

**Unit-1**  
**Global Tourist Traffic Trends and Receipts Patterns Over  
the Years**

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**Structure:**

**1.1 Objectives**

**1.2 Introduction**

**1.3 Tourist traffic trends over the years**

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## 1.1 Objectives:

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After reading this Unit, you will be able to:

- To understand the tourist arrivals patterns in the past few years,
- To know about the trends of tourist receipts in international tourism,
- To understand the pattern of tourist arrivals all over the world
- To know about the most visited countries.
- To know about the top tourism receipts earners.

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## 1.2 Introduction:

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

In this Unit, we attempt to give an overview of the issues involved in-tourism at a global level and the economic impacts that have been generated or felt as a result of it. The Unit starts with explaining some of the global characteristics regarding the size and scope of tourism & trends of tourism at the global level. It further discusses the tourist arrivals, tourism receipts and tourist expenditure at the global level. The Unit also deals with the present scenario of tourism receipt and tourist arrivals all over the world.

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## 1.3 Tourist Traffic Trends Over the Years:

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The phenomenon of tourism since 1950 has been remarkable in terms of growth, spread and diversification. The international tourist arrivals since then have grown from a mere 25 million to reach 940 million in 2010. The fast growth and spread not only resulted from the globalization of people's movements as never before but also

contributed to creating a vibrant industry and opportunities for millions of people. In 2003, international tourism lived through another considerably difficult year in which three negative factors came together: the Iraq conflict, SARS and a persistently weak economy. The Iraq conflict and the preceding high level of uncertainty depressed worldwide travel in the first quarter of the year. The unexpected outbreak of SARS brought the steady growth of Asia and the Pacific temporarily to an abrupt halt, causing many destinations in the region to welcome less than half of their usual number of arrivals in the months of April and May. Even though tourists quickly started to return after the virus was contained, it proved impossible to compensate the losses fully in the remainder of the year. With the long-awaited economic recovery only starting to become visible in the fourth quarter, the state of the economy did not help much either to stimulate tourism demand.

Although conditions improved notably throughout the year, and positive figures generally started to return in the second half of 2003, recovery has not been sufficient to save the year for all destinations. Preliminary estimates of full-year results show that worldwide, the volume of international tourism as measured in international tourist arrivals slid back by a bit more than 1% to 694 million, corresponding to a contraction by some 8.6 million arrivals on the 2002 volume of 703 million. This result is closely linked to the unexpected drop by 12 million arrivals (-9%) suffered by Asia and the Pacific due to the SARS panic. Furthermore, the Americans also recorded a decrease (-2%), while Europe just consolidated its 2002 figure (0%). Finally, the Middle East and Africa have recovered quickly during the year and have in the end not notably been affected by last year's adverse conditions. They recorded the best results of all regions, with estimated increases of 10% and 5% respectively.

**Table 1.3.1**  
**International Tourist Arrivals**

<b>Year</b>	<b>Total in Million</b>	<b>% Change over the Previous Year</b>
1950	25.282	-
1960	69.296	174.09
1961	75.281	8.64
1962	81.329	8.03
1963	89.999	10.66
1964	104.506	16.12
1965	112.729	7.87
1966	124.876	6.27
1967	129.529	8.12
1968	130.899	1.06
1969	143.140	9.35
1970	159.690	11.56
1971	172.239	7.86
1972	181.851	5.58
1973	190.622	4.82
1974	197.117	3.41
1975	214.357	8.75
1976	220.719	2.97
1977	239.122	8.34
1978	257.366	7.63
1979	273.999	6.46
1980	284.841	3.96
1981	288.848	1.41
1982	286.780	-0.72
1983	284.433	-0.82
1984	311.167	9.10
1985	325.725	4.68
1986	332.924	2.21

1987	358.659	7.73
1988	390.000	8.74
1989	405.000	3.85
1990	415.000	2.47
1996	595.000	-
1997	612.835	2.99
1998	625.236	2.02
2000	687.300	6.8
2001	684.100	-0.5
2002	702.600	2.7
2003	694.000	-1.2
2009	880	---
2010	940	6
2011	980	9.5

Source: UNWTO

The flow of tourists to various destinations around the world has changed drastically in recent years and data compiled over the past decade corroborates certain trends. New outbound markets occupy the top spots and the ranking of destinations has been turned upside down. Emerging economies are profoundly altering the global tourism market, which is now shared amongst a much greater number of countries than before. According to World Tourism Organization (WTO) estimates, the number of international tourist arrivals reached 940 million in 2010, or a 39% increase over 2000. Seen over the longer term, growth has been exponential; only 25 million tourists travelled in 1950.

From 25 million in 1950 to 664 million in 1999, the average annual growth rate of tourism, as per WTO has been 7 per cent. Though the concentration of tourists continued, in terms of arrivals, in Europe, the Americas and East Asia/ Pacific regions a diversification has been taking place with destinations of Asia, North Africa, Latin America and Caribbean islands joining in the race. More than 70 countries have received more than one million international tourists in 1999.

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

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

**Table 1.3.2**  
**World Tourist Distribution**

<b>Region</b>	<b>2009</b>	<b>2010</b>
<b>World</b>	-4%	+5.6 %
<b>Europe</b>	-6%	+1.3 %
<b>Asia Pacific</b>	-2%	+9.11 %
<b>N. America</b>	-6%	0.2 %
<b>S. America</b>	-3%	+11.13 %
<b>M. East</b>	-5%	+10.12 %

**Source:** UNWTO

Since the 1970s where tourism became increasingly affordable for developed economies, the number of international tourists has more than doubled. The expansion of international tourism has a large impact on the discipline of transport geography. As of 2010, 877 million international tourist receipts were accounted for, representing more than 10% of the global population. Tourism dominantly takes place in Europe and North America. Travelling has always been an important feature of society. First, the explorers travelled the world to learn more about geographical regions, potential markets and to exploit resources. As time moved on and as transportation became more reliable, travelling became a mundane activity taking place in an organized environment; tourism. In the modern world,

travelling is more centred on the annual holidays and can be fairly well predicted. Tourism, as an economic activity, is characterized by a high level of elasticity. As transport costs are significant for international transportation, demand is strongly influenced by cost fluctuations. Therefore, transport is the key element in the tourism industry. The demand in international and even national transport infrastructures implies a very large number of people who wants to move in an efficient, fast and inexpensive manner. It requires heavy investments and complex organization. Well organized terminals and intelligently planned schedules are essential in promoting effective transportation facilities for tourists, notably since the industry is growing at a fast rate. Transport is the cause and the effect of the growth of tourism. To start with, the improved facilities have stimulated tourism, and the expansion of tourism has stimulated transport. Accessibility is the main function behind the basics of tourism transport. To access the areas that are mainly aimed, tourists will use any transportation mode. However, air transport is the main mode for international tourism, which normally entails travel over long distances. Growth rates of international air traffic are pegged with growth rates of international tourism. Transport policies and decisions of governments can make a big difference in the destinations available to tourists. One dimension concerns the openness to tourism through travel visa restrictions, which vary substantially depending on the countries of origin of tourists. Unsurprisingly, travellers from developed countries, particularly Europe, are facing the least restrictions while travellers from developing countries are facing a much more stringent array of restrictions. Another dimension concerns the provision of infrastructures. If the public sector does not cope with the demand in terms of transport infrastructures, the tourist industry might be impaired in its development. However, land transport networks in various countries are designed to meet the needs of commercial movements that tourism requires.

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**1.3.1 Present Scenario:**

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International tourist arrivals are on track to reach the record 1 billion mark during 2012, even though tourism growth will slow slightly this year for various reasons as per the estimations of UNWTO.

UNWTO forecast tourism arrivals to increase by between 3% and 4%, compared to last year's 4.4% growth. During 2011, there were 980 million international arrivals for tourism, business and other travel, up from 939 million the year before.

UNWTO identified six factors that could harm the global tourism industry during 2012:

- weak economic recovery;

- Credit restrictions affecting investment;
- Lower consumer and business confidence;
- Austerity measures in Europe and North America;
- Unemployment; and
- Geopolitical disturbances.

On the positive side, UNWTO expects major world events such as the 2012 Olympic Games in London and the European soccer championships in Poland and Ukraine to generate significant travel. There will be stronger growth in Asia/Pacific and Africa, both at between 4% and 6%, with between a 2% and 4% increase in the Americas and Europe. The Middle East is expected to register arrivals growth of up to 5% as it bounces back from a challenging 2011. If the forecast for this year's increase in international arrivals holds true, it will be the third consecutive year of growth since 2009 when tourism dropped by 4% because of global financial woes. UNWTO organization expects tourism arrivals to hit 1.8 billion by 2030.

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**1.3.2 Regional highlights:**

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International tourism hit new records in 2011 despite challenges like the stagnant economic conditions, political turmoil in Middle Eastern and North African destinations and the earthquake and tsunami in Japan. Europe registered arrivals growth of 6% to more than 503 million last year, which is extremely well" and

which was unexpected, with Central, Eastern and southern Mediterranean destinations enjoying an 8% increase overall.

Spain alone received 8% more visitors last year while tourism receipts were up 9%, keeping the country in the world No. 2 spots after the United States in tourism earnings. Although some of the growth in southern Europe's Mediterranean destination was because of the shift in traffic away from the troubled Middle East and North Africa, the region also benefitted from improved flows from outbound markets in Germany, the Scandinavian countries and Russia. Global tourism officials are trying to attract Russians, because they are big spenders and are extremely loyal to their preferred destinations, returning often. Arrivals in the Asia/Pacific region were up by 6% to 216 million despite a temporary drop off in outbound Japanese visitors to Oceania, while the Americas saw an increase of 4%, or 6 million arrivals, to 156 million.

Africa was flat at 50 million visitor arrivals. The Middle East suffered an 8% decline last year with numbers down 5 million. However, Saudi Arabia, Oman, Qatar and the United Arab Emirates enjoyed continued growth. UNWTO expected the international hotel industry and the meetings, incentives, conventions and exhibitions sector would adhere to the general trend. And following the general prediction on arrivals, we foresee emerging destinations doing better than developed ones, and there will be no dramatic news for the MICE sector as it has proved fairly resilient to the economic downturn.

Tourism receipts from the emerging source markets of the so-called BRIC countries continued to grow in 2011 with spending by visitors from China up 38%, followed by Brazil and India both at 32% and Russia at 21%.

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#### **1.4 Tourism Receipt Patterns Over the Years:**

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In terms of international tourism receipts, an estimated US\$455 billion were generated in the year 1999. The figures indicate that the spread of benefits has been uneven and when compared with arrivals, it is clear that increasing volumes does not necessarily imply increasing revenues.

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

**Table 1.4.2**

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

**Source:** UNWTO

#### **International Tourism Expenditures:**

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

Table 1.4.3

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

Source: UNWTO

#### 1.4.1 Present Scenario:

The income of the world economy through international tourism for the first time in history exceeded one trillion dollars in 2011. The total amount of export earnings from international tourism in 2011, including cash receipts in international passenger traffic, amounted to 1.2 trillion dollars, according to a report by the World Tourism Organisation (UNWTO). Today, the share of international tourism, which includes travelling costs and passenger transport, comes up to nearly 30 per cent of the world's export of services. Tourism is the fourth largest in the world after the export of fuel, chemicals and food products. These are welcome results for Europe at a moment when countries are looking for sectors that can deliver on economic growth and job creation. We need to work together with tourism

administrations to ensure that governments give priority to tourism as part of national policies to stimulate growth and employment. UNWTO believes that governments worldwide will progressively recognize this and engage in measures that support tourism including fairer tax policies and the facilitation of visas and travellers' movements, as these have proven to stimulate economic growth and job creation. Last year, 45 percent of revenue, or 463 billion dollars, of the global economy from international tourism fell on European countries, followed by the Asia-Pacific Region the contribution of which amounted to 28 percent or 289 billion dollars. American region with 19 percent or 199 billion dollars was the third. The report also notes that 2011 was marked with strong growth of demand for tours from the BRIC countries: Brazil, Russia, India and China. Thus, according to reported spending of Chinese tourists increased by 32.2 percent and came up to \$ 73 billion.

The greatest growth in international tourism receipts among the industrialized countries was recorded in Germany, Australia, Norway, Belgium and Canada. German tourists have appeared to spend most. They poured 84.3 billion dollars into tourism last year. The spending of the US amounted to 79.1 billion dollars, and the third was China, whose residents spent 72.6 billion dollars. Britain was fourth with 50.6 billion dollars, France became the fifth (41.7 billion dollars). The top ten also included Canada (\$ 33 billion), Italy (28.8 billion), Japan (27.2 billion) and Australia (26.9 billion dollars).

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**Check Your Progress:**

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- 1) **Europe is attracting the maximum number of tourists worldwide, what are the probable reasons for that?**

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2) Discuss the different trends in world tourism today?

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3) There are many countries from Europe amongst the top ten countries in terms of tourist receipts, Discuss?

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4) Discuss the important tourist markets of Asia?

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**1.5 Let's US Sum up:**

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

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**1.6 Clues to Questions:**

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Check your progress:

- 1) Refer to Sec.1.3
- 2) Refer Sec.1.2 & 1.3.
- 3) Refer Sec.1.3 & 1.4.
- 4) Refer Sec.1.3.2 & 1.4

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## **Unit-2**

### **Regional Distribution of International Tourist Traffic and Tourism Receipts, Regional Disparities and Tourism GAP**

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**Structure:**

**2.0 Objectives**

**2.1 Introduction**

**2.2 Trends in Tourism Industry**

**2.3 Current Developments and Trends**

**2.4 Long Term Trends**

**2.5 Most Travel by Air and Purpose of Leisure**

**2.6 International Tourist Arrivals and Receipts**

**2.7 World's Top Tourist Destination**

**2.8 Regional Results**

**2.9 International Top Tourism Spenders**

**2.10 Let's Sum Up**

**2.11 Check Your Progress**

**2.12 Check Your Answers**

**2.0 Objectives:**

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This unit aims to understand and know the various regional gap in tourism and the dynamically Changing Market-Destination Trends, through this unit you will be able to understand the following objectives:

- Different trends in the tourism Industry.
- Current developments & trends
- Most travel by air & purpose of Leisure
- World top tourism destinations.
- Different emerging forms of tourism
- The regional gap in tourism dynamically changing market trends.

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**2.1 Introduction:**

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

**Area and population:**

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

Continent	Area (km <sup>2</sup> )	Area (mi <sup>2</sup> )	% land mass	Total population	% of total population	Density People per km <sup>2</sup>	Density People per mi <sup>2</sup>	Most populous city
Asia	43,820,000	16,920,000	29.5%	4,164,252,000	60%	95.0	246	Shanghai China
Africa	30,370,000	11,730,000	20.4%	1,022,234,000	15%	33.7	87	Lagos Nigeria
North America	24,490,000	9,460,000	16.5%	542,056,000	8%	22.1	57	Mexico City Mexico
South America	17,840,000	6,890,000	12.0%	392,555,000	6%	22.0	57	Sao Paulo Brazil
Antarctica	13,720,000	5,300,000	9.2%	1,000	0.00002%	0.00007	0.00018	Villa Las Estrellas Chilean claim
Europe	10,180,000	3,930,000	6.8%	738,199,000	11%	72.5	188	Moscow , Russia
Australia	9,008,500	3,478,200	5.9%	29,127,000	0.4%	3.2	8.3	Sydney, Australia

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## 2.2 Key Trends 2010:

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- Worldwide, international tourism rebounded strongly, with international tourist arrivals up 6.6% over 2009, to 940 million.
- The increase more than offset the decline caused by the economic downturn, with an additional 23 million arrivals over the former peak year of 2008.
- In 2010, international tourism receipts are estimated to have reached US\$ 919 billion worldwide (693 billion Euros), up from US\$ 851 billion (610 billion Euros) in 2009, corresponding to an increase in real terms of 4.7 %.

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- As a reflection of the economic conditions, recovery was particularly strong in emerging economies, where arrivals grew faster (+8%) than in advanced ones (+5%).
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### **2.3 Current Developments and Outlook:**

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- According to the April 2011 Interim Update of the *UNWTO World Tourism Barometer*, International tourist arrivals grew by close to 5% during the first two months of 2011, consolidating the rebound registered in 2010.
  - According to the forecast prepared by UNWTO at the beginning of the year, international tourist arrivals are projected to increase in 2011 by 4% to 5%. The impact of developments in North Africa and the Middle East, as well as the devastating earthquake and tsunami that hit Japan in March, are not expected to substantially affect this overall forecast.
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### **2.4 Long-Term Trend:**

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- Over the past six decades, tourism has experienced continued expansion and diversification becoming one of the largest and fastest-growing economic sectors in the world. Many new destinations have emerged alongside the traditional ones of Europe and North America.
- Despite occasional shocks, international tourist arrivals have shown virtually uninterrupted growth: from 25 million in 1950, to 277 million in 1980, to 435 million in 1990, to 675 million in 2000, and the current 940 million.
- As growth has been particularly fast in the world's emerging regions, the share in international tourist arrivals received by emerging and developing economies has steadily risen, from 31% in 1990 to 47% in 2010.

In 2010, world tourism recovered more strongly than expected from the shock it suffered in late 2008 and 2009 as a result of the global financial crisis and economic recession. Worldwide, international tourist arrivals reached 940 million in 2010, up 6.6% over the previous year. The vast majority of destinations reported positive and often double-digit increases, sufficient to offset losses or bring them close to this

target. Recovery came at different speeds – much faster in most emerging economies (+8%) and slower in most advanced ones (+5%).

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

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### **2.5 Most Travel by Air and for Leisure:**

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

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

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### **2.6 International Tourist Arrivals and Receipts:**

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#### **International Tourism Receipt:**

International tourism receipts are estimated to have reached US\$ 919 billion (693 billion Euros) in 2010, up from US\$ 851 billion (610 billion Euros) in the previous year. In absolute terms, international tourism receipts increased by US\$ 68 billion (83 billion Euros, as the US dollar appreciated some 5% against the euro). Growth in international tourism receipts is estimated at 4.7% in 2010, measured in real terms, i.e. using local currencies at constant prices in order to adjust for exchange rate fluctuations and inflation. Thus, the recovery in international tourism receipts (+4.7%) still lags that of international arrivals (+6.6%). This is typical in periods of recovery when, following major shocks, volume (arrivals) tends to recover faster than income (receipts), as competition is tougher and suppliers make serious efforts

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to contain prices, with tourists also tending to travel closer to home and for shorter periods of time. All regions posted positive growth in real terms, with the exception of Europe (-0.4%). The Middle East (+14%) and Asia and the Pacific (+13%) showed the strongest growth, while the Americas (+5%) was close to the worldwide average and Africa grew (+3%) somewhat slower.

Visitor expenditure on accommodation, food and drink, local transport, entertainment and shopping, is an important pillar of the economies of many destinations, creating much needed employment and opportunities for development. For more than 80 countries, receipts from international tourism were over US\$ 1 billion in 2010.

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

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

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### **2.7 World's Top Tourism Destinations:**

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When ranked according to the two key tourism indicators – international tourist arrivals and international tourism receipts – it is interesting to note that eight of the top ten destinations appear in both lists, even though they show marked differences in terms of the characteristics of the tourists they attract, as well of their average

length of stay and their spending per trip and per night. The most significant change among the top ten by international arrivals in 2010 was the rise of China to third position, ousting Spain, having overtaken both the United Kingdom and Italy during the past few years. In terms of receipts, China (+15%) also moved up the ranking to fourth position, overtaking Italy (+1%). Furthermore, among the ranking by receipts, Hong Kong (China) entered the top ten at nine, moving up from the 12th position.

Among the remaining top ten destinations, France (77 million tourists) continues to lead the ranking in terms of arrivals and ranks third in receipts. The USA ranks first in receipts with US\$ 104 billion and second in arrivals. Spain maintains its position as the second biggest earner worldwide and the first in Europe, and ranks fourth in arrivals. Italy ranks fifth in both arrivals and receipts. The United Kingdom is sixth in terms of arrivals and seventh in receipts, while Germany is sixth in receipts and eighth in arrivals. Turkey occupies the seventh position in arrivals and the tenth in receipts. Completing the top ten ranking in arrivals are Malaysia (9<sup>th</sup>) and Mexico (10<sup>th</sup>) and in receipts, Australia (8<sup>th</sup>).

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## **2.8 Regional Results:**

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### **Europe - steadily picking up:**

January 2010 ended a run of 19 consecutive months of negative growth for Europe, the region hardest hit by the global economic crisis. In Europe (+3%), recovery was slower than in other regions, mainly due to the economic uncertainty affecting the region and the closure of its airspace in April caused by Iceland's volcanic ash cloud. International tourism in the region gained momentum from the second half of the year onwards and some large destinations (such as Turkey and Germany) as well as emerging ones (as in the Balkans and South Caucasus) posted remarkable results. International tourist arrivals are estimated to have reached 477 million in 2010, some 15 million more than in 2009, but still 9 million short of the 2008 peak. Receipts decreased slightly by 0.4% in real terms to US\$ 406 billion (306 billion euros). Central and Eastern Europe (+5%) achieved the strongest growth of all European sub-regions, although following a substantial decrease in 2009. Western Europe (+3%)

was the only subregion to fully recover from the impact of the crisis. Germany (+11%) was the star performer, with arrivals exceeding 2008's record level by more than 2.5 million. In most other destinations, including Austria (+3%), Belgium (+6%), the Netherlands (+10%) and Switzerland (+4%), arrivals growth in 2010 was sufficient to bring them above 2008 levels. The exception was France, the world's top destination, with zero growth in 2010. Northern Europe (+1%) began to slowly recover, although the United Kingdom (-0.2%), the sub-region's largest destination, still registered negative results. Arrivals in Southern and Mediterranean Europe increased by 3% but were still short of their 2008 peaks. While Israel (+21%), Malta (+13%) and Turkey (+6%) recorded above average results, well established destinations such as Spain, Italy and Greece (all +1 %) reported weak growth.

**Asia and the Pacific – first region to recover:**

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

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

Oceania (+6%), growth in arrivals was just below the world average with leading and more mature destinations Australia (+5%) and New Zealand (+3%) showing growth after a flat 2009.

**Americas – sound rebound:**

The Americas rebounded from the decline in 2009 brought on by the economic recession in North America and the A (H1N1) influenza outbreak. International tourist arrivals in the Americas increased in 2010 by 6% to 150 million – some 9 million more than in the crisis year 2009 and 2 million more than the peak year of 2008. Growth in the US economy and the strength of Latin American economies helped to improve the region's results as a whole. International tourism receipts increased by US\$ 16 billion to US\$ 182 billion (+5% in real terms). The three leading destinations of the region, the United States (+9%), Mexico (+4%) and Canada (+2%), all ended the year with positive results. South America posted the strongest results in the Americas with arrivals up 11%. Argentina (+23%) was the star performer, followed by Uruguay (+16%), Ecuador (+8%), Brazil and Peru (both +7%). Results were boosted by strong intraregional demand, with Brazil as one of the fastest growing source markets and now ranking as the third largest outbound market in the Americas by expenditure. Arrivals in the Caribbean are estimated to have risen 4% in 2010, more than enough to make up for the decline in 2009, with three of the major destinations recording new peaks:

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

**Africa – maintaining momentum:**

Africa, the only region to post positive figures in 2009, maintained growth during 2010. The region benefited from increasing economic dynamism and the worldwide exposure created by the FIFA World Football Cup. International arrivals increased by 3 million (+7%) to 49 million, while in terms of receipts the region added US\$ 3 billion to reach US\$ 31 billion (+4% in real terms). In South Africa, which accounts for over a quarter of total arrivals in Subsaharan Africa, arrivals were up 15% in

2010, following the successful staging of the World Cup. Other destinations in the sub-region, according to available data, performed above average: Madagascar (+21%), Cape Verde (+17%), Tanzania and Seychelles (both +11%). Results in North Africa (+6%) were driven by the leading destination Morocco (+11%).

**Middle East – a return to double-digit growth:**

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

**Outbound Tourism:**

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

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**2.9 International Tourism's Top Spenders:**

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The top ten ranking by international tourism spenders shows one remarkable change in 2010, with China (US\$ 55 billion) moving up into third position, overtaking the United Kingdom (US\$ 49 billion). China has shown by far the fastest growth with regard to expenditure on international tourism in the last decade,

multiplying expenditure four times since 2000. Ranking as the seventh biggest source market in 2005, it has since overtaken, respectively, Italy, Japan, France and the United Kingdom. Further movement among the top ten tourism spenders came from Canada, which moved up two positions to six, and Australia entering at ten. In both cases the appreciation of their respective currencies has clearly helped. The first two places are still held by Germany (US\$ 78 billion) and the United States (US\$ 76 billion). Among the top ten, the Russian Federation showed the strongest growth, up 27% – admittedly, following a 12% drop in spending in 2009 – followed by China, up 26%. After two years of decline, Japan also moved into positive growth figures (+4%). The United Kingdom was the only market among the ten to record a drop in expenditure (-2%) – due to the weak economy and pound sterling.

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**2.10 Let's Sum UP:**

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After completion of this unit we have understood that among the Europe continues to dominate the world tourist market with maximum number of the tourist arrivals. France (77 million tourists) continues to lead the ranking in terms of arrivals and ranks third in receipts. The USA ranks first in receipts with US\$ 104 billion and second in arrivals. Spain maintains its position as the second biggest earner worldwide and the first in Europe, and ranks fourth in arrivals. Italy ranks fifth in both arrivals and receipts. International tourist arrivals in Asia and the Pacific reached a historic high of 204 million in 2010, some 24 million more than in 2009 and 20 million above the 2008 pre-crisis peak. The region's 13% growth in 2010 was double the world average. The Americas rebounded from the decline in 2009 brought on by the economic recession in North America and the A (H1N1) influenza outbreak. International tourist arrivals in the Americas increased in 2010 by 6% to 150 million – some 9 million more than in the crisis year 2009. The Middle East was the fastest growing region in 2010 (+14%). Overall, the tourism industry has registered a good growth in the year 2010.

In the coming units we will be discussing Key Global Tourism Markets, Leading Destination Countries and Regions of the World, International Tourism in SARRC

Region, Geographic, Demographic and Psychographic Segmentation of Effective and Potential Tourism Markets of India etc.

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**2.11 Check Your Progress:**

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

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

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- 3. Which are the important tourist markets of Europe?**

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**4. Discuss the world's top tourist markets.**

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**5. Highlight some important International tourism top spenders.**

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**2.12 Clues to the Questions:**

Check your progress:

1. Refer Sec. 2.8
2. Refer Sec. 2.2 & 2.3
3. Refer Sec.2.7 & 2.8
4. Refer Sec.2.7
5. Refer Sec.2.9

**2.13 References:**

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**UNIT-3**

**Dynamics of Tourist Outflows from Leading Tourism Market**

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**Structure:**

**3.1 Introduction**

**3.2 Objectives**

**3.3 Conceptual Framework of Tourism Markets**

**3.4 Profiling of Tourism Markets**

**3.5 International Tourism Scenario**

**3.6 International Tourist Outflows from Leading Tourism Markets**

**3.7 Summary**

**3.8 Expected Questions**

**3.9 References**

**3.1 Introduction:**

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To materialize the tourism inflow and outflow, the concern tourism departments and tourism ministries are keeping a vigil eye on the present trends. Likewise in India, profiling of tourists and the data related to it being published by Department of Tourism, Government of India, on the annually basis. This data can be accessed on their official website. Basically, this profiling is used by different segments and stakeholders of the tourism industry for devising their own marketing plans and strategies along with segmenting the markets in relation to their own products or for designing products based on market segmentation. To understand this concept, transport operators will use it for designing different modes of transport for different segments of this market. Moreover, hoteliers will make best use of this to design their own product supported by intangible elements like services and experiences. In this Unit an attempt has been made to aware you with various aspects of tourism markets with their basic concepts and features. The Unit also gives you an idea of the top international tourism markets, travel patterns, preferred destinations and the profile of overseas tourists.

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**3.2 Objectives:**

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- To understand the conceptual background of the tourism markets
- To understand the present trends and practices in international tourism
- To understand how to do and what is the benefit of tourism markets' profiling
- To understand the major and minor features of tourism markets
- To understand the profile of overseas tourists

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**3.3 Conceptual Framework of Tourism Markets:**

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Generally, the term market depicts that place where the buyers meet sellers while the term tourism markets mean an area of analysis where the inflow and outflow of tourist are calculated based on certain criteria while majorly it based on revenue generation and Gross Domestic Product (GDP). Majorly, tourism markets are divided into two broad categories as tourist generating markets and tourist receiving markets. Even within these two broad categories of tourism markets, we

have domestic tourist markets, regional tourist markets, etc. (intra-regional and inter-regional tourist markets).

If we go into the further classification of tourist markets you will see that in domestic or regional tourist markets we have pilgrim tourist markets, cultural tourist markets, business / corporate travel markets, youth tourist markets, special interest tourist markets so on and so forth. Likewise, the foreign tourism markets can be bifurcated in a similar pattern.

Moreover, the tourist markets can further be classified based on the type of services required by them, for instance, 5-star tourist market, budget class tourist market, incentive tourist market, etc. This indicates that different tourist markets react differently. Hence, markets are heterogeneous rather than homogenous. No buyers or potential buyers of a product are ever identical in all respects. Therefore, it becomes imperative to know your target markets well to be a successful marketer of your tourism product and services. The adequate level of knowledge related to markets also makes possible for you to customize your products and marketing programmes or service that are suitable for each segment you intend to cater to. Since a market is not only an aggregate demand for a product but also the sum of the demands of different market segments, therefore, for getting a positive response in the market, it is essential that you as a marketer are well aware of your markets. In tourism markets, the principal suppliers like hoteliers, airlines, road transport operators, tour operators, travel agents, etc. constitute the industry and they communicate with their respective actual and potential markets, existing as well as future product lines to match the needs of consumers or tourists. Once in the tourist market, this exchange materializes and the consumer consumes the product, feedback is awaited for further improvement of product and strengthening of relationship with the target markets.

Interestingly, when we talk of tourism markets, generally speaking, the reference is to tourism generating markets. However, you should note that besides the tourism generating markets, i.e. the tourists, for various segments of the tourism industry there will be different types of markets. For example, for a tourist transport

operator, the market consists of tour operators, travel agents or hotels who buy his product for consumption by tourists. Likewise, hotelier also sells rooms to tour operators or travel agents besides direct selling to tourists. Hence again, though the ultimate consumer is the tourist the sales would be geared to tour operators, etc.

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**3.4 Profiling of Tourism Markets:**

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As we discussed in the previous section, the tourism market is a combination of tourist generating areas, journeys by tourists and the volume of travel. In other words, it is a combination of actual or potential tourists who buy or tour or could tour or buy or it is the actual and potential demand for a tourism product based on a specific tourism motivation or purpose. When we talk about tourist generating markets, basically we talk about geographical regions with peculiar characteristics. Knowledge of tourist generating markets is essential for the marketing of tourism products or services. This helps you not only in segmenting the market but also in targeting your customers.

Take for example two countries. Country X has a sound economy and people love to travel and so on. Country Y has a poor economy; people have no surplus to spend on travel. Naturally, the marketer of tourism products will target Country X rather than Country Y.

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**3.5 International Tourism Scenario:**

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**3.5.1 Introduction:**

International tourist arrivals grew by over 4% in 2011 to 980 million, according to the latest UNWTO World Tourism Barometer. With growth expected to continue in 2012, at a somewhat slower rate, international tourist arrivals are on track to reach the milestone one billion mark later this year.

International tourist arrivals grew by 4.4% in 2011 to a total of 980 million, up from 939 million in 2010, in a year characterized by a stalled global economic recovery, major political changes in the Middle East and North Africa and natural disasters in Japan. By region, Europe (+6%) was the best performer, while by sub-region South-America (+10%) topped the ranking. Contrary to previous years, growth was

higher in advanced economies (+5.0%) than in emerging ones (+3.8%), due largely to the strong results in Europe, and the setbacks in the Middle East and North Africa.

### 3.5.2 Region-wise Scenario:

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

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

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

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

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**3.6 International Tourist Outflows from Leading Tourism Markets:**

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**3.6.1 United States of America:****3.6.1.1 Introduction:**

The overall U.S. outbound market totalled 60.3 million in 2010, down two percent compared to 2009. Travel to overseas regions declined by six percent, while travel to Mexico and Canada were up to four percent and one percent, respectively.

The top five countries in 2010, measured by U.S. visitation, were:

1. Mexico (20.0 million),
2. Canada (11.7 million),
3. The United Kingdom (2.4 million),
4. Dominican Republic (1.8 million), 5. France and Italy (both 1.8 million).

Six of the top 10 destinations visited by U.S. travellers posted increases in 2010.

U.S. travellers set records for travel to the Caribbean region and the countries of the Dominican Republic, Aruba, South Africa and Israel.

Spending by U.S. residents travelling abroad (imports) totalled \$102.8 billion, up to four percent from 2009. Spending within foreign countries (travel payments) amounted to \$75.5 billion, up to three percent, and spending on transportation, via foreign carriers (passenger fare payments), totaled \$27.3 billion in 2010, up five percent. Top countries for U.S. spending included Mexico (\$9.7 billion), the United Kingdom (\$8.0 billion), Canada (\$7.0 billion), Japan (\$4.6 billion) and Germany (\$5.2 billion).

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**3.6.1.2 Top Outbound Destination Markets:**

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**• Mexico:**

Mexico was the top U.S. international destination again in 2010 with 20.0 million travellers, up to three percent from 2009. Longer haul travel, by air, increased two percent from 2009. Travel to Mexico has fluctuated over the last 10 years. The strongest growth periods were in 2000, 2004, 2005 and 2008. Spending by U.S. travellers to Mexico totalled \$9.7 billion, up to one percent from 2009.

**• Canada:**

Canada continues to be the second most visited destination by U.S. international travellers. In 2010, 11.7 million U.S. travellers visited our northern neighbour, one percent up from 2009. Longer haul travel, by air, was up six percent. Canadian travellers to the U.S. exceeded U.S. travellers to Canada again in 2010 for the sixth successive year since 2004. The peak year for U.S. travel to Canada was in 2002 with 16.2 million U.S. outbound travellers. Since then, U.S. travel to Canada has declined six of the last nine years. Spending by U.S. travellers to Canada in 2009 totaled \$7.0 billion, up 12 percent from 2009.

**• Overseas:**

In 2010, 28.5 million U.S. travellers visited overseas markets, a decrease of six percent from 2009.

Travel was up to two of the top five overseas markets: the Dominican Republic and Germany. Other overseas destinations that experienced growth in U.S. visitation were Jamaica, the People's Republic of China, Israel, Ireland, Switzerland, Austria, South Africa and Aruba.

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**3.6.1.3 Profile of the Overseas Traveler:**

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The Office of Travel and Tourism Industries also released a profile of U.S. travellers who visited overseas destinations (excluding Canada and Mexico). The profile provides key information on the travel patterns, traveller characteristics and spending by U.S. travellers going abroad. In addition, a breakdown is provided on leisure / visiting friends and relatives (VFR) travellers and business/convention travellers. The Survey data tables and standard national reports can assist the industry in understanding U.S. travellers going abroad. Also, 48 subsets of the data are available based on 32 questions for the traveller.

**Select highlights from 2010:**

- The top origin markets/regions for U.S. travellers were the Middle Atlantic States (New York, New Jersey and Pennsylvania) 34 percent, followed by the South Atlantic states 22 percent and 15 percent from the Pacific states.

- The top ports of departure for U.S. citizens were New York, Miami, Los Angeles, Atlanta, Newark, and Chicago (ORD) which accounted for 60 percent of U.S. departures.
- Advance trip decision time and airline reservation time remained the same at 90 days and about 60 days before departure, respectively, comparing 2009 to 2010.
- The personal computer/Internet continues to grow in importance as a source of information for international trip planning. As an information source, the personal computer/Internet again surpassed the travel agent as the top information source for U.S. travellers going overseas in 2010. Also, the personal computer/Internet continued to be the primary means of booking the trip (40 percent) vs. 31 percent for travel agents.
- Pre-paid package usage grew a bit to 12 percent of U.S. travellers from 2009.
- The main purpose of the overseas trip was leisure/recreation/holiday for 39 percent of the travellers, slightly below 2009. VFR was the second-highest main purpose of the trip at 35 percent, down from 37 percent. Business travel comprised 17 percent of outbound travel, up 1 percentage points from 2009.
- The average length of trip (number of nights) outside the United States remained about the same at 18.6 nights in 2010.
- Six percent of travellers were on their first international trip, down one point from 2009. The average number of international trips taken by U.S. travellers in 2010 was 2.4, the same as in 2009.
- The number of destinations visited averaged 1.7 again in 2010. Although the percentage visiting only one destination increased from 64 percent to 65 percent, those visiting three or more destinations remained at 16 percent.
- The modes of inter-city transportation used by U.S. travellers between destinations were airline (34 percent), railroad (17 percent) and bus (14 percent). The top modes of intra-city transit were taxicab/limo (42 percent) and subway/tram/bus (19 percent). The use of private and/or rented autos was 28 percent and 16 percent, respectively.

- Top leisure activities for U.S. travellers, other than dining in restaurants and shopping, were visiting historical places, visiting small towns and villages, sightseeing in cities, visiting cultural heritage sites and touring the countryside.
- Average international airfare per visitor, per trip, was USD 1,294, up 10 percent from 2009, and average expenditures (travel payments) per visitor, per trip, while overseas was \$1,311, down one percent from 2009. The usage of credit cards increased by one percentage point to 53 percent.
- Males comprised 50 percent of U.S. travellers, down two percentage points from 2009, as the number of women travellers continues to increase. The average age of male travellers was 45.5, above that in 2009; female travellers averaged 43.4 years, also above 2009.
- The average household income was \$106,700, down two percent from 2009.

### **3.6.2 Germany:**

#### **3.6.2.1 Introduction:**

The tourism industry remains upbeat due to the strong economic performance in Germany. Following the declining revenues experienced by the German tourism industry during the economic recession of 2009, 2010 witnessed a healthy recovery. The main beneficiary of this recovery was domestic tourism, which increased considerably due to shifting holiday patterns.

In line with shifts seen during previous years and the impact of the economic recession, the German tourism industry has seen growing demand for self-booked holidays. By 2010, about a third of all holidays were entirely self-booked, both online and otherwise, with travel agents playing a declining role.

The economic recession contributed to the consolidation of the German operating environment. In particular, smaller or more vulnerable players suffered during 2009 and 2010. A particularly interesting example of this was the insolvency of Budget car rental in Germany in 2009 as demand for rental cars slowed as a result of the recession.

In particular, the number of travel agents, especially independent companies, continued to decline further in both 2009 and 2010. At the same time, online travel retail continued to perform well, with value sales increasing continuously.

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### **3.6.2.2 Top Outbound Destination Markets:**

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When it comes to their holiday trips, the Germans again showed a preference for staying closer to home, with the number of domestic trips rising 5% in 2010 to 92.9 million in 2011. However, German outbound holiday travel was also able to post a robust 4% gain to 52.7 million holidays in 2011. Once again, there was no change in the Germans' top three holiday destinations in 2011:

- Austria came in first (16% market share), □ followed by Spain (15%) and
- Italy (13%)

All three were able to hold onto their market shares with single-digit growth rates. Other popular outbound holiday destinations for the Germans in 2010- 2011 included:

- Turkey (8%)
- France (6%)
- The Netherlands (5%)
- Greece (4%) and
- Croatia (3%).

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### **3.6.2.3 Profile of the Overseas Traveler:**

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The German outbound traveller is generally well-educated and sophisticated, with discerning travel tastes. Many competing destinations interest them and a diverse range of destinations are visited each year. Short- and medium-haul destinations draw in the majority of Germans. They swarm towards warm climates in pursuit of the relaxing beach holiday. Destinations such as Spain, Turkey and Egypt are among the most desirable locations for this type of leisure break. Organized package deals are also common when travelling for leisure purposes. Germans enjoy the outdoors and will holiday close to home in the Alps during the

summertime. Austria, Italy and Switzerland draw in large numbers of Germans seeking outdoor pursuits.

Long-haul markets have become much more attractive to German travellers in recent years. Improved transportation links have made international destinations more accessible alongside more competitive airfares and the frequency of flights. The US and some parts of Asia are attracting greater numbers of Germans who are willing to travel further for the annual holiday, underpinned by favourable exchange rates.

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### **3.6.3 United Kingdom:**

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#### **3.6.3.1 Introduction:**

The recent recession of 2009 proved to be the longest-lasting since World War II. The causes of the 2008-2009 global downturn were unprecedented and complex and uncertainty swept the UK. To survive, airlines, hotels, car rental, travel agencies and others in the travel industry responded with widespread capacity cuts as well as deep rate and fare cuts, cost-cutting and the addition of ancillary fees, which are likely to remain in place over the forecast period. As demand for travel services grows, travellers are likely to remain conscious of their budgets as they have become accustomed to comparing prices.

In 2010, many Britons decided to take their holidays in the UK, rather than abroad. Although domestic tourism is not as popular as in other countries, such as France or Spain, the economic downturn had a positive impact to reverse this trend. Adversities such as swine flu, the volcanic ash cloud and political instability also contributed to a preference for “staycations”.

Although the impact of the H1N1 virus on the UK travel and tourism industry in 2009 was limited, the effect of the ash cloud from the Icelandic volcano in 2010 was more dramatic. The travel and tourism industry is expected to deliver a positive performance over the forecast period after the difficult time it went through over the last few years. However, the industry is under pressure and is facing rising competition from other tourist destinations. London not only has to compete with New York for shopping tourists but now also with places such as Dubai or Hong

Kong. Globalization and environmental issues will become a key to a positive performance over the next five years.

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### **3.6.3.2 Top Outbound Destination Markets:**

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- **Spain:**

Unsurprisingly from a country perspective, Spain tops the list. For the second year running, search figures prove the perennial popularity of Spain's beaches among British holidaymakers with four of its cities and resorts taking the top five spots.

- **Greece:**

Greece's rapid ascent from 2009 to 2010 (up to nine places) was consolidated in 2011 as the second most preferred destination for United Kingdom's tourists. Despite stories of civil unrest in Athens, Greece remained popular as VAT on holiday accommodation was reduced from 11 per cent to 6.5 per cent and costly levies on ferries were abolished. Both contributed to a fall in the cost of Greek holidays.

- **Croatia:**

Croatia made the largest gains in 2011 and came at third spot for British outbound tourists, making a dramatic ascent up eight places into the top 20 at no.18.

