resources and environment to achieve sustainable development.

Given the low cost of employment creation in the tourism sector and the low level of exploitation of India's tourism potential, the new tourism policy seeks to expand foreign tourist arrivals and facilitate domestic tourism in a manner that is sustainable by ensuring that possible adverse effects such as cultural pollution and degradation of environment are minimized.

The New Tourism Policy also aims at making the stay of foreign tourists in India, a memorable and pleasant one with reliable services at predictable costs, so that they are encouraged to undertake repeated visits to India, as friends. This would tune with India's traditional philosophy of giving the highest honor to a guest (Athithi devo bhava).

### **Highlights of tourism policy 1982:**

1. The policy emphasis that development of tourism is connected to central, state and district level, public sector and private sector.
2. The policy encourages individuals to participate in tourism development and also create interest in local youth
3. The policy encourages public private partnership for tourism growth.
4. Realizing that tourism is a multi-sectoral activity the policy ensures inter-governmental linkages and coordination.
5. The policy states that tourism development depends on private sector. Private sector has to build and manage tourist facility, preserve it, maintain it, involve local community, build security etc to develop tourism.
6. The role of voluntary agencies and volunteers in tourism development is recognized by the policy. 7. The policy implies to facilitate larger funds to tourism infrastructure.

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8. The policy recognizes that high quality standards in services, hotels and tourism related industries are required for foreign investment.
  9. The policy suggests giving priority to technological advancement especially to information technology.
  10. The policy suggests for safety and security of tourism sector.
  11. Through government agencies the policy provides facilities like obtaining visas, immigration checks, fees etc.
  5. The policy matters concerns, circuits and tourism areas.
- development plan, conservation of natural environment and cultural Sites, etc effectiveness etc

### **Tourism Policy of 1962**

Tourism policy of the Ministry was presented for the first time in both Houses of Parliament on

November 5, 1962 The policy statement contained five main objectives of the tourism policy of the Government of

- India According to The Government objectives are to develop tourism that: becomes a unifying force nationally and internationally fostering better understanding through helps to preserve, retain and enrich the country's world view and lifestyle, its cultural expression and heritage in all their manifestations.
- The prosperity that tourism brings must cause accretion and strength rather than damage to the social and cultural values and depletion of the country's natural resources in Tourism India must present itself on its own terms-not as an echo or imitation of other countries, other cultures and lifestyles
- It brings socio-economic benefits to the community and the State in terms of employment opportunities, income generation, revenue generation for the States, foreign exchange earnings and, in general causes human habitat improvement gives a direction and opportunity to the youth of the country both through international and domestic tourism to understand the aspirations and viewpoints of others and thus to bring about a greater national integration and cohesion it offers opportunities to the youth of the country not only for employment but also for taking up activities of nation building character like sports, adventure etc and for the molding of the youth of the country.
- The policy statement states that high priority would be accorded to the development of international tourism and increasing attention to foster regional tourism.
- Due emphasis is given to the development of cultural tourism and efforts to provide adequate tourist facilities at major cultural centres in a planned manner in coordination with other agencies. Another attention given was to develop backward areas having ancient monuments, natural scenery, festivals and local arts etc.
- Efforts will be made to construct youth hostels to facilitate the movement of youth from different parts of India and abroad.



## **Tourism Policy 1992**

In May 1992, the National Action Plan for tourism was announced. To improve the economy category domestic tourism. To develop the tourist areas socially and economically. To preserve the environment and the national heritage

It was regarded as an emerging action plan to set things right in some key areas, and to provide directions to achieve quick results. The strategies outlined in the action plan for achieving these objectives were as follows

Socio economic development of areas

- Increasing employment opportunities
- Developing tourism facilities for budgetary category
- Preservation of national heritage and environment
- Development of international tourism and optimization of foreign exchange
- Diversification of tourism products

Increase India's share in world tourism from present 0.4% level to 1% within the next 5 years

The national action plan also mentioned area of action which were important for tourism development but which fall under the control of different ministries of the government of India like improvement in facilities at international airports, liberalized charactered flights and open sky policy for routes on which Air India does not operate or operates in a limited fashion. These were important issues and most of them still need to be addressed

## **National Tourism Policy of 1997**

### **Main features**

- Identification of domestic tourism, inbound tourism and outbound tourism besides seeking to pamper domestic tourism along with inbound tourism
- Focus on the significance of tourism poverty alleviation and employment generation
- In addition to spelling out an all- inclusive of tourism product the policy emphasizes diversification of the product in the form of going for nab destinations to reinforce the main stream of cultural tourism
- The preservation and protection of natural resources, environment and ecology becomes imperative and has been incorporated as one of the main objectives of tourism development
- The policy supports sustainable development of tourism within the carrying capacity of the area
- Foreign collaboration and investment in tourism industry especially in view of the liberalizations and globalization are encouraged through a package of physical and financial incentives for setting up of new enterprises and their spreading
- There is a need for introducing plan restrictions anti educating people to turn down the adverse impacts of tourism
- Adopt new technology greatly in the promotion of tourism



## **The New Tourism Policy 2002**

- In 2002, the action plan was finally translated into a tourism policy and it officially become a joint central-state government concern.
- The policy document attempted to establish tourism great contribution in national development and its role as an engine of growth
- It is suggested that tourism not only generates government revenue, foreign currency, but also provides optimal use of India's scarce resources, sustainable development, high quality employment (especially to youngsters, women and disabled people) and finally peace, understanding, national unity and stability
- The policy aimed at increasing the number of domestic and international tourists
- In 2009, the Ministry of Tourism launched a campaign titled "Atithi Devo Bhava" targeting the local population to educate them regarding good behaviour and etiquettes while dealing with foreign tourists
- Atithi Devo Bhava aims at creating awareness about the effects of tourism and sensitizing the local population about preservation of India's heritage, culture, cleanliness and hospitality

### **Mission**

- The state delivers a world class, yet local visitor experience
- Tourism sector attracts investment, which will be sensitive to the natural environment
- Communities benefit from tourism and value its contribution
- Kerala is positioned as a visible global brand in tourism
- Our market share is enhanced, within and outside India
- Kerala becomes a quality human resource provider in tourism for the state and the country

### **Objectives**

- To ensure quality visitor experience
- To focus on benefits for the community from tourism
- To create enabling environment for investment
- To market Kerala as a visible global brand in domestic and international markets
- To develop quality human resource in tourism and hospitality

### **Positive Cultural Impacts of Tourism**

- Employment is socially beneficial; tourism jobs often pay more than agricultural ones
- Revitalization of poor or non-industrial regions
- Rebirth of local arts, crafts and traditional cultural activities
- Revival of social and cultural life of population
- Renewal of local architectural traditions
- Promotion of the need to conserve areas of outstanding beauty with aesthetic and cultural value

### **Environmental Benefits of Tourism**

- Environmental Awareness
- Enhancement of local environment
- Protection and conservation of wildlife

