

Challenges in Indian Tourism Industry

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ABSTRACT

Tourism Industry is one the fastest growing industry in the world and one of the major contributor to the GDP. It generates employment, boost the growth of allied sectors, helps in earning foreign exchange, builds a positive image of the country etc. But tourism in India is also facing certain challenges. The researcher in this paper after review of secondary data has been able to identify several challenges faced by tourism industry in India. Security concerns, terrorism, lack of infrastructure, transportation, lack of hotel rooms, rigid government policies, image, training and skill development etc. India needs to work on these shortcomings to overcome the challenges in order to boost tourism.

Keywords: Challenges, tourism industry, issues.

INTRODUCTION

Tourism Industry is a service based, intangible, people oriented industry with an attached factor of seasonality and provides a wide range of services to customers often 24X7 basis. This industry is dependent on many other businesses and organizations from allied industries and sectors. The amalgamation of all the services from different businesses and organizations aligned together gives rise to 'travel experience' which is the end product of tourism industry. Tourism Industry possess a significant feature of strong economic value creation in terms of foreign exchange earning and also by promoting other allied services. Tourism Industry is one of the fastest growing industries because of increasing disposable incomes, changing spending patterns, rapidly changing lifestyles, increased leisure demands and time. Because of the great potential of this industry in economic value creation, it motivate nations to compete furiously for a larger share in this industry. All the nations are making innovative policies, products and marketing strategies for giving a boost to tourism. Tourism Industry has experienced a robust growth of about 50% in the past decade in spite of challenges like terrorism, pandemics, economic and political disturbances etc. (UNWTO, 2011)

Although travel and tourism industry in India is not the biggest industry but still is a big source of money making. In 2010 the direct contribution of the industry to the Gross Domestic Product (GDP) was USD \$31.28 billion. The total contribution to GDP was more than double at USD \$73.312 billion in 2010, expected to increase by over USD \$6 billion in 2011 (World Travel & Tourism Council, 2011).

Global tourism was affected by several worldwide disasters in starting in 2008 and reaching full impact in 2009. India as a market faces numerous challenges for promoting tourism in the country in a sustainable manner for the overall social and economic growth. Tourism must be developed keeping in view the locals values and culture and also enhancing their livelihood means. Most of the developing and developed economies suffered from recessionary conditions while on the other hand countries like China experienced growth in this downturn. (News week, 2009)

Indian economy has many social as well as economic benefits from travel and tourism sector. So, this sector hold strategic importance in economy. Employment generation, foreign exchange earnings, development of allied sectors etc are few of the advantages accrued from tourism sector. (T, Subash)

According to the World Economic Forum's Travel and Tourism Competitiveness Report 2013, India ranks 11th in the Asia pacific region and 65th globally out of 140 economies ranked on travel and tourism Competitiveness Index

Challenges of Indian Tourism Industry has been classified into three categories Industry specific, India specific and Sector specific. Difficult exit barriers as well as difficulty in trial and word of mouth marketing have been considered as sector specific challenges. Highly infectious industry, high social cost, intermediary conflicts and tourist ratings are industry

specific challenges. Diverse Human resources, deficient hotel infrastructure, high operating costs, transportation problems, rigid government policies etc are some of the India specific challenges. (Dugar, A, 2012)

G, Anand in 2006 in his article explained that one of the challenge Indian Tourism Industry is facing today is shortage of hotel rooms.

Infrastructure in many locations in India is not fully developed. Road, transport, hotel infrastructure need improvement and development.

Security is also one of the major concern tourists face in India. The continuous tension with Pakistan over Kashmir issue has been a demotivating factor for tourists to visit India. Terrorism, bomb blasts, thefts, luggage issues poses security concerns fortourists which is a challenge to tourism in India.

According to a study conducted by T, Subash in 2015 some of the issues and challenges of tourism in India that have been identified are training and Skill development, safety and security issues, infrastructure (rail, air and road), India's image, healthcare of tourists.

Seasonality in tourism industry is also one of the challenge which the human resources face and it has a profound impact on human resource management in hospitality and tourism organizations. (Jolliffe, L & Fransworth, R. 2003) .It leads to job insecurities and inconsistency.

CONCLUSION

Several challenges have been identified from the review of existing data like Diverse Human resources, deficient hotel infrastructure, high operating costs, transportation problems, rigid government policies, shortage of hotel rooms, infrastructure, security concerns, terrorism, training and Skill development, safety and security issues, infrastructure (rail, air and road), India's image, healthcare of tourists, seasonality. These challenges must be addressed properly for growth of this sector. Some other suggestions and recommendations include quick immigration at airports, fast checkouts, better infrastructure, better transport facilities, better hotel facilities, better security handling.

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