Some other international destinations preferred by the UK (in the year 2011) outbound tourists are the USA, Italy, France, Turkey, Germany, Portugal, Greece, Cyprus, Ireland, Australia and India.

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### **3.6.3.3 Profile of the Overseas Traveler:**

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The poor economic situation in the UK in 2010 took its toll once again on the number of outbound trips, which fell by more than 1 %. Uncertainty about the future kept deterring many Britons from travelling abroad to keep expenditure under control in case of job losses shortly. The total number of trips abroad was just under 56 million. Significant growth in outbound tourism is not expected to be seen over the forecast period. Euromonitor International expects a 1% increase in outbound volumes by 2015.

**3.6.4 France:**

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**3.6.4.1 Introduction:**

The year 2011 confirms tourism flow recovery in France. In 2011, France was expected to remain the world's number one tourist destination in terms of total arrivals. Domestic tourism was also on the rise and grew faster than outbound tourism as many French decided to spend their holidays in France. The Arab Spring impact and the uncertain economic environment played an important role in this trend. Rhône-Alpes and Provence Alpes Côte d'Azur (PACA) were the most popular destinations.

Online travel sales recorded double-digit rates in recent years and accounted for over one-third of total travel retail sales in 2011. The internet has also revolutionized how clients make their travel decisions. Web-based marketing campaigns have become an increasingly important means of promoting destinations and services. Social networking websites provide forums for travellers to discuss the places they have visited. In addition, more and more people are booking online and through their mobile phones. Technology has been increasingly present in companies' strategies and priorities. Both inbound and domestic tourism flows are anticipated to be on the rise over the forecast period. Nonetheless, France is anticipated to face several challenges, namely changing tourists' needs and the rising competition from new destinations and particularly China. Domestic tourism is also expected to remain on a positive trend and will be supported by GDP growth and restored consumers' confidence. GDP growth is also projected to have a positive impact on outbound tourism, which is anticipated to grow slightly faster than domestic tourism. Average spending is forecast to increase gradually overall.

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**3.6.4.2 Top Outbound Destination Markets:**

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The major outbound destinations markets from France (in the year 2009 - 2010) are:

- Iceland (10%)

- United Kingdom (5%)
- Belgium (3%)
- Germany (3%)
- Switzerland (3%)
- Austria (2%)
- Serbia (2%)
- Netherland (1%) and some other countries.

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#### **3.6.4.3 Profile of the Overseas Traveler:**

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Leisure travel dominates the French outbound market, accounting for around 80% of total trip volume. The business share appears to have fluctuated sharply over the years, but averages around 20%. Visiting friends and relatives (VFR) travel is important in France because of the large numbers of immigrant workers from the Maghreb, French DOM-TOM, former colonies such as Indochina and countries like Spain and Portugal. As a reflection of its significance, returning nationals – a significant share of who are resident in France – account for around 1.2 million arrivals in Morocco and 500,000 in Algeria.

It is also becoming increasingly important to the UK since more and more British are buying homes in France. Over four months in 2003, some 84,000 real-estate purchases were made by the British in France – either as holiday and/or retirement homes or for immediate habitation. This kind of transaction stimulates a lot of VFR travel in both directions.

The Annual Barometer published by Havas Voyages American Express suggests that corporate travel budgets have declined every year since 2000, falling to €24.4 billion (£16.8 billion) in 2003, but that their combined total should rise by 5.7% this year to reach €25.8 billion – the same level as in 2001. The French are less likely to use the Internet to book business trips, and interest in low-fare airline tickets is much less widespread than in the UK or Germany. Only 35% of French say they have purchased low-fare tickets, as against 55% of British business travellers, 53% of Americans and 44% of Germans.

According to the ETM, traditional business travel accounts for more than 70% of all foreign business trips out of France. In addition to this, conferences, congresses and seminars generate 20-22%, trade fairs and exhibitions around 5%, and incentive travel 2%.

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### **3.6.5 Spain:**

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#### **3.6.5.1 Introduction:**

The fact that Spain is suffering one of its deepest recessions in history did not deter an increasing number of Spaniards from travelling abroad in 2010. Escaping from the gloom at home, many young Spaniards packed their bags and fled abroad. High unemployment amongst youngsters – which hit 43% of those under 30 – also pushed many to travel overseas and look for job opportunities abroad, or simply to take a break and enjoy their unemployment. Young Spaniards continued to take European city breaks, benefiting from the availability of cheap seats and no-frills carriers. Meanwhile, an ever-increasing number of Spanish backpackers flew to exotic destinations in Asia and Latin America. The all-inclusive cruise outbound market also proved to be resilient to economic woes at home, denting the performance of traditional Spanish beach resort tourism.

The introduction of severe spending cuts in 2010 hindered investment in transport infrastructure. Work on roads was the most affected, with many projects being cancelled. However, the scope of the spending cuts also hindered the expansion of the high-speed rail network. The Madrid-Valencia line was launched on time, but other new lines, such as the expansion of the AVE rail network towards the Basque Country and Galicia, will not be finished on time. The AVE between Lisbon and Madrid was also affected by the spending cuts introduced in both countries. In 2010 AVE trains suffered from the economic recession, as business trips declined and domestic tourism struggled. AVE trains are also changing travel patterns, allowing business travellers to travel within a day, and boosting the number of city breaks at weekends. Despite the cuts, the government maintains its target of reaching every one of the 49 regional capitals with high-speed trains by 2020, creating a

10,000km high-speed network and having 90% of the Spanish population living within 50km of a high-speed train station.

The Spanish travel and tourism industry needs to reduce hotel capacity, especially in coastal areas, where the supply of beds is not appropriate for the current tourism demand. Less seasonality means a smaller supply needed at peak season. The oversupply in the Spanish travel and tourism industry does not only affect travel accommodation operators, but also the size of car rental fleets and the number of operating airports. The economic crisis will inevitably lead to a more streamlined travel and tourism industry.

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**3.6.5.2 Top Outbound Destination Markets:**

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The top outbound destinations for Spanish outbound tourists are Andorra, France, Germany, Italy, Mexico, Morocco, Portugal, the United Kingdom and the United States of America.

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**3.6.5.3 Profile of the overseas traveller:**

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According to the research published by Ipsos España, the percentage of Spaniards planning to take a holiday has dropped by 14% from 2011's 65% to just 51% in 2012. While putting Spain below the European average of 58%.

14% fewer holidays from one year to another is a huge pill for the outbound trade to swallow but in terms of volume, destinations will be suffering much more from the 10% reduction in the vast UK outbound market or a 15% in the Italian market which is significantly larger than the Spanish.

According to the Ipsos survey "more and more Spaniards consider the category of holidays should be cut, which is perfectly logical given the crisis". Indeed it is logical but it is also a direct contradiction to the tendency over the last few years for Spaniards to consider vacations as a necessity.

To be fair it is quite a saving as the average spend per person per holiday is 1,863 € and this amount, despite the crisis has increased by 4.1% compared to last year. This might be surprising if interpreted as people spending more in the recession but my read on it is that it is logical to think that if fewer people are travelling, those that

are still travelling are the ones with enough money not to have to cut their holiday and therefore the average spend rises. 37% of those interviewed stated that they intended to spend less on holidays this year.

Of the holidays taken 53% will be in Spain (-6% from last year), 19% in Europe (-4%) and 4% in South America (-1%). This demonstrates once more that although the bulk of tourism is domestic or regional (within Europe) the market for long-haul destinations, although smaller in volume, is proving more resilient to the economic crisis.

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### **3.6.6 Italy:**

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#### **3.6.6.1 Introduction:**

In 2010 almost one half of Italians had at least one short holiday during the year. Italians have a passion for weekend breaks. These "stress breaks" are becoming increasingly short and they are ideal for experiencing different places, cost less and require shorter travel times. DINKS/SINKS (Dual Income with No Kids/Single Income with No Kids) are the main targets for city-based short breaks to European cities, which have a special appeal due to their attractions, cuisines and shopping opportunities.

The economic crisis affected many Italian families. In the last years of the review period, there has been an increasing demand for "value for money", with consumers carefully evaluating the value of services on which they spend their money. This has led to a boom in demand for low-cost carriers such as Ryanair and EasyJet, but also the growing popularity of low-cost accommodation and travel services. Italians are very price sensitive and they look hard for the lowest prices while paying increased attention to the quality of the services.

A devastating earthquake hit Abruzzo, particularly L'Aquila, in 2009, claiming 300 lives and making 60,000 people homeless. Tourism in the region was particularly affected and in 2010 several projects aiming at resurrecting the tourism economy of the region were launched. For example, the administration in Abruzzo allocated funds for projects focusing on sports and nature tourism. Meanwhile, the province of Pescara launched a promotional campaign to support low cost airlines operating

from Abruzzo International Airport. Moreover, “the American” - a film starring George Clooney - was filmed in Abruzzo with the specific purpose of attracting tourists to the region.

The penetration of the internet in the Italian travel and tourism industry has historically been lower than in other European countries, but it is improving. The boom of low-cost carriers has helped to develop the usage of the internet among Italian tourists. As Italians become more used to online transactions, internet penetration is set to increase, with tourists increasingly surfing the web to find the cheapest available holidays. The development of mobile internet technologies and m-payment systems are expected to boost online sales of travel and tourism products and services in the forecast period.

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#### **3.6.6.2 Top outbound destinations markets:**

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The top outbound destinations for Spanish outbound tourists are Austria, Croatia, Egypt, France, Germany, Greece, Spain, Switzerland, Tunisia, the United Kingdom and the United States of America.

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#### **3.6.6.3 Profile of the overseas traveller:**

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Europe still accounts for the majority of holiday trips abroad from Italy, accounting for 87% of holidays in 2006. Since 2000 the neighbouring South West and East Mediterranean regions have increased most in popularity, with the South West continuing to grow in 2006. After a dip due to world events around the turn of the century, long haul travel has begun to recover, with increases to all three regions since 2003. France (24%), Spain (16%) and Croatia (8%) are the top 3 destinations for abroad holiday trips from Italy. While France is still the number one destination, it has lost its share to other destinations in recent years.

There has been a shift towards increased holiday travel in the latter part of the year by Italian holidaymakers. In 2006 the proportion taking a holiday in the October to December period increased almost two-fold from 12% to 22%. Holiday travel in the traditional summer months of June, July and August decreased from 53% of all trips in 2004 to under 40% in 2006.

**3.6.7 Canada:**

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**3.6.7.1 Introduction:**

Economic uncertainty impacts travel and tourism in Canada. After what appeared to be a marked turnaround in the economic climate in 2010 and early 2011, an uncertain and increasingly gloomy outlook set in towards the second half of 2011. The slowdown in economic activity dampened both business and consumer confidence in Canada, particularly in the second half of 2011. The poor economic climate affected Canadian travel and tourism, with many would-be travellers thinking twice before spending money going on a trip.

The strong Canadian dollar is a key factor determining tourism flows. The Canadian Loonie was briefly worth more than the US Greenback during 2011, and they spent most of the year more or less at parity. On the other hand, travel to destinations outside Canada became cheaper for Canadians, which was something on which Canadian travellers looked to capitalize.

Canadian travel and tourism industry calls on the government to take promotional measures. Emerging economies hold the greatest growth potential for inbound tourism. The high levels of economic growth in countries such as China, India and Brazil is creating a burgeoning middle-class in these countries. This newly formed middle-class commands increasing levels of wealth and purchasing power, making foreign travel a possibility that did not previously exist. China alone represents the biggest potential new source of incoming tourists, with the UN estimating that 100 million Chinese citizens will travel abroad each year by 2012.

**(Source:** Euromonitor International Report on Canada Tourism, 2011)

**3.6.7.2 Top outbound destination markets:**

The top outbound destinations for Canadian outbound tourists in terms of priority wise are as follows:

1. United Kingdom (17%)
2. France (15%)
3. Germany (9%)

4. Italy (8%)
5. Netherlands (6%)
6. Spain (5%)
7. Switzerland (4%)
8. Greece (3%)
9. Austria (3%)

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### **3.6.7.3 Profile of the overseas traveller:**

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Total Canadian overseas trips grew by +8% in 2006 to reach 6.7 million trips, continuing an upward trend in trips to destinations other than the USA since 2000. The proportion of outbound trips to non-US destinations now stands at 30%. 41% of Canadians carry a valid Canadian passport. This is expected to increase, as Canadians now need a passport to travel to the United States. 77% of Canada's population has Internet access and 66% of households have broadband.

In 2006, almost two-thirds of all trips overseas were for holiday/leisure and almost a fifth were for VFR. Overseas holiday/leisure trips have grown share by 5 percentage points since 2000 whereas overseas business travel has lost share.

The UK is still the no.1 European destination for overseas trips from Canada - however, it is losing share to smaller European destinations. France, Germany and Italy are also very popular European destinations.

Canadians cite visiting historic sites, exploring cities, villages & markets and scenic beauty among the top motivators for leisure travel overseas, and most holidays are based around these interests.

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### **3.6.8 Japan:**

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#### **3.6.8.1 Introduction:**

Travel and tourism stagnate amidst the global economic recession. In 2010, the global economy started recovering, albeit slowly. This weak recovery meant that travel and tourism in Japan suffered a continuation of the stagnation registered in 2009. Many key players in travel and tourism suffered from the negative effects of the adverse economic environment. Some of them, such as the very well

established JTB Corp, even started to downsize their business operations to remain profitable.

In January 2009, Japan Airlines (JAL) fell into bankruptcy due to its inability to cope with significant financial deficits, which amounted to ¥2,322 billion. Under its new CEO, Mr. Kazuo Inamori, JAL began to restructure its business model. JAL decided to stop unprofitable flights and focus entirely on its profitable ones. Under its restructuring plan, JAL has downsized its international and domestic flight operations by 40% and 30% respectively. JAL also commenced reorganization of its corporate group structure by selling off all of its affiliate companies. JAL expects profitable management from this shift in focus to concentrate entirely on its airline business. The future will be uncertain after the 2011 Tohoku earthquake and ongoing nucleuse the earthquake, tsunami and resulting nuclear crisis that hit Japan in March 2011 was unanticipated and occurred post-completion of Euromonitor International's research on travel and tourism, forecasts in this report have not factored in the disaster's impact on the industry. National statistics placed the number of foreign arrivals to Japan to be down by 50% in March 2011.

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#### **3.6.8.2 Top outbound destinations markets:**

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The top outbound destinations for Spanish outbound tourists are Australia, Canada, China, France, Germany, Guam, Hong Kong, Indonesia, Italy, Malaysia, New Zealand, Philippines, Singapore, South Korea, Spain, Taiwan, Thailand, United Kingdom and the United States of America.

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#### **3.6.8.3 Profile of the overseas traveller:**

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The profile of Japanese travellers is ageing quite rapidly. There are growing numbers of affluent retirees with the time and financial resources to travel/ Business travellers tend to male and leisure travellers female and/or retired. Family groups are also important (including mothers and their adult daughters and grandmothers and their granddaughters) and young women in their 20s and 30s and older women aged 50 years or more. The average length of the trip has

been falling rapidly but the distance and cost of trips are naturally favoured longer, multi-destination trips.

Leisure travellers generally prefer three-star hotels or better and business travellers at least four-star. Group and package travel remains important but independent travel is becoming more so, especially for trips to Europe and among travellers with plenty of previous experience. Japanese travellers are strongly motivated by natural and scenic attractions (including gardens). They also place importance on historic and cultural attractions (including art galleries and museums) and sampling local cuisines. Apart from symbolic mementoes, the shopping motive has waned, except possibly among young single females. Japanese travellers require a good deal of specialist attention. Language and cultural difficulties abound. The Japanese appreciate good manners (and their concepts of good manners differ from those of Europeans), attention to details and small touches, and presents. Cleanliness and safety are major concerns (the threat of terrorism is thought to have been a significant factor in the decline in long-haul travel in recent years).

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### **3.6.9 Australia:**

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#### **3.6.9.1 Introduction:**

Travel and tourism come under pressure as the Australian dollar rises. The Australian dollar spent most of 2011 above parity with the US dollar and although the value of the Australian dollar did slip under the US dollar towards the end of the economic crisis, the overall impact of the high exchange value of the Australian dollar was to make a holiday within Australia more expensive than ever.

Qantas has a plan to maintain its dominance in air transportation. Qantas is by far the largest airline in Australia and has long been Australia's national flag carrier airline and a source of much national pride. However, Qantas' rival international airlines have recently increased their capacity into Australia to compete for the boom in outbound travel, and Virgin Australia has become particularly assertive in terms of business travel, which has led to Qantas' value share in air transportation slipping. To counter its declining presence, Qantas has embarked

upon a plan to consolidate its international routes and establish new airlines within rapidly growing Asian countries.

Irrespective of the precise exchange value of the Australian dollar, a holiday in Southeast Asia is set to remain more affordable than a holiday within Australia, at least for the duration of the forecast period. Therefore, the incentive for Australians to continue travelling overseas is set to remain greater than the incentive for inbound travelers to visit Australia. This does not mean, however, that the outlook for inbound arrivals is unfavourable. On the contrary, growth in inbound tourism is set to remain strong throughout the forecast period, particularly given that Australia is located in close proximity to the countries with the strongest growing economies in the world. Developments in outbound travel, however, are set to continue dominating the agenda.

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**3.6.9.2 Top outbound destinations markets:**

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The top outbound destinations for Australian outbound tourists in term of priority wise are as follows:

1. New Zealand (18%)
2. United States of America (9%)
3. United Kingdom (8%)
4. Thailand (6%)
5. China (5%)
6. Indonesia (4%)
7. Hong Kong (4%)
8. Singapore (4%)
9. Fiji (4%)
10. Malaysia (3%)

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**3.6.9.3 Profile of the overseas traveller:**

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International travel is something of a 'rite of passage for young Australians and part of their way of life for many older Australians. Nevertheless, recent market research has shown that overseas travel is becoming less of a priority for Australians,

particularly among the younger generations. They are also reluctant to use credit to fund travel, which introduces a constraint on long-haul travel for many people. Australians generally place high importance on independent travel. The standard views of Australians as travellers include younger people seeking social experiences, new friends and city cultures; older people motivated by a sense of heritage, history, beautiful scenery and cultural sights/experiences; and outdoor activists, motivated by the great outdoors and sports. The distance and cost of trips to Europe naturally favour longer, multi-destination, multi-purpose trips. Australian travellers are said to look for good value for money (and often travel on modest budgets). They generally prefer the smaller and simpler hotels and guesthouses. New arrivals are likely to have been 'on the road' for 24-36 hours, and maybe tired, jet-lagged and short-tempered: early check-ins, a good strong shower and a chance to rest will be appreciated.

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**3.8 Summary:**

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The tourism inflows from the top tourism-generating countries indicate the economic and social power of the tourists. There is a declining time when the global economy is shrinking and hence it impacted the tourist flow but slowly and gradually, it increases to the optimal level. The trends and flow patterns are different from one country to another and especially from one region to another. In case of the slow economy, the tourist preferred to visit the domestic destinations along with the neighbouring destinations but with the improvement in the economic scenario, they preferred to travel abroad.

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**3.9 Expected Questions:**

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1. What do you mean by the term tourist outflow, and how does it impact the economy?
2. Write an essay on tourism trends and practices in international tourism.
3. What are the major regions preferred by the United Kingdom and Australian tourists?
4. Explain the profile of overseas travellers of France and Spain?

5. Define and explain the significance of cultural and heritage sites for international tourists?

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## **Unit-4**

### **Tourist Inflow Patterns to Popular Destination Countries to Popular Destination Countries-USA, France, Spain, Italy, China, Austria, Switzerland and Australia**

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**Structure:**

**4.1 Introduction**

**4.2 Objectives**

**4.3 Profiling of Tourist**

**4.4 Global Inbound Tourism Scenario**

**4.5 Tourist inflow patterns to popular destination countries**

**4.6 Summary**

**4.7 Expected Questions**

**4.8 References**

**4.1 Introduction:**

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When you meet an unknown person you do ask certain questions like which country or region he/she come from. What are your hobbies? What type of food is liked by his / her etc.? Similar queries would be there if a guest is expected. You raise such questions to better understand the person & to make his / her stay more comfortable. Now imagine the situation in a service industry like tourism where every service segment must know in detail about the clients to be served. Here the profiling aspect becomes vital.

This Unit starts with defining the concept of profiling tourists. It goes on to explain the aspects covered in the profiles of foreign tourists and how the profiling is done. It also examines the flows in international tourism with popular tourism destination countries.

**4.2 Objectives:**

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- To understand the profiling of the tourist
- To understand the tourist inflow patterns
- To understand the inflow patterns to popular tourism destinations

**4.3 Profiling of Tourists:**

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The sustained growth of any business/service, including tourism, invariably involves product development according to market needs. A primary requirement in this regard is to understand the distinctive features of consumers and their preferences. It is also important in the context of tourism to establish effective communication with potential visitors for attracting them to the destination. The achievement of the same, however, involves the identification of specific segments of such visitors, their preferences and needs, effective communication means to reach them and to know the geographical areas of their concentration. The statistical analysis of these factors concerning any destination is known as the profiling of tourists. Tourists profile also facilitates improvements in:

- i. Planning and deciding on development priorities

ii. Marketing strategies of tourism products

iii. Services

iv. Today, profiling is also helpful for understanding guest-host relationships and tourism impacts on destinations and their allied fields.

The specific characteristics usually analyzed in profiling of tourists include the following:

i. Place of residence

ii. Age and Sex

iii. Educational status

iv. Economic activity status

v. Occupation

vi. Purpose and frequency of visit vii. Factors influencing the choice of destination

The place of residence of a person is defined as "that place where he has lived for most of the past year (12 months) or a shorter period but intends, to return to that place within 12 months to live in that place". It is usually ascertained from the visitor through administrative documents like Embarkation / Disembarkation cards or surveys.

For profiling, age is always recorded in terms of completed years on the last birthday. The educational status of a person refers to the highest level of education completed by him. Usually, the visitors are classified into one of the following categories of educational status:

i. No schooling

ii. Completed primary education

iii. Completed secondary education

iv. Completed university or college graduate studies

v. Completed other studies

The economic activity status of a person refers to his availability for productive work. A person is said to be economically active if he is available for productive

work. All others are considered non-economically active persons. A person is normally classified into one of the following economic activity status categories:

**Economically active:**

- i.** Employed
- ii.** Unemployed

**Non-economically active:**

- i.** Students
- ii.** Homemakers
- iii.** Income recipients
- iv.** Others

The occupation of an economically active person refers to the kind of work in which he is engaged. It is generally decided based on his status on the date of the survey.

The following groups of occupations are identified in visitor surveys:

- i.** Legislators or senior officials and managers
- ii.** Professionals
- iii.** Technicians and associate professionals
- iv.** Clerks
- v.** Service workers and shop and market sales workers
- vi.** Skilled agricultural and fishery workers
- vii.** Crafts and related trade workers
- viii.** Plant and machine operators and assemblers
- ix.** Elementary occupations
- x.** Armed forces

The marital status of a person is recorded as one of the following:

- i.** Un-married
- ii.** Currently married
- iii.** Divorced/separated
- iv.** Widowed

There could be several reasons for undertaking a trip by any person. However, there will be always one reason in the absence of which the visit would not have taken place. It is termed as the main purpose and is usually recorded as the purpose of visit in visitor surveys. All other reasons are termed secondary purposes. Some visitors would be merely accompanying their elders without having any specific purpose of their own. The main purpose of visit in such cases is taken to be that of the member whom they are accompanying. The purpose of the visit is first classified into the following six major groups and then the specific activity within that group is often ascertained during visitor surveys:

- i. Leisure, recreation and holidays
- ii. Visiting friends and relatives
- iii. Business and professional
- iv. Health treatment
- v. Religion/pilgrimage
- vi. Others

The intrinsic appeal of a place is often measured in terms of percentage of repeat visitors classified according to the number of repetitions. The average number of visits per visitor calculated from such data constituted the frequency of visits.

The choice of a destination for holiday and recreation is invariably influenced by a variety of factors including the perceptions of security, tourist appeal and costs about alternate destination choices. The identification of these factors concerning each category of tourists is necessary to plan effective promotional strategies.

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#### **4.4 Global Inbound Tourism Scenario:**

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Travel and tourism are one of the fastest-growing industries and a leader in many countries. It is expected to have generated around 9.4% of world GDP and 8.2% of total employment in 2009. The contribution of the industry to the global economy remains high despite a 4.38% decline in 2009. During the year, travel and tourism investment too declined by more than 12%.

International tourist arrivals rose from 682 million in 2001 to 920 million in 2008. The global travel and tourism industry experienced a downturn in 2009 due to the

global economic and financial meltdown. The industry was affected by low business volumes and consumer confidence, given the uncertainty about factors such as availability of credit, exchange rates, employment, and the H1N1 virus. Consequently, tourist arrivals fell 4% worldwide in 2009. Nevertheless, tourist arrivals increased 2% in the last quarter of 2009, led by a recovery in the Asia Pacific and the Middle East.

International tourist arrivals were 880 million in 2009. The European region continues to attract the largest number of tourists, accounting for around 52% of total traffic in 2009. The Asia Pacific and Americas follow with shares of 21% and 16% respectively. France, the USA and Spain were the top three tourist destinations in 2009; China and Italy rank fourth and fifth respectively in terms of tourist arrivals.

International tourist receipts were down 5.7% in 2009. Europe continues to draw the highest amount of total receipts, accounting for 49%; the Asia Pacific and Americas formed around 24% and 19% respectively. USA, Spain and France were the top three earners during 2009 in that order; Italy and China ranked fourth and fifth respectively.

Germany, the USA and the UK are the leaders in terms of international tourism spending. In 2009, China overtook France to become the fourth-largest tourism spender. Some trends in consumer spending intensified during the global slowdown. These include late booking, preference for short-haul trips compared with long haul ones (travelling closer and for shorter periods), and demanding value for money. These changes in consumer preferences would require changes in the business models of players in the industry. Air transport, which plays a significant role in the global travel and tourism industry for both business and leisure travel, was also adversely affected during 2009.

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**4.5 Tourist Inflow Patterns to Popular Destination Countries:**

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**4.5.1 United States of America****4.5.1.1 Introduction:**

International travel is one of the largest exports for the United States, ranking ahead of agricultural goods and motor vehicles. It is the single largest services sector export, accounting for 25 percent of all services exports in 2011. In 2011 total U.S. international travel spending was \$153 billion. This level includes spending in the United States and international passenger airfare payments made by non-resident visitors arriving on U.S. carriers (both exports).

The U.S. generated a travel trade surplus of \$43 billion in 2011. A surplus has been produced continuously since 1989. A surplus occurs when foreign visitors spend more in the United States than U.S. residents spend travelling abroad. Spending by international travellers visiting the United States in 2011 supported 1.2 million of the 7.6 million American jobs supported directly or indirectly by all travellers spend.

International visitors spend more per traveller than U.S. domestic travellers. Although they account for only four percent of total travellers, they represent 19 percent of total travel-related spending. International visitors purchase 22 percent of all traveller accommodations output, 21 percent of all passenger air transportation services output, 17 percent of all food and beverage output, ten percent of all highway tolls, and seven percent of all gasoline output.

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**4.5.1.2 Inbound visitation:**

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A record 63 million international travellers visited the United States in 2011, up four percent from 2010. The increase in 2011 builds on the record-setting performance in 2010. The largest visitor markets for the United States in 2011 were:

- i. Canada (34%)
- ii. Mexico (22%)
- iii. United Kingdom (6%)
- iv. Japan (5%)

- v. Germany (3%)  
vi. Brazil (2%) vii. France (2%).

Combined, these seven markets accounted for 75 percent of all 2011 international visitors. The United States ranks second behind France for its share of world international visitors. The U.S.'s share of 2011 arrivals was 6.4%.

#### **4.5.2 France:**

##### **4.5.2.1 Introduction:**

France attracted 78.95 million foreign tourists in 2010, making it the most popular tourist destination in the world. France has 37 sites inscribed in UNESCO's World Heritage List and features cities of high cultural interest (Paris being the foremost, but also Toulouse, Strasbourg, Bordeaux, Lyon, and others), beaches and seaside resorts, ski resorts, and rural regions that many enjoy for their beauty and tranquillity (green tourism). Small and picturesque French villages of quality heritage (such as Collonges-la-Rouge or Locronan) are promoted through the association *Les Plus Beaux Villages de France* (litt. "The Most Beautiful Villages of France"). The "Remarkable Gardens" label is a list of the over two hundred gardens classified by the French Ministry of Culture. This label is intended to protect and promote remarkable gardens and parks. France also attracts many religious pilgrims on their way to St. James, or to Lourdes, a town in the Hautes-Pyrénées that hosts a few million visitors a year.

Tourism is accountable for 6% of the country's income (4% from French tourists travelling inside France and 2% from foreign tourists), and contributes significantly to the balance of payments.

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##### **4.5.2.2 Inbound visitation:**

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France has welcomed 44% more tourists over the summer compared to the summer season of 2010. Foreign visitors mostly explore French cities and the seaside. The summer season of 2011 shows good results for French tourism. The increase of foreign visitors was recorded primarily at the Atlantic coast, in the Paris Basin and the Mediterranean region. The number of foreign tourists overall rose by 44%, in rural areas by 55%, by 59% at the seaside and by a third in the cities.

The number of visitors coming from Great Britain, Belgium and the Netherlands rose over summer 2011 mainly along the coast and in the cities. The British are coming back to France the most; the mountains nevertheless are the most popular among the Dutch tourists. The number of guests coming from Spain has increased as well especially in the cities and on the coast. The tourist numbers regarding North American visitors also increased as well as the number of Asian travellers, who often prefer the mountains.

The main foreign visitors in France are:

- i. United Kingdom (18.1%)
- ii. Germany (15.9%)
- iii. Belgium (11.9%)
- iv. Luxembourg (11.9%)
- v. Italy (10.3%)
- vi. Netherlands (8.9%)
- vii. Spain (6.7%)
- viii. Switzerland (6.6%)
- ix. United States (4.2%)
- x. Canada (1.1%)
- xi. Japan (0.9%)

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### **4.5.3 Spain:**

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#### **4.5.3.1 Introduction:**

Tourism in Spain was developed during the last years of Francisco Franco's dictatorship, when the country became a popular place for summer holidays, especially for tourists from the British Isles, France, Central Europe and Scandinavia. In 2007, Spain became the second most visited country in the world after France. That year, almost 60 million foreign tourists were received, according to the World Tourism Organization, which has its headquarters in Madrid.

In 2010, Spain dropped to the fourth most visited country in the world after France, the United States and China with 53 million visitors. Spain's tourism direct industry

GDP was €62.1 billion (\$81.8 billion) in 2010 according to the World Travel and Tourism Council, the fifth-highest tourism direct industry GDP after the United States with \$510.8 billion, Japan \$172.5 billion, China \$113.4 billion and France \$107.6 billion all also World Travel and Tourism Council 2010 figures. It is worth noting that UNWTO measures tourism income differently and in its Tourism Highlights report, 2010 edition, places Spain (\$53 billion) second only to the US (\$93.9 billion) in 2009 for "International Tourism Receipts". The UNWTO's methodological notes explain the meaning of International Tourism Receipts and may help to explain the differences in the two organizations figures.

#### **4.5.3.2 Inbound visitation:**

Most of the inbound tourists visited Spain from the European Countries like France, Portugal, Britain, and Germany leading the way. Other countries are the United States of America and the United Kingdom.

#### **4.5.4 Italy:**

##### **4.5.4.1 Introduction:**

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

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##### **4.5.4.2 Inbound visitation:**

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Tourism is one of Italy's most significant economic sectors and its long-term development potential is important, especially for the southern regions. Tourism is a significant exports driver representing around 40% of the exports of services. The Italian tourism economy is highly internationalized. However, the domestic market is predominant (57% of all nights), especially in the south (75%). While direct tourism spending amounted to 5% of GDP, the direct and indirect impacts

were around 10% of GDP in 2009. Employment is also significant; Italy has one of the highest shares of people employed in tourism in Europe. In 2009, international tourism revenues represented EUR 31 billion, and domestic revenues (holidays only) EUR 33 billion. Weaknesses in tourism statistics lead to an underestimation of the tourism economy and make the evaluation of the Italian tourism economy and comparisons with other countries difficult.

After an exceptionally challenging year in 2009, international tourism in Italy is strongly recovering in 2010 (+6% for January - July 2010). The major tourists receive by Italy are from the European countries and the United States of America.

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#### **4.5.5 China:**

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##### **4.5.5.1 Introduction:**

China's tourism industry is one of the fastest-growing industries in the national economy and is also one of the industries with a very distinct global competitive edge. In 2007, the number of overseas tourists reached 131.9 million. Within this figure, the majority were residents from Hong Kong and Macau (76.7%). This is quite possibly due to their geographic proximity to the mainland. Unsurprisingly, Guangdong was their main travel destination. In the past few years (except for the period spanning the 2003 SARS outbreak), China's inbound tourist arrivals have grown steadily. From 2001 to 2007, the average annual growth rate of arrivals was 6.8%. In 2007, foreign tourist arrivals reached 26.1 million. From 2001 to 2006, the average growth of foreign tourist arrivals reached 15.1%.

Of the 26.1 million foreign tourist arrivals in 2007, more than half were traditional tourists - that is to say, they were in China for sightseeing or leisure purposes. Conferences and business trips ranked the second major reason for visiting the country, with 18% of the market share. In terms of inbound tourism visitor generating sources, Europe ranked first in 2007 with a market share of 23.8%.

##### **4.5.5.2 Inbound visitation:**

The major China Inbound Tourism visitor generating sources in 2007 are as follows:

- i. Europe (23.8%)
- ii. South Korea (18.3%)
- iii. Japan (15.2%)
- iv. Russia (11.5%)
- v. United States (7.3%)

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#### **4.5.6 Austria:**

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##### **4.5.6.1 Introduction:**

Tourism forms an important part of Austria's economy, accounting for almost 9% of the Austrian gross domestic product. As of 2007, the total number of tourist overnight stays is roughly the same for the summer and winter seasons, with peaks in February and July/ August.

In 2007, Austria ranked 9th worldwide in international tourism receipts, with 18.9 billion US\$. In international tourist arrivals, Austria ranked 12th with 20.8 million tourists.

Vienna attracts a major part of tourists, both in summer and winter. Salzburg receives about a fifth of tourist overnight stays compared to Vienna, which ranks it 2nd in the summer season. In the winter season, many winter sports resorts in western Austria overtake Salzburg in the number of tourist overnight stays: Sölden, Saalbach- Hinterglemm, Ischgl, Sankt Anton am Arlberg and Obertauern. Visits to Austria mostly include trips to Vienna with its Cathedral, its "Heurigen" (wine pubs) and romantic Waltz music events. Worth a visit are Salzburg, the birthplace of Mozart, Innsbruck, capital of Tyrol surrounded by the Alps, and the Danube valley with its vineyards, for example, the Wachau or Dunkelsteinerwald, which are between Melk and Krems. In the western part of the country, the province Vorarlberg reaches Lake Constance, in the eastern part Neusiedler See. The three most visited landmarks in Austria are Schönbrunn Palace (2,590,000 visitors per year), Tiergarten Schönbrunn (2,453,987 visitors) and Mariazell Basilica (1,500,000 visitors). Of great touristic importance are the Austrian skiing, hiking and mountaineering resorts in the Alps as well as Family-friendly recreation areas (e.g. the Witches's Water in Tyrol). The same applies to the numerous Austrian

lakes (e.g. Wolfgangsee and other lakes in the Salzkammergut east of Salzburg or Wörthersee in Carinthia).

Electronica Center in Linz. Since 1979 this centre has organized the Ars Electronica Festival and presented the Prix Ars Electronica, the worldwide highest-ranked prize for media art.

#### **4.5.6.2 Inbound visitation:**

The year 2009 was rather gloomy for travel and tourism in Austria; travel retail, air transportation, car rental and others amount suffered significant downward trends in comparison with 2008. However, 2010 brought a turnaround, and a positive outlook for the amount these markets.

Tourists from the UK began returning to Austria, with an increase of 10%, and Spain and Sweden even additional so. Austrians as well rediscovered their neighbouring nations, including Germany, Italy and Switzerland.

Each tourism market, such as car rental, travel retail, travel accommodation, transportation and inbound and outbound tourism, noted increases of additional than 2% in price sales. This was driven by growing confidence in the economy and crisis prevention measures by the government.

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#### **4.5.7 Switzerland:**

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##### **4.5.7.1 Introduction:**

Even though the economic crisis is fading in many countries consumers continue to feel the after-effects. While the United Nations World Tourism Organization (UNTWO) found tourism to be one of the most resilient industries, the fallout from the economic crisis has driven consumers to seek value for money. At the top end, the drop in business and luxury travel caused by the financial crisis has hit airlines and high-end hotel chains hard. At the bottom end, it has favoured low-cost carriers over-scheduled flights and all-inclusive holidays over individually planned holidays as well as traditional packages. The trend for seeking bargains shows no sign of abating just yet. Switzerland is beset with the problem of an extremely strong Swiss franc. By the end of December 2010, the euro had plumbed

new depths at CHF1.25 (US\$1.07), which makes travel in the country too expensive for many would-be tourists.

With the growth of internet connectivity, the online aspect of the travel business is growing in importance. Next to the important role of the internet in facilitating the booking process, online social media are emerging as a key driver in terms of marketing. Most travel operators and retailers offer online booking facilities as a matter of course and there are hardly any companies now that do not communicate via the internet. Many have joined Facebook and Twitter to get closer to their clientele. From the consumer side, there is a myriad of portals for expressing opinions about destinations, accommodation and flight quality, such as Expedia and Holiday Check, an important German-language rating portal. Last but not least, stories are being shared via blogs about successful, mediocre or disastrous holidays. UNWTO data shows that global tourist trips are set to nearly double over the next 10 years, to reach 1.6 billion by 2020. This puts into focus the importance of addressing the topic of sustainable tourism. Cruise travel companies– one of the boom areas in the tourism market– are addressing the topic of sustainability with moves such as including eco-cruises to places like the Galapagos Islands, the installation of advanced wastewater purification (AWP) systems and advanced wastewater treatment. This will add to their appeal as green issues become more important to tourists and travellers. Euromonitor International research also shows that attracting more first-time cruisers, including baby boomers and families, will be a key strategy for the cruise industry. In Switzerland, a new booking portal for cruise travel was launched by e-hoi, which aims to become a top player.

One of the strongest growth areas in the tourism industry is that of medical and health tourism. This type of tourist goes way beyond the long-established search for tranquillity and wellness. With an ageing and financially strong consumer demographic happy to spend money on their health, travel abroad for medical reasons, in combination with a holiday, is a fast-growing business and has become a lucrative area of the tourism market. Switzerland, with its mountain resorts,

opportunities for walking in clean air and its spa tradition, is geared up to expanding this area of its tourism industry.

The 2010 Mercer Study on the cost of living put Geneva in fifth place worldwide. Switzerland is a high-end location and will therefore never be a mass destination, but the demographic trend of ageing and a more affluent older generation in North America and key European markets offer opportunities for incoming tourism in Switzerland, a country that is considered comfortable, safe and ecologically sound. There is also growing interest in premium destinations from new middle-class tourists in emerging economies such as India, Brazil and China.

#### **4.5.7.2 Inbound visitation:**

The value for International tourism, number of arrivals in Switzerland was 8,628,000 as of 2010. The major tourist visited Switzerland is from United States of America, United Kingdom and other European countries. From the last three years, the number of tourists from developing nations especially from India, China, Brazil and South Africa also increasing towards visiting this destination.

#### **4.5.8 Australia:**

##### **4.5.8.1 Introduction:**

Tourism is an important industry for the Australian economy. In the financial year 2010/11, the tourism industry represented 2.5% of Australia's GDP at a value of approximately \$35 billion to the national economy. This is equivalent to tourism contributing \$94.8 million a day to the Australian economy. Domestic tourism is a significant part of the tourism industry and was responsible for 73% of the total direct tourism GDP. The 2010-11 financial year saw a record number of overseas arrivals in the financial year, with 5.9 million short-term visitor arrivals to Australia (or 588 extra visitors a day extra). Tourism employed 513,700 people in Australia in 2010-11, or 43.7% of total tourism employed persons were part-time. Tourism also contributed 8.0% of Australia's total export earnings in 2010-11.

Popular Australian destinations include the coastal cities of Sydney and Melbourne, as well as other high profile destinations including regional Queensland, the Gold Coast and the Great Barrier Reef, the world's largest reef.

Uluru and the Australian outback are other popular locations, as is Tasmanian wilderness. The unique Australian wildlife is also another significant point of interest in the country's tourism.

**4.5.8.2 Inbound visitation:**

In Australia, there were 5.9 million visitor arrivals for the year ending April 2012, an increase of 0.5 per cent relative to the previous year. There were 2.1 million visitor arrivals to Australia during the four months to April 2012, an increase of 3.4 per cent relative to the same period of the previous year. There were 4,66,600 visitor arrivals during April 2012, an increase of 0.9 per cent relative to the same period of the previous year. Majorly the tourist is coming from China, Germany, Japan, South Korea, New Zealand, the United Kingdom and the United States of America.

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**4.6 Summary:**

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According to United Nations World Tourism Organization (UNWTO), the sector of inbound tourism is the main revenue earning sector for any country. The inbound tourism depicted the strength of the host country in terms of its tourism attractions and infrastructure facilities. Across the world, every country majorly focuses on inbound tourism because it is the main source of earning foreign exchange. In this unit, the major tourism receiving countries are discussed to understand their policies and practices from the main tourism generating countries. The pattern of inbound tourism and the impact of external factors are also discussed to make a common census on the vitality of international tourism especially the sector of inbound tourism.

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**4.7 Expected Questions:**

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1. What do you mean by the terms tourist inflow and inbound tourism?
2. What is the significance of profiling tourists?
3. Write an essay on the global inbound tourism scenario?
4. What are the major countries from where France and Spain receiving the tourists?
5. Explain the present scenario of Australian Tourism?

6. Define and explain the significance of China and Austria tourism for their economies?

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**UNIT-5**

**Status of International Tourism in Nepal, Bhutan and  
Pakistan**

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**Structure:**

**5.1 Introduction**

**5.2 Objective**

**5.3 South Asian Nations**

**5.4 State and Potential of International Tourism in Nepal**

**5.5 State and Potential of International Tourism in Bhutan**

**5.6 State and Potential of International Tourism in Pakistan**

**5.7 Summary**

**5.8 Answers to check your Progress**

**5.9 References**

**5.1 Introduction:**

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The block concentrates upon the South Asian countries and the state of International Tourism in these nations. In this unit, you will learn about the three nations with tremendous potential for Tourism which is, Nepal, the home to the highest elevation point on earth, Bhutan, the last Shangri la on planet earth and lastly, Pakistan, the seat of one of the ancient civilization of the world. These nations are economically backward and are politically less stable. However, these are endowed with immense resources and potential for tourism.

