NATIONAL PRODUCTIVITY COUNCIL

Productivity

Vol. 53 January - March 2013 No. 4

Focus: Tourism

Online Travel and Tourism Industry
Internal Marketing produces quality
Trends, Challenges and Compliance
Measuring Expectations and Experiences
Medical Tourism
Eco-tourism in Tribal Regions in Odisha
Hospitality and Tourism Education
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Website : www.mdppl.com

ISSN : 0032-9924
e-ISSN : 0976-3902

Productivity

A QUARTERLY JOURNAL OF THE NATIONAL PRODUCTIVITY COUNCIL

Vol. 53 • January – March 2013 • No. 4

MD Publications Pvt Ltd
New Delhi
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Website : www.mdppl.com

ISSN : 0032-9924
e-ISSN : 0976-3902

Published and printed on behalf of National Productivity Council,
by Mr Pranav Gupta, **MD Publications Pvt Ltd,**
at Printext, New Delhi, India.

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MD Publications Pvt Ltd
New Delhi
www.mdppl.com

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Focus

A Review on Online Travel and Tourism Industry in Indian Context

SHUBHAM KUMAR CHOUDHARY AND AMIT SACHAN

The article aims to review direct as well as indirect factors influencing current trends and future challenges in online travel and tourism industry in view of many newly emerged online portals for such businesses. The study is focused on India, which is one of the fastest growing economies. The article provides a holistic view of developments in the industry as well as related sectors. The study shows the effects of recent events in the sector on the business environment along with the influence of growth in supporting industries and measures taken by the government.

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Internet is a global medium and the companies using it are addressing global audiences (Wymbs, 2000). What took radio 38 years and TV 13 years has been accomplished by the internet in around five years which has lead internet to now reach a staggering global audience (Ellsworth and Ellsworth, 1997 cited in Lagrosen, 2005). Online services provide consumers with several benefits including increased number of choices along with convenience and cost saving. The 24x7 availability, time saved in travelling, and an interactive environment with plenty of reliable information adds to the convenience in service. Transparent and competitive pricing leads to cost savings. At the business end, the use of e-commerce provides an effective and efficient alternate route for reaching out to the customers. The changes and improvements in services based on consumer behavior and feedback can be incorporated with minimal time lag. Apart from this, due to the elimination of intermediaries, lower manpower requirement and decreased overhead costs, the total cost of operation is lower. The main verticals where e-commerce has proved to be highly effective are online travel services including online tour operates, flight, railways bookings, cabs and hotel booking services, e-retailing comprising of online retail services of various products and auctions, online classifieds including online matrimonial and job classifieds. The consumer e-commerce market has grown from Rs 8,146 crore in 2007 to Rs 19,688 crore in 2010 (IAMAI, 2011) and is expected to grow rapidly in coming future.

The present work deals with the current trends in the online travel services as well as features and development in the markets which correlates to the online travel services directly as well as indirectly. The analysis is done with respect to a developing country, which in this case in India. The study begins with a brief survey of current online travel and tourism industry. In this section firstly we have analyzed major factors motivating Indians to travel. Secondly, we have analyzed the types of services and industry structure with the help of data on revenue and investment in some of the major players. Finally we move on to discuss the status of the infusion of modern technology in the industry, which plays a major role in any business now-a-days.

The subsequent section deals with the factors which are driving the growth of online services in travel and tourism. The major initiatives in the past which affects trends in online travel industry have been discussed. The section deals with the propensity of consumer to use online mode of service. Along with this, a special focus in the study is given to the growth in the supporting industries covering internet usage patterns, the impacts of mobile services and broadband connections on online travel business adding a unique value to the work. The next section deals with the measures taken by the government to promote online mode of service which plays a significant role in development of any industry. Finally the last section contains challenges and recommendation in this sector of e-commerce.

A Brief Survey of Online Travel and Tourism Industry

As evident from the graph, e-commerce market is largely skewed to the "online travel" sector with a total share of 76 percent of entire e-commerce market in 2009. The online travel industry increased from Rs. 10,500 crore in December 2008 to Rs 14,953 crore in December 2009 showing a growth of 42.2 percent (IAMAI, 2011). It is expected to increase to Rs 25,258 crore by December 2010 and Rs 37,890 crore by December 2011 (IAMAI, 2011).

