



Study of Potential Strength in the Tourism Industry in Maharashtra

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Abstract :

The tourism as a modern action has attracted the entire world. The development of communication and transportation has made different places nearly accessible to wider segments of population around the world. It offers an opportunity to millions to enjoy the prospect from moving one country to another in a matter of hours. Tourism as a socio-economic phenomenon has become the world's largest and fastest growing industry in terms of revenue and the number of people involved. This paper focuses on the potential strength in the tourism industry in Maharashtra.

Keywords : tourism, tourism industry, economy

Introduction :

Travel for pleasure has frivolous connotation which seems to have made it unattractive as a field for serious economic study. Another reason why relatively little attention has been paid to the economic significance of tourism is somewhat the amorphous nature of this trade. Fortunately this kind of perception has changed in the past decade and tourism is definitely identified as an important factor in countries balance of payments and as means of developing regions or sites with little other economic potential. Apart from being massive revenue earner tourism is particularly important to a vast and varied country like India as it promotes social and cultural ambience and plays a key role in socio-economic development.

Tourism as an industry does not only play an economic harbinger for the developed countries but also for the developing countries. This can be seen in the establishment of the government departments of Tourism, widespread encouragement and sponsorship of the tourist



development and the proliferation of small business and the multinationals contributing to and deriving from the tourism industry.

There is widespread optimism that tourism might be the powerful and beneficial agent of both economic and social change. Indeed tourism has stimulated employment and investment, modified land use and economic structure and made a positive contribution of balance of payments in many countries and worldwide.

The concept of tourism has undergone numerous changes in the past. Why? Is it due to the dull and dreary world of automation? Is it alienation at the work places? Is it because of stress and anxiety? Is it the communication and the cyber revolution which have phenomenally increased the accessibility to the remote lands and networks? Is it the incessant and the galloping globalization that has added many new dimensions of the existing competition in the business? Or is it ultimately that man has become more inquisitive and curious in nature? None of these single handily seem the reason of the changing trend of tourism.

In any case, our notions of leisure, holidaying, trotting the world over and even of business and education has been significantly altered. Now there are not only lovers of nature, business travelers, but also tourists visiting cities for their education, industrial contacts, stock and shares etc.

The emergence of Global Tourism is the direct offshoot of the rapid development of the industrial society in the West during the second half of the 19th century. But as a matter of fact the real phenomenon has got its shape with the introduction of the concept "holiday", and this has got needy attention during the last quarter of the 19th century, wherein the desirability of a holiday with pay and atleast cheap holidays for thee working labour force.

Global tourism as a service and as an industry is a limit less phenomenon with immense growth and development potential. According to an estimate, it is next to the oil industry in terms of annual turnover. In addition to its overall strong expansion, the development of modern day tourism is also characterized by its ongoing geographical expansion. Numerous countries have been successful, not only in attracting a considerable large force of tourists but also in turning tourism into a source of wealth.



A noticeable diversification in tourism destinations has taken place, with those of Asia, North Africa, Latin America and the Caribbean being the emerging destinations. In 1950, only 15 countries received about 100 percent of the 25 million international tourist's arrivals. In 1999, the top 15 tourists receiving countries saw their share decrease to less than 2 / 3 and some traditional top destinations have been replaced by newcomers from Asia and Central Eastern Europe.

Necessity of Tourism

Tourism enters the new millennium with the prospect of continued expression and greater importance in the world economy, facing many challenges. The significance of tourism has been recognized in both developed and developing countries. There is a widespread optimism that tourism might be a powerful and beneficial agent of economic and social change. Indeed, tourism has stimulated employment and investment, modified land use and economic structure, and made a positive contribution to the balance of payment in many countries throughout the world. But one thing is for sure, that tourism is not only growing in numbers (From 25 million in 1950 to 842 million in 2006) rather there has been noticed a considerable growth in the dimension of tourism as well. Tourism has gradually moved from the traditional resources towards the non-traditional resources. 'Diversification' is the buzz word in Tourism in the present scenario. Tourists' attention is shifting from established destinations such as European countries to emerging destinations. Tourism has become a multiple activity focused with integration of shopping and recreation, entertainment and education, culture and business. New travel patterns reflect changes in consumer behaviour, economic strength of source markets, new destinations and political realignments. There is a new tourism 'wave' arising from developing Asian economies and less travel constraints. The trend of short breaks is also increasing. There is also a trend towards high yield and extended vacations that are purpose driven by education, wellness or other forms of programmed self-improvement.