**5.2 Objective:**

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After reading this unit you will able to:

1. To understand the various historical and geographical backgrounds of Nepal, Bhutan and Pakistan.
2. To acquaint with various Tourism destinations of Nepal, Bhutan and Pakistan.
3. To understand the tourist arrival in the cited countries by studying their statistics of recent years.

**5.3 South Asian Nations:**

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The past decade has witnessed tremendous change in touristic markets. Earlier tourists concentrated towards the European and American markets; however, with the advancement in technology and growth in individual income, Asian markets are now swarmed by tourists of various ages and interests. Out of which South East Asian countries like Singapore, Malaysia and Thailand have been the top scorers while the South Asian market is swiftly growing market for Tourism. South Asian countries include India, Bangladesh, Sri Lanka, Maldives, Nepal, Bhutan, Pakistan and Afghanistan. These nations are poor and less developed nations with lesser means to support the economy. Agriculture is one of the prime sources of earning. However, these have affluent ancient civilizations, enormous cultural diversity, cosmic and imposing geographical resources, fascinating heritage sites and the benevolent attitude of the people makes the region have extreme potentials for the

Tourism industry. Over the last two decades, the governments of these nations have started realizing the value of cultural and natural assets and have jointly associated to form a common platform for the development and promotion - South Asian Association for Regional Cooperation (SAARC).

In this unit, we will concentrate upon the International Tourism of Nepal, Bhutan and Pakistan.

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**5.4 State and Potential of International Tourism in Nepal:**

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**Political History of Nepal:**

In 1951, the Nepali monarch ended the century-old system of rule by hereditary premiers and instituted a cabinet system of government. Reforms in 1990 established a multiparty democracy within the framework of a constitutional monarchy. An insurgency led by Maoist extremists broke out in 1996. The ensuing 10-year civil war between insurgents and government forces witnessed the dissolution of the cabinet and parliament and assumption of absolute power by the king. Several weeks of mass protests in April 2006 were followed by several months of peace negotiations between the Maoists and government officials and culminated in a November 2006 peace accord and the promulgation of an interim constitution. Following a nationwide election in April 2008, the newly formed Constituent Assembly declared Nepal a federal democratic republic and abolished the monarchy at its first meeting the following month. The Constituent Assembly elected the country's first president in July. The Maoists, who received a plurality of votes in the Constituent Assembly election, formed a coalition government in August 2008 but resigned in May 2009 after the president overruled a decision to fire the chief of the army staff. The Communist Party of Nepal-United Marxist-Leninist and the Nepali Congress party then formed a new coalition government with several smaller parties. In November 2011, Prime Minister Baburam Bhattarai and the leaders of the main political parties signed a formal agreement to begin the process of reintegrating the former Maoist combatants. Over the next year, the

Constituent Assembly is scheduled to draft a new constitution and complete the government formation process.

**Geography of Nepal:**

**Location:** Southern Asia, Between China and India

**Geographic coordinates:** 28 00 N, 84 00 E

**Total Area:** 147,181 sq km

**Land Boundaries:** 2,926 km (China 1,236 km, India 1,690 km)

Coastline: 0 km (landlocked)

**Climate:** varies from cool summers and severe winters in the north to subtropical summers and mild winters in south

**Terrain:** Tarai or flat river plain of the Ganges in the south, central hill region, the rugged Himalayas in north

**Elevation Extremes:**

**Lowest point:** Kanchan Kalan 70 m

**Highest point:** Mount Everest 8,850 m

**Environmental Issues:** deforestation (overuse of wood for fuel and lack of alternatives); contaminated water (with human and animal wastes, agricultural runoff, and industrial effluents); wildlife conservation; vehicular emissions

**Natural Hazards:** Severe thunderstorms; flooding; landslides; drought and famine depending on the timing, intensity, and duration of the summer monsoons.

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**Tourist Attractions of Nepal:**

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Nepal has always been a favourite destination for mountaineers, rock climbers and adventure seekers, besides the home to the highest peak of the world, Mt. Everest also possess 8 of the 10 highest mountains in the world. The Hindu and Buddhist heritage of Nepal and its cold weather are also strong attractions. The world heritage Lumbini, the birth place of Gautama Buddha, is located in southern Nepal, and there are other important religious pilgrimage sites like Pashupati Nath Temple dedicated to Lord Shiva, swayambunath, Muktinath, Devghat, Manakamana and the like.

Tourism is the largest industry of Nepal and the highest source of Foreign exchange revenue earner. The year 2011 had been declared as the Nepal Tourism year and it was hoped to attract one million foreign tourists to the country during the year. Being a poor country, Tourism has always been looked upon as a driver to alleviate poverty and bring social equity.

Nepal offers an array of activities for tourists to indulge in like Jungle safari, Mountain Biking, Rafting, kayaking canoeing, and paragliding. Tourists can also explore and mesmerize with the spectacular views of Pokhara and nearby lakes from ultralight Aircraft or can simply slip into the divinity and spiritualism of the place. Nepal is also a great place to indulge in the shopping of varied wallets.

**Kathmandu:**

Kathmandu, the capital city of Nepal, is one of the world's oldest cities. The old part of the city, with narrow medieval streets and lovely little shrines, centres on Durbar Square. Here one can find distinctive pagoda-roofed temples, stone sculptures, old monasteries and historic monuments.

**Kathmandu Darbar Square:**

This cluster of ancient temples, palaces and courtyards dating back to the 12th and 18th centuries has been listed as the eighth cultural World heritage site by UNESCO. This is known to be the social, religious and urban focal point of the capital city.

**Bhaktapur:**

Bhaktapur or also known as Bhadgaon is a museum of medieval art and architecture with many fine examples of sculpture, woodcarving and colossal pagoda temples consecrated to different gods and goddesses. The city is shaped like a conch shell-one of the emblems of the god

Vishnu and was founded by King Ananda Deva in A.D. 889. The city is 1,402 meters above sea level. Pottery and weaving are their major traditional industries. The city lies fifteen Kilometers to the east of Kathmandu.

**Patan:**

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The ancient name of Patan is Lalitpur meaning, the city of beauty. It is indeed a city of beauty and grace and is planned in a circular format with Buddhist stupas at each of the four points of the compass. The city is three Kilometers southeast of Kathmandu across the river Bagmati. Like Kathmandu, its centre of attraction is its Durbar Square complex, situated right in the middle of the marketplace. Noted for its craftsmen and metal workers, it is also known as the city of artists. The city is believed to have been built during the reign of Vira Dev in A.D. 299.

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**Pokhara:**

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Pokhara, an enchanting city nestled in the tranquil valley (827m), is the starting point for many of Nepal's most popular trekking and rafting destinations. The serenity of Phewa Lake and the magnificence of the fish-trail summit of Machachhapuchhre (6,977m) rising behind it create an ambience of peace and magic. The valley surrounding Pokhara is home to thick forests, gushing rivers, clear lakes and the world-famous views of the Himalayas. Situated 200 km west of Kathmandu, Pokhara is connected by air as well as by road from Kathmandu and Bhairawa, a border town near India. Pokhara offers magnificent views of Dhaulagiri, Manaslu, Machchhapuchhre, five peaks of Annapurna and others.

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**Lumbini:**

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Lumbini, the birthplace of Siddhartha Gautam. The Shakya prince and the ultimate Buddha, the Enlightened One, is the pilgrimage destination of the world's millions of people faithful to all schools of Buddhism. UNESCO lists this nativity site, identified by Indian Emperor Ashoka's commemorative pillar as a World Heritage Site. The main attraction of Lumbini remains the Sacred Garden which spread over 8sq km, possessing all the treasures of the historic area. The Mayadevi temple is the main attraction for pilgrims and archaeologists alike.

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**Royal Chitwan National Park:**

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Chitwan is one of the finest national parks in Asia, renowned for its concentration of wildlife and top class tourist lodges, which provide the opportunity to see animals in their natural habitat. Chitwan which means the 'heart of the jungle' is among the last surviving example of the continuous band of forests and grasslands, which once extended from the Indus River in Pakistan to the Burmese border. The main attraction here is the Chitwan National Park, One of the largest forests regions in Asia teeming with wildlife such as the rare great one-horned rhinoceros, several species of deer, sloth bear, leopard, wild boar, freshwater dolphin, crocodile, more than 350 species of birds and the elusive Bengal tiger. Chitwan National Park is listed in the UNESCO World Heritage Site (natural) list. Visitors to Chitwan may enjoy elephant back excursions, nature walks, canoe trips and jungle treks. There are several authorized agencies to organize such safaris. Visitors may also take a river raft. The five-hour drive to Chitwan (165km overland) from Kathmandu is filled with thrilling views of the hills, rivers and plains with jungles on either side.

**Muktinath & Jomsom:**

It is believed that all miseries/sorrows are relieved once you visit this temple (Mukti=Nirvana, Nath=God). The famous temple of Lord Muktinath lies in the district of Mustang and is situated about 18km northeast of Jomsom at an altitude of about 3,749m. The main shrine is a pagoda-shaped temple dedicated to Lord Vishnu. Set into the wall around it is 108 waterspouts from which pour holy water. The temple is situated on a high mountain range and is visited during fair weather. There are two ways to get to Muktinath from Kathmandu. It is believed that one should visit this temple after competing pilgrimages of four Dhams in India. This temple is held sacred by Hindus as well as Buddhists. The Jwala Mai temple nearby contains a spring and an eternal flame fed by natural gas underground. Jomsom is a major centre in the Annapurna region. There is a world-class accommodation facility in Jomsom from where one can enjoy the remarkable natural beauty.

**Gorkha:**

Gorkha is the birthplace of King Prithvi Narayan Shah the great founder of modern Nepal. Situated on a hill overlooking the snowy peaks of the Himalayas is a beautiful old palace known as Gorkha Durbar. There are two attractive temples of Gorakhanth and Kali inside the place precinct. Gorkha can be reached in about six hours by road from Kathmandu and four hours from Pokhara.

**Pashupatinath Temple:**

The magnificent temple of Lord Pashupatinath, about 5 km northeast of Kathmandu, is situated amidst many other temples on the right bank of the River Bagmati. It is considered to be the holiest pilgrimage site in Nepal. Dedicated to Hindu Lord Shiva, the shrines and temples of Pashupatinath attract thousands of visitors from within and outside the country every year.

**Gosainkunda:**

One of the most famous pilgrimage destinations of Nepal is Gosainkunda Lake which is situated at an altitude of about 4,360m. The best approach to Gosainkunda is through Dhunche, 132km to the northeast of Kathmandu. Dhunche is linked with Kathmandu by a motorable road. Surrounded by high mountains on the north and the south, the lake is grand and picturesque. There are other nine famous Lakes such as Saraswati, Bhairav, Sourya, Ganesh Kunda etc.

**Devghat:**

Devghat is a popular pilgrimage spot situated at the confluence of the Kali Gandaki and Trisuli rivers. It lies just north of the Chitwan National Park. During the Magay Sakranti festival in January, Hindu devotees gather here to take holy dips in the river.

**Manakamana:**

This temple place at an altitude of 3900 ft. offers very good views of the Ganesh, Manaslu and Annapurna groups. The surrounding village though is a mixture of 20th-century Nepali bar rock and 2nd World War aftermath. Every day hundreds make the journey to worship at Manakamana's Bhagwati Mandir.

**Tourist Statistics:**

Sr. No	Description	Status as of Mid-Jan 2009	Target for Mid-Jan 2010	Progress as of mid-Jan 2010
1.	Tourists arrival in ('000)	500277	650000	509752
2.	Tourist stay (days)	11.78	16	11.6
3.	Earnings from Visitors (Millions Rs.)	1865.30*	4145.96	2796.00**
4.	Income per vistors (Rs)	37285.34	63784	54850.20
5.	Foreign Exchange Earning (Million USD)	286.88	532.35	215.29

**Source:** Ministry of Tourism and Civil Aviation, Central Bureau of statistics and Nepal Rastra Bank

**Check your progress-1:**

1. Explain any two UNESCO listed sites of Nepal.

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2. Write a note on Royal Chitwan National Park.

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Himalayas, Bhutan is also named 'The Land of Peaceful Thunder Dragon' due to the regular feature of storms in the Himalayan region. Spread over 18,146 miles, Bhutan offers breathtaking mountain views, incredible scenic beauty, exciting

wildlife and rich culture and lifestyle which Bhutanese people still strives to preserve in the face of modernity.

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**History of Bhutan:**

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In 1865, Britain and Bhutan signed the Treaty of Sinchulu, under which Bhutan would receive an annual subsidy in exchange for ceding some border land to British India. Under British influence, a monarchy was set up in 1907; three years later, a treaty was signed whereby the British agreed not to interfere in Bhutanese internal affairs and Bhutan allowed Britain to direct its foreign affairs. This role was assumed by independent India after 1947. Two years later, a formal Indo-Bhutanese accord returned the areas of Bhutan annexed by the British, formalized the annual subsidies the country received and defined India's responsibilities in defence and foreign relations. A refugee issue of over 100,000 Bhutanese in Nepal remains unresolved; 90% of the refugees are housed in seven United Nations Office of the High Commissioner for Refugees (UNHCR) camps. In March 2005, King Jigme Singye WANGCHUCK unveiled the government's draft constitution - which would introduce major democratic reforms - and pledged to hold a national referendum for its approval. In December 2006, the King abdicated the throne to his son, Jigme Khesar Namgyel WANGCHUCK, to give him experience as head of state before the democratic transition. In early 2007, India and Bhutan renegotiated their treaty to allow Bhutan greater autonomy in conducting its foreign policy, although Thimphu continues to coordinate policy decisions in this area with New Delhi. In July 2007, seven ministers of Bhutan's 10-member cabinet resigned to join the political process, and the cabinet acted as a caretaker regime until democratic elections for seats to the country's first parliament were completed in March 2008. The king ratified the country's first constitution in July 2008.

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**Geography of Bhutan:**

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**Location:** Southern Asia, Between China and India

**Geographic coordinates:** 27 30 N, 90 30 E

**Total Area:** 38,394 sq. km.

**Coastline:** 0 km (landlocked)

**Climate:** varies; tropical in southern plains; cool winters and hot summers in central valleys; severe winters and cool summers in Himalayas

**Terrain:** mostly mountainous with some fertile valleys and savanna

**Elevation Extremes:**

**Lowest point:** Drangeme Chhu 97 m

**Highest point:** Gangkar Puensum 7,570 m

**Environmental Issues:** soil erosion; limited access to potable water

**Natural Hazards:** violent storms from the Himalayas are the source of the country's name, which translates as Land of the Thunder Dragon; frequent landslides during the rainy season.

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### **Tourist attractions of Bhutan:**

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Famous as the last Sanghri la (literally translated as Utopian paradise) on earth, the tiny Bhutan Kingdom offers a lot to tourists. From snowcapped mountain peaks to historical relics, the large number of tourist attractions deck up the marvellous landscape of Bhutan. With its tourism industry constantly developing, Bhutan is slowly putting itself as a great tourist destination to explore. The fact that Bhutan has mysteries associated with its unexplored landscape makes it more lucrative for tourists.

### **Places to Visit in Bhutan:**

<b>Name</b>	<b>Location</b>	<b>Why to Visit?</b>
Thimpu	West Bhutan	Bhutan's Capital City
Paro	Center Bhutan	The most developed city in Bhutan
Punakha	East Bhutan	Beauty of Eastern Himalayan range
National Museum	Central Bhutan, Paro	Cultural Heritage of Bhutan
Jigme Dorji National	Northern Bhutans	Hot springs and rare wildlife

Park		
Kurje Lhakhang	Near Bumthang	Historic Temple
Chimi Lhakhang	Punakha	Mystical Temple
Kyichu Lhakhang	Central Bhutan, Paro	The oldest shrine in Bhutan
Lhakhang	Central Bhutan, Paro	Buddhist Pilgrimage Site

### **Thimpu- The Capital of Bhutan:**

Capital to the tiny Himalayan kingdom of Bhutan, Thimpu is situated at an elevation of 2300 meters. It is perhaps the smallest capital in the world that exhibits splendid traditional Bhutanese art, architecture, culture, and tradition and above all still so ethnic and pure. The place celebrates the breathtaking Thimpu Festival, also grandly called the festival of dances.

### **Paro Valley - A Beautiful Valley:**

Paro Valley is one of the most developed cities of Bhutan and also a testament to the rich cultural heritage of the country. The picturesque Paro valley has some of the most ancient temples and Buddhist monasteries in Bhutan and for these very reasons, Paro Valley is one of the most visited destinations of Bhutan.

### **Historical Sites of Bhutan:**

#### **Tongsa - Home of the Wangchuk Dynasty:**

Tongsa is the ancestral home of the royal family of Bhutan. The Wangchuk Dynasty controlled the country of Bhutan from the Tongsa Dzong till the time democracy was officially incorporated in Bhutan. Tongsa also houses some of the best shopping destinations in Bhutan selling handwoven textiles at very competitive prices.

#### **Bumthang Valley - Sacred Destinations of Bhutan:**

The valley of Bumthang has some of the oldest Buddhist temples and sacred sites in its vicinity thereby making this valley a religious center of Bhutan. Beautiful

natural sceneries and its many old forts make it one of the must-visit hot spots of the nation.

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**Forts of Bhutan:**

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**Mongar:**

The Bhutanese forts or Dzong as they are often called are one of the prime attractions to this country. The Dzong in Mongar built-in 1930 is the most recent addition to the architectural delights of Bhutan. It is said that to build the famous Mongar Dzong of Bhutan no drawings were used.

**Lhuntse:**

Built-in the year 1654, Lhuendrup Dzong in Lhuntse is considered to be one of the most ancient monuments of Bhutan. Lhuntse captures within itself the rich ancient heritage of Bhutan.

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**Wildlife of Bhutan:**

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**Jigme Dorji National Park:**

Jigme Dorji National Park is named after the third king of Bhutan. It is one of the largest and protected sanctuaries of Bhutan and like all other national parks in Bhutan is operated under a development scheme operated by the World Wide Fund.

**Flora & Fauna:**

Bhutan has it all in the form of its rich Flora & Fauna. To start with the Blue Poppy which is also the National Flower of Bhutan, junipers, magnolias, edelweiss, uncommon orchids, giant rhubarb, tropical trees, pine trees and oak trees to its Fauna which includes red pandas, the golden langur, snow leopard, musk deer and the Himalayan brown bear.

**Shopping in Bhutan:**

Bhutan is considered to be a good shopping destination if one is looking for handicrafts and antique jewellery. It is known for its famous shops selling handmade textiles, wooden products, carpets, metal jewellery and handicrafts. The Handicrafts Emporium on the main street of Thimpu is open every day to cater to

the tourist population. Also, a famous shopping place is the Motithang Hotel souvenir shop which is located in Thimpu where all sorts of old coins and antique collections can be found.

**Tourist statistics:**

The value for International tourism, number of arrivals in Bhutan was 27,000 as of 2010. Over the past 15 years has Bhutan received a maximum of 28,000 in 2008 and a minimum tourist of 5,000 in 1995? The latest value for International tourism, receipts (current US\$) in Bhutan was \$51,000,000 as of 2009. Over the past 14 years, the value for this indicator has fluctuated between \$51,000,000 in 2009 and \$5,000,000 in 1995.

Year	Number of Tourists
1995	5,000
1996	5,000
1997	5,000
1998	5,000
1999	7,000
2000	8,000
2001	6,000
2002	6,000
2003	6,000
2004	9,000
2005	14,000
2006	17,000
2007	21,000
2008	28,000
2009	23,000
2010	27,000

**Source:** World Tourism Organization, Yearbook of Tourism Statistics, Compendium of Tourism Statistics and data files.

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**Check Your Progress-2:**

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- **Write a note on the Forts of Bhutan:**

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**5.6 State and Potential of International Tourism in Pakistan:**

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The Indus Valley civilization, one of the oldest in the world and dating back at least 5,000 years, spread over much of what is presently Pakistan. During the second millennium B.C., remnants of this culture fused with the migrating Indo-Aryan people. The area underwent successive invasions in subsequent centuries from the Persians, Greeks, Scythians, Arabs (who brought Islam), Afghans, and Turks. The Mughal Empire flourished in the 16th and 17th centuries; the British came to dominate the region in the 18th century. The separation in 1947 of British India into the Muslim state of Pakistan (with West and East sections) and largely Hindu India was never satisfactorily resolved, and India and Pakistan fought two wars - in 1947-48 and 1965 - over the disputed Kashmir territory. A third war between these countries in 1971 - in which India capitalized on Islamabad's marginalization of Bengalis in Pakistani politics - resulted in East Pakistan becoming the separate nation of Bangladesh. In response to Indian nuclear weapons testing, Pakistan conducted its own tests in 1998. India-Pakistan relations have been rocky since the November 2008 Mumbai attacks, but both countries are taking small steps to put relations back on track. In February 2008, Pakistan held parliamentary elections and in September 2008, after the resignation of former President MUSHARRAF, elected Asif Ali ZARDARI to the presidency. Pakistani government and military leaders are struggling to control domestic insurgents, many of whom are located in the tribal areas adjacent to the border with Afghanistan. In January 2012,

Pakistan assumed a nonpermanent seat on the UN Security Council for the 2012-13 term.

**Geography of Pakistan:**

**Location:** Southern Asia, bordering the Arabian Sea, between India on the east and Iran and Afghanistan on the west and China in the north.

**Geographic coordinates:** 30 00 N, 70 00 E

**Total Area:** 796,095 sq km

Land Boundaries: total: 6,774 km

Border countries: Afghanistan 2,430 km, China 523 km, India 2,912 km, Iran 909 km.

Coastline: 1,046 km

**Climate:** mostly hot, desert; temperate in northwest; arctic in north

**Terrain:** flat Indus plain in east; mountains in north and northwest; Balochistan plateau in the west.

**Elevation Extremes:**

**Lowest point:** Indian Ocean 0 m

**Highest point:** K2 (Mt. Godwin-Austen) 8,611 m

**Environmental Issues:** water pollution from raw sewage, industrial wastes, and agricultural runoff; limited natural freshwater resources; most of the population does not have access to potable water; deforestation; soil erosion; desertification.

**Natural Hazards:** frequent earthquakes, occasionally severe especially in north and west; flooding along the Indus after heavy rains (July and August).

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**Tourist attractions of Pakistan:**

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In September 2004 with the bifurcation of the Minorities, Culture, Sports, Tourism and Youth Affairs, Tourism was given a separate status from the Ministry of Tourism. The Ministry of Tourism is responsible for the policy formulation, development, marketing and promotion of both foreign and domestic tourism besides coordination and regulating of federal and provincial governments and private sector activities responsible and involved in tourism. Within the overall set

up the tourism wing of the ministry is in collaboration with its field organisations making it completely responsible for the development of the tourism industry.

**Balochistan:** is the largest province by geographical area of Pakistan, constituting approximately 43% of the total area of Pakistan. Balochistan is home to one of the oldest Neolithic (7000 BC to c. 2500 BC) sites in archaeology. Mehrgarh and Nausharo were ancient cities linked to the Indus Valley Civilization. Other ancient sites dating back 800 years are the Nausherwani Tombs at Qila Ladgasht. There was also an ancient port at the site of Area which proved to be a useful port during the Hellinstic Civilization. Kund Malir, is one of the most famous beaches in Balochistan. Quetta is the provincial capital of Balochistan. There are several sites of interest including the protected Hazariganj Chiltan National Park, Hanna Lake, Quetta Geological Museum, Balochistan Arts Library, Quetta Archaeological Museum and Common and staff college Museum. There are many mountain passes within Balochistan. The Bolan Pass has been the main entrance to the provincial city of Quetta. There are several others including Lak Pass, Khojak pass and Harnai Pass. The Balochistan coastline extends from the Sindh province to the Iranian border measuring a total distance of over 750 km. The city of Gwadar holds the largest port in the province which is based near the ancient area of Makran. Pasni is another beautiful medium-sized town famous for fishing. Along the Makran Coastal Highway, there are several rock formations as well as Kund malir and Hanol National Park.

**Khyber Pakhtunkhwa (Khyber-PK):**

Khyber Pakhtunkhwa is located in the northwest region of Pakistan. It is known as the tourist hotspot for adventurers and explorers. The province has a varied landscape ranging from rugged, mountains, valleys, hills and dense agricultural farms. The region is well-known for its ancestral roots. There are many Buddhist archaeological sites from the Gandhara civilization such as Takht Bhai and Pushkalavati. There are many other Buddhist and Hindu archaeological sites including Bala Hisar Fort, Butkara Stupa, Kanishka Stupa, Chakdara, Panjkora Valley and shehri Bahlol. It is famous for Khyber steam train safari. Peshawar is

the provincial capital of Khyber Pakhtunkhwa. The city is home to many sites including Bala Hisar Fort, Peshawar Museum, archaeological site of Gor Khuttree, Mohabbat Khan Mosque, the old city of Sethi Mollah, Jamrud Fort, the Sphola stupa and the most famous market of Qissa Phawani. The city of Dera Ismail Khan is known to be the entrance into the province from Punjab and Balochistan. The city is famous for its Hindu ruins at Kafir Kot.

One of the most important cities in the province is Manshera. The city is a major stop for tourists setting out to the Northern areas and Azad Kashmir. The city is connected by the famous Karakoram Highway which ends up in China. Several mountain passes run through the province. One of the most famous is the Khyber Pass which links Afghanistan with Pakistan. The highest mountain pass in Pakistan is Shandur Pass which connects Chitral to Gilgit and is known as the Roof of the World. The pass is the epicentre of three mountain ranges- Hindukush, Pamir and Karakoram.

**Punjab:** is the second largest province in Pakistan. It is known for its ancient cultural heritage as well as its religious diversity. The lands of Punjab have been home to several religions and civilisations. The Indus Valley Civilization once ruled the region and a significant archaeological find was discovered at the ancient city of Harrapa. The Gandhara Civilisation was also quite dominant in the northern region of Punjab at the site of Taxila. Several other civilisations such as Greeks, Central Asians, and Persians ruled Punjab leaving some sites that still exist today. The arrival of Islam came about during the rule of the Umayyad Caliphate followed by the Ghaznavids. The Mughals took control of the region and ruled its land for several centuries. The Mughal heritage remained quite strong in Punjab with a large number of forts, tombs and monuments still intact today. The Durrani Empire ruled Punjab at the fall of the Mughal Empire for a short period following the rise of the Sikh Empire. The strong control of the Sikhs also leads to several sites remaining intact throughout Punjab. The British Raj took control of the region until the partition of India.

**Lahore** is the provincial capital of Punjab and is the religious and cultural centre of the country. Lahore is the second-largest city of Pakistan as is known to the *Cultural Heart of Pakistan*. The Mughal Empire left behind the Lahore Fort and Shalimar Gardens which are now recognized World Heritage Sites. The walled city of Lahore, Badshahi Mosque, Wazir Khan

Mosque, Tomb of Jahangir and Noor Jahan, Tomb of Asaf Khan and

Chauburji is another major site visited by tourists each year. The tomb of Qutb-ud-din-Aibak from the Delhi Sultanate is located in the historical market of Anarkaali Bazaar in Lahore. The Samaadhi of Ranjeet Singh and Hazuri Bagh Baradari are prime examples of Sikh architecture during the rule of the Sikh Empire. There many other sites within Lahore such as Minar-e-Pakistan, Lahore Museum, Data Durbar Complex, Tomb of Muhammad Iqbal, Bagh-e-Jinnah, Lahore Zoo, Gaddafi Stadium which all create a large number of visitors annually.

**Rawalpindi** is known to be a famous hill station stop for tourists before setting out to Murree, Bhurban, Patriata, Northern Areas, Azad Kashmir and Gilgit-Baltistan. The Pharwala Fort is a major fort on the outskirts of the city built by an ancient Hindu civilisation. The Rohtas Fort near Jhelum is a major fort built by Sher Shah Suri is a World Heritage Site. The Katasraj temple in the city of Chakwal is a major destination for Hindu devotees. The Khewra Salt Mines is another major tourist attraction as its one of the oldest mines in South Asia. The city of Nankana Sahib is the birthplace of the founder of Sikhism.

**Multan** is another major tourist destination in Punjab. It is known for its mausoleums of saints and Sufi pirs. The most famous being the Rukn-e-Alam and Baha-ud-din Zakariya. The Multan Museum and Nuagaza tombs are so significant attractions in the city. The city of Bahawalpur is a major destination as it is located near the Cholistan Desert and the Thar Desert. The Derawar Fort is a large fort built in the Cholistan Desert which is also the site for the annual Cholistan Jeep Rally. The city is also near the ancient site of Uch Sharif which was once a Delhi sultanate stronghold. The Noor Mahal, Sadiq Ghar Palace, Darbar Mall are large palaces built

during the reign of the Nawabs. The Lal Suhana National Park is a major zoological garden on the outskirts of the city.

**Sindh** is located in the south-eastern region of Pakistan. The province is known for its religious heritage and rapid urbanisation. The province is home to the ancient Indus Valley Civilisation. Mohenjo-daro near the city of Larkana was one of the largest city settlements in South Asia and is an official UNESCO World Heritage Site. The Chaukhandi tombs are another example of ancient Sindhi and Balochi heritage located near the town of Landhi. Another ancient city, Aror, located near the city of Sukkur, is also a famous tourist spot for its ruins. Kahu-jo-Darru is a famous ancient Buddhist archaeological site near Mirpurkhas where a Buddhist stupa was excavated.

**Karachi** is the provincial capital of the province and the largest city of Pakistan. It is home to the founder of the nation, Mohammad Ali Jinnah. His tomb, Mazar-e-Quaid, is the most iconic mausoleum in Pakistan. The city has the largest port in the country, Port of Karachi, followed by the second largest, Port Qasim. The province also forms the basin for the Indus River. This has led to several lakes being formed in the province. Some of the most notable ones include Keenjhar Lake, Manchar Lake and Bakri Waro Lake in Khairpur. The Kirthar National Park is also a protected reserve for wildlife species within the region. The Thar Desert is also located in the province which adjoins it to Punjab and India. The Great Rann of Kutch is a protected wetland site in the province. There are two wildlife sanctuaries in the province: Rann of Kutch wildlife sanctuary and the Nara Desert Wildlife sanctuary. The Sukkur Barrage is another famous icon in the province it was built to alleviate Famines caused by lack of rain. Port Grand Food and Entertainment complex is a recreational area built in the centre of Karachi, Pakistan, along the waterfront of the 19th century Native Jetty Bridge that connects the Karachi Port Trust to Keamari.

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#### **Important Heritage sites:**

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Currently, Pakistan has six major cultural sites that are categorized as UNESCO World Heritage sites. These include:

- Archaeological Ruins at Mohenjodaro of the Indus Valley Civilisation.
- 1st Century Buddhist Ruins at Takht-i-Bahi and Neighbouring City Remains at Sahr-i-Bahlol.
- The ruins of Taxila from the Gandhara civilisation.
- The Lahore Fort and Shalimar Gardens in Lahore.
- Historic Monuments of the ancient city of Thatta.
- The ancient fort of Rohtas.

From 1993 to 2004, Pakistan was unable to submit information to UNESCO which delayed several sites to be categorised as potential World Heritage Sites. In 2004, the Ministry of Tourism was given funding to continue its research and ten sites were placed on UNESCO Tentative List. In total, eighteen sites are awaiting to be categorized as of June 2010 which include:

- The 17th Century Mughal built Badshahi Mosque.
- The 17th Century Mughal built Wazir Khan Mosque.
- The 17th Century Tombs of Jahangir, Asif Khan and Akbar Sarai.
- Hiran Minar and Tank, built by Jahangir in commemoration of his favourite antelope in the city of Sheikhpura. 14<sup>th</sup> Century Tomb of Hazrat Rukn-e-alam.
- One of the world's largest forts in the world, Rani Kot Fort.
- 17th Century Mughal built Shah Jahan Mosque, located in the ancient city of Thatta.
- 15th and 18th Century Chaukhandi Tombs of several Sindhi and Balochi tribes.
- Neolithic Archaeological Site of Mehrgarh.
- The archaeological site of Rehman Dheri.
- The archaeological site of Harappa.
- The archaeological site of Ranigat.
- Shahbazgarhi Rock Edicts.
- Manshera Rock Edicts.
- Baltit Fort, an ancient Tibetan styled fort in the Hunza Valley.
- Tomb of Bibi Jawindi, Baha'al-Halim and the Tomb and Mosque of Jalaluddin Bukhari in Uch sharif.

- Port of Banbhore.

Furthermore, several landmarks and structures have not yet made the UNESCO Tentative List. Long before the creation of Pakistan in 1947, there were plenty of cultures and religions that existed before the Partition of India. Pakistan being the epicentre of various wars led to several dynasties and tribes ruling its lands. They left various landmarks behind of which some have become national icons whilst others needing the attention of concerned authorities. Some of these include:

- Faisalabad Clock Tower and the Eight Bazaars
- Altit Fort in Hunza Valley
- 17<sup>th</sup> and 18<sup>th</sup> Century Tombs of Talpur Mirs.
- Samadhi of Ranjit Singh.
- Mughal built the tomb of Asaf Khan.
- Empress Market built during the rule of the British Empire.
- The tomb of Qutb-ud-din-Aibak, the first Sultan of Delhi and founder of the Slave dynasty.
- Sikh built Mohatta Palace.
- 18<sup>th</sup> Century Omar Hayat Mahal.
- 19<sup>th</sup> Century Italian chateau Noor Mahal.
- Derawar Fort.
- Mughal-built Hiran Minar.
- One of the oldest salt mines in Asia, Khewra Salt Mines
- The 3000BC built the fort of Kot Dijji and Faiz Mahal in Khairpur
- 16<sup>th</sup> Century built a fort at Shardu.

Post-independence Pakistan retained its heritage by constructing various sites to commemorate its independence by blending various styles and influences from the past. Some of these include:

- Minar-e-Pakistan in Lahore.
- Faisal Mosque in Islamabad.
- The Mausoleum of the founder of Pakistan, Mohammad ali Jinnah.

- Bab-e-Pakistan a memorial site for the victims of the Partition of India. Pakistan Monument in Islamabad.
- The Tomb of Mohammad Iqbal

**Tourist Statistics: A Comparative Study of Foreign Tour Arrival in 2008-09**

Months	Foreign Tourist Arrivals (In No)		Change over 2008		Foreign Exchange Earnings ( Million US \$ )		Change Over 2009	
	2008	2009	In Numbers	In Percentage		2008	2009	In Numbers
January	54,972	47,102	(-) 7870	(-) 14.3	23.755	19.696	(-) 4.059	(-) 17.1
February	59,012	54,743	(-) 4,269	(-) 7.2	23.312	16.492	(-) 6.820	(-) 29.3
March	89,366	75,519	(-) 13,847	(-) 15.5	25.005	18.090	(-) 6.915	(-) 27.7
April	64,720	66,264	(-) 1,544	(-) 2.4	23.552	20.012(P)	(-) 3.540	(-) 15.0
May	56,062	45,877	(-) 10,185	(-) 18.2	18.985	17.063	--	--
June	75,686	-	-	-	17.031	18.771	--	--
July	92,481	--	--	--	20.471	18.183	--	--
August	66,506	--	--	--	20.890	18.770	--	--
September	37,839	--	--	--	16.803	19.078	--	--
October	65,806	--	--	--	14.795	21.662	--	--
November	86,848	--	--	--	15.439	--	--	--
December	73,530	--	--	--	23.469	--	--	--
<b>Total</b>	<b>822,828</b>	<b>2,89,505</b>	<b>(-)34,627</b>	<b>(-) 10.7</b>	<b>243.507</b>	<b>187.817</b>	<b>(-) 21.334</b>	<b>(-) 22.3</b>

Source: Electronic Government Directorate, Ministry of IT & Telecom, Government of Pakistan.

**Check Your Progress-3:**

Fill in the blanks:

1. Cultural Heart of Pakistan.....

2. The largest city of Pakistan.....
3. Nankana Sahib. The birthplace of the guru of Sikhism is in.....
4. The highest Point of Pakistan is.....
5. ....The highway is the world's one of the highest motorable roads.

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**5.7 Summary:**

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In this unit, you have been acquainted with the three south Asian nations viz.; Nepal, Bhutan and Pakistan. All three nations are economically poor but are endowed with immense physical and historical features to be an ideal spot for Tourism. Tourism can act as vital support to the economy of these nations which has now been realized by the respective governments.

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**5.8 Answers to check your Progress:**

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**Check your progress 1:**

- Refer Tourist sites of Nepal in 5.4 State and Potential of International Tourism in Nepal.
- Refer Tourist sites of Nepal in 5.4 State and Potential of International Tourism in Nepal.

**Check your progress 2:**

Refer forts of Bhutan in 5.5 State and Potential of International Tourism in Bhutan

**Check Your Progress 3:**

- Lahore
- Karachi
- Rawalpindi
- K2
- Karakoram Highway

**5.9 References:**

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**Unit-6**

**Performance of International Tourism in Srilanka, Maldives  
and Bangladesh**

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**Structure:**

**6.1 Introduction**

**6.2 Objective**

**6.3 Sri Lanka**

**6.3.1 Tourism Resources**

**6.3.2 Sri Lanka Tourism development Planning and Future Actions**

**6.4 Maldives**

**6.4.1 Tourism Industry and Tourism Resources of Maldives**

**6.4.2 International Tourism of Maldives, Tourism Arrival statistics and  
Threats & challenges**

**6.5 Bangladesh**

**6.5.1 Tourist Attractions of Bangladesh**

**6.5.2 Tourist Statistics**

**6.6 Summary**

**6.7 Answers to check your progress**

**6.8 References**

**6.2 Objectives:**

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This unit examines the important tourism-related features of Sri Lanka, Maldives and Bangladesh. After going through the unit you will be able to:

- Describe various tourist resources of the three nations.
  - Importance of Tourism industry in strengthening their economy
  - Analyze the current tourism growth
- 

**6.3 Sri Lanka:**

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'Jewel of Asia', 'Paradise on earth' and 'Pearl of the Indian Ocean' are a few common phrases used to depict the cultural and natural extravaganza of the teardrop-shaped atoll in the Indian Ocean - Sri Lanka. In recent years, this island has emerged as one of the major tourist markets of the South Asian region and has been, therefore, crowned with an afresh tagline, 'Wonder of Asia'. Sri Lanka has a 2500-year-old culture depicting a wide range of attractions for tourists within the gamut of 65, 000 square Kilometer area. Sri Lanka earlier known as Ceylon is one of the leading countries of South Asia in terms of its social and economic indicators which indicate a better quality of life. Sri Lanka is a multi-ethnic country which thus enriches its cultural and social background. The populace mostly comprises Sinhalese, Tamils and Muslims. The place offers astounding diversity in its compactness and has a stellar blend of Nature, Culture and History.

**6.3.1 Tourism Resources of Sri Lanka:**

**Anuradhapura:** One of the oldest of Sri Lanka this place is renowned for the well-preserved relics of Lankan civilization. It is one of the ancient capital of Sri Lanka from the 4th century BC until the beginning of the 11th century AD. This city is a must in the Buddhist itinerary, and now has a multitude of Monasteries extending in over sixteen square miles. It is quite significant specifically for Hindus, as it was the capital of king Ravana in Ramayana.

**Arugambay:** This beach village is one of the inevitable tourist destinations situated in the dry zone of Sri Lanka's southeast coast. The place offers umpteen opportunities for surfing, wildlife spotting, lagoon trips and relishing the

indigenous seafood. The bay is 320 Km east of Colombo. Though it is a popular tourist destination among low-budget tourists, however, proper Tourism infrastructural development is still awaited.

**Adam's Peak:** This peak holds great significance due to a 1.8 m rock formation close to its summit which is famed as *Sri Pada* or 'sacred footprint'. The *Sri Pada* holds great relevance for various religions as it is supposed to be the footprint of Buddha by Buddhists, Hindus consider it to be the footprint of Shiva whereas Muslims believes it to be the footprint of Adam. This somewhat conical mountain peak is located in Central Sri Lanka and is 2,243 meters (7,359 ft) high.

**Batticaloa:** This city lies in the eastern province of Sri Lanka, 69 miles by southeast Trincomalee. The Eastern University of Sri Lanka is located in this city.

**Bentota:** This coastal city is located in the southern province of the Galle district. The city lures many international tourists on account of its golden beaches and resurrecting Ayurveda. The city also boasts of some of the best Hotels in the world. The city is also famous for its local alcoholic beverage prepared out of coconut nectar.

**Beruwela:** It is a small resort town in the South Western Coastal belt of Sri Lanka. The spot symbolises the first Muslim settlement on the island established around the 8th century by Arab traders. The area is still dominated by Sri Lankan Moors especially 'China fort' and most of them are gem merchants by professions. Sri Lanka's oldest mosque and a landmark of Beruwela, Masjid-ul-Abrar is located was built by the Arab traders on a rocky peninsula overlooking the town.

**Colombo:** This city was known to the traders from as early as 2,000 years ago due to its large harbour and strategic location along the East-West sea trade routes. It has remained the capital of the nation since the British Empire in 1815.

**Dambulla:** This city holds much relevance historically and culturally. The city houses the largest and best-preserved cave complex of Sri Lanka. Recently, an archaeological site, Ibbankatuwa prehistoric burial site has also been discovered in close vicinity of 3 km from the Dambulla cave complexes. The place is also famous

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for Rangiri Dambulla International stadium which is said to be built in mere 167 days.

**Ella:** This small, sleepy town is used as a base for myriad trekking expeditions. The place embraces mystifying natural beauty offering some of the breathtaking views and walks through the fields of the tea plantation to the temples and the waterfalls. Some of the important sites are Ella Gap, Ravana Ella Falls, Little Adam's Peak and Bambaragala Peak.

**Galle:** Before the arrival of the Portuguese in the 16th century, the city was known as Gimhathiththa. The longest bridge of Sri Lanka is erected over the River Gin Ganga, which is one of the major rivers of the island.

**Hikkaduwa:** Renowned for its serene beaches and corals, Hikkaduwa is wholly a tourist destination which is about 20 km from Galle on the major and famous Galle Road. This place offers opportunities for surfing, snorkelling and sunbathing.

**Horton Plains:** Lying in the central part of Sri Lanka at a height of around 2,000 m above sea level, the place is comparatively cooler and windy. This National Park has been named after the name of Lady Anne Horton wife of Sir Robert Wilmot-Horton, then-governor of Ceylon.