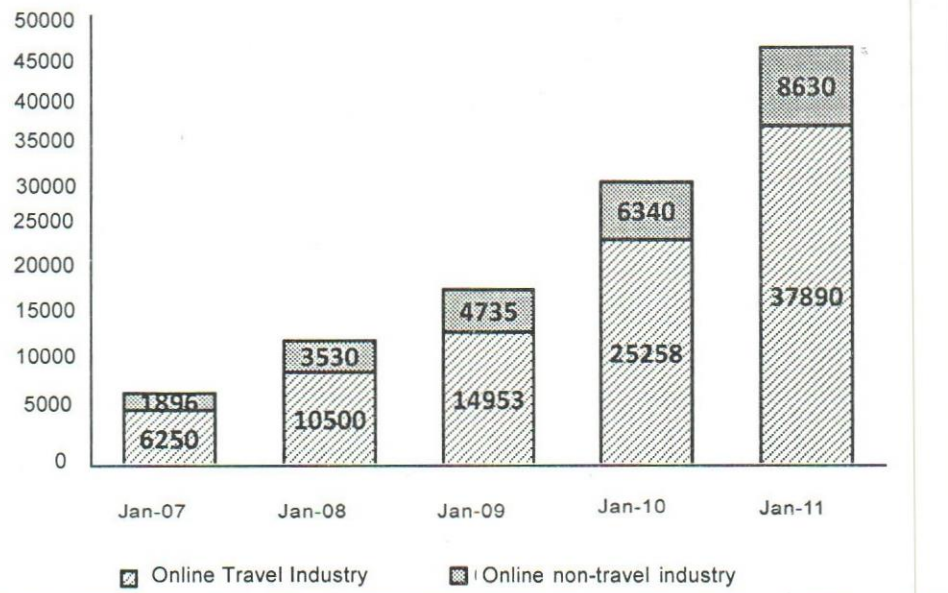

Figure 1: Growth of E-Commerce Industry and Share of Online Travel

Source: Consumer E-commerce Potential in India, *March 2011, IAMAI*

Online travel market is the most crowded arena in the e-commerce segment with many new players entering this space. Today the online travel market boasts of many players, both domestic and international, vying for the Indian traveler's attention and preference. Thousands of people book tickets online for railways, flights, buses, etc. Online travel agencies (OTA) such as yatra.com, makemytrip.com, irctc.co.in form the major part of online travel industry. According to a report by comScore (2011) on online travel trends in India, the OTAs reach to 45 percent of the travel websites. As evident from Table 1, Makemytrip, Yatra, Cleartrip, and Travelguru are the leading players in the OTA segment. IXIGO, Ezeego1 and Zoomtra are the leading meta-search engines in online travel. Added to that airline companies like SpiceJet, IndiGo in India are coming up with their own portal, which will affect OTAs (Timestravelacademy, 2010).

Table 1: Top Sites in the Travel Category by Unique Visitors

Top Sites in the Travel Category by Unique Visitors, April 2011 vs. April 2010, Total India: Age 15+ Home or Work Locations			
	Total Unique Visitors ('000)		
	Apr 2010	Apr 2011	PercentageChange
Total Internet: Total Audience	38,399	43,269	13
Travel	13,982	18,517	32
Indian Railways	7,749	8,399	8
MakeMyTrip	2,377	3,864	63
Yatra Online	1,933	3,520	82
ClearTrip.com	1,194	2,147	80
Expedia Inc	1,640	1,832	12
TravelAdNetwork	817	1,456	78
Mustseeindia.com	442	1,049	138
Indiarailinfo.com	647	922	42
Redbus.in	405	807	99
HolidayIQ.com	452	725	60