The Tourism Industry

Travel is one of the oldest activities. It existed even before the recorded history, when the man was roaming in search of food and shelter. From the very earliest historical period, travel has fascinated mankind in various ways. Much of travel in the beginning was largely unconscious and rather a simple affair. Travel in the distant past was not a thing of pleasure as is the case now. The travellers of the past were merchants, pilgrims, scholars in search of ancient texts and even a curious wayfarer looking forward to new and exciting experiences. Trade and commerce was however sole motivating factor in the ancient past, which made people travel to distant lands in order to seek fortunes.

Today, tourism is at its peak. It is more highly developed than it has even been. People have always traveled, but in the first few thousand years of human history only a select few could do so. Most people were concerned with the daily task of living; their idea of a trip was to their neighbor's farm, or to the local town market. The transition from a society to an industrial one brought with it the tourism phenomenon. In fact, one characteristic of industrial and post-industrial society is the onset of leisure time associated with travel. The first major change in modern history came with the Industrial Revolution. Modern machines and techniques brought people into the cities. As we moved to an urban society, changes in religious organizations and in rural kinship system led to the formation of recreational groups. Leisure pursuits became a new aspect of our society. There was a change from the concept that "the idle mind is the devil's workshop" to the realization that leisure is a human right if not a God-given one. Still, old habits die hard, and whether conscious or unconscious, many people still think of idleness as wrong. The use of computers in recent years has resulted in what we may call a second industrial revolution. Computers have not only increased our ability to work quickly and produce more, they have given us even more leisure time and better incomes with which to pursue other interests. Although attitudes towards our work ethic and our free time are changing, most people still feel that they must work hard and play hard; that their leisure pursuits, which may be healthy and restful, should also keep them busy (Hudman Hawkins 1989).



In its modern form since the end of the World War II, tourism has grown into one of the largest industries with a growth rate of more than 5% per annum over the last 20 years. This industry is also an indirect generator of around 42 million jobs (DOT, 1980) based on multiplier effect. During the last four decades, tourism revolution is sweeping the world. In 1964, the no. of tourist leaving their homes, worldwide, was 100 millions. This number increased to 700 million in 2001, which rose to 1.5 billion in 2002 and the receipts were more than \$ 2000 million. By 2007, tourism in South Asia is expected to grow 80.1% and 20.94 million jobs will be created in the area. Worldwide research studies have shown that productivity in tourism sector is 150% higher than the industrial sector. Besides, the time lag between the investment in this sector and the generation of jobs is minimal. Tourism is a provider of employment to people from all categories, skilled as well as unskilled. An increasing number of women are joining different tiers of the industry. India's foreign exchange earnings from tourism, which were almost constant at Rs. 13,800 crore from 1999 to 2001, rose to Rs. 17,800 crore in 2003. Tourism is now the 3rd largest foreign exchange earner after gems and jewellery and textiles. India's share in global tourist arrivals and tourist receipts is 0.4% and 0.7% respectively.

Though the National Tourism Policy 2002 advocates the promotion of village tourism for qualified and educated persons in the local communities. Therefore, there is a need to spread tourism and its socio-economic benefits to new, rural and backward geographic areas.

Considering above data and ever-growing demand for qualified and competent tourism professionals, this is very crucial to have a very strong, responsible, speedy, qualitative, promotional and cost effective interaction and references between those already working successfully in the tourism industry and the alma mater where they were molded and nurtured so that the gap between demand and supply of the same could be filled up smoothly and successfully.



Global Scenario of Tourism

Tourism has become a Global phenomenon after the Second World War largely on account of two developments. First phenomenal developments in the field of air transportation have made it possible to transport large number of people across vast distance in a very short time. Second, the advent of leisure in modern human like, as a result of automation, better communication and better work organization, has made it possible for people to get holidays a leisure time away from their work. Tourism constitutes a major item in World trade, which has shown much faster rate of growth in recent year than world trade in goods.

Global tourism has two faces namely tourism as a service and tourism as an industry. Tourism as a service is an old concept and tourism as an industry is newly emerging concept. In general, global tourism has emerged as the most vital and potential phenomenon worldwide and as a result the same has witnessed after growth rate and has outdassed the world's merchandize exports. In the early days of human civilization, global tourism was not considered as phenomenon of "pleasure". But in today's world, the world tourism or travel has been symbolized as "travel for holiday to get pleasure" and accordingly it has emerged as a way of life. In the past, global tourism was a luxury but today it is available to every one.