**Kalkudah:** Lying in the coastal belt of Sri Lanka, this city used to be a celebrated tourist destination. However, the impact of the Indian Ocean Tsunami in 2004 and the Sri Lankan civil war have adversely affected the influx of tourist destinations.

**Kalpitiya:** It is a small, pristine town in the Puttalam district of Sri Lanka. The place is not much explored from a Tourism point of view through the stunning beauty and unique experience of watching sunrise and sunset from the deserted dunes amidst lagoon and the Indian Ocean holds much potential for the tourism industry. The place is dominated by a local Fish Community and has great fish markets for the preparation of fresh and varied seafood delicacies. The Dutch Fort and St Peter's Kerk church in the town itself are interesting examples of Sri Lanka's rich history and colonial past.

**Kandy:** Lying in the middle of hills in the Kandy valley, Kandy is an area dominated by tea plantations. The place is bestowed with astounding natural beauty, one of the best in the entire atoll.

**Kitulgala:** Kelani River near Kitulgala is a famous spot for white water rafting. The small town lies in the wet zone rainforest area which receives monsoon twice a year thus making it the wettest place on the island.

**Knuckles Range:** This range lies in the central part of Sri Lanka. It takes its name from a series of recumbent folds and peaks in the west of the massif which resembles the knuckles of clenched fists when viewed from certain locations in the Kandy District. The area is highly affluent in its natural and aesthetic sense with its tremendous biodiversity.

**Matara:** Holds great historical significance for various reasons. According to the Mahawansa, the early Indians who arrived in Sri Lanka settled at this place along the Coast of Nilwala River. Further, the place was ruled by Sinhala Kings for thousands of years as numerous temples and shrines built by them still stand to testify to them. A few temples also hold great significance for Buddhist devotees.

**Minneriya:** This is a perfect tourist town of the island country which boasts some of the world-class hotels. This place is famous for the Minneriya wildlife sanctuary which offers Jungle safaris and has an abundance of elephants and other fauna. The great Minneriya lake build by King Mahasen is also another inevitable Tourist point. Every year the place witnesses spectacular elephant gatherings during the monsoon months of August and September around the Minneriya Lake.

The place is also strategically located close to the oldest cities and World Heritage sites- Anuradhapura, Polonnaruwa and Sigiriya.

**Negombo:** This town is located at the mouth of Negombo lagoon about 7 km from the Bandaranaike International Airport. The economy of the place hugely relies on Tourism though the ancillary industry includes fishing and producer of cinnamon, ceramics, and brassware.

**Nilaveli:** Lies in Trincomalee district and is another popular tourist destination that has been marred with the Indian Ocean Tsunami and Sri Lankan Civil war.

**Nuwara Eily:** Overlooked by the highest mountain of the island, Pidurutalagala is the major seat of tea production.

**Pasikudah:** or Pasikuda is a coastal resort town located about 35 kilometers northwest of Batticaloa, Batticaloa District, Sri Lanka.

**Pinnawela:** Famous for Pinnewela Elephant orphanage is located halfway between present capital Colombo and the ancient royal residence Kandy in the hills of central Sri Lanka. The orphanage has been established near Maha Oya River in a 25-acre coconut property to care for and protect the many orphaned elephants found in the jungle.

**Polonnaruwa:** Once declared the capital city by King Vijayabahu I, is one of the oldest cities on the island.

**Ratnapura:** 'Ratna' means gems and 'Pura' city, houses the long-established industry of precious stone mining including rubies, sapphires, and other gems. Lying 101 km from Colombo the place is also famous for rice and fruit production.

**Sigiriya:** One among the eight UNESCO WHS of Sri Lanka, is one of the best-preserved cities of the first millennium. It is one of the popular tourist destinations on the island.

**Sinharaja Forest Reserve:** Located around 160 km from Colombo, this hilly rainforest region of Sri Lanka is another UNESCO WHS. The reserves name translates to the *Kingdom of Lion*. It is also an inevitable part of the cultural triangle of Sri Lanka. The paintings at Sigiriya are akin to those in Ajanta caves. This forest reserve houses tremendous tropical Biodiversity with several endemic species of birds, mammals and butterflies.

**Trincomalee:** The ports of the city have played a major role in the international trading history of the city. It is one of the main centres of Tamil speaking culture on the island. Between June and September, Trincomalee also serves as one of the important sites for whale-watching.

**Unawatuna:** One of the best sites for Scuba-diving and to relish the Ceylon Sea Food is located on the southern coast of Sri Lanka. It is one of the busiest beach resorts in the nation.

**Wilpattu National Park:** Located in the northwest lowland dry zone, this National Park is dotted with around 60 natural lakes or *willus*. It is one of the largest and oldest National Park in the country.

**Yala National Park:** Yala National Park is located around 309km south of Colombo. It is a paradise for Bird watching with more than 200 avian species. The ecosystem of the forest ranges from moist monsoon forests to wetlands.

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#### **UNESCO World Heritage Sites in Sri Lanka:**

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- Ancient City of Polonnaruwa
- Ancient City of Sigiriya
- Sacred City of Anuradhapura
- Old Town of Galle and its Fortifications
- Sacred City of Kandy
- Sinharaja Forest Reserve
- Golden Temple of Dambulla
- Central Highlands of Sri Lanka

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#### **6.3.2 Sri Lanka Tourism Development Planning and Future Actions:**

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The nation shares historical and cultural ties with the countries of South Asia, the Middle-East and the Far East. The immense plethora of natural biodiversity, historical and cultural resources, unique geographical location, quality human resources and peace has lured numerous European tourists to the island over the years. Thus, it ensures tremendous scope for tourism growth and development. Sri Lankan Government is trying hard to evolve the nation as a model tourist destination with sustainability as the mandate of every tourism development. Therefore, the government has revisited the Tourism development policy and has pledged to shoot up the industry from the 6th largest industry of the country to the first largest.

In the five-year Tourism development plan (2011-2016), the Sri Lanka Tourist Development Authority (SLTDA) has aimed at the following:

1. To increase the number of tourist arrivals from 650, 000 in 2010 to 2.5 bn by 2016.
2. To attract USD 3,000 Mn as Foreign Direct Investment (FDI) to the country within 5 Years.
3. Increase the Tourism employment from 125, 000 in 2010 to 500,000 to 2016.
4. To ensure the distribution of economic benefits of tourism to a larger cross-section of society.
5. To increase the foreign exchange earnings from USD 500 Mn in 2010 to USD 2.75 Bn by 2016.
6. To position Sri Lanka as the world's most treasured island for tourism.

To meet the above-mentioned goals, the strategy includes creating a conducive environment for tourism, attracting the appropriate genre of tourists, ensuring a satisfied and happy departing tourist, focusing on domestic tourism, and contributing to enhancing the Global image of Sri Lanka.

To cater to the targeted number of 2.5 million tourist arrivals by 2016, SLTDA has realised that the number of hotel rooms should reach 45,000. The present number is approximately half of the desired figure.

Accommodation Type	Number	Number of Rooms
Tourist Hotels	256	14 , 948
Boutique Hotels & Villas	50	577
Home stay Units and BB units	181	560
Guest Houses	679	6393
Heritage Homes	49	257
<b>Total</b>		<b>22 , 735</b>

*Source: Sri Lanka Tourism Policy 2011-2016*

The year 2011 was declared as the *Visit Sri Lanka Year*. The campaign focused on 8 product categories under the theme ' 8 wonderful experiences in 8 wonderful days, the basic idea of it revolved around the 8 lettered SRI LANKA.

1. Beaches-Pristine
2. Sports & Adventure-Thrills
3. Heritage sites-Heritage
4. Mind and Body Wellness- Spa
5. The scenic beauty of the country-Scenic
6. Wildlife and Nature-Wild
7. People and Culture-Essence
8. Year-round festivals-Festive

Further, an annual event calendar was also developed with the association of tourism industry which showcased '12 refreshing themes in 12 months.

The government's vision is to transform the Sri Lankan Tourism sector, by 2020, to be the largest foreign exchange earner in the economy; position Sri Lanka as the world's most treasured and Greenest Island and attract high spending tourists while preserving the country's cultural values, natural habitats and environment. (Sri Lankan tourism policy 2011-2016).

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**Check Your Progress-1:**

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1. Explain any five tourism resources of Sri Lanka.

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2. What are the aims of the five-year tourism development plan (2011-16) of SLTDA?

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**6.4 Maldives:**

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The Republic of Maldives is a small scattered group of a total 1, 190 coral islands, the highest being 2.4 m above sea level. This island nation lies in the Indian Ocean just across the equator. The Maldives is dominated by tropical, hot, humid and dry climates with two pronounced monsoon seasons, Northeast monsoon (November to March) and Southwest Monsoon (June to August). Each island has its coral reef which not only adds to its biodiversity and beauty but also protects it from the huge wind and waves coming from the Indian Ocean. In short, they play a vital role in stabilizing the economy and geophysical status of the island nation.

Only 200 islands are inhabited, around 99 islands have been developed as resort islands under Tourism Master Plan and a few more are likely to come up, while the rest of the islands are being used for agricultural and other livelihood practices. Ninety-Nine percent of Maldives is made up of sea. It has a land cover of only 298 km<sup>2</sup> over an area of 90, 000 km<sup>2</sup>. The most populous and center of commercial activity is the capital city, Male.

The economy of the island nation relies largely on the two major industries- Tourism and Fisheries. The population of Maldives is around 350, 000, the most populous and center of commercial activities being Male, the capital city of the island. The Maldivian currency is Rufiyaa and Laaree.

As the Maldives is located somewhere between the trading routes of the Indian Ocean thus it has always remained easily accessible to South, Southeastern, Arabians and Africans. The impact of this cross-culture is significantly depicted in the people, lifestyle, art, music, society and culture. The language spoken across the nation is **Dhivehi** with its roots in Sanskrit and is also supposed to be hugely influenced by Arabic and Sri Lankan ancient language. However, the language also

shows variations along with the various islands. The archipelago is dominated by the believers of Islam which were embraced somewhere around 1153. Islam is a part of the school curriculum also. The functional literacy rate of Maldives is 98%. The education standards are some of the highest and are based on the British education system.

The major mode of transportation is through waterways only by speedboats, seaplanes, scheduled ferries and **Dhonis**, the unique local boat used for transportation. Dhonis are an outstanding example of skilled craftsmanship bearing a huge resemblance to the Arabian dows.

Being a sea country, Fish is the staple diet of Maldives. Tubers like Taro and Sweet Potato and a few vegetables comprise the other diet. Due to its location at cross borders, Maldivian cuisines carries flavours of various traders and visitors, thus, Maldivian cuisines are a concoction of Indian, Arabic, Sri Lankan and Oriental cuisines.

The Maldives has attained worldwide recognition on account of its crystal clear water, astounding and unique coral reef system. It is an idyllic destination for water activities, exploring the hundreds of secluded islands, enjoying their pristine and breathtaking beauty and understanding the coral reefs around. Maldivians have been regarded as warm, adaptable, hospitable and open to cultures. Thus, they comprise one of the perfect hosts for foreign visitors.

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#### **6.4.1 Tourism Industry in Maldives and Tourism Resources:**

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The early development of International Tourism in the Maldives commenced only after the 1970's. Tourism emerged when the Tour Operators of Sri Lanka started combining the culturally-oriented package of Sri Lanka with the ideal leisure and relaxation destination, the Republic of Maldives. Coincidentally, due to a growing demand for Sun, Sand and Sea it was soon realized to promulgate the island nation as a separate destination. The first two resorts, Kurumba and Bandos, were developed in 1972 and soon, many more came up, all close to the HulHule Airport ( Male' International Airport), which was the only gateway to the island nation. Eventually, by the late 1970s tour operators from West Germany and Italy started

promoting the nation and the status of tourism started moving from unplanned to planned industry. Since the inception of international Tourism in the Maldives, Europe has dominated the market followed by Asian countries.

Tourism development in the Maldives is based on the principle of isolation of tourists from the bulk of the indigenous population and the physical configuration of tourism development is an unusual one. In the Maldives, 'the tourism industry' is synonymous with 'resort islands' and each resort occupies a separate island and is self-contained. This isolation is practical because of the availability of the large number of uninhabited islands that can be developed into tourist resort islands.

**Major Tourist Attractions of Maldives:**

The Maldives was one among the list of 25 places to be visited in your lifetime as issued by Conde Nast Traveler. It is a paradise to unwind and relax admiring the astounding seascapes and a favourite for the lovers of diving, snorkelling, spa and meditation and for other similar water sport activities. The southern part of Maldives needs more emphasis to be developed as a tourist destination at the central and north parts have been already exploited for the purpose. The Maldives comprises 26 atolls and 1,190 scattered islands each with unique features and beauty to mesmerise the tourists. Some of the major tourist destinations of Maldives are:

**Addu Atoll:**

It is a heart-shaped atoll in the southern region of the Maldives which is after Male in size and importance. This place is credited with some of the luxurious chains of hotels and also has an airport.

**Baa Atoll:**

Owing to its affluent and prosperous natural resources, Baa Atoll has been included in the list of International Biosphere Reserves and has been declared a UNESCO World Biosphere Reserve.

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**6.4.2 International Tourism of Maldives and Tourism Arrival statistics:**

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The tourism industry is the largest contributor of Foreign exchange and accounts for 35% of the Nation's GDP. Tourism receipts for the year 2011 were US\$ 2 billion.

The governing body for all Tourism related activities is the Ministry of Tourism, Arts and Culture (MOTAC). Islands are leased for a period of 50 years by MOTAC for resort development activities. There exist five major types of accommodation categories, Resort Islands (One island one resort), Hotels, Guest Houses and Liveaboard Safari Vessels (floating beds). Out of which 82% falls under resorts type accommodation.

Type of establishment	2010		2011		2012 ( end Jan )	
	Nos	Beds	Nos	Beds	Nos	Beds
Resorts	98	21,342	101	22,120	102	22,140
Hotels	17	1,449	19	1,603	19	1,603
Guest Houses	25	476	38	659	43	701
Safari Vessels	156	2,434	157	2,514	158	2,530
<b>Types</b>	296	25,701	315	26,896	322	26,974

**Source:** Regional Seminar on Tourism statistics, capacity building for the Asia and Pacific 8-9 March 2012.

As per the Inbound statistics, as issued on the Regional Seminar on Tourism statistics, capacity building for the Asia and Pacific on 8-9 March 2012, the top five tourist generating markets are:

- Europe (57.7%)
- Asia & Pacific (37.5%)
- Americas (2.5%)
- Middle East (1.6%)
- Africa (0.7%)

Further, it was also found out that on average they stay was of 4-7 nights. Snorkelling was the most preferred activity of tourists (41%) followed by spa and wellness, diving, water sports, Local island visit and land-based activities, respectively.

MOTAC has also developed a Tourist Arrival forecasting Model which will be implemented from the year 2012. A new Business Profit Tax and Goods and Service

Tax on Tourism products has been introduced from the year 2011. It is expected to raise the government revenue by 25%.

**Tourist Arrival Statistics 1972-2011**

Nations	Tourist Arrivals (in Millions)	
	2009	2010
Europe	457.2	472.7
Asia & the Pacific	181.0	203.8
Americas	140.5	150.4
Africa	45.9	48.8
Middle East	52.3	59.3
World	877	935

Source: World Tourism UNWTO Barometer

**Threats and Challenges to Maldivian Tourism:**

As it is a group of low elevated islands, this nation is always exposed to sea-level rise and tsunamis. Further, the increased tourism developmental activities have started affecting the marine and natural habitats. An increase in Tourism has posed a question to the existence of coral reefs, which are getting damaged due to the underwater activities and also being damaged to be taken back as a souvenir by ignorant visitors. Global warming is resulting in sea level rise and coral reefs bleaching is an alarming threat. The entire tourism of the nation is based on its unparalleled coral reef system and water-related activities, thus the sustainable development of Tourism with minimum impact on marine life and coral reefs is inevitable.

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**Check Your Progress-2:**

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1. Write a note on the evolution and current status of Tourism in the Maldives.

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**2. Match the following:**

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|--------------------|-------------------|
| 1. Dhivehi         | a. Local Boat     |
| 2. Dhoni           | b. Currency       |
| 3. Rffiyaa         | c. Local Cuisines |
| 4. Fish and Tubers | d. Languages      |

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**6.5 Bangladesh:**

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Spread over an area of 147, 570 sq. km, Bangladesh is a fertile alluvial plain of two important rivers, Ganga and Brahmaputra and their tributaries. On the west, the country shares its borders with India, with great alluvial plains of Ganga and Brahmaputra. Likewise, on the eastern part, it is bordered by the impassable forests of Arakan Province, Myanmar and hills of Tripura and Assam, India. It boasts of 66, 400 Kilometers long coastline. An area of 3600 sq km in the southwestern part of Bangladesh is covered by the world's largest littoral Mangrove belt-The Sunderbans.

Bangladesh is dominated by Sub Tropical and Tropical climate with three main seasons: the monsoons from late May to early October, the winters from mid-October to the end of February and the summers from Mid-March to mid-May. More than 80% of the nation is less than 1.5 meters above sea level hence it increases its exposure to floods during monsoons. The floods account for huge disruptions but also brings in fertile silt. The worst and most critical times for cyclones are May to June and October to November. The best travelling season to Bangladesh is between October to early March. The Bengal Basin of Bangladesh is also one of the most seismically active zones of the world.

The History of Bangladesh presents a tremendous amalgamation of various cultures and religions like Buddhism, Hinduism, Muslim, Portuguese, French and British. 'Land of Bangla speakers' or Bangladesh emerged as a sovereign state in 1971 which

has now developed as a sovereign Muslim state. The national language of Bangladesh is Bangla which is spoken by 98% of the population.

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### 6.5.1 Tourist Attractions of Bangladesh:

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Bangladesh offers an array of tourist attractions ranging from Beaches, Hill stations, Historical marvels to religious shrines, Forest areas and the like. A few of the prominent tourist attractions of Bangladesh are:

**Rangamati-** It is one of the most liked tourist attractions of the state with breathtaking landscapes and beautiful lakes. A spot for ecotourism, it is 77 km from Chittagong.

**Bandarban-** It is the home of the Bhomang chief who is the head of the Mogh tribe. The simple and hospitable Mogh tribes are from Myanmar in origin and Buddhist by religion. Mustangs renowned for their music and dance also inhabit the place. The highest peak of Bangladesh, Tahjin dong is also located in the region.

**Kaptai:** It is another picturesque destination lying 64km from Chittagong. From Kaptai along the Chittagong road, lies the ancient Chit Morang Buddhist temple having beautiful Buddhist statues.

**Moheshkhali:** An island off the coast of Cox's Bazar, Moheshkhali has an area of 268 sq. km. Through the center of the island and along the eastern coastline rises a range of low hills, about 300 feet high, but the coast to the west and north is low-lying and fringed by mangrove forest. Atop Moinak Hill lies the old temple of Adinath, dedicated to Shiva.

#### **Sonadia Island:**

Sonadia Island lies in the bay about seven km. off Cox's Bazar and is only 9 sq. km. in area. The western side of the island is sandy and different kinds of shells are found on the beach. Off the northern part of the island, there are beds of windowpane oysters. During winter, fishermen set up temporary camps on the island and dry their catches of sea fish.

#### **Beaches of Bangladesh:**

Bangladesh boasts of the longest unbroken sea beach in the world, 120 km long.

**Patenga Beach:** It is one of the most popular beaches in Chittagong. It is a great place for nature lovers.

**Parki Beach:** Lying 28 kms from Chittagong city, it is located at the Karnaphuli river channel. This sandy beach is around 15kms long.

**St. Martin's:** This dumbbell-shaped island is the nation's only coral island and an unspoilt paradise.

**Kuakata:** It is a mystifying beach on the southernmost tip of Bangladesh. It has a wide sandy beach which offers great sunset and sunrise views.

**Coxs Bazar:** It is one of the most attractive destinations in Bangladesh. At the north of the Coxs Bazar lies Chittagong and the hill districts of Bandarban's, to the east is Myanmar, to the west and south is the Bay of Bengal. It has a huge market and is a paradise for shopaholics. The main attractions around Cox's Bazar are Ramu, Moheshkhali, Sonadia, Tenaf, St. Martin's island etc.

#### **Historical and Religious centres:**

Bangladesh has tremendous scope for tourism on account of its affluent repository of tourist resources. It has various important and historical sites, especially of the medieval period. Numerous monasteries of the era gone by are also in Bangladesh. However, after the independence in 1971, the country has started paying attention to its archaeological assets and several projects have been initiated in similar lines. There are various Historical buildings too like the old High Court building, Natore-Dighapatiya Rajbari, Bahadurshah Park, Martyred Intellectual Memorial, National Memorial, Mausoleum of the father of the nation, Central Shahid Minar etc.

**Sunderbans:** World's biggest mangrove forest and home to Royal Bengal Tiger-The Sunderbans, lie about 320 km of Dhaka sprawling over an area of 60000 sq. km. Hiron Point, Katka and Tin Kona Island are the main tourist spots inside the Sundarbans offering some of the best locations for tigers, deer, crocodiles, monkeys and bird watching.

## 6.5.2 Tourist Statistics:

## Foreign Exchange Earnings from Tourism &amp; Other Travels

(2001-2010) (Million Taka)

Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Jan	273.80	297.50	259.00	457.00	450.42	653.71	561.13	749.28	649.24	495.98
Feb	218.10	260.60	327.00	393.70	502.73	554.11	624.04	585.06	579.46	496.98
Mar	196.10	336.20	355.90	425.90	468.50	538.94	471.90	527.79	518.90	565.97
Apr	219.00	312.50	241.10	309.40	335.56	411.62	387.22	459.35	473.85	427.37
May	240.50	282.70	226.30	305.00	347.95	452.02	449.95	423.06	538.21	342.11
Jun	221.70	313.00	288.00	279.70	301.23	394.96	366.17	509.52	417.71	473.03
Jul	207.10	267.50	302.30	303.60	296.98	398.14	346.63	461.98	453.03	320.97
Aug	170.50	251.50	232.00	285.90	354.61	424.16	363.72	417.30	439.32	431.37
Sep	193.40	245.90	217.30	293.10	334.14	362.29	342.54	464.46	350.65	368.06
Oct	187.00	205.00	265.10	247.90	332.67	327.95	359.68	415.67	361.99	525.26
Nov	234.80	277.70	224.20	250.42	324.45	444.50	440.25	519.39	461.28	477.14
Dec	291.80	262.50	371.80	415.94	444.65	568.25	551.96	591.66	518.60	638.46
<b>Total</b>	<b>2653.80</b>	<b>3312.60</b>	<b>3310.00</b>	<b>3967.56</b>	<b>4493.89</b>	<b>5530.65</b>	<b>5265.19</b>	<b>6124.52</b>	<b>5762.24</b>	<b>5562.70</b>
% Change	1.02	24.82	-0.08	19.87	13.27	23.07	-4.80	16.32	-5.92	-3.46

Bank Bangladesh: Source

Pr are Figures All 2010 Earnings Exchange Foreign: B.N

Check your Progress-3:

1. Write a detailed note on the Tourism industry of Bangladesh.

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**6.6 Summary:**

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After reading this unit you have learned about the various Tourism related aspects of integrated island state-Sri Lanka, the “protectorate” of the British empire-Maldives and one of the least developed nations- Bangladesh.

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**6.7 Answers to check your Progress:**

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**Answers to check your Progress: 1**

1. Refer 6.3.1 Tourism Resources of Sri Lanka.
2. Refer 6.3.2 Sri Lanka Tourism Development Planning and Future Action

**Answers to check your Progress-2:**

3. Refer 6.4.1 Tourism Industry in Maldives and Tourism Resources
  4. 1 (d), 2 (a), 3 (b), 4 (c)
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**Answers to check your Progress 3:**

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- Refer 6.5.1 Tourist Attractions of Bangladesh
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**6.8 References:**

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**UNIT-7**

**India's Place in International Tourism in Inbound and  
Outbound Perspectives**

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**Structure:**

**7.1 Objectives**

**7.2 Introduction**

**7.3 Tourism Industry in India**

**7.4 International Tourist Arrival in India**

**7.5 Domestic Tourist Traffic in India**

**7.6 Sub-Segments of Tourism Industry**

**7.7 Emerging Trends in Hotel Industry**

**7.8 Major Tour Operators**

**7.9 India's Position in the World**

**7.10 Indian Tourism Industry Outlook**

**7.11 Let's sum up**

**7.12 Clues to Answers**

**7.13 References**

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**7.1 Objectives:**

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- Understand Tourism Industry in India.
- Understand International Tourist Arrival In India.
- Know about the Domestic Tourist Traffic in India.
- Understand the concept of nature tourism & India's Position in the World.
- Discuss the current skill development initiatives in the tourism Industry.

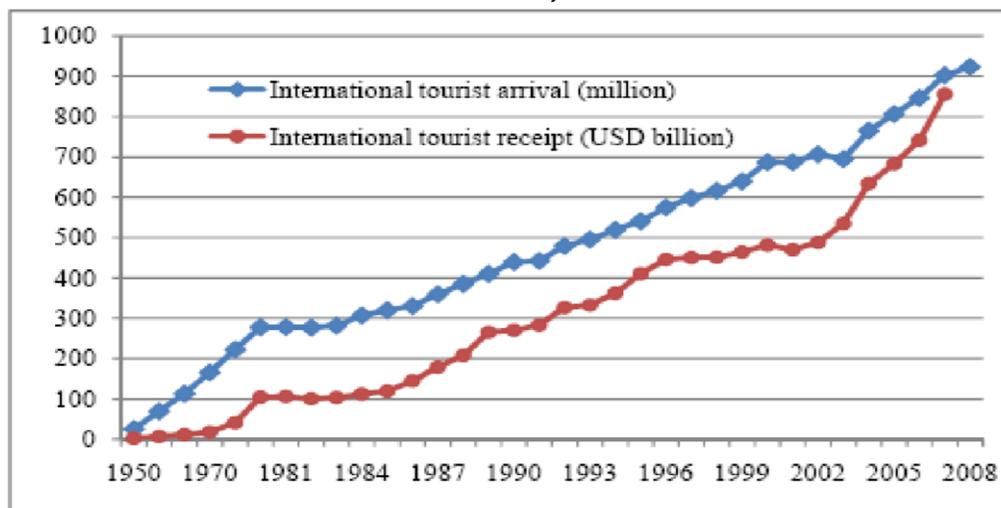
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**7.2 Introduction:**

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

***Inbound Tourism, 1950-2008***



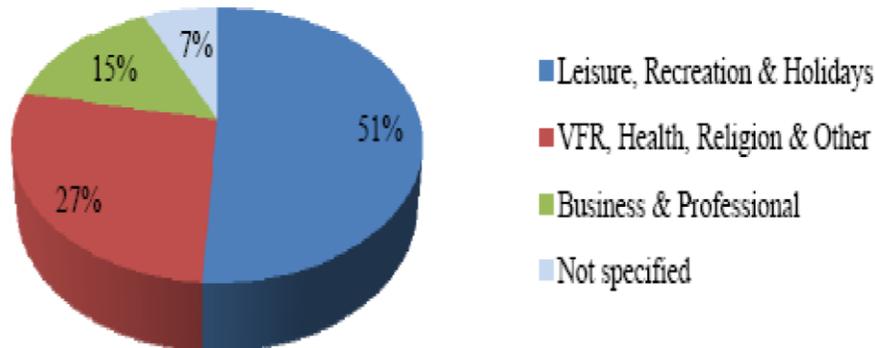
*Source: UNWTO<sup>1</sup> - Tourism highlights 2008*

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

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

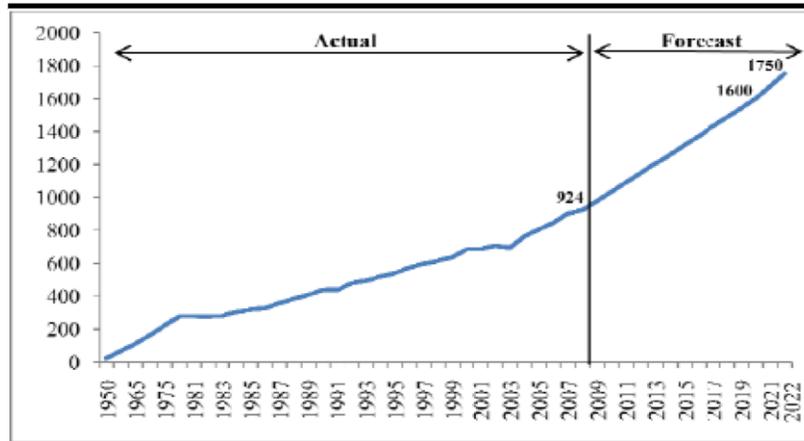
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*Source: UNWTO - Tourism highlights 2008*

**Global Tourism Industry Outlook:**

UNWTO's Tourism 2022 vision forecasts that international tourist arrivals are expected to reach 1.6 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be intra-regional & 378 will be long-haul travellers. Based on the long term growth patterns iMac's estimates that the international tourist to cross 1.75 billion by 2022.

**International tourist arrivals (in 000's) 1950-2022:**

Source: UNWTO; IMaCS analysis

The total arrivals by region show that by 2020 the top three receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and Americas (282 million), followed by Africa, the Middle East and South Asia. East Asia and the Pacific, South Asia, the Middle East and Africa are forecasted to record growth at rates of over 5 % per year, compared to the world average of 4.1%. The more mature regions, Europe and the Americas are anticipated to show lower than average growth rates. Europe will maintain the highest share of world arrivals, although there will be a decline from 60% in 1995 to 46% in 2020. As per the World Travel and Tourism Council, the World Travel & Tourism (T&T) industry is expected to post the US \$ 7,340 billion of economic activity, and this is forecasted to grow to the US \$ 14,382 billion by 2019. It also estimates that T&T accounts for approximately 7.6% of global employment. At present, there are 77.3 million T&T Direct Industry jobs and 219.8 million jobs in the T&T Economy (including indirect), and these will rise to 97.8 million T&T Direct Industry jobs and 275.7 million T&T Economy jobs by 2019. Based on the long term growth rate, IMaCS estimates that the World Travel & Tourism industry to post US \$ 17,615 billion of economic activity by 2022.

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**7.3 Tourism Industry in India:**

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

Domestic tourist traffic in India.

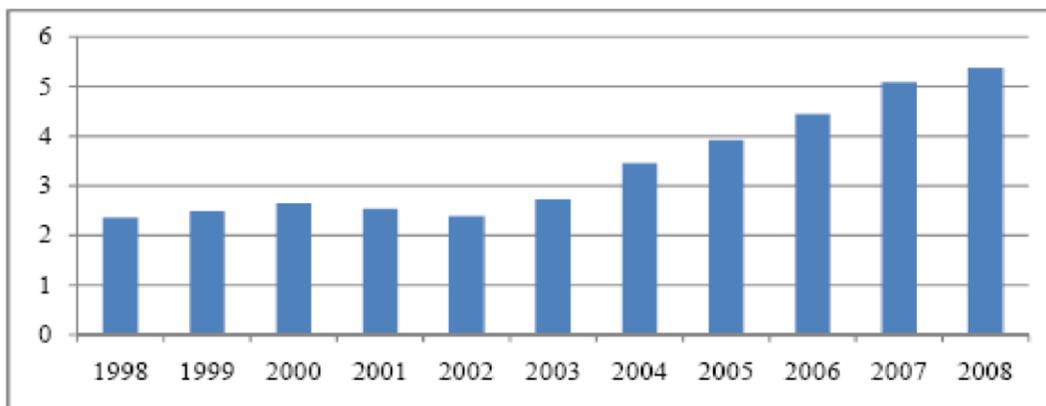
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**7.4 International Tourist Arrival in India:**

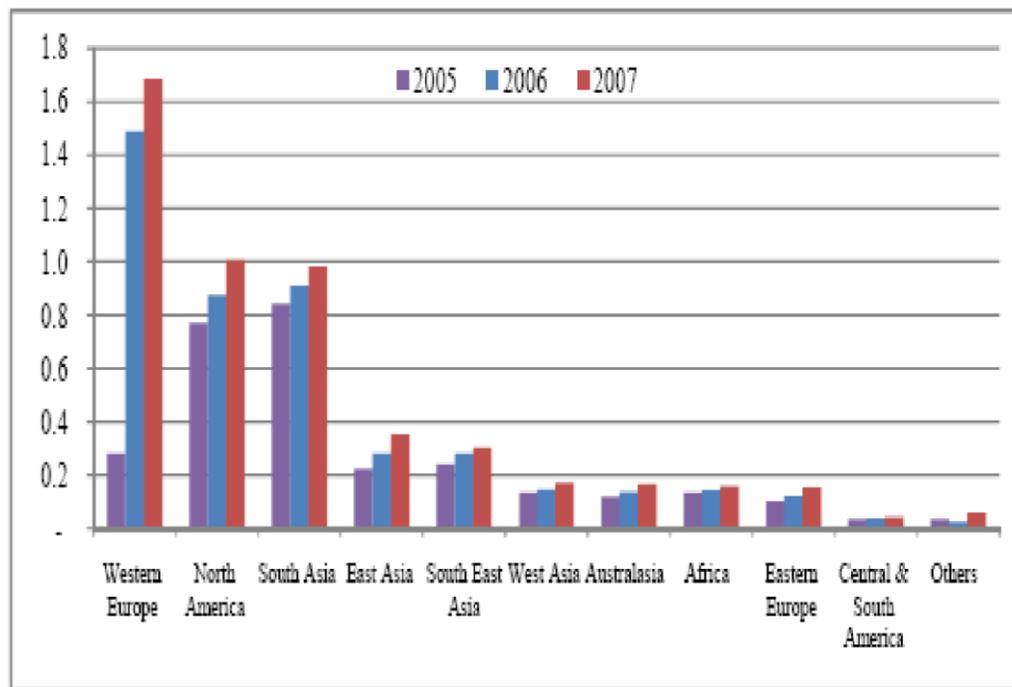
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Tourism is one of the largest net earners of foreign exchange for the country recording earnings of US \$11,747 million in 2008, a growth of 9.5%, according to the Ministry of Tourism. The International Tourist Arrival (FTA) has increased from 2.4 million in 1998 to 5.37 million in 2008. FTA registered a growth of 5.6% in 2008 over 2007. FTA in India (in million) 1998-2008

FTA in India from different regions ( in millions)



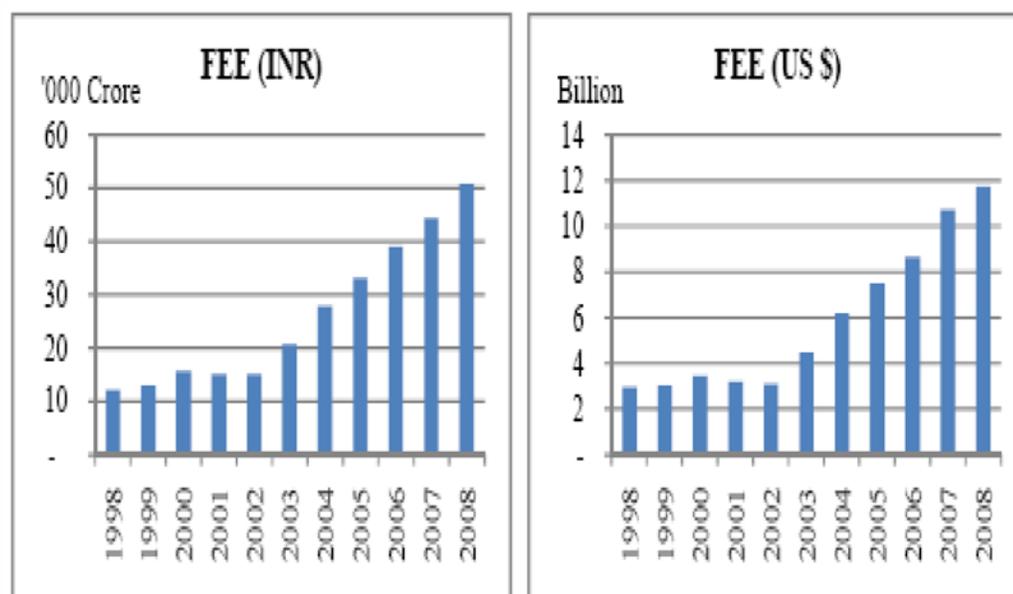
*Source: Ministry of Tourism, Government of India*



*Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India*

FTAs in India from different regions of the World during last three years are depicted in the above figure. The FTAs in India have been increasing from all regions during the last three years. The FTAs in India in 2007 were the highest from Western Europe (33.2%) followed by North America (19.8%), South Asia (19.3%), East Asia (6.9%), and South-East Asia (6%). The Foreign Exchange Earnings (FEE) from tourism in India in 2008 were Rs.50,730 crore. In US \$ terms it was the US \$ 11.75 billion. The FEE from tourism grew by 9.5% in US \$ terms, and by 14.4% in Indian Rupee (INR) terms in 2008 as compared to 2007.

## Foreign Exchange Earning (FEE), INR &amp; USD:



Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

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

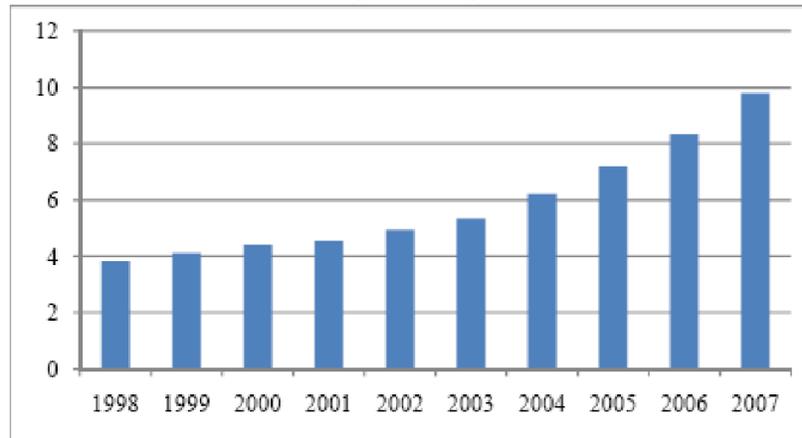
## Top 10 States/UTs to attract international tourists in India:

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

Source: Ministry of Tourism, Government of India

**Outbound Tourism:**

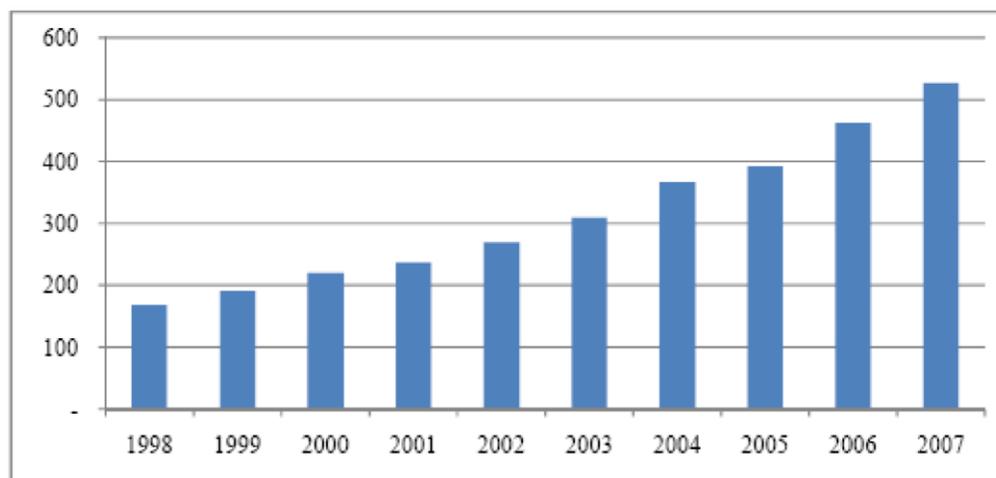
The number of outbound Indians has been consistently rising over the last ten years. It increased from 3.8 million in 1998, to 9.8 million in 2007 with a compound annual growth rate of 11 %

**Number of Outbound Indians (millions), 1998-2007**

Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

**7.5 Domestic Tourist Traffic in India:**

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

**Number of Domestic Tourist Visits to All States/UTs (millions), 1998-2007**

Source: Indian Tourism Statistics, 2007 – Ministry of Tourism, Government of India

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

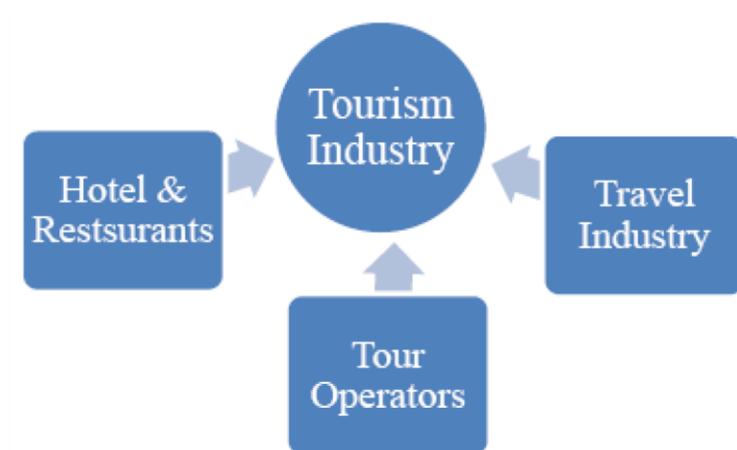
S. No.	State	% share
1	Andhra Pradesh	24.3
2	Uttar Pradesh	22.1
3	Tamil Nadu	13.5
4	Rajasthan	7.2
5	Karnataka	4.9
6	Uttarakhand	3.8
7	Maharashtra	3.7
8	West Bengal	3.5
9	Madhya Pradesh	2.6
10	Gujarat	2.6
<b>Total of Top 10 States/UTs</b>		<b>88.2</b>

*Source: Ministry of Tourism, Government of India*

### 7.6 Sub-Segments of Tourism Industry:

The tourism industry in India can be categorized under three major sub-segments as depicted below:

#### Sub-Segments of Tourism Industry



The Hotel & Restaurants Industry has contributed between 1.2% and 1.5% of the GDP over the last seven to eight years. The Ministry of Tourism estimates that there are more than 8,700 hotels at 54 key locations across the country with a total room

supply of about 174,000 including hotels in the classified, approved but not classified, and licensed by the state governments but not approved categories.

According to an estimate<sup>5</sup>, the Indian Hotels & Restaurant Industry is expected to be Rs. 827.76 billion in by 2009-10 growing at the compounded annual growth rate of 11% over 2006-07 (Rs. 604.32 billion).

***Major players:***

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

***Hotel Industry Outlook:***

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

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

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

**Demand Supply Scenario for Hotel Rooms, 2006:**

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

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

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

**All India Estimated Demand for Hotel Rooms – 2010 & 2015:**

Category	2010	2015
Classified	342,053	868,913
Others	240,680	515,095
<b>Total</b>	<b>582,733</b>	<b>1,384,008</b>

*Source: Ministry of Tourism*

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

**7.7 Emerging Trends in Hotel Industry:**

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

**Serviced Apartments:** Service apartments are fully furnished and self-catering units combining the benefits of a home along with the facility such as housekeeping, room service, 24-hour receptionists, security and travel desk.

Besides this, they also contain other amenities such as 24-hour security, power backup, leisure activities, home appliances, refrigerator, self-help kitchen, laundry, telephone, high-speed internet connectivity, fire safety, private parking, health clubs with some of the apartments even offering value-add services for tourists and NRI groups such as sightseeing and guided shopping for spouses. Serviced apartments are well-equipped apartments specifically designed for experts with short stays in the country to give them and their families the comforts as well as the privacy of home. The boom in ITES and software businesses has acted as a catalyst in the growth of all sorts of accommodation businesses along with serviced apartments. Serviced apartments also fulfil all kinds of short-term and long-term accommodation needs of individuals, corporate houses and MNCs with quality living.

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

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

**Wildlife resorts:** The wildlife lodges segment has caught the attention of hospitality companies. For example, Taj Safaris, a JV between Taj Hotels and CC Africa, has opened two luxury wildlife resorts in Madhya Pradesh. Leisure Hotels is also targeting to enter the wildlife lodges segment with a lodge near Kanha

National Park in Madhya Pradesh. CC Africa is planning to set up four new safari lodges in India – two in South India, one in Kaziranga (Assam) and another in Gir (Gujarat). These new lodges are expected to be fully operational by October 2011. Fortune Park Hotels, a subsidiary of ITC Ltd, is also one of the hospitality companies planning to enter the wildlife lodges segment. Some of the other high-end luxury wildlife lodges are The Oberoi Vanyavilas and Aman-i-khas at Ranthambore. In the recent past, high-end luxury tourism has been promoted by the Ministry of Tourism and the growth in the high-end wildlife lodges is the result of it.

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### 7.8 Major Tour Operators:

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

#### Major players:

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

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

*Source: IMaCS analysis*

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### 7.9 India's Position in the World:

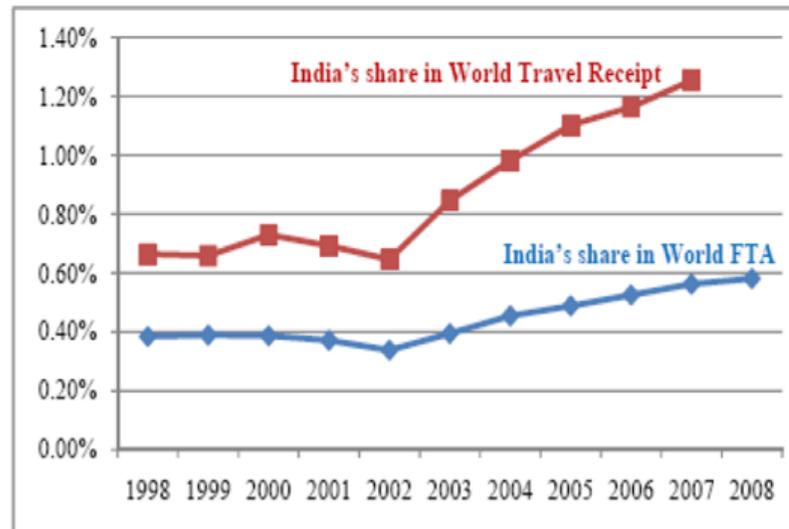
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India's share in international tourist arrival, as well as rank, has improved over the last 10 years. Both have significantly improved since 2002.

**Foreign Tourist Arrival (FTA) in World & India and**

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

Source: UNWTO; Ministry of Tourism, India

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

Source: UNWTO; Ministry of Tourism, India

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

**7.10 Indian Tourism Industry Outlook:**

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

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

**Check Your Progress:**

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

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

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

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**4) Discuss in detail the emerging trends in the hospitality industry in India?**

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**7.11 Let's Sum Up:**

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After this unit now we have understood that how the T&T industry in India accounted for approximately 6% of GDP and 30.5 million jobs (including direct and indirect) in 2008. The Travel and Tourism Competitiveness Report 2009 brought out by World Economic Forum, ranks India as 11th in the Asia-Pacific region and 62nd overall in a list of 133 assessed countries in 2009, up to three places since 2008. Tourism today has grown significantly with both economic and social importance. The fastest-growing economic sector of most industrialized countries over the past several years has been in the area of services. One of the largest segments of the service industry. Now after studying this unit we have understood the development of tourism through different ages and the how Government of India's 'Incredible India' campaign launched in 2002 has also been quite successful.

The World Travel & Tourism Council estimates that the Indian Travel & Tourism (T&T) industry will post Rs 4,412.7 billion (the US \$ 91.7 billion) of economic activity in 2009, growing to Rs. 14,601.7 billion (the US \$ 266.1 billion) by 2019 registering a nominal compounded annual growth of 12.7%. It also expects the Indian T&T industry to grow at 7.7% per annum in real terms between 2009 & 2019. Based on the long term growth rate, IMaCS estimates that the India Travel & Tourism (T&T) industry to post Rs. 21,011 billion of economic activity by 2022. In the past few years, the Indian tourism Industry had registered quite impressive growth and the government has also taken interest in training manpower and creating a conducive atmosphere for the development of tourism in the country. In other units, we will be studying the role of India in the development of tourism in the SAARC & ASEAN region.

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**7.12 Clues to Answers:**

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Check your progress:

- 1) Refer Sec. 7.3 & 7.4.
- 2) Refer Sec. 7.10 & 7.11.
- 3) Refer Sec. 7.4 & 7.9. 4) Refer Sec. 7.7

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**7.13 References:**

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- UNWTO and WTTC official websites([www.unwto.org](http://www.unwto.org), [www.wttc.org](http://www.wttc.org))
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**UNIT-8**

**Geographic, Demographic and Psychographic  
Segmentation of Effective and Potential Tourism Markets  
of India**

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**Structure:**

**8.0 Objectives**

**8.1 Introduction**

**8.2 Uniqueness of Indian Tourism Industry**

**8.3 Domestic and Outbound Tourism**

**8.4 Foreign Tourist Arrivals in India**

**8.5 Nationality-Wise Foreign Tourist Arrivals in India**

**8.6 Foreign Tourist Arrivals in India from different regions**

**8.7 Top 15 Source Countries for FTA's in India**

**8.8 FTAs from Top 10 Source Countries for 2010**

**8.9 Lets Sum Up**

**8.10 Check your progress**

**8.11 Clues to Answers**

**8.12 References**

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**8.0 Objectives:**

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

- Domestic and Outbound Tourism.
- Foreign Tourist Arrivals in India.
- Nationality-Wise Foreign Tourist Arrivals in India.
- Foreign Tourist Arrivals in India from different regions.
- Top 15 Source Countries for FTA's in India.
- FTAs from Top 10 Source Countries for 2010.
- The uniqueness of the Indian Tourism Industry

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**8.1 Introduction:**

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Indian tourism industry can be understood by different segmentations which are discussed in this unit based on Geographic, Demographic and Psychographic Segmentation of Effective and potential tourism markets of India.

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

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**8.2 Uniqueness of Indian Tourism Industry:**

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India demands our attention for several reasons:

- In the extent and cultural variety it is the equivalent of Europe, but with a much older civilization. There are at least 15 major languages, although Hindi is the most widely spoken. The country is a mosaic of different religions, ethnic groups and castes.
- With a population now well over a billion, India will surpass China as the world's most populous country by 2030. It has almost 20 per cent of the world's population on just 3 per cent of the world's land area so that demographic pressures on the resource base are severe.
- Over half of India's population is under 25 years of age, 40 per cent of adults are illiterate and a third struggle to live below the official poverty line (two US dollars a day). Although India is a predominantly rural country, it also contains three major world cities - Delhi, Mumbai and Kolkata (Calcutta), each with 20 million inhabitants.
- Despite these pressures and many other socio-economic problems, India has retained a democratic form of government since independence, although the Congress Party has been dominant in politics for most of that time. The cultural diversity of the country is recognized in the federal system of government, in which each of the 29 states and 6 autonomous territories has a large degree of control over its internal affairs, including tourism development.
- For many years following Independence, India was to a large extent a centrally planned economy. After 1991 the government embarked on a policy of liberalization, removing many restrictions on business enterprise, and the country was opened up to foreign investment. India is set to become one of the world's leading industrial nations, with technological expertise as part of its vast human resources. Bangalore and Hyderabad for example are among the world's leading centers of information technology. On the other hand great improvements need to be made in basic infrastructure, which is inadequate by Western standards, while bureaucratic controls and inertia continue to inhibit progress.

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**8.3 Domestic and Outbound Tourism:**

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

Leisure travel to countries outside South Asia should grow with the relaxation of strict foreign exchange controls imposed by the Indian government. For many years Britain has been the most popular European destination, reflecting the cultural and family ties between the two countries. Future travel patterns may well be influenced by the fact that the USA is now India's main trading partner, and there are four times more Indian students in American universities than in British universities.

**Inbound Tourism:**

Despite having vast tourism potential, India receives only a small share of world tourism, amounting to nearly 4.5 million arrivals in 2006. Even so, tourism has

shown impressive growth since 1970, when 290 000 visitors were recorded. Tourism is now India's third-largest earner of foreign exchange and provides jobs for at least 8 million people. The impact is much greater if we consider the informal sector of the economy, and the very large numbers engaged in the handicraft industries. Many factors are holding back the expansion of tourism in India:

- Inadequate infrastructure, especially water and power supplies;
- Negative publicity in the Western media. For example, outbreaks of disease and inter-communal strife, in reality, confined to specific areas, are seen as affecting the whole country;
- Promotion of this enormous and complex country as one destination, whereas India consists of many quite different destinations and tourism products. There is a need to market-specific destinations and target specific types of tourists;
- The seasonal concentration of visits in the final quarter of the year, creating occupancy problems for India's hotels;
- A shortage of medium-priced accommodation, particularly in Delhi and
- Other negative factors include air pollution in the cities during the dry season, noise, poor hygiene and harassment by beggars and street vendors. The main generating markets for India include Britain, Germany, France, the USA, the Middle East and Japan. Many arrivals from the Middle East and Britain are returning expatriates, who tend to stay with friends or relatives and make little use of tourist facilities. The average length of stay of tourists to India – at 28 days – is among the world's highest – backpackers for example, from Europe, Australia and North America, who are including India as part of an Asian tour, spend at least 3 weeks in the country. These young budget travellers have played an important role in opening up new destinations to conventional tourism. However, the typical backpackers of the new millennium are different from their predecessors of the 1970s in at least two respects.
- They are usually following an established route pattern, staying at hostels and cheap hotels patronized by other Western budget travellers;

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

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**8.4 Foreign Tourist Arrivals in India:**

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

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

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

**Source:** Bureau of Immigration, India

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

The country-wise details of FTAs in India from 2008 to 2010 are given below. It may be seen from this Table that, the FTAs from the USA were maximum during 2008, 2009 and 2010. The growth rate in FTAs in India in 2010 as compared to 2009 was maximum for Iraq (72.1%) followed by Turkey (50.6%), Sudan (48.7%), Afghanistan (45.5%), Iran (42.2%), Saudi Arabia (38.9%), Egypt (36.6%), Republic of Korea (35.6%), Japan (34.7%), Vietnam (33.7%), Ukraine (32.4%), Malaysia (32.3%),

Indonesia (30.4%) and Nigeria (30.3%). FTAs from Argentina, Mexico, Italy, Portugal, Spain, Hungary, Kazakhstan, Poland, Russia, Kenya and South Africa recorded more than 20% growth in 2010 as compared to 2009. Some of the countries for which decline in FTAs was observed were Bangladesh (7.9%) followed by U.A.E (3.7%), Finland (3.2%), Pakistan (2.6%), Bahrain (1.7%) and U.K. (1.3%). The 21 countries which accounted for more than 1% share each in FTAs in India during 2010 are Afghanistan, Australia, Bangladesh, Canada, China (Main), France, Germany, Italy, Japan, Korea (South), Malaysia, Maldives, Nepal, Netherlands, Russia, Singapore, Spain, Sri Lanka, Thailand, U.K. and USA.

## 8.5 Nationality-Wise Foreign Tourist Arrivals in India, 2008-2010

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

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

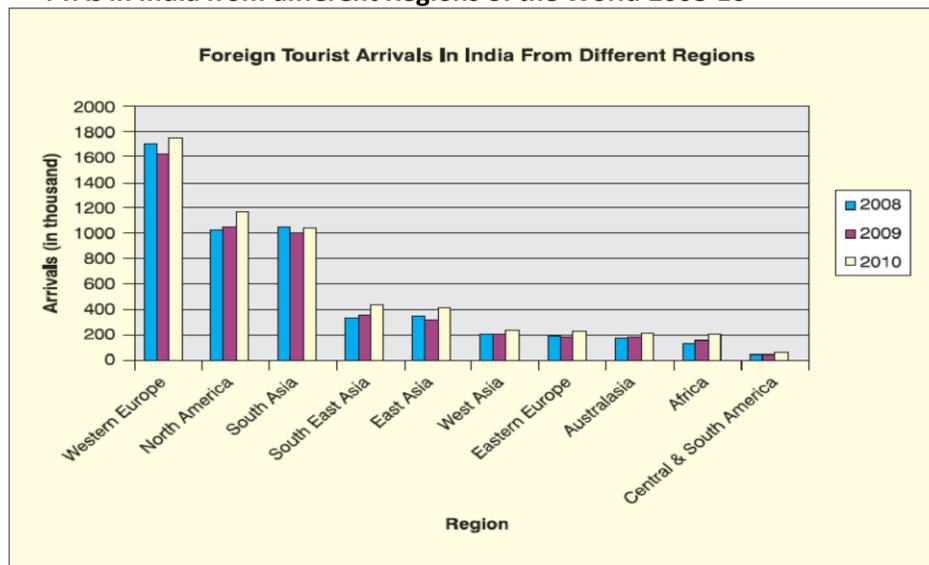
Country of Nationality	No. of Arrivals			Percentage Share			Percentage Change	
	2008	2009	2010	2008	2009	2010	2009/08	2010/09
Maldives	54956	55159	58152	1.04	1.07	1.01	0.4	5.4
Nepal	78133	88785	104374	1.48	1.72	1.81	13.6	17.6
Pakistan	85529	53137	51739	1.62	1.03	0.90	-37.9	-2.6
Bangladesh	541884	468899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

Source: Bureau of Immigration, India

### 8.6 Foreign Tourist Arrivals in India from different Regions:

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

**FTAs in India from different Regions of the World 2008-10**



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

**Source:** Bureau of Immigration, India

### 8.7 Top 15 Source Countries for FTA's in India:

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

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

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

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

**Source:** Bureau of Immigration, India

#### FTA's from top 10 Source Countries for 2010:

##### I. United States of America:

The United States of America maintained its position as the largest market for India during 2010. The arrivals grew from 82052 in 1981 to 931292 in 2010 at a CAGR of

8.7 %. The share of the USA in the total FTAs in India also grew though marginally to about 16.12% during 2010 as compared to 16.01 % during 2009. During 2010, 99% of the tourists from the USA came by air, 0.6% by land and 0.4% by Sea.

**II. United Kingdom:**

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

**III. Bangladesh:**

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

**IV. Sri Lanka:**

Sri Lanka has been placed at fourth position among the top 15 tourist generating countries for India with 4.61% of the total tourist arrivals during 2010. Arrivals from Sri Lanka, which were 75842 in 1981, grew up to 266515 in 2010 at a CAGR of 4.4%. While there is no uniform pattern in arrivals from Sri Lanka during 1996-2003, the arrivals have been continuously increasing since 2003. The peak quarter for Sri Lankan tourists visiting India during 2010 was July- September (29.6%), followed by January-March (26.7%). During 2010, the majority of tourists (99.7%) travelled by air, followed by land (0.2%) and sea (0.1%). As far as the port of disembarkation is concerned, maximum disembarked at Chennai airport (71.3%),

followed by Mumbai (4.1%) Bangalore (3.6%) and Delhi (3.4%). Out of the total Sri Lankan nationals who visited India during 2010, the majority 58.5% were male and 41.5% were female. The dominant age group was 35-44 years (19.7%), followed by the age group 45-54 years (19.0%) and 25-34 years (16.9%). The maximum tourist from Sri Lanka came to India during 2010 for 'Leisure, holidays & recreation' (36.5%) followed by 'Others' purpose (33.1%) and 'Business and Professional' (15.5%).

#### **V. Canada:**

Canada occupied the fifth position in 2010 among the top tourist generating countries for India. The arrivals from this country have risen to 242372 in 2010 from 25358 in 1981 at a CAGR of 8.1%. The share of Canada in the total foreign tourist traffic in India was 4.20% as compared to 4.34% in 2009. Among 242372 Canadians who visited India during 2010, 98.4 % travelled by air, 0.9 % by land and 0.7% by sea. As far as the port of disembarkation is concerned, 33.9% disembarked at Delhi airport, followed by 27.2% at Mumbai, 9.3% at Chennai, 6.6 % at Bangalore and 2.7% at Kolkata. Of the total arrivals, while 55.3% were male and 44.7 % were female. The predominant age-group was 35-44 & 45-54 (19.1%) followed by the age group 55-64 years (14.9%) and 0-14 years (14.7%) respectively. The quarter October-December accounted for 31.0% of the arrivals, followed by the quarter January-March with 30.2% during the year 2010. The maximum number of tourists from Canada came to India during 2010 for 'Visiting friends & relatives (49.8%) followed by 'Others' purpose (18.8%) and 'Leisure, Holiday & Recreation (18.0%).

#### **VI. Germany:**

During the year 2010, Germany improved its position to sixth from seventh in 2009 among the top tourist generating countries for India and contributed 3.94 % of the total FTAs in India. The arrivals grew from 55471 in 1981 to 227720 in 2010 at a CAGR of 5.0%. But the tourist arrivals in India from Germany increased by 18.8% in 2010. The most preferred mode of travel to India by the German tourists during 2010 was air (94.5%), followed by sea (4.5%), and land (1.0%). As far as the port of disembarkation is concerned, 29.1% disembarked at Delhi airport, followed by

Mumbai (27.7%), Bangalore (11.0%), Chennai (9.4%) and Kolkata (4.1%). Of the total German national arrivals in India during 2010, 65.4% were male and 34.6% were female. The age group 45-54 years dominated the arrivals (26.1%), followed by 35-44 years (23.5%). The peak quarter of arrivals of German nationals during 2010 was January-March (33.7%) followed by October-December (28.4%). During 2010, the maximum number of tourists from Germany came to India for 'Business and Professional' (35.5%) followed by 'Leisure, Holiday & Recreation' (27.8%) and 'Others' purpose (19.5%).

#### **VII. France:**

France slipped to the seventh position in 2010 among the top tourist generating countries for India and contributed 3.90% of the total arrivals in India during 2010. The arrivals grew from 57272 in 1981 to 225232 in 2010 at a CAGR of 4.8%. The year 2010 witnessed 14.6% growth over 2009. During 2010, the majority (97.7%) of the arrivals from France visited India by air, 1.2% by land route and rest by sea route. As far as the port of disembarkation is concerned, 31.7% disembarked at Delhi airport followed by Chennai (25.4%), Mumbai (22.1%) and Bangalore (10.5%). Of the total French arrivals, 58.4% were male and 41.6% were female. The age groups 35-44 & 45-54 years accounted for maximum arrivals (19.6%) followed by age group 25-34 years (16.8%), and age group 55-64 years (15.6%). During 2010, the quarters January- March and July- September were the most popular of visits by for the French tourists, accounting for 32.6% and 25.0% respectively. The maximum number of tourists from France came to India during 2010 for 'Leisure, Holidays & Recreation' (30.1%) followed by 'Visiting friends & relatives (25.7%) and 'Others' purpose (23.1%).

#### **VIII. Malaysia:**

During 2010, Malaysia occupied the eighth position among tourist generating countries for India with a share of 3.10% share. During 2009 it had occupied 9th position among tourist generating countries for India. The tourist traffic from Malaysia increased from 26458 in 1981 to 179077 in 2010, with a CAGR of 6.8%. It may be seen that Malaysia is one of the few countries which showed an increase of

more than 30% in FTAs in India during 2010. The air was the predominant mode of travel for Malaysian tourists with 99.7% arrivals during 2010. As far as the port of disembarkation is concerned, the maximum number of Malaysian tourists disembarked at Chennai airport (32.2%), followed by Delhi (12.7%), Mumbai (8.9%) and Bangalore (8.8%). During 2010, 56.4% of FTAs from Malaysia in India were male. The dominant age-group of the arrivals were 45-54 years with 20.8% of tourist followed by 35-44 years (20.4%) and 25-35 years (16.6%). The peak quarter of visits for Malaysians during 2010 was January-March (26.9%) followed by October-December (26.3%). During 2010, the maximum number of tourists from Malaysia came to India for 'Leisure, Holiday & Recreation' (39.4%) followed by 'Visiting friends & relatives (26.8%) and 'Others' purpose (20.9%).

#### **IX. Australia:**

During 2010, Australia slipped to the ninth rank from its 8th rank in 2009 among the top 15 tourist generating markets for India, with 2.9% of the total share of arrivals. The tourist traffic from Australia during 1981 was 20940 which increased to 169647 in 2010, showing a CAGR of 7.5 %. As far as the port of disembarkation is concerned, the maximum tourists disembarked at Mumbai (27.3%) followed by Delhi airport (25.9%), Chennai (12.1%) and Bangalore (11.5%). During 2010, the majority of the tourists (60.2%) from Australia were male. The age group 35-44 years with 20.7% of tourists dominated the arrivals, followed by 45-54 years (19.7%). The peak quarter of visits by Australians during 2010 was October-December (35.8%) followed by the quarter January- March (25.6%). During 2010, the maximum number of tourists from Australia came to India for 'Visiting friends & relatives (39.4%) followed by 'Leisure, Holiday & Recreation' (24.4%) and 'Business and Professional' (20.3%).

#### **X. Japan:**

Japan is one of the most important tourist generating markets for India in East Asia, and it contributed 2.91% to the total FTAs in India during 2010. During 2010, Japan occupied the tenth position among tourist generating countries of the world. The arrivals from Japan grew from 29032 in 1981 to 168019 in 2010 at a CAGR of 6.2 %.

During the year 2010, 97.3% of tourists from Japan visited India by air, 2.3% by land routes and 0.4% by sea routes. As far as the port of disembarkation is concerned, 37.5% disembarked at Delhi airport followed by Mumbai (22.8%), Bangalore (14.5%) and Chennai (12.9%). Of the total Japanese nationals who arrived in India, the majority (81.0%) were male. The dominant age group of Japanese tourists was 35-44 years contributing about 28.3 % of tourist arrivals followed by the age group 45-54 years (27.2%) and 25-34 years (17.7%). The maximum number of tourists arrived in the quarter January–March (28.6%) followed by October-December (25.6%). During 2010, the maximum number of tourists from Japan came to India for 'Business and Professional (56.9%) followed by 'Leisure, Holiday & Recreation' (19.2%) and 'Others' purpose (14.0%).

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**8.9 Let's Sum up:**

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

Domestic tourism is very huge in the country, promoted by various intents. Pilgrim and leisure tourism are two very important sectors. A lot of scopes is available for new businesses to enter and tap the segment. With the rising economic status of the middle class and affluent population, outbound travel is on the rise. Though Thailand, Malaysia, and Singapore circuit the most favoured destinations among the tourists, interest for off-track destinations are also increasing. Foreign tourist

arrivals in the country have increased substantially during the past decade motivated by both, business and leisure needs and are further expected to grow at a CAGR of around 8% during 2010-2014. In the coming units we will be discussing India's Performance in International Tourism - A Critical Assessments, Role and Contribution of Leading Organizations in Promotion of Tourism, Some Key Perspectives of International Tourism etc.

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**8.10 Check Your Progress:**

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**1. Discuss the important Inbound Market of India.**

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

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

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

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

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**8.11 Clues to the Answers:**

Check your progress:

1. Refer Sec. 8.3
2. Refer Sec. 8.2.
3. Refer Sec. 8.3.
4. Refer Sec. 8.6.
5. Refer Sec. 8.3 & 8.8.

**8.12 References:**

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## **Unit-09**

### **Emerging Trends of Ethnic, Rural, Eco, Medical, Adventure and MICE Tourism vis a vis Prospects of Indian Tourism**

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#### **Structure:**

#### **9.0 Objectives**

#### **9.1 Introduction**

#### **9.2 Mass Tourism**

#### **9.3 Dark Tourism or than tourism**

#### **9.4 Wine Tourism**

#### **9.5 Emerging forms of tourism or alternate tourism**

##### **9.5.1 Sustainable Tourism**

##### **9.5.2 Medical Tourism & Health Tourism**

##### **9.5.3 Volunteer tourism**

##### **9.5.4 Mice tourism**

##### **9.5.5 Theme park tourism**

#### **9.6 Alternative tourism - a new approach for tourism promotion**

#### **9.7 Lets Sum Up**

#### **9.8 Check your progress**

#### **9.9 Clues to Answers**

#### **9.10 References**

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**9.0 Objectives:**

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

- Understand different emerging forms of tourism What is mass tourism
- What is Mass tourism
- What are various emerging tourism forms like sustainable tourism, wine tourism dark tourism etc.?
- How can these alternative forms be helpful in tourism promotion

This unit has the purpose of understanding what 'Emerging Tourism' is. To understand this concept we should explore what tourism is and begin classifying in some way the diverse types of tourism. The diverse tourism types are created from the experiences that tourists want to experience; such are the cases of nature tourism, cultural tourism, adventure tourism, among others. Each type of tourism is a way to give a denomination to a new market niche for a different experience. Such is the case of the two big types of tourism: (1) Mass Tourism, and (2) Dark tourism (3) Sustainable tourism (4) Health 7 Medical tourism etc. To understand the emerging trends in the tourism industry we have to understand first of all what is mass tourism and why this is being replaced by alternate tourism or so-called emerging trends.

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**9.1 Introduction:**

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Without a tourists motivation to travel there would be no travel industry. The industry needs to understand what motivates tourists to visit a particular destination or attraction. For the industry manager/authorities, it is also imperative to seek out the new and emerging trends of tourist's behaviour, their tastes and the kind of touristic activity they are interested in. In this Unit we will try and understand travel motivators and how can a country / Industry managers utilize them optimally. We will also try and look into the present day and emerging trends of tourism markets. Tourism has emerged as one of the fastest-growing sectors of our economy and marketers need to realize its potential. Successful

marketing is dependent on knowing the customer and understanding the market. That is why tourism marketers should realise and understand the various emerging trends of tourism and unique ways to market each trend. On the flip side, tourism is also seeing the utilization of the latest marketing trends which have earlier helped other tangible and intangible sectors.

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### **Eco-Tourism:**

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Eco-tourism is the most fascinating and most recent form of nature tourism. It encompasses activities that make a destination integrated, environment-friendly sustainable and useful for visitors and local inhabitants. It is not a nature-based tourism attraction where visitors go and enjoy nature and its surroundings. But it takes place in nature's solitude and visitors and destination operators attempt to envisage appropriate methods and measures to give direct and indirect benefits, both to hosts and guests, in a mutually acceptable manner.

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

- less crowded destinations
- Remote wilderness
- Learning about wildlife and nature
- Learning about natives and their cultures
- Community benefits
- Viewing plants and animals
- Physical challenge

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

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

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

- Destination travelled
- Length of stay
- Desired level of physical effort and comfort
- Importance of nature in trip motivation
- Level of learning desired
- Amount of spending
- Desired activities
- Personal demographics

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### **Ecotourism- Resources:**

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- 1) Biosphere reserves
- 2) Mangroves
- 3) Corals and Coral reefs
- 4) Deserts
- 5) Mountain and Forests
- 6) Flora and Fauna
- 7) Wetlands

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

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

**Rural/Farm/Village Tourism:**

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

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

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**9.2 Mass Tourism:**

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Mass tourism is a concept that is very commonly and lavishly used. But what does it mean exactly?

The basic elements of mass tourism are:

- Participation of a large number of people
- Mainly collective organization of travelling
- Collective accommodation
- Conscious integration of holidaymakers in a travelling group.

Mass tourism refers to the participation of large numbers of people in tourism, a general characteristic of developed countries in the twentieth century. In this sense,

the term is used in contrast to the limited participation of people in some specialist forms of tourist activity, such as yachting, or in contrast to the situation in developing countries or in countries with extreme inequalities of income and wealth or indeed, to the limited extent of tourist activity everywhere until a few decades ago. Mass tourism is essentially a quantitative notion, based on the proportion of the population participating in tourism or on the volume of tourist activity.

- The participation of large numbers of people in tourism, whatever the tourist activity may be;
- The holiday is mainly standardized; rigidly packaged and inflexible.

**The organized mass tourist:**

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

**The individual mass tourist:**

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

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**9.3 Dark Tourism:**

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

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

‘Dark tourism’ conversely is the term adopted by Foley and Lennon (1996) for the ‘phenomena which encompass the presentation and consumption (by visitors) of real and commodified death and disaster sites. These visitors who have been motivated to undertake a visit by a desire to experience the reality behind the media images and/or a personal association with inhumanity.’ (Foley and Lennon, 1996: 198) e.g. Cemeteries which contain the remains of celebrities are important tourism attractions with specialised tourism literature. Monuments e.g. Lincoln Memorial Washington/ Nelson’s Column, Trafalgar Square also belong to this category. The second meaning refers to disaster sites and sites of notable deaths, e.g. Auschwitz, the killing fields of Cambodia, Dealey Plaza, Dallas where JFK was assassinated, the forecourt of the Dakota building, NYC where J. Lennon was murdered, the crash site in

Cholame, California where James Dean died, the Viper Room on Sunset Boulevard where River Phoenix took a drug overdose and the pavement where he died, and Kurt Cobain’s suicide site in Seattle.’ (Rojek and Urry, 1997: 62).

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#### 9.4 Wine Tourism:

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

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

Many wine regions around the world have found it financially beneficial to promote such tourism; accordingly, growers associations and others in the hospitality industry in wine regions have spent significant amounts of money over the years to promote such tourism. This is true not only to "Old World" producers

(such as Spain, Portugal, Hungary, France or Italy), but also for the so-called "New World wine" regions (such as Australia, Argentina, Chile, United States or South Africa), where wine tourism plays an important role in advertising their products. In Argentina, for example, the Mendoza Province is becoming one of the tourist destinations in the country as Argentine wine strides to gain international recognition. Similarly, the National Wine Centre of Australia showcases the Australian wine industry, and visitors from around the world visit Northern California's Wine Country.

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### **9.5 Emerging Forms of Tourism or Alternate Tourism:**

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The various emerging tourism forms can be explained as follows:

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#### **9.5.1 Sustainable Tourism:**

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

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

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

#### **Three pillars of sustainable tourism:**

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

Sustainable tourism should:

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

- 2) Respect the **socio-cultural** authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.
- 3) Ensure viable, long-term **economic** operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.

#### **Twelve Aims of Sustainable Tourism:**

##### **1) Economic Viability:**

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

##### **2) Local Prosperity:**

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

##### **3) Employment Quality:**

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

##### **4) Social Equity:**

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

##### **5) Visitor Fulfillment:**

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

##### **6) Local Control:**

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

**7) Community Wellbeing:**

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

**8) Cultural Richness:**

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

**9) Physical Integrity:**

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

**10) Biological Diversity:**

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

**11) Resource Efficiency:**

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

**12) Environmental Purity:**

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

These principles have been discussed in many statements and declarations of the World Tourism Organization (WTO) including:

- Manila Declaration on World Tourism, 1980.
- Acapulco Documents on the Rights to Holidays, 1982.
- Tourism Bill of Rights and Tourism Code, Sofia, 1985.
- The Hague Declaration on Tourism, 1989.
- Lanzarote Charter for Sustainable Tourism, 1995 (jointly with UNEP, UNESCO, EU).
- Statement on the Prevention of Organized Sex Tourism, Cairo, 1995.
- Global Codes of Ethics for Tourism, 1999.

- Quebec Declaration on Ecotourism, 2002.

To fulfil these imperatives, governments and other societal agents are struggling to find an appropriate balance between different and sometimes conflicting needs and value systems. Achieving sustainable tourism development requires that the private and public sectors and the community cooperate as partners in working toward a sustainable society. Thus, sustainable tourism should:

- 1) Make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity.
- 2) Respect the Socio-Cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance.
- 3) Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.

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

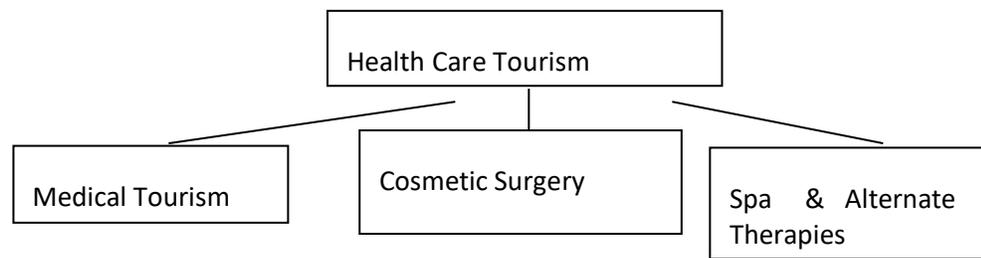
Sustainable tourism should also maintain a high level of tourist satisfaction and ensure a meaningful experience to the tourists, raising their awareness about sustainability issues and promoting sustainable tourism practices amongst them."

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### 9.5.2 Medical Tourism and Health Tourism:

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**Medical tourism:** There is no one definition for medical tourism. However, it is generally accepted that this term is used to refer to travel activity that involves a medical procedure or activities that promote the wellbeing of the tourist. For example, the term 'healthcare' tourism has been used to cover travel and tourism



related to medical procedures, health and wellbeing purposes. The scope of healthcare tourism is illustrated in Figure 1 below.

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

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

India represents the most prospective medical tourism market in the world. Factors such as low cost, scale and range of treatments provided by India differentiate it from other medical tourism destinations. Furthermore, the growth in India’s medical tourism market will be a boon for several associated industries, including the hospital industry, medical equipment’s industry and pharmaceutical industry. Adding together to the existence of modern medicine, indigenous or traditional medical practitioners are providing their services across the country. There are over 3,000 hospitals and around 726,000 registered practitioners catering to the needs of traditional Indian healthcare. Indian hotels are also entering the wellness services market by tying up with professional organizations in a range of wellness fields and offering spas and Ayurvedic massages. The very concept of health tourism is quite an old one, but it’s just that now the concept has been promoted as a full-fledged tourism product. Earlier it used to be only a part of the whole travel

experience. This is good news for the hospitality industry since an affluent population that is determined to stay well and stress-free is an expanding and profitable market for those who are conscious to stay healthy. There is no single accepted definition for health tourism, but a simple description comes from Mary Tabachi of Cornell University's School of Hotel Administration. According to her, "Health Tourism is any kind of travel to make yourself, or a member of your family, healthier". Most health tourism today focuses on two areas:

- 1) Pampering
- 2) Wellness

Pampering involves offering people an experience that makes them feel good services such as massages, herbal wraps and exfoliating scrubs. Wellness involves helping healthy people prevent problems so they stay well, both physically and mentally. Sometimes this means offering diagnostic testing to identify potential problems. More often, guests who have self-identified concerns are taught how to relieve stress, change eating habits, reduce the likelihood of sports injuries or improve their sex lives.

Health Tourism has a promising future in the land of *Ayurveda* where the first plastic surgery was performed by Sushruta about 2000 years ago. Kerala is a heaven for health seekers as it offers authentic Ayurveda treatments. In fact, it has pioneered health and medical tourism in India. The state has made concerted efforts to promote it in a big way, which has resulted in a substantial increase in visitor arrivals into the state. Kerala and Ayurveda have virtually become synonymous with each other. The bias towards health tourism in Kerala is so strong that Kerala Ayurveda centres have been established at multiple locations in various metro cities. Kerala participates in various trade shows and expos wherein the advantages of this traditional form of medicine are showcased. The states equable climate, natural abundance of herbs and medicinal plants, and the cool monsoon season are best suited for Ayurveda's curative and restorative packages. On the world level, Thailand is famous for spa treatments. Another facet of Health Tourism in India is the popularization of Yoga the world over. Yoga has gained all

the more important because of exponents like Swami Ramdev and B.K.S. Iyengar.

One can practice Yoga for all sorts of seasons:

- 1) To remain fit
- 2) to stay healthy/ recover your health
- 3) To balance the nervous system
- 4) To calm your busy mind
- 5) To live in a meaningful way

It is believed that Yoga helps one in finding the very source of happiness, beyond pleasure and pain. It leads to 'self-realization' and seeks to recover one's full potential.

This highlighted the importance of Yoga, which has also been recognized and accepted by international celebrities like Halle Berry, Prince Charles and others, is a matter of pride for the Indians. Every year in the month of March, International Yoga Festival is held on the banks of River Ganga at Rishikesh which attracts people from far and wide. Rishikesh is called the 'Yoga Capital' of the world as it attracts those who are in search of mental peace amid the humdrum of modern life. There are many ashrams in Rishikesh offering courses on meditation, yoga and Hindu philosophy. Another luxury resort in the Himalayas is the Ananda Spa, which lists in the top 5 spas of the world.

Although health and medical tourism are used interchangeably many times, there is a marked difference between the two medical tourism essentially deals with the surgical part of curing. Talking particularly about India, it has come a long way as the facilities in India are of international standards at a much cheaper rate, which is encouraging patients from neighbouring countries, Middle East, UK and the even USA for specialized treatments. India's healthcare industry is worth \$23 billion (4% of GDP). The industry is expected to grow by around 13% per year for the next four years.

The cost of medical procedures seems out of control in the west, patients are becoming medical tourists to India. Surgeries in India cost one-fifth of what they cost in the USA. Given the availability of top of the live facilities related to hospital

and diagnostic, this has become a virtual growth sector. According to CII, India has the potential of attracting 1 million health tourists per annum, which could contribute \$ 5 billion to the economy. Recently enacted fiscal and non-fiscal incentives by the government are set to further stimulate the development of the health sector.

The various surgeries offered by multi-speciality hospitals in India are:

- 1) Bone Marrow transplant
- 2) Cosmetic surgery
- 3) Gynaecology and obstetrics
- 4) Joint replacement surgery
- 5) Neurosurgery
- 6) Osteoporosis
- 7) Refractive surgery
- 8) Vascular surgery
- 9) Cardiac care

Due to considerable differences in the cost of treatments, some clinics such as Kaya skin clinic have seen a 200% increase in overseas clients in the last six months (cosmetic surgery). Not far behind is the concept of Dento Tourism Increasing number of tourists are curing their teeth while touring India. Here, the focus is mainly on the 45-60 age group, because it is at this age that dental problems begin and the patients also have enough savings to spend on travel and leisure as well.

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### **9.5.3 Volunteer Tourism:**

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Volunteer tourist, using the most widely used definition is someone, who for various reasons, volunteers in an organized way to undertake holidays that might involve aiding or alleviating the material poverty of some groups in society, the restoration of certain environments, or research into aspects of society or environment. Quite often, volunteer tourism is considered as one of the noblest ways to tour and as a form of tourism, which most likely will follow the strict standards of sustainability and will even be the catalyst of peace. When sustainability of tourism is concerned, there are not any official rules to be

followed. Nevertheless, all the dimensions of sustainability, socio-cultural, ecological and economic being the most important ones, can be found from the example of volunteer tourism. Result of increased recognition of the negative impacts of mass tourism. This is quite a common way to explain the rise of so-called *alternative* tourism, to which group also volunteer tourism has been linked.

Volunteer tourism surely belongs to the group of the new, alternative forms of tourism. Nevertheless, it is possible to find some characteristics, which to some extent keep volunteer tourism apart from the other members of the group, which include for example adventure tourism, eco-tourism and extreme tourism. By its motivators, volunteer tourism differs from many other newer forms of tourism. These motives are linked to factors pushing tourists to make a tour, which includes volunteering. These consist of *internal* factors, which are derived from a person's values and history and somehow echo the person's self-identity. Nevertheless, like tourism in general, also volunteer tourism can be motivated by *external* pull factors. Host communities may, for example, find solutions to their shortage of workforce from foreign tourism and this might lead to a situation where tourists are treated as inexpensive workers rather than tourists.

In general, the idea of volunteering lies in the direct interactive experience between hosts and guests. This process should lead to value change and should also make an influence on the lifestyles of both sides. This interaction is mutual and although the discussion on volunteer tourism usually concentrates on tourists who volunteer while travelling, it must not be forgotten that there are a huge number of people in the host destinations who voluntarily work for tourism and just like volunteer tourists, share a combination of altruistic and leisure related motives.

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#### 9.5.4 MICE TOURISM:

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##### M I C E

- **Meeting**
- **Incentive**
- **Conference**
- **and Exhibition**

The acronym MICE is applied inconsistently with the “E” sometimes referring to Events and the “C” referring to Conventions. MICE is used to refer to a particular type of tourism in which large groups planned usually well in advance are brought together for some particular purpose.

Most components of MICE are well understood, perhaps except for Incentives. Incentive tourism is usually undertaken as a type of employee reward by a company or institution for targets met or exceeded, or a job well done. Unlike the other types of MICE tourism, Incentive tourism is usually conducted purely for entertainment, rather than professional or educational purposes.

MICE tourism usually consists of a well-planned agenda centred on a particular theme, such as a hobby, a profession, or an educational topic. MICE tourism is a specialized area with its trade shows and practices. MICE events are normally bid on by specialized “convention” bureaus located in particular countries and cities and established to bid on MICE activities. This process of marketing and bidding is normally conducted well in advance of the actual event, often several years. MICE tourism is known for its flawless planning and demanding clientele.

The MICE segment has emerged as a substantially high component of growth in inbound tourism. Most countries constantly endeavour to attract MICE clientele through bids for various International Conventions/Conferences/Seminars and the like.