The emergence of global tourism is the offshoot of the rapid development of industrial society in the west during the second half of the 19th century. But as a matter of fact the real phenomenon has got its shape with the introduction of the concept "holiday" and this has been got needy attention during the last quarter of the 19th century wherein the desirability of holiday with pay and at least of cheap holidays for working labour force (Mill & Morrison 1989).

If we go the past of tourism development then it is noticeable that year 2001 was a year of turbulence for international tourism due to some terrorist activities and later 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.

Present Status of Tourism

There is no doubt that the world's tourism industry will look back on 2009 as one of the toughest years in history. On top of a series of political tensions and natural disasters, the industry had to face the fall-out from the economic crisis and the A (H1N1) influenza pandemic. While the industry has been tested often in the past, never has it had to contend with so many challenging issues at the same time. Last quarter of 2009 sees return to growth in international tourism International tourist arrivals fell by 4% in 2009 but the 2% upswing in the last quarter of the year indicates a change of trend after the drop of 10%, 7% and 2% in the first three quarters respectively. Asia and the Pacific and the Middle East led the recovery with growth already positive in both regions in the second half of 2009, according to the January edition of the UNWTO World Tourism Barometer.

"The figures of recent months suggest that recovery is underway, and even somewhat earlier and at a stronger pace than initially expected", said UNWTO Secretary-General, Taleb Rifai. Receipts for 2009 are estimated to have decreased by 6% given that as in previous crises, consumers tended to trade down, travel closer to home or for lesser time. In several destinations domestic tourism endured the crisis better and even grew significantly, often with the support of specific government measures. This was the case among many other countries, of Brazil, China and Spain, where the domestic market, representing a large share of the total, contributed to partially offsetting the decline in international tourism. In the year 2008, international tourist arrivals reached 922 million, up from 904 million in 2007, representing a growth of 2.67%. This overall growth builds on the strong results of the first part of the year, before the collapse of the financial markets and the subsequent recession. The second half of the



year showed an abrupt shift in trend, with international arrivals flat or showing negative growth in each of the last six months of 2008. Overall, the 5% growth between January and June gave way to a 1% decline in the second half of the year. Though not immune to the economic woes, tourism has so far resisted the economic downturn better than other sectors, such as construction, real estate and car manufacturing.

Tourism today is one of the major sectors in global commerce. It contributes nearly 9% of the world GDP – through direct, indirect and induced impact. It accounts for \$1.6 trn. Of world exports - 6% of the world exports. Viewing the global travel scenario, almost 30-40% of population in the US and Europe leisure travel every year, around 8% in China whereas in India this number is less than 1%. This depicts the huge growth potential of the Indian market.

It has lately become alive to the need for boosting tourism. Tourism can become a powerful growth engine for the Maharashtra economy only within efficient tourism infrastructure in place. Tourism & Tourism Infrastructure coverage is vast and growing. It encompasses both soft as well as physical infrastructure and contains a variety of facilities like medical & wellness tourism; adventure tourism; leisure & recreational tourism, beach tourism, Gandhian tourism, rural tourism, religious tourism, wine tourism and recently added mines tourism. All these require soft infrastructure which includes mainly governance aspects especially observance of just in time principle, least wastages, quality & suitable skills, best management norms and experience of a healthy swatch life.

Maharashtra is a nation within a Nation-- the third largest state - in terms of population and area - in the country. It is also the world's second-most populous sub-national state (112 mn people). Mumbai, its capital, is among the world's largest and most vibrant cities in the world. It is also the financial and entertainment capital of the country. Nagpur is Maharashtra's second capital, which also is its winter capital.

Tourism being regional, Maharashtra is creating its own special packages to sell its advantages as tourism. Among states it tops in foreign tourist arrivals (20.8%) and is counted among leading states for domestic tourists (7.2%). Offers a variety of destinations for its tourists- - business, cultural, historical, geographical and religious etc. Ancient and medieval Maharashtra