The international organizations/societies keep on organizing their regular conferences and conventions in different destinations in the world. To give a boost to the MICE tourism, the Govt. of India has decided to extend the benefits under the Market Development Assistance (MDA) Scheme, administered by the Ministry of Tourism, to ‘Active Members’ of India Convention Promotion Bureau (ICPB) towards bidding for International Conferences/Conventions, thereby bringing more MICE business to the country.

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**9.5.5 Theme Park Tourism:**

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Theme parks are settings in which all of the entertainments and facilities are designed around a particular subject or idea. To give them a tourist appeal these settings are given the shape of an amusement park. The biggest theme/ amusement park of the world is Disney World Orlando (Florida, USA, which attracts more than 40 million visitors annually, In the 1950s and 1960s Walt Disney Productions, Ltd. Was one of the major producers of films for theatres and television, as the scope of his enterprises expanded, Disney retained as much artistic control as possible. syndication of comic strips, most of them featuring such characters as Donald Duck and Pluto, the dog. In 1955 Walt Disney Productions, Ltd. opened a huge amusement park called Disneyland in Anaheim, California. Featuring historical reconstructions, displays, and rides, it became a famous tourist attraction. Disney World opened near Orlando, Florida, in 1971.

The Lost World: Jurassic Park Part II, a motion picture about an island populated with real dinosaurs. Released in 1997, this science-fiction adventure is the sequel to the box-office hit Jurassic Park (1993), in which a mad scientist built a dinosaur theme park on a remote island. Although those dinosaurs were destroyed, there are some left on another island. Dr. Sarah Harding (played by Julianne Moore) and Dr. Ian Malcolm ( Jeff Goldblum) travel to the island to observe the dinosaurs and try to prevent Roland Tembo (Pete Postlethwaite) from rounding the beasts up and taking them to a theme park in the United States. The weather turns bad, the dinosaurs become violent, and one of the angry beasts makes his way to Los Angeles, California.

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**9.6 Alternative Tourism: A New Approach for Tourism Promotion:**

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Alternative tourism forms have caused a change in the tourism industry and have made tourism more responsible tourism. Travel has now changed from established tourism destinations to unexplored travel destinations. The attitude of the tourism industry has changed a lot. Earlier countries were concerned with the number of visitors but now they are thinking of the economic and social benefits of tourism.

Due to alternative tourism, the tourism industry has taken shape of all-weather tourism. Tourist has also changed a lot. He is now a value-conscious traveller, who is travelling for self-improvement through vivid experiences.

Due to alternative tourism forms, targeted customers are considered as a database rather than socio-economic groups. The place of one way communication has been taken by relationships through customer management techniques. With the promotion of alternative tourism, the conventional ways of looking at consumer behaviours are becoming outdated.

Alternative tourism can be seen as a new marketing technique to attract tourists, who belong to the responsible class and are more focused on getting experiences. Thus it can be said that alternative tourism can be termed as a new approach in tourism promotion because of its benefits to the local community, more and more diversification of tourism, dispersal of tourism from traditional places, and making tourism an all-weather deal.

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### 9.7 Let's Sum up:

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Tourism today is a major industry impacting a lot of small and medium businesses. It has many participants and players. It has some unique characteristics and throws challenges to all governments, due to its snowballing impact on the whole economy.

There is no doubt that tourism, directly and indirectly, influences national, regional and local economies. As you have read in the preceding lesson, tourism development has various potentially beneficial economic impacts that may positively influence the process of economic development in the destination country. The traditional forms of tourism were not apt at satisfying the varied and diverse motivations that people have behind travelling. However, earlier, the people used to settle for the traditional 'sun, sand and sea' as they had little information about the unexplored opportunities and even the tour operations activities was not very organized. But with the advent of information technology in virtually every field of our life and increased awareness level of prospective travellers, the diversification of tourism is the answer to customer's needs. These

diversified forms are a step further in maximizing the travel experience of a tourist. Moreover, it is said 'Change is the spice of life.

Traditional mass tourism is not considered as more beneficial for the local community whereas alternative tourism is termed as beneficial. Further, it can act as a newer marketing concept, where opportunities for the local community are present.

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**9.8 Check Your Progress:**

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**1. What do you understand about Wine Tourism?**

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**2. What do understand by mass tourism?**

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**3. What are the various emerging trends in the tourism industry?**

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4. Discuss the concept of Dark Tourism.

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

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6. How alternative tourism can act as a new approach for tourism promotion?

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7. Comment on the status of medical tourism in India.

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**9.9 Clues to the Answers:**

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Check your progress:

- 1) Refer Sec. 9.4.
- 2) Refer Sec. 9.2.
- 3) Refer Sec.9.5 & 9.6 4 Refer Sec.9.3.
- 4) Refer Sec.9.6.
- 5) Refer Sec.9.6
- 6) Refer Sec.9.5.2

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**Unit-10**  
**WTO**

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**Structure:**

**10.0 Objectives**

**10.1 Introduction**

**10.2 History**

**10.3 Mission**

**10.4 Structure**

**10.5 Aims**

**10.6 Membership**

**10.7 Suspension of membership**

**10.8 Lets Sum Up**

**10.9 Check your progress**

**10.10 Clues to Answers**

**10.11 Suggested Readings**

**10.0 Objectives:**

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

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

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**10.1 Introduction:**

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

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

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**10.2 History:**

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

**1946:**

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

**1947:**

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

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

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

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

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

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

**1965:**

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

**1966:**

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

**1967:**

The United Nations, following an IUOTO initiative, declares the 1967 International Tourism Year (ITY), with the slogan Tourism, Passport to Peace. The Intergovernmental Conference in Sofia (Bulgaria) and the United Nations General Assembly press for the creation of an intergovernmental organization on independent tourism. On 27 September, the IUOTO Special General Assembly meeting in Mexico City adopts the Statutes of the World Tourism Organization (WTO). From 1980 onwards, this day will be celebrated as "World Tourism Day".

**1975:**

The first WTO General Assembly meets in May in Madrid at the invitation of the Spanish Government. Robert Lonati is voted in as the first WTO Secretary-General and the Assembly decides to establish its headquarters in Madrid. the WTO General Secretariat is set up in Madrid on 1 January.

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

**1980:**

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

**1982:**

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

**1985:**

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

**1989:**

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

**1991:**

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

**1992:**

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

**1993:**

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

**1994:**

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

**1995:**

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

**1996:**

II WTO Forum on Parliaments and Local Authorities: Tourism PolicyMakers, held in Bali (Indonesia), adopts the Bali Declaration on Tourism.

**1997:**

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

**1998:**

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

**1999:**

The World Conference on the Measurement of the Economic Impact of Tourism, held in Nice (France), approves the Tourism Satellite Account.

XIII WTO General Assembly in Santiago (Chile) adopts the Global Code of Ethics for Tourism.

**2000:**

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

**2001:**

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

**2002:**

2002 is declared International Year of Ecotourism. Quebec (Canada) holds the World Ecotourism Summit, which adopts the Quebec Declaration on Ecotourism. WTO takes part in the World Summit on Sustainable Development (Johannesburg, South Africa), during which the programme "Sustainable Tourism - Eliminating Poverty" (ST-EP) is presented. The final declaration of the Summit includes a direct reference to the sustainable development of tourism. IV WTO Forum on Parliaments and Local Authorities: Tourism Policy-Makers, held in Panama City.

**2003:**

WTO Strategy for Crisis Management is adopted at ITB Berlin (Germany). First International Conference on Climate Change and Tourism, Djerba (Tunisia). XV WTO General Assembly, Beijing (China), approves the composition of the World Committee on Tourism Ethics and unanimously supports the programme Sustainable Tourism - Eliminating Poverty (STEP). The Assembly approves the

transformation of WTO into a United Nations specialized body by resolution 453(XV). The transformation is ratified at the United Nations General Assembly by resolution A/RES/58/232.

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

**2005:**

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

**2006:**

XXX anniversary of UNWTO in Madrid. Chaired by United Nations Secretary-General Kofi Annan, the UN’s Chief Executives Board meets for the first time at UNWTO headquarters. First International Conference on Tourism and Handicrafts, Teheran (Islamic Republic of Iran).

**2007:**

Fifth International Forum for Parliamentarians and Local Authorities, Hamamet (Tunisia.) Second International Conference on Climate Change and Tourism, Davos (Switzerland), adopted the Davos Declaration, endorsed by the London Ministerial Summit on Tourism and Climate Change. First International

Conference on Tourism, Religions and Dialogue of Cultures, Cordoba (Spain) The XVII Session of the UNWTO

General Assembly held in Cartagena de Indias, Colombia, adopts the Davos Declaration and encourages UNWTO to engage itself in the response to one of the greatest challenges of our times.

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### 10.3 Mission:

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

#### 1) Improving Tourism Competitiveness:

- Market Trends
- Statistics
- Crisis Management

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

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

To fulfil this role, UNWTO gathers statistics from over 212 countries and territories into a regularly updated database. UNWTO Compendium of Tourism Statistics, produced annually since 1975, provides data's and indicators in inbound, outbound and domestic tourism, as well as on the number and types of tourism industries, the number of employees by tourism industries, and macroeconomic indicators related to international tourism. UNWTO Yearbook of Tourism

Statistics, which provides data, by country of origin, on arrivals and overnight stays related to inbound tourism. Advocating the value of tourism as a driver of socio-economic growth and development and its inclusion as a priority in national and international development policies.

- 2) **Promoting Sustainable Development of Tourism:** Promoting sustainable tourism – one that makes optimal use of environmental resources, respects the socio-cultural authenticity of host communities and provides socio-economic benefits to all stakeholders.
- 3) **Advancing Tourism's Contribution to Poverty Reduction and Development:** Maximizing the contribution of tourism to reduce poverty and achieve the Millennium Development Goals (MDGs), UNWTO works to make tourism a tool for development at the national, regional and community level and to include tourism in the international development agenda and priorities.
- 4) **Improving Tourism Competitiveness:** Improving UNWTO Members' tourism products and destinations, through knowledge building and exchange, human resources capacitating and the promotion of quality and excellence in areas such as statistics, market trends, marketing, destination management or crisis and risk management.
- 5) **Knowledge, Education and Capacity Building:** Supporting countries to assess and address their needs in education and training, as well as providing networks for knowledge exchange.
- 6) **Building Partnerships:** Engaging with the private sector, regional and local tourism organizations, academia and research institutions, the civil society and the UN system to build a more sustainable, responsible and competitive tourism sector.

At the very heart of UNWTO's Programme of Work is Technical Cooperation and Services, the operational arm of the Organization, translating its technical expertise and knowledge of best practices from around the world into practical application in the field. For more than thirty years, UNWTO has been providing technical

assistance to its members to build up a stronger, healthier and more efficient tourism sector; optimize socio-economic benefits of tourism; helping alleviate poverty at the grass-root level; promoting sustainable livelihoods; preserving and enhancing cultural and natural heritage, and involving the local communities in the development process. The horizontal and cross-cutting nature of tourism requires unity and collaboration from all stakeholders to face the global challenges of the 21st century most effectively and build a more sustainable and competitive sector while minimizing its negative effects. UNWTO also works closely with other United Nations agencies and programmes in making tourism contribute to the UN and global objectives.

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#### 10.4 Structure:

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The bodies of the World Tourism Organization are the:

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

- **Regional Commissions:** UNWTO has six regional commissions Africa, the Americas, East Asia and the Pacific, Europe, the Middle East and South Asia. The commissions meet at least once a year and are composed of all the Full Members and Associate Members from that region. Affiliate Members from the region participate as observers.
- **Executive Council:** The Executive Council is UNWTO's governing board, responsible for ensuring that the Organization carries out its work and adheres to its budget. It meets at least twice a year and is composed of Members elected by the General Assembly in a ratio of one for every five Full Members. As the host country of UNWTO's Headquarters, Spain has a permanent seat on the Executive Council. Representatives of the Associate Members and Affiliate Members participate in Executive Council meetings as observers. It is the governing board of the WTO. It is responsible for ensuring that the organization carries out its work and adheres to its budget. It meets at least twice a year and is composed of members elected by the general assembly in a ratio of one for every five full members. As the host country of UNWTO's Headquarters, Spain has a permanent seat on the Executive Council. Representatives of the Associate Members and Affiliate Members participate in executive council meetings as observers. The Executive Council has created subsidiary organs. These are as follows: Technical Committee for Programme and Coordination (TCPC), Committee on Budget and Finance (CBF), Facilitation Committee, Environment Committee, Sub-Committee for the review of applications for affiliate membership, Sub-Committee on Statistics, Joint WTO-IATA Working Party. The subsidiary organs of the council meet regularly to discuss matters falling within their competence and on which they report to the council.
- **Committees:** Specialized committees of UNWTO Members advise on management and programme content. These include the Programme Committee, the Committee on Budget and Finance, the Committee on Statistics and the Tourism Satellite Account, the Committee on Market and Competitiveness, the Sustainable Development of Tourism Committee, the World Committee on

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Tourism Ethics, the Committee on Poverty Reduction and the Committee for the Review of applications for Affiliate Membership.

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## **10.5 Aims:**

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The aims of the organisation are defined in Article 3 of the statute, which is divided into the following three sections:

1. The fundamental aim of the organisation shall be the promotion and development of tourism to contribute to economic development, international understanding, peace, prosperity and universal respect for, and observance of, human rights and fundamental freedoms for all without distinction to race, sex, language or religion. The organization shall take all appropriate action to attain this objective.
2. In pursuing this aim, the organization shall pay particular attention to the interests of the developing countries in the field of tourism.
3. To establish its central role in the field of tourism the organization shall establish and maintain effective collaboration with the appropriate organs of the United Nations and its specialized agencies.

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

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## **10.6 Membership:**

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

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

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the Full Members present and voting provided that said majority is a majority of the Full Members of the Organization.

- 2) Associate Members:** Associate members are the territories or groups of territories not responsible for their external relations but whose membership is approved by the state assuming responsibility for their external relations. Territories or groups of territories whose national tourism organizations are Full Members of IUOTO at the time of adoption of these Statutes by the Extraordinary General Assembly of IUOTO shall have the right to become Associate Members of the Organization, without the requirement of the vote, provided that the State which assumes responsibility for their external relations approves their membership and declares on their behalf that such territories or groups of territories adopt the Statutes of the Organization and accept the obligations of membership. Territories or groups of territories may become Associate Members of the Organization if their candidature has the prior approval of the Member State which assumes responsibility for their external relations and declares on their behalf that such territories or groups of territories adopt the Statutes of the Organization and accept the obligations of membership. Such candidatures must be approved by the Assembly by a majority of two-thirds of the Full Members present and voting provided that said majority is a majority of the Full Members of the Organization. When an Associate Member of the Organization become responsible for the conduct of its external relations, that Associate Member shall be entitled to become a Full Member of the Organization on formally declaring in writing to the Secretary-General that it adopts the Statutes of the Organization and accepts the obligations of full membership.
- 3) Affiliate Members:** Affiliate members are international bodies, both inter-governmental and non-governmental concerned with specialized interests in tourism, as well as commercial and non-commercial bodies and associations whose activities are related to the aims of WTO or fall within its competence. Affiliate membership of the Organization shall be open to international bodies, both intergovernmental and non-governmental, concerned with specialized interests in

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

WTO is the only intergovernmental organization open to the operating sector. This combination of public and private sector involvement encourages a hands-on approach to strategic issues affecting the industry. WTO also provides a forum for industry to “establish the frameworks and global standards of travel and tourism”. It attempts the consolidation of one of the world’s fastest-growing industries. WTO’s activities include:

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

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**10.7 Suspension of Membership:**

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

**Withdrawal from membership:**

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

**Entry into force:**

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

**Depositary:**

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

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**10.8 Let's Sum-up:**

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After completion of this unit, we have understood that UNWTO is the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and a practical source of tourism know-how. With its headquarters in Madrid, Spain, UNWTO plays a central and decisive role in promoting the development of responsible, sustainable and universally accessible tourism, intending to contribute

to economic development, international understanding, peace, prosperity and universal respect for, and observance of, human rights and fundamental freedoms. In pursuing this aim, the Organization pays particular attention to the interests of developing countries in the field of tourism.

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

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**10.9 Check Your Progress:**

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1. Discuss the important members of UNWTO.

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**2. Write a detailed note on the activities done by UNWTO?**

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**3. What do you understand by the Associate membership of UNWTO?**

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**4. Write a note on the history of UNWTO?**

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**5. What is the importance of the General Assembly?**

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**10.10 Clues to the Answers:**

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Check your progress

1. Refer Sec.10.6
2. Refer Sec. 10.3 & 10.5
3. Refer Sec. 10.6
4. Refer Sec. 10.2
5. Refer Sec. 10.4

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**10.11 Suggested Readings:**

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- Seth P.N., *Successful Tourism Management*, Sterling publications, New Delhi
- Velas & Hornell Becherel, *International Tourism*, VNR, 2006
- Zulfikar Mohammed, *Introduction to Tourism & Hotel Industry*, UBSPD, 2006
- Angelo Rocco M. & Vladimir. Andrew N., *An Introduction to Hospitality Today*, EI-AH&LA, 2009.

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**10.12 References:**

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- <http://unwto.org/> [http://en.wikipedia.org/wiki/World\\_Tourism\\_Organization](http://en.wikipedia.org/wiki/World_Tourism_Organization)
- <http://www.ungis.org/>
- [http://rconline.undg.org/wp-content/uploads/2011/11/UNWTO\\_overview.-2.pdf](http://rconline.undg.org/wp-content/uploads/2011/11/UNWTO_overview.-2.pdf) <http://www2.unwto.org/en/about/structure> <http://www.platma.org/>

**Unit-11**  
**WTTC**

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**Structure:**

**11.0 Objectives**

**11.1 Introduction**

**11.2 WTTC**

**11.2.1 WTTC Mission**

**11.2.2 Activities of WTTC**

**11.2.3 WTTC Membership**

**11.2.4 Benefits of the Membership**

**11.2.5 Research Activities**

**11.3 Let's Sum up**

**11.4 Check your progress**

**11.5 Clues to Answers**

**11.6 References**

**11.0 Objectives:**

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

- To understand the importance of WTTC
- To understand the mission of WTTC
- To understand the aims of WTTC
- Understand the role & responsibility of WTTC (World Travel and Tourism Council) in the promotion & development of tourism worldwide

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**11.1 Introduction:**

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

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**11.2 WTTC:**

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

**11.2.1 WTTC Mission:**

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WTTC works to raise awareness of Travel & Tourism as one of the world's largest industries, supporting 255 million jobs and generating 9 per cent of world GDP. WTTC advocates partnership between the public and private sectors, delivering results that match the needs of economies, local and regional authorities and local communities with those of business, based on:

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

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**11.2.2 Activities of WTTC:**

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

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

WTTC and its Members fully recognize the power of the Travel & Tourism industry in driving sustainable economic recovery and growth. The WTTC Environment Initiative was borne out of this shared vision. Perhaps one of the most central issues within environmental sustainability and one of the greatest threats to the world

today is climate change. The WTTC Environment Initiative aims to solidify the voice of leaders in the Travel & Tourism industry on this global issue and communicate good examples of the industry taking the global lead on sustainable development. The Initiative consists of a Steering Group comprised of WTTC Members who are the 'sound board' for the outputs of the Initiatives Working Group which consists of Heads of Environment, Sustainability and CSR within our WTTC Member companies.

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

- **Leading the Challenge on Climate Change:** In February 2009, Travel & Tourism industry leaders set out a vision for, and commitment to, tackling greenhouse gas (GHG) emissions through the WTTC publication 'Leading the Challenge on Climate Change'. The report also underscores the important role of partnership in attaining the vision defined by WTTC and calls for an alignment of goals and efforts among leaders of industry, employees, customers and policy-makers - whether in the commercial or public domain. Two years from the launching, WTTC has explored through its Members, how the industry is moving on with this global challenge. Through interviews with its Members, WTTC demonstrates and celebrates the achievements of WTTC Members in advancing carbon emissions mitigation while helping their operating environment adapt to the impacts of climate change.
- **Climate Change: A Joint Approach to Addressing the Challenge:**  
A sound framework is critical for the Travel & Tourism industry to allow the transparency needed to make informed investment decisions, many of which can determine nations' economic development. WTTC has launched 2010, its climate change policy recommendations outlining clear principles for governments guiding them towards fostering an enabling Environment for the sustainable development of our industry while recognizing its immense economic and developmental importance.
- **Hotel Carbon Measurement Initiative:** In 2011, WTTC in conjunction with the International Tourism Partnership has embarked on a groundbreaking initiative

for the hotel sector. The project aims to streamline the way the hotel industry measures and communicates carbon emissions to its clients. This is particularly relevant for corporate consumers who are interested in quantifying the potential carbon footprint of their hotel stays and meeting/event at a hotel.

- **Communiqué:** It calls on governments to continue to develop the policy structure needed to ensure that Travel & Tourism can achieve low-carbon growth, even in the absence of a global agreement at the United Nations Conference on Climate Change in Durban. Broadly, it calls for a clear process of developing climate change policy preferably in consultation with the industry, thereby providing businesses with the confidence they need to operate and plan for the future. For the full text of the communiqué, please [click here](#).
- **Events:** WTTC has organized several events at high-level forums such as the UN Climate Change Conference in Copenhagen aimed at communicating examples of the industry moving forward on carbon emissions mitigation and adaptation projects.

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### **11.2.3 WTTC Membership:**

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

- Council Members
- Industry Partners

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### **11.2.4 Benefits of the Membership:**

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- Networking opportunities in the form of regional meetings, receptions and conferences for Members, government officials and guests.
- The forum for bringing key concerns to the attention of senior officials in government and international institutions.
- WTTC activities enable to attract high level political and media attention.

- Exclusive involvement with WTTC's principal partners and participation in high-level meetings worldwide.
- Involvement in projects to facilitate the development of the industry.
- WTTC can conduct work at the request of Members seeking specific information or external lobbying.
- Access to exclusive economic research data which provides a comprehensive overview of global developments.
- WTTC regularly publishes country-specific and regional reports as well as economic data for 175 countries.
- Special reports include taxation, human resources development, liberalization, information technology and corporate social leadership
- WTTC offers a unique opportunity to the development potential of the industry – by helping to identify
- Future Risks,
- Challenges & Opportunities

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### **11.2.5 Research Activities:**

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

#### **Research:**

Measuring the size and growth of the Travel & Tourism sector around the world is challenging, but it is critical for an understanding of its economic contribution. WTTC has developed a complex methodology for producing consistent, comprehensive and comparable estimates for Travel & Tourism's economic impact across the world, incorporating and compatible with the Tourism Satellite Account: Recommended Methodological Framework (TSA:RMF 2008) approved by the United Nations Statistics Division. Over the past 20 years, and along with research partners Oxford Economics, WTTC has continually reviewed and enhanced its

methodology, developing a system for producing estimates for the economic contribution of Travel & Tourism to 181 countries, 20 regions and the world overall. These are not strictly Tourism Satellite Accounts (TSAs) - and are not intended to replace country TSAs - but the estimates are derived from official country TSA statistics, where available, as well as other published data, and are complemented by economic modelling, which allows for cross-country benchmarking. For those countries for which no relevant statistics are available, this research provides a starting point for understanding the direct and indirect economic impact of Travel & Tourism and, ultimately, for better long-term planning.

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**11.3 Let's Sum up:**

After completion of this unit, we have understood that WTTC is the leading international tourism organization in the field of tourism. WTTC is the only body representing the private sector in all parts of the industry worldwide. It is the only body representing the private sector in all parts of the Travel & Tourism industry worldwide. WTTC's mission is to raise awareness of the full economic impact of the world's largest generator of wealth and jobs - Travel & Tourism. Council has become the leading organization for the industry, representing 100 Members who are the key players in the world's most influential Travel & Tourism companies, covering all sectors of the industry. WTTC policies are set by the Executive Committee and implemented from the Headquarters in London. Whereas, Travel and Tourism Research Association has its Head Quarter in the USA and is a unique organization with the purpose to improve the overall health of the tourism industry through education, publications, conferences and other network activities. We have clearly understood the roles & activities done by these WTTC. In the coming units, we will be studying regional tourism organizations like PATA.

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**11.4 Check Your Progress:**

- 1. Discuss the important activities done by WTTC.**

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**2. Write a detailed note role done by WTTC on climate change.**

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**3. What do you understand by the WTTC?**

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**4. Write a note on the role of WTTC in the promotion of the tourism Industry?**

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**5. What are the benefits of being a member of WTTC?**

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**11.5 Clues to the Answers:**

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Check your progress:

1. Refer Sec.11.2.2
2. Refer Sec. 11.2.2
3. Refer Sec. 11.2
4. Refer Sec. 11.2.1 ,11.2.2
5. Refer Sec. 11.2.3,11.2.3

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**11.6 References:**

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- <http://www.ttra.com/about-us/profile>
- <http://www.latrobe.edu.au/thru/services/ttra-apac>
- <http://www.ttra.com/chapters>
- <http://www.ttra.com/>
- <http://www.wttc.org/contact/>
- <http://www.wttc.org/our-members/>
- <http://www.wttc.org/research/>
- <http://www.wttc.org/activities/environment/>

**Unit-12**  
**PATA**

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**Structure:**

**12.0 Objectives**

**12.1 Introduction**

**12.2 PATA (Pacific Asia Travel Association)**

**12.2.1 PATA'S Mission**

**12.2.2 PATA Activities**

**12.2.3 Benefits for Members**

**12.3 PATA Chapters**

**12.3.1 PATA Chapter Bylaws**

**12.3.2 Chapter Objectives**

**12.3.3 Chapter Membership**

**12.4 PATA Activities**

**12.5 Lets Sum Up**

**12.6 Check your progress**

**12.7 Clues to Answers**

**12.8 Suggested Readings**

**12.9 References**

**12.0 Objectives:**

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This unit aims to understand the role & importance of PATA (Pacific Asia Travel Association) in tourism promotion & development. After going through this unit you will be able to understand the following things:

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

**12.1 Introduction:**

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In this unit, we will study the activities & responsibilities of PATA (Pacific Asia Travel Association) in the development of the tourism Industry worldwide. Since 1951 PATA has led from the front as the leading voice and authority on travel and tourism in the Asia Pacific region, in partnership with private and public sector members, PATA enhances the sustainable growth, value and quality of travel and tourism to-from-and within, the region. The Association provides leadership and counsel on an individual and collective basis to over 80 government, state and city tourism bodies; nearly 50 international airlines, airports and cruise lines and many hundreds of travel industry companies across the Asia Pacific region and beyond. The organization is continuously working in the direction for the promotion & development of the tourism industry in the Pacific Asian Region.

The present unit focuses on the role of PATA in the development of the tourism Industry IN Asia -pacific region.

**12.2 PATA (Pacific Asia Travel Association):**

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The Pacific Asia Travel Association (PATA) was founded in 1951. PATA continues to be the leading authority, advocate and catalyst for the responsible development of Asia Pacific's Travel and Tourism Industry. The Association had 44 founder members. India which was an associate member of PATA since 1957, become a full-fledged active member in 1964. PATA's uniquely structured organization has

helped unite the many facets of tourism in the region. PATA provides leadership and advocacy to the collective efforts of nearly 100 government, state and city tourism bodies, more than 55 airlines and cruise lines and hundreds of travel industry companies. In addition, thousands of travel professionals belong to a global network of PATA chapters.

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**12.2.1 PATA'S Mission:**

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The Pacific Asia Travel Association (PATA) is a membership association acting as a catalyst for the responsible development of the Asia Pacific travel and tourism industry. In partnership with PATA's private and public sector members, we enhance the sustainable growth, value and quality of travel and tourism to, from and within the region.

**12.2.2 PATA Activities:**

PATA activities include assisting small and up-and-coming destinations to develop their infrastructure, providing expertise and planning group travel schemes, destinations, hotels operations and discounts. It provides up-to-date information and practical and theoretical experience in the field of tourism. Through its Research, Development, Education and Marketing Councils, PATA serves as a central source, supporting its diverse membership in tactical marketing programmes for their destinations and products together with training and educational programmes for human resource development. The PATA publication, Pacific Travel News, it's relied upon by wholesale and retail travel agents as an important source of authoritative material on the Pacific. PATA also publishes its Hotel Directory and Travel Guide listing the hotels, resorts and travel services in the Pacific area. PATA has produced the Pacific Area Destination Handbook which compiles in a single volume all the data that is required for the planning and sale of travel and is the world's most authoritative and comprehensive handbook on 31 Pacific Destinations. PATA has nine categories of membership: Active Government, Associate Government, Active Carrier, Associate Carrier, Active Industry, Allied, affiliated Allied, Associate and Sustaining. People from the following areas can become the member of PATA.

**Marketing cost advantages for a member:**

- Members can promote their company brand and profile on [www.PATA.org](http://www.PATA.org) and begin to network with other PATA members.
- Members can showcase news and events in the PATA eNewsletter distributed globally to industry professionals.
- Members can Participate and win in the PATA Gold Awards, which recognise exceptional achievement in a variety of fields such as marketing, advertising and public relations.
- All members get discounts to attend PATA events and PATA endorsed events
- PATA also negotiates discounts at other industry events on behalf of its members.

**Receive research and intelligence analysis as a member:**

Free real-time data via TIGA (Travel Intelligence Graphic Architecture) for:

- International visitor arrivals
- Forecast of international visitor arrivals to the Asia Pacific
- Hotel development pipeline ○ Airlines seat capacities
- Tourism economics/GDP
- Exclusive access to research directly ○ indirectly affecting the travel-and-tourism industry.

Eligible to receive or purchase (subject to your membership category) PATA reports Eligible to purchase proprietary reports at substantial discounts.

Free copy of VISA-PATA Travel Intentions Survey

**Leadership and advocacy opportunities for a member:**

- Eligible to share your area of expertise by joining a PATA Taskforce
- Voice your opinion, influence and impact tourism within your region
- Achieve sustainable objectives through our Green project
- Create a niche for yourself by joining Young PATA and interacting with other young enthusiasts.

**Unique networking opportunities for a member:**

- Members can Connect to a community of more than 8,000 PATA members worldwide
- Associate with 40-Chapters globally
- Volunteer your services on PATA Committee that address industry issues such as Crises Management, Healthcare, and Sustainability etc
- Eligible to serve on PATA Board of industry peers to set and influence Tourism trends
- Network across sectors of the Tourism industry at PATA events
- High-profile speaking opportunities at events organized and endorsed by PATA
- Right to use the PATA logo and collaterals

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**12.3 PATA Chapters:**

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As we have learnt about the benefits of getting the membership of PATA, Now let's understand the importance of the PATA chapters, The PATA Chapters are established throughout the world to assist in the fulfilment of the objectives of the Association. They are local community organizations of travel industry professionals who join in a cooperative endeavour within the framework of PATA to develop travel and tourism to, from and within the Asia Pacific area. Currently, 41 PATA Chapters around the world assist local travel industry communities. The Board of Directors is empowered to encourage the development and to authorize the establishment of the PATA Chapter at any place in the world. The primary purpose of a Chapter is to conduct continuing education programmes to keep PATA members abreast of the changes in Pacific travel. The Chapters also do considerable promotional work and several times each year stage social events for the members. PATA chapters represent the association's vast geographical reach, both within and beyond the PATA region: Asia, Americas, Europe and the Pacific.

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**12.3.1 PATA Chapter by Laws:**

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- (i) **PATA** – refers to the Pacific Asia Travel Association, its Boards, Committees and Members, headquartered in Bangkok, Thailand. Members of PATA are divided into Member Categories.  
(Government/Destination; Carrier; Industry and Hospitality) with varying fee structures by and within each category; hereinafter referred to as Members of PATA.
- (ii) **Chapter** – refers to an independent group of Members of PATA and local travel & tourism-related businesses or individuals who form a Chapter under the following bylaw guidelines.
- (iii) **Chapter Members** – refers to all Members of the Chapter.
- (iv) **PATA Members** – refers to collectively Chapter Members and Members of PATA

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**12.3.2 Chapter Objectives:**

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- a. To actively support and contribute to PATA's mission and goals.
- b. To promote and develop PATA Membership both at Chapter and PATA level.
- c. To actively encourage participation among PATA Members, and potential new PATA Members in all PATA's activities and events.
- d. To foster closer working relationships, cooperation, business and networking opportunities among PATA Members and the community at large.
- e. To encourage and strengthen travel industry professionalism, applied research and skills through education and training.
- f. To act as the local voice of PATA to help position, promote and protect Asia Pacific travel and tourism via sustainable economic, cultural and environmental methods.
- g. To implement and assist in the execution of specific PATA Task Forces, projects and research.

- h.** To organize activities, events and opportunities that support the promotion of PATA destinations and tourism products of PATA Members.
- i.** To assist PATA in Public Relations activities in the Chapter area and general promotion/marketing of PATA events and activities.
- j.** To promote travel and tourism to students and young professionals and to encourage them to become PATA Members.
- k.** To embrace and implement through its Chapter Membership PATA's Charter of Sustainability and Corporate Social Responsibility.

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**12.3.3 Chapter Membership:**

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- a** All organizations or individuals providing goods/services related to the Travel & Tourism industry as defined by PATA shall be eligible for Membership in the Chapter including students studying travel & tourism related courses.
- b** All Chapter Members are eligible to participate in any PATA or Chapter activities and events worldwide, however, participation fees or discounts (if applicable) may vary depending on the Membership category if a Member of PATA or Chapter Membership level. The Chapter shall use best efforts to encourage participation in PATA or Chapter activities by the Chapter Membership.
- c** Life Membership in PATA is conferred as an honorary position and the Chapter shall confer the same recognition upon any PATA Life Member residing within the Chapter geographic area.
- d** After 1 year of being a Chapter Member, the Member should be encouraged to take up full Membership of a PATA category. PATA may offer an incentive to the Chapter and/or the Member if such a change in Membership occurs.

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**12.4 PATA Activities:**

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Since 1951 PATA has led from the front as the leading voice and authority on travel and tourism in the Asia Pacific region:

- In partnership with private and public sector members, PATA enhances the sustainable growth, value and quality of travel and tourism to-from-and-within, the region.
- The Association provides leadership and counsel on an individual and collective basis to over 80 government, state and city tourism bodies; nearly 50 international airlines, airports and cruise lines and many hundreds of travel industry companies across the Asia Pacific region and beyond.
- PATA's Strategic Intelligence Centre (SIC) offers unrivalled data and insights including Asia Pacific inbound and outbound statistics, analyses and forecasts as well as in-depth reports on strategic tourism markets
- PATA's events are created millions of dollars of new business each year for its members
- Thousands of travel professionals belong to 41 active PATA chapters worldwide and participate in a wide range of PATA and industry events.
- The PATA Foundation contributes to the sustainable and responsible development of travel and tourism in the Asia Pacific through the protection of the environment, the conservation of heritage and support for education.

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**12.5 Let's Sum up:**

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After completion of this unit, we have understood the role & the activities performed by PATA (Pacific Asia Travel Association) for the development of the tourism industry worldwide.

To summarize it we can say that, PATA provides up-to-date information and practical and theoretical experience in the field of tourism. Through its Research, Development, Education and Marketing Councils, PATA serves as a central source, supporting its diverse membership in tactical marketing programmes for their destinations and products together with training and educational programmes for human resource development. The PATA publication, Pacific Travel News, it's relied upon by wholesale and retail travel agents as an important source of

authoritative material on the Pacific. PATA also publishes its Hotel Directory and Travel Guide listing the hotels, resorts and travel services in the Pacific area.

In the next unit, we will be discussing Some Key Perspectives of International Tourism like the Impact of Major Political, Economic and Environmental Happenings on International Tourism etc.

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**12.6 Check Your Progress:**

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**1. What are the benefits of getting the membership of PATA?**

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**2. What do you understand by the Chapters of PATA?**

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**3. Write a note on the history of PATA?**

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4. Discuss the activities of PATA for the promotion of tourism in Asia-Pacific region?

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### 12.7 Clues to the Answers:

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Check your progress:

1. Refer Sec. 12.2.3
2. Refer Sec. 12.4
3. Refer Sec. 12.3.1,12.3.2 & 12.3.3
4. Refer Sec. 12.3 & 12.4
5. Refer Sec. 12.2 & 12.3.

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## **Unit-13**

### **Impacts of Major Political, Economic and Environmental Happenings on International Tourism**

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**Structure:**

**13.1 Introduction**

**13.2 Objectives**

**13.3 Concept of International Tourism**

**13.4 Impact of political happenings on international tourism**

**13.5 Impact of economic happenings on international tourism**

**13.6 Impact of environmental happenings on international tourism**

**13.7 Summary**

**13.8 Expected Questions**

**13.9 References**

**13.1 Introduction:**

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Tourism is picking up as the fastest growing service sector across the globe. It depends upon the various sub-sectors and the impact generating by these sub-sectors, the overall tourism sector easily gets influenced. The major sub-sectors included are economic, political and environmental. The proper understanding and management of these subsectors can help in flourishing the tourism sector in the long course of time.

In this Unit, we intend to discuss all the three above mentioned subsectors. It includes the study and understanding of the political impacts on tourism and of tourism on a nation. Why and how tourism is used as a political tool for image formation, economic development or determining international relations is another aspect discussed in the Unit. The Unit also takes into consideration how political changes affect tourism and the role of bureaucracy vis-à-vis tourism. Moreover, the relationship between tourism and the environment is also discussed and its consequent impacts are also studied for deep understanding. The study of the economy and economic scenario and its relative impact on the tourism sector is also discussed and in last, the unit concluded with the summarization of overall impacts of all the sub-sectors viz. political, economic and environmental on the tourism sector.

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**13.2 Objectives:**

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- To understand the concept and definition of international tourism
- To know and understand the impact of politics and other major political happenings on international tourism
- To know and understand the impact of economic turmoil and other major economic happenings on international tourism
- To know and understand the impact on the environment and the major environmental happenings on international tourism
- To summarize the overall impacts of different sub-sectors like economic, political and environmental on the international tourist

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**13.3 Concept of International Tourism:**

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The term “International Tourism” is defined as when people travel globally outside of their region and home country. This means a temporary movement of people from their residential place to another place for different reasons, such as recreational, health, business or some other reason. In International Tourism, inbound tourism, outbound tourism, domestic tourism and national tourism are included.

International inbound tourists (overnight visitors) are the number of tourists who travel to a country other than that in which they usually reside, and outside their usual environment, for a period not exceeding 12 months and whose main purpose in visiting is other than an activity remunerated from within the country visited. When data on the number of tourists are not available, the number of visitors, which includes tourists, same-day visitors, cruise passengers, and crew members, is shown instead.

International outbound tourists are the number of departures that people make from their country of usual residence to any other country for any purpose other than an activity remunerated in the country visited.

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**13.4 Impact of political happenings on international tourism:**

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**13.4.1 Introduction:**

The overall growth and development of the tourism sector, particularly in developing nations, is dependent not only on the economic factors (as the case is often presented) but also on the political forces that govern these countries. Not only these internal political structures affect tourism but international politics also has a vital impact on tourism policies and tourism growth. For example, an advisory issued by the Australian government to its citizens not to visit a particular country or a destination, though a political decision, affects tourism at large to that country. Hence, all the efforts that country or destination might have made for tourism, the tourism promotion go waste in the light of a harsh political decision.

M.F. Lanfant and M. Graburn (1992) mentioned that “tourism is just not a matter of national growth but must be conceptualized as part of international relations”. tourism has become an integrated component of not only international relations but also of international politics which governs these relations, particularly in the era of globalization. There is no denying the fact that “tourism is inseparable from the field of international relations”.

Every aspect of tourism whether it is a question of international travel, cross border movement, currency exchanges, airline operations, operations of multinational corporations, etc. is governed by political decisions. One should not forget that political upheavals and unrest in one part of the world have their impact on other parts of the world affecting tourist flows into a country. Similarly, tourism policies are laid down by politicians at all levels and the political ideology of a political party has its impact on tourism.

For example, the former USSR had imposed restrictions on international travel by its citizens; China, for a long time, had not opened its doors to tourists; Bhutan has restricted the number of international tourists in a year, and so on.

In many countries, tourism was considered a leisure activity by the governments and policies were formulated to derive income for the state by imposing heavy taxation on this sector. In many countries, this practice continues. In many countries, the political decision-makers are tourism illiterates as they have not been able to appreciate its relevance as a tool of economic growth or on the other hand where it is extensively promoted by politicians they look only at the economic benefits and ignore its negative impacts. These impacts are the two extremes of politics that govern tourism.

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#### **13.4.2 Tourism and politics in national agenda:**

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Tourism and its politics transcend national agendas. Women’s rights activists, child rights activists, environmental activists and the peace movement have all used tourism and its positive and negative impacts to focus attention on their causes. Poor nations have taken up their right to control their tourism development.

The SAARC conference has set up a Tourism Committee to enhance tourism contact between the countries of the region, to promote better relations through tourism. ASEAN has a tourism committee that is investigating the idea of an ASEAN passport, easier interregional currency exchanges and special fares. Thus we can see that tourism, since the beginning of the last century, has been a highly politicized phenomenon, although this feature of tourism is not always recognized. Here it is important to note that there are Trans-National Companies whose tourism policies have often been taken casually. These are the international hotel chains, airlines and tour companies that dictate standards and prices in the industry worldwide. They have a political impact since they often own assets that are larger than any national company. In some cases, they have larger access to capital and borrowing than the country in which they own assets. These organizations are not neutral as to how tourism should develop. They favour large-scale enterprises and global marketing techniques and have played a significant role in adopting the slogan of sustainable tourism as a marketing strategy to cut down the role of the unorganized sector in providing tourist services.

Although the tourist is seen as a carefree individual pursuing a personal motivation, the tourism industry is a large, intensely competitive, resourceful and capital intensive industry that has grave consequences for the social and economic well-being of people and communities all over the world. This fact makes it necessary to study the complexity of the relationship between tourism and politics. To understand this aspect, let us list some of the political issues related to tourism. The two broad areas that could be considered as classificatory are a) the relations between different political systems and b) the impacts that follow from national public policy.

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**13.4.3 Impact of political scenario on international tourism:**

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Very often tourism has been used as a political tool by the governments deliberately and this use continues in both positive as well as negative ways. It promoted overseas travel among its citizens and is a country with the highest balance of tourism deficit in the world. On the other hand, we have examples where

governments issued travel advisories to prevent their citizens from travelling abroad generally or to an individual country, directly or indirectly.

For example, in the former USSR exit visas were issued at the direction of the government or till a few years back there were limits to the amount of foreign currency that an outbound tourist can take in India. The imposition of a travel ban to Cuba in the United States is another example in this regard. Similarly, so long as South Africa followed the policies of Apartheid many countries had put a ban on their citizens for travelling to that country.

Tourism has been used in a variety of ways as a tool by governments. The issue of tourist visas has always been very high on the agenda of the tour operators associations, who see this as one of the stumbling blocks to the growth of tourist arrivals in third world countries.

The countries like China, Cuba and Vietnam have attempted to use tourism to undermine economic and political isolation and to attract foreign investment, given that they do not conform to the capitalist economic model.

Through the liberalization of the tourism sector, they have attempted to gain both economic and political benefits. Countries under Martial Law have attempted to use tourism to get better international coverage. They have tried to show their progress and development and to convey a feeling of the improved law and order situation in their countries. Since tourists do not concentrate on the lack of civil liberties and censorship laws, they often return home with the impression that people are happy and economically satisfied under a military dictatorship.

Moreover, tourism is used to boost immigration, domestic morale and as a political weapon. Tourism enhances a national sense of internal security and legitimacy. The entire incentive approach to attract the giants of tourism to one's country indicates the political need of governments to be significant players in the international tourism market. The short-term nature of most tourism investments, therefore, denies a company the time and the ability to develop cordial relations with the communities and people of the destinations where it operates.

On the other hand, there are examples of the use of tourism to promote reconciliation between nations. The Indo-Pak Peoples Forum for Peace and Friendship is using visits between the people of India and Pakistan to lobby their Governments to encourage peace and friendship. By becoming a host nation we begin to understand the sociology of the visiting nation. Through such exchanges, the traveller's views become politically significant and the tourists become a politically significant class that can create a good or a bad image of the country they visit. It is for this reason that tourists are often the victims of terrorism.

An example is the hi-jack of the Indian Airlines flight from Kathmandu to Delhi, which was bringing tourists from India back home. Tourists can alter the political stakes between countries in ways that other terrorist attacks cannot.

Tourism taxes have political implications as well since they encourage or discourage the flow of international tourism. These include exit taxes, passport charges, visa requirements, foreign exchange restrictions and entry and exit restrictions.

Similarly, tourism legislation is also a minefield of political impacts.

Treatises like the Helsinki Accords, The Warsaw Convention, Aviation Laws, Admiralty Laws, Hotel Laws etc. are likely to become increasingly important diplomatic issues in the coming years.

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**13.4.4 Conclusion:**

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It is also important to see how international travel and tourism affect jingoism, parochialism and stereotypes about nations and how tourists become interested in political activity in the host country. It is interesting to note that world spending on tourism is now higher than military expenditure.

Perhaps the potential of tourism has not been realized is that there is a complete absence of the political perspective in most tourism research and the approach to tourism education. It is assumed that tourists follow opinion leaders and are not considered opinion leaders themselves. To research his or her impressions is a cost no one wants to bear.

The thrust of tourism education is industry-oriented with an emphasis on product diversification, standards and delivery systems. When the League of Nations had identified Tourism as a tool for peace in 1917, the need for peace was acutely felt in the wake of a world war. Today, we see more local conflicts in which the major economic powers are no longer looking for military domination but for economic domination and hence tourism is playing a vital role.

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### **13.5 Impact of economic happenings on international tourism:**

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#### **13.5.1 Introduction:**

Tourism has often been called an industry without chimneys. The implication is that it requires an unspoiled and attractive environment, both natural and man-made. To ensure the sustainability of the resources for tourism is often a local decision and it is local authorities that have to bear the responsibility for this. The movement of tourists and tourism activity is decentralized in nature, being based on unique attributes of specific sites, cultures and landscapes. Such movements can promote regional and local development, help to create entrepreneurial opportunities leading to employment and this can help to arrest the migration of the population from rural areas to the cities.

At many destinations, tourism is the main source of income for the residents. Land use and cropping patterns have also been affected. For example, in many cases agricultural land is converted for making resorts; exotic vegetables are grown to meet tourist requirements, etc. Tourism's local benefits, when well-planned and managed, could improve the standards of living of residents. Tax revenues generated by tourism could be used to improve community facilities like schools, hospitals, roads, and watershed management and energy requirements, etc.

Infrastructure improvements could open new opportunities for residents. Other economic sectors like agriculture and fisheries and crafts could be stimulated. Conservation of local heritage, nature, arts and crafts can be paid for by tourism. However for these benefits to be realized, self-determination by the largest number of residents is required. However, in tourism, short term dynamics are more usual than the participative process, which can be painstakingly slow. Co-determination

of the indigenous and immigrant communities is a prerequisite if tourism is to realize its benefits. The role that local inhabitants wish to play, active or passive, has to be discussed with them at every stage.

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### **13.5.2 Carrying capacity and its impact on the economy:**

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Carrying capacity as a concept has been there in the field of civil engineering for a long time. In its simplest term, it means determining the maximum capacity which a building, an infrastructure or a facility could sustain as regards the number of its users. The concept was applied by urban planners, architects, builders or engineers for constructing structures and was mainly applied in terms of physical carrying capacity. However, the concept is no more confined to its abovementioned usages alone. Many other disciplines started applying this concept as per their specific requirements and areas. Today, besides the physical carrying capacity we talk of ecological carrying capacity, socio-cultural carrying capacity and economic carrying capacity and all these are extremely relevant in the field of tourism.

In the 1980s the term carrying capacity emerged out of the discussions on the negative impacts of tourism. The activities and processes that constitute tourism were homogenized and reduced to the volume of tourism. Mathematical models were developed, sociological models were developed and geographers attempted to measure the carrying capacity.

Goals for effective tourism development for less developed countries are always concerned with the key issues of community participation and carrying capacity. Carrying capacity has therefore emerged as a central principle. Broadly, it determines the maximum use of any destination or site without eroding its environment (visible), resources (economic, scientific, social), community (structures and their interdependence), economy (both distributive and profit-oriented), and culture (individual, social, group, per formative, artistic), and the value system, which has emerged from all these interlinked qualities.

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**13.5.3 Impact of economy on tourism:**

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The determinants of the economic carrying capacity can be related to economic activities like an investment of foreign capital, labour conditions, imports, foreign exchange rates and earnings, inflation, rise in property values, profits and wages, leakages in the economy, etc.

Each of these can have a positive or negative bearing on the destination depending on the type and nature of tourism development that is taking place. Economic disadvantages will lead to adverse socio-economic conditions which can be characterized as follows:

- Low-Paid Jobs And Economic Hardship For Some, Leading To Social Polarization
- Competing Migrant Labour Associated With Resident Hostility And Aggression
- Social Tensions Between The Have And Have-Nots
- Antagonism Towards The Outside Entrepreneurs And Vendors By The Locals
- Perceived Economic Disadvantages By The Locals
- High Leakage Of Earnings From The System Due To Repatriation Of Profit/Wage And Imports Of Luxury Goods
- Inefficiency And Effectiveness Of The System In General

Businesses and public organizations are increasingly interested in the economic impacts of tourism at national, state and local levels. “Multiplier effects” are often cited to capture secondary effects of tourism spending and show the wide range of sectors in a community that may benefit from tourism.

Tourism’s economic benefits are touted by the industry for a variety of reasons. Claims of tourism’s economic significance give the industry greater respect among the business community, public officials and the public in general. This often translates into decisions or public policies that are favourable to tourism.

Community support is important for tourism, as it is an activity that affects the entire community. Tourism businesses depend extensively on each other as well as on other businesses, government and residents of the local community.

Economic benefits and costs of tourism reach virtually everyone in the region in one way or another. Economic impact analyses provide tangible estimates of these economic interdependencies and a better understanding of the role and importance of tourism in a region's economy.

Tourism activity also involves economic costs including the direct costs incurred by tourism businesses, government costs for infrastructure to better serve tourists, as well as congestion and related costs borne by individuals in the community. Community decisions over-tourism often involve debates between industry proponents touting tourism's economic impacts (benefits) and detractors emphasizing tourism's costs.

Sound decisions rest on a balanced and objective assessment of both benefits and costs and an understanding of who benefits from tourism and who pays for it. Tourism's economic impacts are therefore an important consideration in state, regional and community planning and economic development. Economic impacts are also important factors in marketing and management decisions.

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**13.5.4 Conclusion with facts & figures:**

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The global impact of economic turmoil on tourism is immense but the motivational factor is still that tourism is flourishing across the world.

Global Travel & Tourism continues to grow despite the continuing economic challenges. Despite progressive downgrades to growth forecasts through 2011, the industry grew by 3% over the course of the year (in terms of Travel & Tourism's contribution to GDP). Tourism's direct contribution to GDP in 2011 was US\$2 trillion and the industry generated 98 million jobs. Taking account of its direct, indirect and induced impacts, Travel & Tourism's total contribution in 2011 was US\$6.3 trillion in GDP, 255 million jobs, US\$743 billion in investment and US\$1.2 trillion in exports. This contribution represented 9% of GDP, 1 in 12 jobs, 5% of investment and 5% of exports. Growth forecasts for 2012, although lower than anticipated a year ago, are still positive at 2.8% in terms of the industry's

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contribution to GDP. Longer-term prospects are even more positive with annual growth forecast to be 4.2% over the ten years to 2022 (*Source: WTTC, 2012*).

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### **13.6 Impact of environmental happenings on international tourism**

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#### **13.6.1 Introduction:**

Understanding environmental impacts are crucial for the future of tourism. Wildlife, forests, mountains, islands and beaches, etc. are the natural resources that bear the impact of tourism. There is an ongoing debate whether wildlife should be open to tourism or not. This debate is centred around the impacts of tourism on wildlife (both positive and negative).

Moreover, islands and beaches have now become important tourist destinations. Earlier these islands were mainly seen as isolated entities with a particular orientation towards plantation crops. With the advent of modern means of transport and communication, tourists have been able to visit a wider range of places in significantly greater numbers. Two changes in the post-World War period particularly account for this; the global spread of international tourism and the restructuring of insular economies.

Tourism has become one of the most important aspects of man's spatial behaviour in modern times. It is, as some say, the most important civil industry in the world growing at a phenomenal annual growth rate of 10-15%. According to some estimates, it contributes around 10% of the global GDP and 7% of the workforce. According to World Travel and Tourism Council, the total global capital investments, worldwide consumer spending (10.9%) and the world's international trade in goods and services make tourism one of the top three categories of trade. However, money-making is not and has never been the best part of tourism. The social and cultural aspects, though less perceptible have more far-reaching consequences. For the developing countries, it endowed with vast natural wealth and human resources, tourism acquires a place of special importance. However, one should not turn a blind eye to ecological and environmental changes brought about by the increasing tourist traffic.

Tourism is normally seen as a money minting industry. With the kind of growth rate and the income generation abilities, it assumes a particular regional significance. In the absence of a trade surplus or a sound foreign exchange reserve, tourism is making a phenomenal though unplanned growth. But the returns of tourism should not obscure the long-term impacts of this smokeless industry on the local environment.

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**13.6.2 Environmental Impacts:**

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For a long time, the emphasis remained on economic aspects as far as the understanding of tourism impacts was concerned. It was gradually realized that more important is to analyze the impacts on the tourism resources, nature and environment being the prominent ones. Any devastation of natural resources would ultimately lead to the devastation of all economic gains, leave aside tourism alone. If one destination declined because of environmental exploitation, the tourists, in the short run will move to another one. There is an ongoing debate on the tourism impacts on the environment:

According to one view tourism leads to the protection of the environment and the proponents of this view cite examples of wildlife sanctuaries, waterfalls, etc. On the other hand, is the view that tourism affects the environment in almost all aspects be it water pollution or air pollution to the overuse of natural resources. Another view gives a clean chit to tourism but accuses the tourism industry and bad management which leads to environmental degradation.

Many compare the environmental impacts of tourism with those of the other industries. Some have gone to the extent of describing tourism as a smokeless industry. No one view can be accepted or can hold for all tourism destinations. The nature of impacts would vary from destination to destination. No doubt, the positive impacts have to be spoken well off but more crucial is to understand and analyze the negative impacts. Only then we will be able to initiate measures to mitigate them and plan for tourism.

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**13.6.3 Tourism activities and environmental impacts:**

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Tourism does not necessarily have a negative impact, in many cases particularly in the economic field, it promises a huge growth potential. It also said that any analysis of the impacts has to be done with a long term agenda. In a strictly cost-benefit analysis, the short term gains of tourism might be neutralized by long term losses.

Environment primarily does connote the physical ecological environment but a comprehensive analysis of the possible impacts would also involve treatment of the local society and economy of the region. The impacts thus generated are overlapping, e.g., the ecological impact could well spill into the socio-cultural or economic impact.

Generally speaking, however, it is unrestrained mass tourism that leaves a trail of disasters. Eco-tourism or sustainable tourism on the contrary is being projected as having positive ramifications. Certain determinants influence the tourist-impact relationship. Purpose, profile, duration, etc. condition the possible impacts of tourism on the local environment.

Tourism's impact vis-à-vis the physical environment has come in into a lot of debate. People are becoming ecologically more conscious day by day. While there may be a difference in the degree or intensity of the resultant problems, it is generally agreed that unregulated tourism tends to destroy forests, consume firewood, creates pollution and over-crowding, endangers ecological balance, threatens the floral and faunal diversity, produces garbage trails, overburdens environment with tourist structures and roads, causes at times natural hazards as also withdraws labour from agriculture, changes the land use pattern, etc.

Tourism, however, also has a positive side when it comes to the host society. It entails behaviour change especially in the host society when the residents seek to improve their 'image'. It also, in many cases, delays out-migration and motivates learning. Preservation of cultural monuments, rediscovery of lost traditions, promotion of current culture, training of new craftsmen and contact with the

outside world by way of infrastructure modernization and urbanization are other positive entailments of tourism development.

Tourism circulates existing wealth among social groups and geographic regions. The money spent by the tourists goes to the local business in several ways. This money in turn is spent on the provision of goods and services to the tourists. Thus, through this multiplier effect, one can explain the additional spending or job creation caused by a given level of tourist expenditure. However, the scope of the multiplier effect is greatly reduced because of various leakages in the form of import of foreign goods, interest on foreign investments, etc.

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#### **13.6.4 Conclusion and possible remedies:**

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While talking about possible remedial measures and suitable management strategies one could go on endlessly talking about the dos and the don'ts. All the major hill stations are under tremendous ecological-cultural stress. The present state of affairs does not augur well for the long-term sustenance of this growing industry. The basic dilemma with tourism is that the basic capital is landscape. Once it is degraded or damaged, it can hardly be repaired or redressed.

The tragedy with tourism is that as the mountainous regions are trying to emerge from their subsistence economy, they are seized up by modern exploitative forces causing rupture in the ecosystem. Tourism, which in a way was brought to mitigate socio-economic disparities between highlands and the lowlands, has on the contrary widened the gap for the same region. The market mechanism tends to destroy its resource.

As it is rightly said, "Tourism destroys tourism". The irony of the situation is that while the next of the landscape is being paid for, the long-term costs of presentation are not. The need of the hour is to address the issue with urgent sincerity. There could be many possible suggestions in this direction like devising a tourism management plan for every region; a plan that encompasses all-important aspects and is interactive in nature. Such a plan should take into account the ecological aspects, the nature of the terrain, the relative fragility of the ecosystem and the geomorphic features.

The macro-level tourism development plans should be integrated with the socio-economic development at the micro-level. Integrated rural development schemes, non-conventional energy development, self-employment programmes conservation programmes and tourism development plans should work together as an integrated whole towards a common goal of development without sustainability disturbing the lives of the local people.

Building laws should be made more stringent in mountainous areas. Multi-storey buildings unsuitable to the local landscape should not be allowed. All the buildings must be built on passive heating designs so that the spare heating reliance on fuel-wood and imported fuels comes down. Solar waters could be encouraged.

Local people or their representatives should be involved while making tourism plans or administrative boards. Their wishes, aspirations, cultural values and economic necessities should necessarily be taken into consideration. The quantitative and qualitative aspects of tourism should be addressed sincerely. Controlling the number of tourists visiting a place could be a good starting point. For example, Khajiar in Himachal Pradesh, the mini Switzerland of India is one good example in this regard. The formation of tourist's boards on the lines of Vaishno Devi Management or Amarnath Shrine Boards could regulate the tourist traffic. The quality aspect of tourism is equally important.

Awareness generation and sensitization of the tourists to local ecology, culture, economy, etc. could be useful. The tourist complexes could and should be used for diffusing information both to the tourists and the local populace. Another component of awareness generation could be orientation programmes. Such attempts need to be streamlined. Audio visual media could also be used in enlightening the tourists.

A crucial link between the tourists and the local populace and ecosystems are the guides or escorts. Only trained tourist guides should be allowed to entertain tourists. Diversion of tourist traffic to less frequented sites on a policy level could be of immense help. At times regulations and legislation should supplement the efforts taken by other agencies.

Thus, any successful management strategy has to be very comprehensive in scope and address all possible ramifications of tourism development. The tourism industry has to take a serious view of this regard not merely through resolutions but actual practice in their operations.

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**13.8 Summary:**

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Tourism is influenced by politics, economic and environmental forces and in some cases, it is vice-versa also. On the one hand, the political ideology or the policies of the government affect tourism policies and on the other, tourism has been used as a political tool for a variety of purposes by the governments. Political stability is essential for tourism. The economic condition of the country also attracts the tourist across the globe. In the meantime, favourable environmental policies and practices also helpful for the flora and fauna and also generates long term benefits.

In this unit, a thorough understanding of the three crucial sectors and their consequent impacts on tourism are studied. The cited examples in an international country context have a bearing on tourism flows. Moreover, there is a close link between tourism and public administration as the bureaucrats and politicians have a major role in determining the tourism policies. Tourism planning, tourism legislation, tourism regulations, etc. all depend on the policies of the government which again are determined as per the ideology and programme of the political party in power.

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**13.9 Expected Questions:**

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- Q1.** What do you mean by the term international tourism?
- Q2.** Write an essay on the political scenario in the tourism sector.
- Q3.** What are the major regions that need immediate attention under environmental conservation?
- Q4.** Explain the tourist contribution to the local economy.
- Q5.** Define and explain the significance of international tourism in the economy of the country.

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**Unit-14**

**International Tourism in Future Perspective: Projections  
Made by WTO and other Institutions**

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**Structure:**

**14.1 Introduction**

**14.2 Objectives**

**14.3 World Tourism Organization**

**14.4 World Travel and Tourism Council**

**14.5 Present scenario of International tourism**

**14.6 Future projections of International tourism**

**14.7 Summary**

**14.8 Expected Questions**

**14.9 Glossary**

**14.10 Reference**

**14.1 Introduction:**

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The growth and development of tourism have been particularly rapid over the past half-century. The tourism industry of today is the product of many forces that have shaped both, its structure and how it functions. A realistic assessment of the probable future suggests that tourism is likely to continue to grow more rapidly than any other sector.

In this Unit, we will discuss the emergence of new markets, the nature of future growth and the projected forecasts. This unit also discussed the main two international tourism organizations viz. United Nations World Tourism Organization and World Travel and Tourism Council. We will also try and see the growth of international tourism of market-led products along with alternate markets. This Unit also discusses the expansion of tourism demand from certain groups in society and the corresponding development of new types of tourism products. Time Share tourism is another aspect dealt with in the Unit along with the impact of technology on tourism marketing.

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**14.2 Objectives:**

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- To understand about the international tourism organizations
- To know and understand the mission, objectives, roles and responsibilities of international organizations
- To know and understand the present trends and market scenario of international tourism
- To project the future growth of international tourism
- To summarize the overall analysis of growth and prospects of international tourism.

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**14.3 World Tourism Organization:**

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**14.3.1 Introduction:**

The World Tourism Organization (UNWTO) is the United Nations agency responsible for the promotion of responsible, sustainable and universally accessible tourism.

As the leading international organization in the field of tourism, UNWTO promotes tourism as a driver of economic growth, inclusive development and environmental sustainability and offers leadership and support to the sector in advancing knowledge and tourism policies worldwide.

UNWTO encourages the implementation of the Global Code of Ethics for Tourism, to maximize tourism's socio-economic contribution while minimizing its possible negative impacts and is committed to promoting tourism as an instrument in achieving the United Nations Millennium Development Goals (MDGs), geared towards reducing poverty and fostering sustainable development.

**14.3.2 UNWTO priorities:**

The following are the priority areas of UNWTO:

**i. Mainstreaming tourism in the global agenda:**

Advocating the value of tourism as a driver of socioeconomic growth and development, its inclusion as a priority in national and international policies and the need to create a level playing field for the sector to develop and prosper.

**ii. Improving tourism competitiveness:**

Improving UNWTO Members' competitiveness through the following areas:

- a. Knowledge exchange,
- b. Human resources development and
- c. The promotion of excellence in areas such as policy and planning, statistics and market trends, sustainable tourism development, marketing and promotion, product development risk and crisis management.

**iii. Promoting sustainable tourism development:**

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Supporting sustainable tourism policies and practices which make optimal use of environmental resources, respect the sociocultural authenticity of host communities and provide socioeconomic benefits for all.

**iv. Advancing tourism's contribution to poverty reduction and development:**

Maximizing the contribution of tourism to poverty reduction and achieving the MDGs by making tourism work as a tool for development and promoting the inclusion of tourism in the development agenda.

**v. Fostering knowledge, education and capacity building:**

Supporting countries to assess and address their needs in education and training, as well as providing networks for knowledge creation and exchange.

**vi. Building partnerships:**

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

**14.3.3 UNWTO Structure:**

**i. Members:**

An intergovernmental organization, UNWTO has 155 Member States, 7 Associate Members, 2 Permanent Observers and over 400 Affiliate Members.

**ii. Organs:**

The General Assembly is the supreme organ of the Organization. The Executive Council takes all measures, in consultation with the Secretary-General, for the implementation of the decisions and recommendations of the General Assembly and reports to the Assembly.

**iii. Secretariat:**

UNWTO headquarters are based in Madrid, Spain. The Secretariat is led by the Secretary-General and organized into programmes covering issues such as sustainability, education, tourism trends and marketing, sustainable development, statistics and the Tourism Satellite Account (TSA), destination management, ethics and risk and crisis management. The Technical Cooperation and Services Programme carries out development projects in over 100 countries worldwide,

while the Regional Programmes for Africa, the Americas, Asia and the Pacific, Europe and the Middle East serve as the link between UNWTO and its 155 Member States. The Affiliate Members Programme represents UNWTO's 400 plus members from the private sector.

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#### **14.4 World Travel and Tourism Council:**

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##### **14.4.1 Introduction:**

The World Travel & Tourism Council (WTTC) was conceptualized in the early 1980s when a group of CEOs realized that although Travel & Tourism was the largest service industry in the world and the biggest provider of jobs, nobody knew it. There was no consolidated data or voice for the industry to give the message to elected officials and policy makers.

WTTC was established in 1990 and today the Council is positioned as the global business leaders' forum for Travel & Tourism, comprising the Chairmen and Chief Executives of 100 of the world's foremost organizations, representing all regions and sectors of the industry.

##### **14.4.2 Roles and responsibilities of WTTC:**

At present, World Travel & Tourism Council is an organization that has developed enormously since its inception, yet it still holds the same core values and purpose. The three main messages that form the framework for the Blueprint for New Tourism are in keeping with the vision of the CEOs who founded the Council in 1990:

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

The annual Global Travel & Tourism Summit now attracts bids every year from destinations keen to host the event. As already indicated, the annual economic impact research now covers over 180 countries and in-depth economic impact studies are being requested by an increasing number of countries and regions.

WTTC is also developing a new kind of study that goes much further than the existing economic impact reports, incorporating an analysis of a country's/region's Travel & Tourism investment potential. The first such studies were developed for Montenegro and the state of Santa Catarina, Brazil.

WTTC has also developed a Crisis Impact Forecasting Model, which can assess the potential impact of a crisis on the industry in a timely fashion. The model was used during the crises following the bombings in Egypt and the UK (London) in 2005, and the model has been adapted for use in the current economic downturn.

Most recently WTTC has focused on three key issues human resources, infrastructure and the environment - creating initiatives among its Members to examine each of these in detail and draw up action plans to address them.

In February 2009, WTTC produced its report "Leading the Challenge on Climate Change". The report, which represents the first phase in WTTC's environment initiative, was a collective effort on the part of WTTC members and is a joint message for the Travel & Tourism industry. It lists ten key action items for the industry including a commitment to a 50% reduction in carbon emissions by 2035 over 2005 levels. The report was produced in collaboration with the Cambridge Programme for Sustainability Leadership (CPSL) and was launched under the patronage of HRH the Prince of Wales.

WTTC's Members remain the driving force behind its activities and policies. Membership now includes the entire spectrum of the Travel & Tourism industry - from airlines and airports to hotels and hospitality groups, tour operators and retail travel agents, online distributors, cruise lines, investment companies, insurance groups and the gaming industry.

As a voluntary organization, WTTC provides an important example of business leaders spending time and money to move their global activity forward while playing a pivotal role in ensuring sustainable development in our ever-changing world.

WTTC's research, which quantifies the direct and total impact of Travel & Tourism on our economies in terms of GDP and employment growth, has helped to raise

awareness of the economic contribution of our industry and continues to feature heavily in the media. This goal remains central to WTTC's aims and activities.

#### **14.4.3 Mission of WTTC:**

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

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

WTTC advocates partnership between the public and private sectors, delivering results that match the needs of economies, local and regional authorities and local communities.

The Council regularly sets Strategic Priorities with a view to identifying those issues which most impede the operation or development of the sector. Details of the issues on which the World Travel & Tourism Council is currently campaigning can be reached through the left-hand navigational menu.

And WTTC's success in generating a climate of understanding of the importance of Travel & Tourism is based on its:

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

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**14.5 Present scenario of International Tourism:**

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**14.5.1 Global Key trends in international tourism:**

The global demand for international tourism is maintained the necessary momentum in the year 2011. International tourist arrivals grew by 4.6% to reach 983 million worldwide, up from 940 million in 2010.

Europe, which accounts for over half of all international tourist arrivals worldwide, was the fastest-growing region, both in relative terms (+6% tied with Asia and the Pacific) and absolute terms (29 million more visitors). The Middle East (-8%) and North Africa (-9%) were the only (sub) regions to record a decline in arrivals, due to the Arab Spring and political transitions in the region.

The international tourism receipts for 2011 are estimated at US\$ 1,030 billion worldwide, up from US\$ 928 billion in 2010 (+3.9% in real terms), setting new records in most destinations despite economic challenges in many source markets. In 2011, world tourism continued to rebound from the setbacks of 2008-2009, in a year marked by persistent economic turbulence, major political changes in the Middle East and North Africa, and the natural disaster in Japan.

In detail, international tourist arrivals (i.e. overnight visitors) grew by 4.6% in 2011 to 983 million, up from 940 million in 2010 when arrivals increased by 6.4%. The majority of destinations around the world that had not exceeded pre-crisis levels in 2010 did so in 2011. Contrary to the long-term trend, advanced economies (+4.9%) posted higher growth than emerging economies (+4.3%), due largely to the strong results in Europe, and the setbacks in the Middle East and North Africa. Europe and Asia and the Pacific (both +6%) were the fastest-growing regions in terms of tourist arrivals in 2011.

Europe grew above expectations, despite continuing economic uncertainty, while arrivals in Asia and the Pacific increased at a slower pace over 2010, partly due to the temporary decline in the Japanese outbound market. Arrivals in the Americas (+4%) were boosted by South America (+9%), which continued to lead growth in the region for the second consecutive year. Popular uprisings in several countries in Africa and the Middle East during 2011 took a toll on tourism in both regions.

Africa (+1%) recorded only a slight increase, due to the loss of visitors in North Africa, while the Middle East saw an 8% decline in arrivals.

In outbound tourism, the trends are also motivational and in very much favour of international tourism growth.

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

Europe is currently still the world's largest source region, generating just over half of international arrivals worldwide, followed by Asia and the Pacific (22%), the Americas (16%), the Middle East (4%) and Africa (3%).

#### **14.5.2 International tourism receipts:**

In 2011, international tourism receipts reached a record US\$ 1,030 billion (euro 740 bn), up from 927 billion (euro 699 bn) in 2010. This represents a 3.9% growth in real terms (adjusted for exchange rate fluctuations and inflation), while international tourist arrivals increased by 4.6% in 2011 to 983 million. This confirms the strong correlation between both indicators, with growth in receipts tending to lag slightly behind growth in arrivals in times of economic constraints.

By region, the Americas (+5.7%) recorded the largest increase in receipts in 2011, followed by Europe (+5.2%), Asia and the Pacific (+4.4%) and Africa (+2.2%). The Middle East was the only region posting negative growth (-14%). Europe holds the largest share of international tourism receipts (45% share), reaching US\$ 463 billion (euro 333 bn) in 2011, followed by Asia and the Pacific (28% share or US\$ 289 billion / euro 208 bn), and the Americas (19% share or US\$ 199 billion / euro 143 bn). The Middle East (4% share) earned US\$ 46 billion (euro 33 bn) and Africa (3% share) US\$ 33 billion (euro 23 bn).

Visitor expenditure on accommodation, food and drink, local transport, entertainment and shopping, is an important contributor to the economy of many destinations, creating much-needed employment and opportunities for development. In 2011, both emerging and advanced destinations reported significant increases in receipts. For some 85 countries, receipts from international tourism were over US\$ 1 billion in 2011.

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

The export value of international passenger transport is estimated at US\$ 196 billion (euro 141 bn) in 2011, up from US\$ 170 billion (euro 131 bn) in 2010. As such, total receipts from international tourism, including international passenger transport, reached US\$ 1.2 trillion (euro 841 bn) in 2011. In other words, international tourism contributes US\$ 3.4 billion (euro 2.4 bn) a day to global export earnings.

#### **14.5.3 Current development and outlook:**

According to monthly and quarterly data for 2012 included in the *UNWTO World Tourism Barometer*, international tourist arrivals worldwide.

grew at a rate of 5% in the first four months of 2012, consolidating the growth trend that started in 2010.

Forecasts prepared by UNWTO in January 2012 point to growth of 3% to 4% in international tourist arrivals for the full year 2012. Total international arrivals are expected to reach one billion in 2012 for the first time.

#### **14.5.4 World Top Tourism Destinations:**

The top 10 rankings by international tourist arrivals saw only a minor change in 2011. Turkey moved up one position to sixth place (with 29 million tourists) overtaking the United Kingdom. There were no changes in the top 10 rankings by tourism receipts.

When ranking the world's major destinations for international tourism, it is always preferable to take more than a single indicator into account. Ranked according to the two key tourism indicators - international tourist arrivals and international tourism receipts - eight of the top ten destinations appear on both lists, despite showing marked differences in terms of the type of tourists they attract, their average length of stay and their spending per trip and per night. In the case of international tourism receipts, changes not only reflect relative performance but also (to a considerable extent) exchange rate fluctuations of national currencies against the US dollar.

France continues to lead the ranking of international tourist arrivals (79 million), and ranks third in receipts (US\$ 54 billion), while the United States ranks first in receipts (US\$ 116 billion) and second in arrivals (62 million). Spain is still the second-largest earner worldwide and the first in Europe (US\$ 60 billion), while ranking fourth in the world by arrivals (57 million). China continues to rank third in arrivals (58 million) and fourth in receipts (US\$ 48 billion), while Italy remains in fifth place in both arrivals (46 million) and receipts (US\$ 43 billion).

Turkey moved up one place to sixth in arrivals and is twelfth in receipts. The United Kingdom is seventh in both arrivals and receipts. Germany continues to rank eighth in tourist arrivals and sixth in receipts, while Malaysia is ninth and fourteenth respectively. Australia, Macao (China), and Hong Kong (China) complete the top ten rankings by receipts in eighth, ninth and tenth place respectively, while Mexico closes the top ten by arrivals in the tenth position.

#### **14.5.5 Reasons for the growth of international tourism:**

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

As an internationally traded service, inbound tourism has become one of the world's major trade categories. The overall export income generated by inbound tourism, including passenger transport, exceeded US\$ 1.2 trillion in 2011, or US\$

3.4 billion a day on average. Tourism exports account for as much as 30% of the world's exports of commercial services and 6% of overall exports of goods and services. Globally, as an export category, tourism ranks fourth after fuels, chemicals and food. For many developing countries it is one of the main sources of foreign exchange income and the number one export category, creating much-needed employment and opportunities for development.

The most comprehensive way to measure the economic importance of both inbound and domestic tourism in national economies is through the *2008 Tourism Satellite Account (TSA) Recommended Methodological Framework*, approved by the UN Statistics Commission. Though many countries have taken steps towards the implementation of a TSA, relatively few have full, comparable results available.

The knowledge and experience gained through the TSA exercise has certainly contributed to a much better understanding of the role of tourism in economies worldwide and allows for a tentative approximation of key indicators.

Based on the information from countries with data available, tourism's contribution to worldwide gross domestic product (GDP) is estimated at some 5%. Tourism's contribution to employment tends to be slightly higher and is estimated in the order of 6-7% of the overall number of jobs worldwide (direct and indirect). For advanced, diversified economies, the contribution of tourism to GDP ranges from approximately 2% for countries where tourism is a comparatively small sector, to over 10% for countries where tourism is an important pillar of the economy. For small islands and developing countries, the weight of tourism can be even larger, accounting for up to 25% in some destinations.

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## **14.6 Future projections of International Tourism:**

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### **14.6.1 Long-term projections - Key points:**

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

Despite occasional shocks, international tourist arrivals have shown virtually uninterrupted growth – from 277 million in 1980 to 528 million in 1995 and 983 million in 2011.

According to *Tourism Towards 2030*, UNWTO's recently updated, long-term outlook and assessment of future tourism trends, the number of international tourist arrivals worldwide is expected to increase by 3.3% a year on average from 2010 to 2030. This represents some 43 million more international tourist arrivals every year, reaching a total of 1.8 billion arrivals by 2030.

In the past, emerging economy destinations have grown faster than advanced economy destinations, and this trend is set to continue in the future. Between 2010 and 2030, arrivals to emerging economies are expected to increase at double the pace (+4.4% a year) of those to advanced economies (+2.2% a year).

As a result, the market share of emerging economies has increased from 30% in 1980 to 47% in 2011 and is expected to reach 57% by 2030, equivalent to over one billion international tourist arrivals.

#### **14.6.2 UNWTO Tourism towards 2030:**

*UNWTO Tourism Towards 2030* is UNWTO's recently updated long-term outlook and assessment of the development of tourism for the two decades from 2010 to 2030. It is a broad research project building on UNWTO's ongoing work in the field of long-term forecasting, initiated in the 1990s. The new study substitutes the earlier *Tourism 2020 Vision*, which has become a worldwide reference for international tourism forecasts.

Key outputs of *Tourism Towards 2030* are quantitative projections of international tourism demand over 20 years, with 2010 as the base year and ending in 2030. The updated forecast is enriched with an analysis of the social, political, economic, environmental, and technological factors which have shaped tourism in the past, and are expected to influence the sector in the future.

According to *Tourism Towards 2030*, the number of international tourist arrivals worldwide is expected to increase by an average of 3.3% a year over the period 2010 to 2030. Over time, the rate of growth will gradually slow down, from 3.8% in

2011 to 2.5% in 2030, but on top of growing base numbers. In absolute numbers, international tourist arrivals will increase by some 43 million a year, compared to an average increase of 28 million a year during the period 1995 to 2010. At the projected pace of growth, international tourist arrivals worldwide will exceed 1 billion in 2012 and reach 1.8 billion by the year 2030. International tourist arrivals in emerging economy destinations of

Asia, Latin America, Central and Eastern Europe, Eastern Mediterranean Europe, the Middle East and Africa will grow at double the pace (+4.4% a year) of advanced economy destinations (+2.2% a year). As a result, arrivals to emerging economies are expected to surpass those to advanced economies by 2015. In 2030, 57% of international arrivals will be in emerging economy destinations (versus 30% in 1980) and 43% in advanced economy destinations (versus 70% in 1980).

By region, the biggest growth will be seen in Asia and the Pacific, where arrivals are forecast to increase by 331 million to reach 535 million in 2030 (+4.9% per year). The Middle East and Africa are also expected to more than double their arrivals in this period, from 61 million to 149 million and 50 million to 134 million respectively.

Europe (from 475 million to 744 million) and the Americas (from 150 million to 248 million) will grow comparatively less. Thanks to their faster growth, the global market shares of Asia and the Pacific (to 30% in 2030, up from 22% in 2010), the Middle East (to 8%, from 6%) and Africa (to 7%, from 5%) will all increase. As a result, Europe (to 41%, from 51 %) and the Americas (to 14%, from 16%) will experience a further decline in their share of international tourism, mostly because of the slower growth of comparatively mature destinations in North America, Northern Europe and Western Europe.

#### **14.6.3 Tourism 2020 Vision:**

*Tourism 2020 Vision* is the World Tourism Organization's long-term forecast and assessment of the development of tourism up to the first 20 years of the new millennium. An essential outcome of the *Tourism 2020 Vision* is quantitative

forecasts covering 25 years, with 1995 as the base year and forecasts for 2010 and 2020.

Although the evolution of tourism in the last few years has been irregular, UNWTO maintains its long-term forecast for the moment. The underlying structural trends of the forecast are believed not to have significantly changed. Experience shows that in the short term, periods of faster growth (1995, 1996, and 2000) alternate with periods of slow growth (2001 to 2003). While the pace of growth till 2000 exceeded the *Tourism 2020 Vision* forecast, it is generally expected that the current slowdown will be compensated in the medium to long term.

UNWTO's *Tourism 2020 Vision* forecasts that international arrivals are expected to reach nearly 1.6 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be intraregional and 378 million will be long-haul travellers.

The total tourist arrivals by region show that by 2020 the top three receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia.

East Asia and the Pacific, Asia, the Middle East and Africa are forecasted to record growth at rates of over 5% year, compared to the world average of 4.1%. The more mature regions Europe and the Americas are anticipated to show lower than average growth rates. Europe will maintain the highest share of world arrivals, although there will be a decline from 60 per cent in 1995 to 46 per cent in 2020.

Long-haul travel worldwide will grow faster, at 5.4 per cent per year over the period 1995-2020, than intraregional travel, at 3.8 per cent. Consequently, the ratio between intraregional and long-haul travel will shift from around 82:18 in 1995 to close to 76:24 in 2020.

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### **14.7 Summary:**

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Travel & Tourism is a truly global economic activity one which takes place in destinations across the world, from leading capital cities and smaller towns and villages in rural and coastal areas, to some of the remotest points on the planet. It is one of the world's largest industries, or economic sectors, contributing trillions

of dollars annually to the global economy, creating jobs and wealth, generating exports, boosting taxes and stimulating capital investment.

Nearly 260 million jobs worldwide are supported by Travel & Tourism either directly in the industry or related sectors. And these jobs are vital not only for the livelihoods of those employed but also for their families and the wider communities in host destinations. Today there are very few people who have neither contributed to the growth of Travel & Tourism through their spending nor felt the impacts of other expenditures.

Over the past two decades, substantial progress has been made in raising awareness of the importance of Travel & Tourism. But we still have a long way to go to get our message across clearly to all the stakeholders.

Despite a whole host of challenges over the past decade from terrorist attacks and health scares to natural disasters international Travel & Tourism demand has shown phenomenal growth. And, while we will no doubt continue to face numerous, and unexpected, challenges in the future, our forecasts as well as those of economic and industry experts generally point to a further surge in demand over the coming decade, with competition intensifying to capture a share of the fast-growing emerging markets.

In this unit, all the above-mentioned points are taken into consideration for a better understanding of the global tourism impacts. The contributions of international organizations with their national counterparts are also appreciable for guiding world tourism towards desired results. The present facts and figures are also indicating the huge potential which is having by the world tourism and the estimated forecasts clearly indicating its vitality for the upcoming future and therefore, the tourism sector will be the guiding force for the futuristic world economy.

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**14.8 Expected Questions:**

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**Q1.** What are the various reasons for the growth of international tourism?

**Q2.** Write an essay on present trends of international tourism?

**Q3.** What are the major regions that projected to gain the attention of international tourists in the next decade?

**Q4.** Explain the WTO future projections for international tourism?

**Q5.** Define and explain the significance of international tourism organizations in the management and growth of international tourism?

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#### 14.9 Glossary:

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- **Travel & Tourism:** It relates to the activity of travellers on trips outside their usual environment with a duration of less than one year. Economic activity related to all aspects of such trips is measured within the research.
- **Direct contribution to GDP:** Gross Domestic Product (GDP) generated by industries that deal directly with tourists, including hotels, travel agents, airlines and other passenger transport services as well as the activities of restaurant and leisure industries that deal directly with tourists. It is equivalent to total internal Travel & Tourism spending within a country less the purchases made by those industries (including imports).
- **Direct contribution to employment:** It is the number of direct jobs within the Travel & Tourism industry.
- **Total contribution to GDP:** GDP generated directly by the Travel & Tourism industry plus its indirect and induced impacts.
- **Total contribution to employment:** It is the number of jobs generated directly in the Travel & Tourism industry plus the indirect and induced contributions.

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**Unit-15**

**International Tourism, Global Understanding, World Peace  
and Community Harmony**

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**Structure:**

**15.1 Introduction**

**15.2 Objectives**

**15.3 International Tourism and Global Understanding**

**15.4 International Tourism and World Peace**

**15.5 International Tourism and Communal Harmony**

**15.6 Summary**

**15.7 Expected Questions**

**15.8 References**

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**15.1 Introduction:**

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Throughout history, humankind has searched for sustainable peace and harmony through the disciplines of political science, geography, economics, sociology and far too often, the act of war itself. More recently, tourism has been touted as a strategy to contribute to world peace. Tourism does not necessarily contribute to peace but also to build and maintain communal harmony and hence also contribute towards building up the global understanding.

Tourism also has the potential to do all humankind and brotherhood phenomenon in so many ways. Both academics and policymakers have struggled to distinguish between the myths and realities of the tourism and peace propositions, and most importantly to focus on the strategies that qualify tourism as an agent of peace.

The economic might of the tourist industry has helped transform societies, often for the better. Tourism has several advantages over other industries like it is consumed at the point of production so that it directly benefits the communities that provide the goods.

It enables communities that are poor in material wealth but rich in culture, history, and heritage to use their unique characteristics as an income-generating comparative advantage. It creates networks of different operations, from hotels and restaurants to adventure sports providers and food suppliers.

This enables tourist centres to form complex and varied supply chains of goods and services, supporting a versatile labour market with a variety of jobs for tour guides, translators, cooks, cleaners, drivers, hotel managers, and other service sector workers. Many tourism jobs are flexible or seasonal and can be taken on in parallel with existing occupations, such as farming. It tends to encourage the development of multiple-use infrastructure that benefits the host community, including roads, health care facilities, and sports centres, in addition to the hotels and high-end restaurants that cater to foreign visitors.