included the empires of the Satavahana dynasty, Rashtrakuta dynasty, Western Chalukyas, Mughals and Marathas. It has several popular Hindu places of pilgrimage such as Pandharpur, Dehu, Alandi, Hazur Sahib Gurudwara at Nanded, Sai Baba shrine at Shirdi and Dikshabhumi at Nagpur. The state's rich history, tradition and cultures evident in its ancient forts, monuments and cave temples. Ajanta Caves in Aurangabad district of Maharashtra state of India are about 30 rock-cut Buddhist cave monuments which date from the 2nd century BCE to about 480 or 650 CE. Ellora caves in Maharashtra are about 29 kilometres (18 miles) northwest from the city of Aurangabad, 300 kilometres (190 miles) east-northeast from Mumbai, and about 100 kilometres (62 miles) west from Ajanta Caves. Maharashtra's incredible historical and cultural sites merit world heritage status. Besides, it is blessed with a long coastline of 720 kilometers along the lush green Konkan region. Western Ghats and Sahyadri mountain range with attractive hill stations and water reservoirs. Vidarbha region of Maharashtra and its dense forests house several wild life sanctuaries and nature parks. Aurangabad, the second most urbanized state in India, is considered the tourism capital of Maharashtra. Maharashtra's urban centers include Mumbai, Pune, Nashik, Aurangabad, Nanded and Nagpur.

Maharashtra has ambitious plans to boost tourism as evident from its 2016 Tourism Policy. Mumbai is the only metro in the world that has wildlife, seashore, mangroves and migratory birds. Major industries include chemical products, electrical and non-electrical machinery, textiles, petroleum and allied products. Maharashtra is the wealthiest and one of the most developed state in India, contributing 25% of the country's industrial output and 23.2% of its GDP. The 2016 Budget provided support to the tourism industry when tourism got 70% rise in budget to focus on infrastructure development and promotion and publicity initiatives.

Growing significance of technology in tourism industry is visible. Despite government going all out to promote India becoming a digital economy, the country and the state lack proper infrastructure that can usher an efficient digital economy.

Maharashtra Tourism's new initiative — Maharashtra Unlimited — is an umbrella programme to boost tourism infrastructure. As part of the initiative, Mumbai-Lonavla-Pune circuit and Mumbai-Igatpuri-Nashik circuit will be developed as tourist stretches where tourism



events will be promoted and roads and five-star hotels will be developed. A heritage policy on 450 forts in the state is also in the pipeline. The upkeep and development of the forts has been the focus of the tourism department since long. SambhajiRaje, descendant of ChhatrapatiShivajiMaharaj and social reformer RajarshiShahuChhatrapatiMaharaj of Kolhapur have been selected as the brand ambassador for the same. Plans are afoot to develop the government area around forts by introducing tourist amenities like tents and hotels. The state also plans to develop Konkan coast on the lines of amenities and tourist facilities as developed in other coastal regions like Goa and Kerala. Wellness centres in Lonavla and Igatpuri are in order. A boating competition in Mumbai on the lines of 'Boat Grand Prix' is planned.

Tourism and opportunity costs

The relative economic benefits to be gained from investing in tourism rather than some other industry are a comparison known in economics as the 'opportunity cost' of an investment. There are few studies which have been able to measure the value of the opportunities foregone as far as tourism is concerned. Young (1973) mentions the case the Caribbean island of St, Lucia where the coming of the tourism resulted in a flight of labour from the local banana industry which was then the main source of foreign income. Those left on the land could not cope with, the labour requirements of the banana crop with a consequent loss of productivity and earnings. Tourism led to a great increase in food imports as well 'and a great strain on the balance of payments. The net benefit to the island of the new industry was therefore, magical.

Tourism and redistribution of national income

One of the greatest problems facing the development of an economy is hoarding of national income by a few privileged. In the middle ages, savings were converted into gold, silver, jewels and precious metals. In the second stage, savings were invested in huge purchases of land and buildings. Tourism prevented national income being hoarded by few. It created new opportunities to spend. It allows savings to be spent on travel, cruises, art visits or in health resorts, visit to international sport events, conventions, festivals, exhibitions etc. It all leads to redistribution of money which increases employment opportunities and a reduction in employment in other sectors. It all results in the development of neglected areas.



Conclusion :

Tourism is one of the most elite industry of the world. India also, has realized the importance of tourism although we still have to tap the potential to the maximum. Maharashtra is rich in natural and manmade attractions. In spite of having endowed with such gems of products, Maharashtra is not doing very well in terms of tourism. Though the state ranks first in foreign tourist arrivals very few tourists visit interior of Maharashtra. Promotion of tourism needs to be more proactive and focused on developing activity-based tourism. The potential in tourism industry is very high with respect to the Maharashtra State. The government is also supporting to the industry in many ways to boost the tourism.

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