With these benefits in mind, the United Nations has identified the development of tourism as one of the methods poorer countries might use to meet the Millennium Development Goals (MDGs).

In this Unit, we will discuss the contribution of tourism towards flourishing peace, harmony and international understanding across the civilizations of the world. Moreover, the contribution of international tourism also helps to develop the global brotherhood.

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### **15.2 Objectives:**

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- To understand the contribution of international tourism towards the welfare of the global human family.
  - To know and understand the impact generated by international tourism towards global understanding.
  - To know and understand the role of international tourism towards communal harmony.
  - To study the relationship between international tourism and the setting up of the world's peace.
  - To summarise the contribution of tourism activities towards peace and prosperity.
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### **15.3 International Tourism and Global Understanding:**

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#### **15.3.1 Introduction:**

Tourism can be an efficient tool to advance international peace and global understanding. Tourism is growing steadily and needs to be viewed in its social, cultural and ethical dimensions and therefore, in its potential contribution to the Alliance of Civilisations.

Tourism shares with religions and civilisations values such as tolerance, respect for diversity, respect for nature, rediscovery of oneself and the others. Given its sustained growth and resilience, the sector is in fact in the ideal position to contribute to facing the main global challenges of our societies.

Tourism has become an integral part of modern societies, a truly mass phenomenon of our time. In short, tourism also contributes the following:

- Given its present and expected growth, tourism represents a real tool to complement economic development with a real contribution to the Alliance of Civilizations.
- Religious and cultural tourism is clearly on the rise worldwide, as was reflected in the diversity of backgrounds of the participants, coming from every continent of the world and representatives from all faiths.
- The immense variety of religious tourism destinations, the diversity and specificity of sanctuaries and sacred sites calls on the importance of promoting the sustainable development of religious destinations through sound congestion management of sites and places of worship and improved safeguard and conservation of religious heritage.
- A dynamic relationship between religious and cultural heritage values needs to be developed to serve the interests of residents, tourists and the religious community.
- The authenticity and the core feature of religious sites and cultural routes need to be maintained, while the importance of intangible heritage and ancient traditions must be communicated efficiently to bring visitors closer to the values and spirituality of the host community.

### **15.3.2 Tourism contributes towards local, regional and international understanding:**

Tourism promotes international understanding. It generates innumerable benefits both in social and economic spheres. Today, tourism is widely acclaimed as an important global industry offering immense employment opportunities, both direct and indirect. It has emerged as an instrument for employment generation, poverty alleviation and sustainable human development.

Tourism also promotes national integration and international understanding and gives support to local handicrafts and cultural activities. It earns the much-needed foreign exchange.

At the local level, tourism also contributes in the form of domestic tourism. The sector of domestic tourism plays a vital role in achieving the national objectives of

promoting social and cultural cohesion and national integration. Its contribution to the generation of employment is very high.

With the increase in income levels and the emergence of a powerful middle class, the potential for domestic tourism has grown substantially during the last few years. Especially, in developing nations, domestic tourism plays a significant role in the promotion of tourism activities.

To sustain the growth of tourist arrivals, the quality of experience is very important (even more than the price and range of packaged tours). The experience chain for a tourist is a series of interactions beginning from the embassy/consulate giving the nation's visas and passing through the airlines, immigration channels, customs clearances, the airport, eating places, tourist places, hotels, shops, streets etc., till departure.

Many countries have realized the value of close monitoring of tourist profiles, their psychology, their expectations, their spending habits, their requirements and their feedback through painstaking research. They have been able to identify what they seek, how they get satisfied and if they come back at all. This effort is backed by training at several levels and along the chain to inculcate service-oriented behaviour and to render quality service. These are the major reasons that the Island of Malaysia attracts three times more tourist traffic than continental India.

In the last two years, a professional marketing programme has been taken up to put the State on its way to becoming a tourism bonanza. The sustained campaigns included promotion world over in the print media, participation in major tourism fairs in London, Berlin and Kuala Lumpur and sustained work with the travel industry. All these have combined to give greater visibility to the contribution of tourism towards connecting the civilizations across the globe and hence form the international understanding amongst them.

### **15.3.3 Conclusion:**

Travel has provided people with the opportunity to encounter, appreciate, interact and learn, both formally and informally, about the cultural and ecological diversity of destinations throughout the world. Based on the 'contact model' of social

psychology of inter group conflict, which stresses that contact promotes the potential for understanding and acceptance among members of different groups, it is argued that tourism, by bringing together hosts and guests from various countries, helps to bridge psychological and cultural gaps promoting trust, respect and mutual understanding.

In a throwback to the Grand Tour of the past, contemporary demands for speciality educational, heritage and cultural tourism represent formal examples of tourists engaged in actively learning about the countries and peoples they are visiting.

The 1963 United Nations Conference on international tourism proclaimed that tourism was mind-broadening and ennobling; at the 1980 World Tourism Conference in Manila, it was declared that tourism can be a vital force for peace.

This concept went on to gain prominence in Vancouver, Canada in October 1988 at the international conference on 'Tourism: A Vital Force for Peace', which promoted the idea that tourism results in positive changes in the attitudes of tourists towards the host culture contributing towards world peace.

The motivation of hosts and guests, preconceived images and perceptions, type of trip, form and level of tourism development, and degree and form of interaction between hosts and guests all impact the level of international understanding generated. Trips that present limited or staged interaction between the two groups may reinforce stereotypes. Tourism has the potential to increase international understanding through cultural contact and educational tours.

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#### **15.4 International Tourism and World Peace:**

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##### **15.4.1 Introduction to tourism and peace:**

Although often underestimated, the tourism industry can help promote peace and stability in the world by providing jobs, generating income, diversifying the economy, protecting the environment and promoting cross-cultural awareness. Tourism as an industry is playing a crucial role in the global economy.

However, key challenges must be addressed if peace-enhancing benefits from this industry are to be realized. These include:

- Investments in infrastructure and human capacity

- The development of comprehensive national strategies
- The adoption of robust regulatory frameworks
- Mechanisms to maximize in-country foreign currency earnings
- Efforts to reduce crime and corruption.

The case studies on the role of tourism have been revealed several important points as mentioned below:

- First, relative peace and a degree of economic development are preconditions for a successful tourist industry.
- Second, although it can help promote peace and prosperity, tourism can also cause a great deal of harm unless it is carefully developed.
- Third, to deliver optimal benefits, tourism must be respectful of the environment and mindful of cultural and social traditions.
- Fourth, tourism must be supported by a coherent national strategy and robust laws.

For tourism to help deliver prosperity and stabilize communities effectively, specific action must be taken by three main constituencies: host communities, host governments and foreign stakeholders.

- *Host communities* should work to leverage their competitive advantage, improve service delivery, and protect their environment and culture.
- *Host governments* should establish supportive strategies, introduce and implement necessary regulations, remove bottlenecks and adopt internationally recognized tourism standards.
- *Foreign stakeholders* could prioritize tourism as a viable economic force, direct investment to this sector, and facilitate knowledge and technological transfers.

Furthermore, in addition to advancing the development goals, some have credited tourism with helping to build and sustain peace. Among them is Wangari Maathai, the Nobel laureate and founder of the Green Belt Movement, who highlights tourism's potential as "a great vehicle for peace promotion."

Whether tourism can bring about peace or whether the relationship is better described as mutually reinforcing, Corazon Gatchalian and Cindi Reiman conclude

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that through its tendency to promote “communication between nations and cultures,” tourism is an instrument that “creates a global language of peace.”

#### **15.4.2 Addressing the challenges for peace and prosperity:**

If tourism is to achieve its full potential as a force for promoting peace and prosperity, several challenges must be addressed:

##### **i. Bad neighbourhood effect:**

It is concluded that peace and security are preconditions for a thriving tourism sector. Travellers are risk-averse and do not wish to spend their vacation feeling anxious about their safety, mindful of their belongings, and wary of being ripped off. Developing countries with ambitions to build a successful tourist industry need to tackle internal instability and provide a safe environment for potential visitors. Unfortunately, unrest and instability in neighbouring states are also disincentives to travel to potential tourist destinations. Countries that are perceived to be in so-called bad neighbourhoods are affected by this.

##### **ii. Investments:**

Solid infrastructure is another precondition for any country wishing to establish a tourism industry. Poor countries need to prioritize the search for capital investment to help them build the roads, airports, hotels, and leisure facilities needed to attract visitors in large numbers. Investments in human capacity are equally important. Local communities need special training to work in the international hospitality industry. Local drivers may have to meet more exacting safety standards to chauffeur tourists around than might be expected of them in the domestic market. The hotel industry expects that people who work with foreign visitors be culturally aware of and sensitive to the expectations and foibles of a wide range of nationalities. All of this requires training.

##### **iii. Regulations and standards:**

It has been demonstrating that tourism needs to be subject to robust laws and regulations if it is to benefit local communities and prevent them from being exploited. Laws must protect the environment from overdevelopment and safeguard the land, property and livelihoods of communities affected by tourism.

But laws in themselves are insufficient: They must be applied and enforced. This requires the presence of strong and effective institutions, at national and local levels.

**iv. Structural leakages:**

Developing countries must try to capture more tourism spending and limit leakage if they are to maximize their revenues from tourism. An international hotel chain that opens up in a developing country may create jobs in the local community but it repatriates the profits. Similarly, host communities might decide that, to keep tourists happy, they have to offer them food and drink they are familiar with – which has to be imported. Homegrown tourism, on the other hand, allows revenue to remain in the domestic economy rather than seep across borders.

**v. Ecotourism, not tourism numbers:**

Governments need to emphasize implementing the sound principles and best practices of ecotourism rather than fixating on increasing tourism numbers. High-quality ecotourism can bring more revenue and decrease the harmful social and environmental effects of uncontrolled mass tourism. Four decades ago, resort tourism was the norm and model. Today, a variety of alternative tourism models provide the tools to bring prosperity and strengthen conditions for peace in poor countries.

**vi. Strategic oversight:**

Tourism cannot grow into a thriving sector of the economy without constructive leadership from the national government. Too many countries fail to reap the rewards of tourism because of poor planning, poorly thought-out strategies, and fragmented policies. Strategic oversight includes everything from overall budget planning and encouraging outside investment to educating host communities. Without guidance from local and national governments, host communities are likely to find the experience unsettling and negative.

**15.4.3 Role of various stakeholders:**

As delineated above, tourism, if properly planned and managed, can help to alleviate poverty and stabilize communities. For that to happen, positive action must be taken by three main constituencies:

- i. Host community's
- ii. Host governments
- iii. Foreign stakeholders
  - i. **Host communities should:**
    - *Leverage advantage:* Communities should know where their comparative advantage lies – whether it is in wildlife, waterfalls, or wineries – and focus their development strategy around it, rather than expanding into areas that they think will attract visitors but with which they are unfamiliar.
    - *Focus on keeping themselves at the centre of their development strategy:* This will ensure local ownership of projects and help to keep profits in house. Community-based tourism is also more sustainable and helps to provide the type of authentic experience that most tourists are looking for.
    - *Work on enhancing capacity, in both physical infrastructure and human capital:* To fund these improvements, communities should follow the approach advocated by David Western and target the enormous potential that travellers philanthropy presents.
    - *Protect the environment and culture:* Communities should remember at all times that it is the beauty of the surroundings in which they live the richness of their culture and the diversity of their wildlife that attracts visitors in the first place. A percentage of the wealth that tourism generates should be spent to preserve these qualities.
  - ii. **Host governments should:**
    - *Establish national tourism strategies and put in place robust laws to protect tourist sites and people who work in the tourist industry:* They should also ensure that these laws are enforced. National standards should be established

for the tourism industry and its employees should receive periodic training and guidance.

- ***Address bottlenecks and constraints:*** In many developing countries, tourism is undermined because no single government branch has overall responsibility for it. A government should ensure that its tourism sector is not undermined by competing or overlapping departments, at either the national or local levels.
- ***Have a creative marketing strategy for the tourist industry:*** The global tourism trade is highly competitive. Developing countries need to think about what sets them apart from other potential destinations and focus on marketing these distinctive qualities. Having a clear focus will also make it easier to attract foreign investment and visitors.

### iii. Foreign stakeholders should:

- ***Prioritize tourism as an economic force:*** Tourism is a hugely influential and profitable industry and many developing countries are keen to be a part of it. However, they are short of capital and infrastructure. Foreign firms can provide both and earn a profit at the same time.
- ***Facilitate knowledge and technology transfers and offer technical assistance:*** Fledgling tourism sectors in developing countries need assistance in training staff and teaching new skills. Foreign experts from established tourist markets are well placed to offer assistance.

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#### 15.4.4 Conclusion:

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Tourism aids in creating a culture of peace in several other ways. People engaged in any dimension of the vast tourism, hospitality, recreation and sports industries seek to provide a welcoming experience for travellers, much like the peacemaking activities experienced within a family: offering information, food, shelter, comfort and relaxation. People within the tourism industry are also working together within and across regions to establish policies that lead to the abolition of armed conflicts, violence and warfare; promote ecological sustainability, and assure the welfare of all members of local and global communities.

Since the pursuit of peace is a continuing endeavour, progress through international tourism appears to be a never-ending story. Tourism on the global front has the potential to contribute to peace in many ways and these must be appropriately investigated and assessed. More and more new forms of tourism emerge, there are new challenges and opportunities and there is a need for an ongoing study to distinguish the myths and empirically verify the realities associated with the progress of international tourism as an agent of peace.

At all levels, people engaged in the movement to promote peace through tourism seek to honour spiritual traditions, reclaim sacred spaces, and work with others for the development, protection, preservation and support for sacred sites and pilgrimage trails.

Acknowledge and protect diverse cultural spaces and traditions, assure diversity in all areas of the tourism industry, encourage travel for people with disabilities and work with others for the development, protection, preservation and support for cultural heritage sites. Reduce poverty by hiring people from local communities, paying just wages and supporting the development of local and micro-businesses that contribute to and benefit from the tourism industry.

Eliminate conditions that lead to acts of armed conflict, violence, terrorism and warfare, provide training in conflict resolution and nonviolence, and work with government and community groups to restore areas damaged by warfare. Promote sustainable development by planning development projects with care for the ecosystem in mind, protecting endangered plant and animal species, and supporting just environmental principles and practices. Educate people about fragile ecosystems by promoting ecotourism.

Promote and preserve a culture of peace by involving local people in decision-making process regarding development and tourism, assuring safe passage for all travellers across borders, boundaries and barriers, supporting businesses whose leaders engage in socially, economically, politically and environmentally responsible business practices, installing Peace Poles, and establishing Peace Parks and Peace Gardens as visual expressions of peace in the world.

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**15.5 International Tourism and Communal Harmony:**

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**15.5.1 Introduction:**

Tourism, as a sector, is of immense importance for global peace and prosperity and the humankind success story will continue undiminished. Tourism has always been appreciated and actively promoted for its economic value. It helps in reducing poverty and in maintaining the quality of life through employment, through economic prosperity, the balance of payments, investments and substantially the tourism resources are utilized for augmenting the infrastructure and integrating tourism products with international markets, which in turn generate tourists for the country and chain, continues. Very rarely we think of its major value related to national integration, international understanding and communal harmony.

For the developing countries where there are various religious faiths, various linguistic communities, various customs and traditions, various food habits and dress culture, there is always need to have some common link which covers every body's interest and works for every body's benefit. What better link could one think of other than tourism?

**15.5.2 Tourism and communal harmony:**

There is now a greater awareness about tourism as a great force of unity and understanding each other from the close quarters and appreciate each other's rich heritage. All negative things, which are happening in our country or elsewhere, are due to ego and lack of appreciation of each other's culture or strong religious fundamentalism.

Ancient philosophers like Shankaracharya thought of bringing Indians from various parts on pilgrimage by setting up Mutts ( religious places known as 'Chardham') by having one each at Badrinath, Dwarka, Puri and Sringeri so that people from North moves to South, South to East, East to West or Vice-versa.

Thus, through pilgrimage tourism, there was a sincere effort to bring our people together. With tourism infrastructure developed and people exploring other's region and experiencing other's culture, in a country like India it is a great source

of “Experiencing Unity in Diversity” Government is giving Leave Travel concessions, private/corporate houses are offering incentive tours to their executives/staff-all these have given enough motivation to have tours in and around the world.

When they interact with local people, try ethnic food, participate in local festivals, there is a feeling of oneness forgetting the language barriers or religious faiths or food habits, the only objective being pleasure, leisure, experience, understanding, appreciation and friendship.

Thus tourism has all the ingredients that need to bring unity. The countries having diverse cultures, diverse natural scenes, and diverse faiths - unity, is the major issue. Tourism has proved the cornerstone to building unity.

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**15.5.3 Conclusion with an example:**

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India is a great example of communal Harmony and Tourism coexistence. India is the birthplace of some of the world’s most influential religions - Hinduism, Sikhism, Jainism and Buddhism.

Over the years with the wave of invaders, missionaries, traders and those fleeing preservation, new religions such as Islam, Christianity and Zoroastrianism were introduced and absorbed on our soil. Over the centuries unity or communal harmony has emerged a spirit of coexistence and better understanding among her people.

This is evident from the fact that a person from one community can never think of celebrating any festival without the participation of others. India is home to the second-largest Muslim population in the world. Christianity flourished in India, several centuries before it was accepted in Europe. It was established in India on the arrival of St. Thomas, an apostle of Jesus Christ in 52 AD when he landed on the shores of Kerala.

The first Zoroastrianism to enter India arrived on the Gujarat coast in the 10<sup>th</sup> - Century soon after the Arabian conquest of Iran and by the end of the 17<sup>th</sup> century,

most of them settled in India. Buddhism, Jainism, Sikhism all flourished together with Hinduism.

The earliest Jews came to India two thousand years ago. India sheltered all religions, creeds and beliefs. Later even Sufis, Bahais all were granted protection and accepted into the fold of mainstream, given land, equal opportunity to excel in their profession of choice and remain Indian. This communal harmony brought many tourists to India to see themselves the broad-mindedness of our culture and belief in communal harmony. Undoubtedly Tourism is the key component for communal harmony and this oneness in diversity is our unique tourism attraction.

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**15.8 Summary:**

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Tourism is the act of travel for not only recreation but also the provision of services for this act. It might occupy local services such as entertainment, accommodation and catering for tourists. It may seem that international tourism brings only benefits but further consideration shows that it also has disadvantages.

Firstly, many countries depend heavily upon travel expenditures by foreigners as a source of taxation and as a source of income for the enterprises. Therefore, the development of tourism is often a strategy to promote a particular region to increase commerce through exporting goods and services.

Secondly, it provides direct employment for the people associated with occupations in bars and hotels. Thanks to it, the average standard of living of people increases well and at the same time, unemployment is on the decrease.

However, international tourists cause environmental damage through forest fires, destruction of dunes and pollution. Consequently, this serves negatively as increased pollution disturbs residents and also it may discourage tourists from further entering the country.

After this, tourism undermines culture by commercializing it and this is often connected with increasing litter, graffiti, vandalism and noise - tourists do not always respect traditional cultures, which is sad but true.

In general, international tourism is an extremely profitable process in loads of countries, especially those in which the process of development continue to depend on this industry because this industry does not require a lot of literacy and also it yields maximum profits with less investment.

In this unit, the major focus is given to understanding the impacts of international tourism on building international understanding and collaborations. The dividends generates may help the nations economically but the cultural interactions can understand each other more conveniently and hence it also helps in developing the global brotherhood.

Moreover, international tourism also contributes towards setting up global harmony and decrease the impact generates by communalism and other allied fields. Communal harmony is very important for setting up peace and prosperity in any country across the globe. The peace keeping and conflict resolution also solved with the flow of international tourism.

Therefore, the area of international tourism should be promoting more and more so that languages and other barriers will come to an end and the whole world will become more peaceful to live and flourish.

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**15.9 Expected Questions:**

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- Q1.** What are the major benefits of international tourism for countries across the globe?
- Q2.** Write an essay on setting up the peace and international tourism?
- Q3.** What are the areas where international tourism can contribute towards communal harmony?
- Q4.** Explain the impact of international tourism on global understanding?
- Q5.** Define and explain the significance of all the major areas where international tourism can contribute to a better tomorrow?

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**15.11 References:**

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## **Unit-16**

### **Measurements of Tourist Traffic and Receipt Patterns- Measurement Techniques and Their Limitation**

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**Structure:**

**16.1 Introduction**

**16.2 Objectives**

**16.3 Performance Measurement and Evaluation Techniques**

**16.4 Tourism Satellite Account (TSA)**

**16.5 International Recommendations for Tourism Statics (IRTS)**

**16.6 Points about Tourism Statics and Accounting Processes**

**16.7 Points for further improvement in Tourism Statics and TSA**

**16.8 Summary**

**16.9 Expected Questions**

**16.10 Glossary**

**16.11 References**

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**16.1 Introduction:**

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The term “tourist receipts” means the receipts of a country in the form of consumption expenditures or payments for goods and services made by foreign visitors out of foreign currency resources. Moreover, the term “international tourism receipts” are defined as expenditure of international inbound visitors including their payments to national carriers for international transport. They should also include any other prepayments made for goods/services received in the destination country. They should in practice also include receipts from same-day visitors, except in cases when these are so important as to justify a separate classification.

It is also recommended that, for the sake of consistency with the balance of payments recommendations of the International Monetary Fund, international fare expenditure be classified separately. On the other hand, “international fare receipts” are defined as any payment made to carriers registered in the compiling country of sums owed by non-resident visitors, whether or not travelling to that country.

Statistical information on nature, progress and consequences of tourism is mainly based on arrivals and overnight stay statistics. Consequently, governments and businesses may not receive the sufficient information necessary for effective public policies and efficient business operations.

Therefore, information on the economic role that tourism plays in national economies throughout the world is particularly deficient and credible data concerning the scale and significance of tourism is needed. However, there is an increasing awareness of the role tourism is playing in the economy, mainly in terms of the generation of value-added; data on visitor consumption expenditure is a very important aggregate, therefore, to receive more information on that. Countries need reliable information and indicators on expenditure data enhancing the credibility of the measurements concerning the economic importance of tourism.

Several countries have already established a wide and diverse range of tourism data sources on visitor consumption expenditure, while other countries have not yet developed reliable systems on that. Therefore, the revision of the UNWTO Recommendations on Tourism Statistics as a common language for tourism statistics in general, and tourism expenditure, in particular, is indispensable to the work of policymakers and the private sector.

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**16.2 Objectives:**

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- To understand the concept and meaning of tourist receipt
- To know and understand the performance measurements and evaluation techniques
- To know and understand the concept of Tourism Satellite Accounts (TSA)
- To study the importance of International Recommendations for Tourism Statistics (IRTS)
- To summarize the points and contribution of tourism statistics towards the tourism research study

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**16.3 Performance Measurement and Evaluation Techniques:**

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**16.3.1 Introduction:**

Performance measurement and evaluation are important aspects in any management process and especially in the tourism sector. Performance Measurement refers to monitoring and reviewing of programme accomplishments and progress towards pre-established goals. On the other hand, evaluation involves comparisons of performance with the objectives of the information organization, to determine the change in performance over a given period, or to see whether the change is in the right direction or not and if so then to what extent. For performance measurement and evaluation purposes, we must have two things - specific and clear objectives of the organization and the measurement tools which are easy to apply.

Any evaluation process should reveal the inadequacies of objectives. Therefore, the evaluation process needs objectives as its criteria. The evaluation process should

have measures of performance that are easy to apply, relevant and reliable, there are several ways to evaluate and improve a library or an information centre. The techniques used to evaluate various aspects of an information organization are many and the same techniques are not applied in all situations.

### 16.3.2 Performance Measures:

Various performance measures used can be categorized as follows:

- **Effectiveness:** This indicates the degree to which a process output i.e., service or product conforms to the set requirements.
- **Efficiency:** This indicates the degree to which the required service or product is produced the required service or product is produced at minimum resource cost.
- **Quality:** This measures the degree to which a service or product meets the requirements and expectations of the user.
- **Timeliness:** This measures if the product or service was provided on time. The criteria for the evaluation of timeliness are based on customer requirements.
- **Productivity:** This is calculated by dividing the value added by the product or service by the value of labour and capital cost.

Performance measurement in the tourism sector helps in:

- To set the goals and standards in keeping with the broad organizational objectives.
- To detecting and correcting problems that arise in achieving those goals and objectives.
- To managing, describing and improving various processes in the organization.
- To documenting the accomplishments and achievements.
- To analyzing and making decisions about the effectiveness and efficiency of various programs, products and services being offered to the user and the employees.
- To assess whether the library and information centre is fulfilling its mission and meeting the user-oriented objectives.
- To measure the progress made towards the achievement of organizational goals and objectives.

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**16.3.3 Methods of Evaluation:**

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The process of evaluation is highly complex and aims to aid the decision-makers to improve the situation under investigation. There are several methods of evaluation that can be applied in the tourism context.

Some of these are:

**1. Experimental Evaluation:**

The approach here is that certain aspects of a problem under investigation can be studied in isolation. The emphasis is on control of all variables that are everything that could influence the results, with most variables being kept constant or eliminated and a few being varied under the control of the environments.

Experimental studies of tourism systems have been carried out to prove theories or many times to test the hypothesis about the performance of tourism-related systems.

**2. Qualitative Evaluation:**

The qualitative evaluation covers a variety of techniques in which a common aspect is the study of behaviour, that is, the tourism information seeking and handling behaviour in real situations. In the qualitative method, the major benefit is that the viewpoint of the user emerges, which becomes a real factor in evaluation. Also, qualitative data provides depth and detail of understanding, particularly from direct quotations and careful description. A variety of methods come within the qualitative method of evaluation.

Given below are some techniques of evaluation:

- i. Interviews** are regarded as the best of the qualitative evaluation, since a verbal discussion is the best way of getting an in-depth understanding of a situation, from the viewpoint of a user of a tourism system. The format of the interview can vary, from being formal, closed or structured to free, unstructured or informal.
- ii. Observation** is a valuable supplement to interviewing, on the basis that what people do is likely to be more revealing than what they say. Observations too, maybe entirely unstructured or structured depending upon the situation. Very

often, observation is very valuable for evaluating real-life situations or getting first-hand information about tourist's behaviour.

**iii. Questionnaires** are usually considered to be the most authoritative, highly structured evaluation techniques if a quality element is introduced into all questions in the questionnaires. Here open-ended questions should be avoided as they might lead to difficulties in the analysis of data.

**iv. Examination of Records and Documents** can be another useful form of qualitative evaluation. Here, records, letters, memoranda, forms etc. are examined to identify important issues and problems for evaluation.

### **3. Decision Analysis:**

In the context of evaluation, decision analysis aims at providing an objective procedure for reaching and justifying a decision, which itself is a choice of alternatives. The procedures for this require the user to specify all the considerations which come into the making of the decision, to give each of these alternatives a value as to how well they meet the requirements posed by each consideration and to calculate an overall value for each alternative. The highest value naturally wins.

This method allows for a great deal of subjective judgment in the choice of the considerations, in the weights given to them and in the values for the alternatives.

Quantitative decision analysis is also possible and many times helps to decide between two alternatives. Another form of decision analysis is the checklist which can be used for the choice of all manner of things and services related to tourism research work.

### **4. User Studies:**

In any information system or service, studying the tourist characteristics and behaviour is very essential. Satisfaction of tourist needs is the ultimate and only justification for the existence of any information service, for obtaining information as to how it is used and the degree of success achieved by its users is a fundamental part of its evaluation.

**5. Cost-Benefit Analysis:**

The performance of any tourism system or service without consideration of resources is pointless. These resources are always assessed in financial terms which come under the heading of costs. To know details of this aspect, a six-level categorization of cost-related evaluations can be carried out. These six aspects are cost, effectiveness, benefit, cost-effectiveness, cost-benefit and cost-performance benefit.

**16.3.3 Evaluation Techniques used in tourism research:**

You have already been told that evaluation is carried out for ensuring a reliable and in-depth knowledge of what a tourism system does and how it is best used. To carry out the evaluation process, several techniques are available. The application of these techniques varies from situation to situation depending upon the type, category and kind of study or tourist that are involved. Many of these techniques are borrowed from scientific management. Given below are some basic techniques that are applicable for evaluation processes especially in the tourism system:

**1. Performance Measurement:**

Performance measurement helps us to decide how well the tourism system, service or resource is operating, compared with some theoretical maximum. The evaluation of tourism services and systems involves measures that are little or no different from those used in the evaluation of other aspects of life using the same methodologies. Some of the performance measures are cost-benefit analysis measures, decision analysis, the survey methods (which include observation, interview, questionnaires and case study methods).

**2. Performance Evaluation:**

Performance evaluation is an assessment of how well a system or service is working, according to some previously decided measure. It is defined as the process of systematically assessing effectiveness against a predetermined norm, standard or expressed goal.

Besides meeting the needs of the organization, performance evaluation also helps individuals to know how they are performing. Performance evaluation when carried out correctly, meets several important needs. In performance evaluation, the totality of an information service should be examined to get a feel of the overall performance and an idea of how the various components interact. The components of the system or service are examined in isolation.

### **3. Marketing Research:**

Marketing research aims at testing, identifying and measuring the markets. It includes market research, looks at the market mix, pricing research, the effectiveness of advertising and the whole of the marketing community.

Marketing research is essential as an evaluation technique as it helps in planning and implementation and needs to be an almost continuous process for most libraries and information centres in the present times. The information gathered must be put to effective use in forecasting, planning, instructing and illuminating the whole management decision-making process.

Market research helps in the investigation of current users as well as potential users and markets, plus the evaluation of current services and products, which are essential to the changing well-being of the library and information service. It helps to identify unsatisfied enquiries, monitor the use of services, tells the way services are used and levels of satisfaction of these services. All these lead to steps that can remedy many situations. The technique of marketing research has evolved from surveys, based on observation.

Researching a market can take several forms - experimentation, observation and surveys. The traditional scientific method of experimentation involves investing matched groups - one controlled group and the other subject to variables - which can then be measured to evaluate whether the effects of the variables can be said to be significantly different. This method can be used where a library wants to reorganize circulation, shelving and seating areas in new arrangements and test user's reactions before proceeding further.

Observations measure overt behaviour only. Users can be observed physically from various angles. Surveys, widely used in most research situations, have an important role to play in marketing research too. They should be used to find out user's knowledge, beliefs, behaviours, preferences or satisfaction rate. Personnel interviews, mail, telephone or questionnaires can be used for carrying out the surveys.

Marketing research seeks to measure markets and explore the motivations and the behaviour of the user. Marketing research is active, draws statistics, is aim-oriented and is an evaluation technique that informs tourism systems about collection, users and dissemination of information in the competitive world.

#### **4. Cost-Effectiveness Analysis:**

Cost-effectiveness is the relationship between the level of performance (effectiveness) and the costs involved in achieving this level. Several methods may be used to obtain a particular performance level. The least expensive alternative is the most cost-effective.

Cost-benefits refer to the relationship between the benefits of a particular product or service and the cost of providing it. Generally, it is most difficult to measure benefits than performance (effectiveness). The expression "Cost – performance-benefits" relates to the entire spectrum of costs, performance (level of effectiveness) and benefits.

#### **5. Bibliometric:**

Bibliometric is the application of various statistical analyses to study patterns of authorship, publication and literature use. Several distinct techniques in Bibliometrics have been identified that have a practical application in libraries. The techniques of Bibliometric often used in libraries are:

- i. The use of citation analysis to determine the scatter of papers by a journal and by the author.
- ii. The use of citation analysis to identify the research fronts of a particular field.

- iii. Most cited papers in a field representing the research front are identified and analysis can be made of how these papers couple bibliographically.
- iv. It is also possible to identify whether a field is growing or declining and in particular to determine when it reaches the peak in terms of the amount of literature being published.

Bibliometric techniques have been applied successfully to evaluate the journal collection of any library especially when the decision regarding the continuation of subscription of journals is to be made.

### **6. Delphi Technique:**

Delphi technique helps managers and decision-makers to make better forecasts and advice. This method recognizes human judgments as legitimate and makes useful inputs in generating forecasts and also that the judgment of several informed people is likely to be better than the judgment of a single individual who may be misinformed or highly biased. Thus, the Delphi technique is a way of allowing only those interactions to occur that are likely to improve the quality of a forecast or decision.

The Delphi Technique has been widely used to generate forecasts in technology, education and other fields. It may also be possible to apply this technique as an evaluation technique in case a situation demands.

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## **16.4 Tourism Satellite Account (TSA):**

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### **16.4.1 Description:**

Tourism Satellite Account (TSA) is a statistical system where the economic impacts of tourism are described in a versatile and comprehensive manner. It was developed in extensive international cooperation, as a result of which the UNWTO (United Nation World Tourism Organization), OECD (Organizations for Economic Cooperation and Development) and EU (European Union) approved in 2000 a recommendation on tourism satellite account. A tourism satellite account is also referred to as a tourism account.

**16.4.2 TSA Contributions:**

- Macroeconomic aggregates that describe the size and the economic contribution of tourism, such as tourism direct gross value added (TDGVA) and tourism direct gross domestic product (TDGDP), consistent with similar aggregates for the total economy, and other productive economic activities and functional areas of interest.
- Detailed data on tourism consumption, a more extended concept associated with the activity of visitors as consumers, and a description of how this demand is met by domestic supply and imports, integrated within tables derived from SUT, that can be compiled both at current and constant prices.
- Detailed production accounts of the tourism industries, including data on employment, linkages with other productive economic activities and gross fixed capital formation.
- A link between economic data and non-monetary information on tourism such as:
  - i. Number of trips (or visits)
  - ii. Duration of stay
  - iii. Purpose of the trip
  - iv. Modes of transport etc.

Which are required to specify the characteristics of the economic variables.

**16.4.3 TSA Limitations:**

- Although some implicit assumptions are needed for the compilation of the recommended tables, the TSA is mainly descriptive in nature and does not include any measurement of the indirect and induced effects of visitor consumption on the economic system as a whole.
- This means that tourism's impact on the economy is not fully reflected in the TSA tables and must therefore be measured and analyzed using other means.
- This can be done for instance using input-output or computable general equilibrium models based on the TSA or other modelling instruments which allow for comprehensive tourism impact analysis.
- The TSA: RMF 2008 should be considered from two different perspectives:

- i. As a statistical tool that complements those concepts, definitions, aggregates, classifications, already presented in the IRTS 2008 and articulates them into analytical tables.
- ii. Those tables provide elements for validly compare estimates between regions, countries or groups of countries.
- iii. These elements are also comparable with other internationally recognized macro-economic aggregates and compilations.
- iv. The main aim of TSA is to guide the countries in the further development of their system of tourism statistics, the main objective being the completion of the TSA which could be viewed as a synthesis of such a system.

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### **16.5 International Recommendations for Tourism Statistics (IRTS):**

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To foster international comparability, the UNWTO developed successive sets of international recommendations on tourism statistics: in 1978 and 1993, (International Recommendations on Tourism Statistics). More recently, the 2008 International Recommendations for Tourism Statistics (IRTS 2008) has been developed.

The IRTS 2008 provides the basic concepts and definitions concerning the different aspects of tourism such as:

- Those travellers that qualify as visitors either tourist-or overnight visitors- or excursionists- or same-day visitors (IRTS 2008 para. 2.13.);
- The different forms of tourism (IRTS 2008 paras. 2.39. and 2.40.);
- The different main purposes of a tourism trip (IRTS 2008 para. 3.17.);
- The concept of tourism expenditure (IRTS 2008 para. 4.2.),
- Its different categories related to the different forms of tourism (IRTS 2008 paras. 4.15. and 4.20.);
- The different classifications that can be used in the analysis of tourism.

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### **16.6 Points about Tourism Statics and Accounting Processes:**

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Based on these international recommendations, countries were encouraged to develop their tourism statistics according to the following guidelines:

- Estimates should be based on reliable statistical sources, where visitors and producers of the goods and services they consume are both observed, using independent procedures;
- These observations should be statistical in character and be produced on an ongoing basis, combining the compilation of benchmark estimations with the use of indicators to enhance the usefulness of the results;
- Data should be comparable over time within the same country, comparable among countries and comparable with other fields of economic activities;
- Data should be internally consistent and presented within macroeconomic frameworks recognized at the international level.
- To progress in the analysis of tourism and its relationship with the rest of the economy, it was decided to further align and integrate tourism statistics with international macroeconomic frameworks in a systematic and conceptually consistent manner. The revised system of national accounts provided such a reference framework.
- The SNA 1993 consists of concepts, definitions, classifications, accounting rules, accounts and tables that constitute a comprehensive, integrated framework for the estimation of production, consumption, capital investment, income, stocks and flows of financial and non-financial wealth and other related economic variables.
- It includes a specific framework showing the interface between demand for goods and services and the supply of these goods and services within an economy, namely the supply and use tables (SUT).
- On the other hand, what makes tourism special is the temporary situation in which an individual in the capacity of consumer finds himself/herself: he/she is taking a trip or a visit to a place outside his/her usual environment for less than a year and for a purpose other than being employed by a resident entity there. This differentiates a visitor from the other categories of consumers.

- These specific characteristics of the visitor cannot be made explicit within the core of the System of National Accounts, where transactors are classified according to (relatively) permanent characteristics, one of them being their country of residence.
- To deal with such situations, the SNA 1993 suggests the use of satellite accounts, annexed to its core, and which, to an extent to be defined in each case, share its basic concepts, definitions, classifications, and accounting rules.
- Within this perspective, the setting up of the Tourism Satellite Account consists in analyzing in detail all the aspects of demand for goods and services which might be associated with tourism, in establishing the actual interface with the supply of such goods and services within the economy of reference, or outside and in describing how this supply (from domestic or imported origin) interacts with other economic activities, using the SUT as a reference.
- The first recommendation on the development of the TSA conceptual framework was proposed in 2000 with the 2000 Tourism Satellite Account (TSA): Recommended Methodological Framework –TSA: RMF 2000–, a framework that, in the light of IRTS 2008, needs to be updated.
- Because the IRTS 2008 already provides a basic conceptual consistency with other statistical frameworks (IRTS 2008 para. 1.31.) such as the System of National Accounts (SNA 1993 rev.1) and the Balance of Payments (BPM6), the 2008 Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008) builds upon this consistency and provides an additional resource to link tourism statistics to the standard tables of the SNA 1993 rev.1.
- As this instrument requires consistency among the different data sources that are used and imposes more stringent conditions on them, and in particular reconciliation between the different data, it becomes possible to estimate internally consistent variables that more accurately represent the economic contribution of tourism and its interdependence with the rest of a national economy.
- This link between both international recommendations on tourism statistics (IRTS 2008 and TSA: RMF 2008) and the source data used in their compilation provides

the foundations for the establishment and maintenance of improved national Systems of Tourism Statistics (STS).

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**16.7 Points for further improvements in Tourism Statics and TSA:**

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- The design of functionally oriented satellite accounts could involve an extension of the production boundary of the SNA 1993, a reclassification of transactions and transactors or both (SNA 1993 chapter 21).
- However, in designing the TSA, RMF 2008, it was decided to focus on reclassification within the production boundary of the SNA 1993, to come up with aggregate measurements for tourism directly comparable with other aggregate measurements compiled within the SNA 1993 conceptual framework.
- This updated International Recommendations should be understood as the starting point of a process of methodological development and improvement of the system of tourism statistics, extending down to the collection process for basic data.
- Its progressive implementation by countries depends on the development achieved in the corresponding implementation of the SNA 1993.
- Such review and expansion may include implementation of new developments concerning the proposed classifications of products and productive activities, payments analysis, regional and sub-annual level analyses, the link between tourism and the environment), an increased scope to include for instance financial aspects or specific modules (employment, government revenues, etc.).
- There should be some obligations for the countries to produce a TSA.
- Nevertheless, the compilation of the TSA tables is to be understood as an important step in a process that aims to further develop and integrate tourism statistics within the national accounting system of a country.
- Those countries that have implemented a TSA or have included a TSA within their system of national accounts have experienced the relevance of such instrument for the improvement of the coverage and the quality of tourism statistics as well as for the macroeconomic analysis of tourists.

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**16.8 Summary:**

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Measuring the economic benefits, as well as the associated costs of tourism can help marketers, designers and others with interest in the visitor activities to implement several problems like informing the officials and business managers the benefits of investing in community tourism promotion and development of tourist facilities and sponsorship of events.

It helps marketers of tourism in the evaluation of the effectiveness of their efforts and effects of additional funds to the current demand for them, it helps to educate tourism-related employees about their role in economic and business development and how their work contributes to the economic health of their communities. Use the expression is returned in the advertising and investment fund, it can stimulate both business and government to seek cooperation and partnership for mutual benefit.

Demonstrating the effects of tourism development for the general public, it helps the citizens to rationally choose whether to promote or oppose additional tourism marketing and development. It helps public officials to develop laws and policies that best promote the economic, social and cultural health of their citizens and avoid decisions that would threaten the health of these.

In short, the development of methods for measuring the economic costs and benefits of tourism assist residents, individuals, companies and governments to adopt effective and efficient marketing and development decisions. Several methods and models have been proposed to measure or estimate the economic benefits from visitors and the vast majority begins with estimates of the cost of these visitors do at the event site or in a specific geographic area.

In this unit, the major focus is given to first understand the concept of tourist receipt and then the all-important performance measurements and evaluation techniques that are used in tourism research to study the various sub-systems in the tourism sector. The understanding of Tourism Satellite Accounts and Tourism Statistics is also very important so that the basic methods of calculations in the tourism system

can be easily understandable. The unit is also included the points related to the limitations and further improvements in the tourism statistics system.

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**16.9 Expected Questions:**

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**Q1.** What do you mean by tourist receipt?

**Q2.** What are the various techniques for measuring the evaluation?

**Q3.** Write an essay on Tourism Satellite Account (TSA)?

**Q4.** Explain the various points related to the improvement in Tourism Statics System?

**Q5.** Define and explain the significance of all the major areas of performance measurement for tourism study?

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**16.10 Glossary:**

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- **Accrue:** To come naturally
- **Dispersion:** Scattering
- **Encompass:** To bring within the fold
- **Fractions:** Parts of a whole
- **Fructify:** Bear results
- **Harmonic:** Quantities that are in arithmetical progression
- **Magnitude:** Amount
- **Parameter:** Measurable feature
- **Perspective:** View from a particular point
- **Regression:** Backward movement
- **Variable:** That can be adapted

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**16.11 References:**

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