Source: comScore Media Metrix, 2011

Motivations for Travel and Tourism in India

Social and religious beliefs form a major part of holiday travel among Indians. Domestic travel in India is unique, as it also focuses on visits to pilgrimage places apart from sightseeing. Religious travel is becoming a hot segment in online travel industry. To increase the attractiveness of travel websites, customers are bombarded with special deals and packages for planning their travel (Smith, 2004). Apart from these, employees in the banking and government sector receive special rates and concessions (LTC) for vacations once a year. Air India's daily passenger carriage average from across the country marked an increase in May, which was 24,290 against April's average of 21,900 which was attributed to the government's new LTC policy for class B and class C employees and discounts offered by the airline and discount by airlines to the employees (Business Standard, 2009). Medical tourism is another emerging area that drives people in India to utilize travel services. According to a joint study by the Confederation of Indian Industry and McKinsey, Indian medical tourism was estimated at $350 million in 2006 and has the potential to grow into a $2 billion industry by 2012 (PWC, 2004). This can be attributed to country's well-educated, English-speaking medical staff, state-of-the art private hospitals and diagnostic facilities, and relatively low cost to address the spiraling healthcare costs of the western world according to the report by PricewaterhouseCoopers.

Types of Online Travel Services

According to Google India's report on online travel trend (2010), 54.43 percent queries related to hotels and accommodation, 27.45 percent queries related to air travel, 8.74 percent queries related to holidays. These form the basic sectors which are offered by the online travel companies. The figure shows the major areas of service provided through an internet to assist in travel.

Online ticket booking consists of booking tickets for domestic and international flights, railways, and buses. A number of websites have entered this sector. An estimated number of tickets sold (only domestic) per day is 275,680 in which 51,690 tickets are sold through OTAs per day. Air travel dominates the current online travel industry in India with 60 percent plus market share (Times Travel Academy, 2010). Competition in online ticket booking is however moving gradually from air to non-air segment. Market share for online railway tickets booking has seen a significant increase which is largely attributed to Indian Railway Catering and Tourism Corporation (IRCTC), a public sector undertaking fully owned by Ministry of Railways, which has become one of the largest players in the e-commerce industry now. The estimated gross sales for

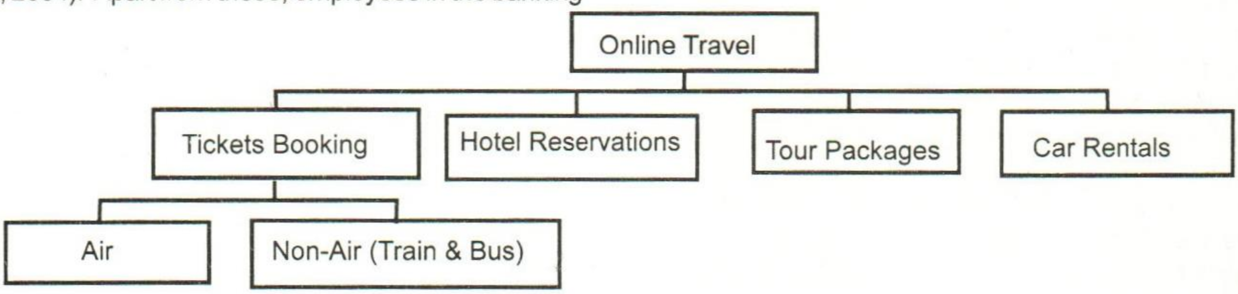

Figure 2: Major segments in online travel service industry

2008–09 stand at Rs 3,400 crore, making IRCTC the largest contributor to e-commerce in the country (Business Standard, 2009).

Tapping New Technologies

Traditionally computers have been used as a medium for online travel service providers to interact with the consumers. However, it is now moving towards mobile which is termed as m-travel (Timestravelacademy, 2010). Earlier, mobiles users were able to book tickets only using the available apps like Paymate, Ngpay, and Atom which works on many platforms including Java, Symbian, and android. But with the introduction of IRCTC's own mobile website which is accessible from any GPRS-enabled phone, the task seems much easier (Silicon India, 2012). IRCTC also plans on launching a mobile application for the full version of website. The utilization of meta-search engines is another latest innovation in this industry. IXIGO, Ezeego1, and Zoomtra are the leading meta-search engines in online travel. These websites search across multiple airline, hotel, train, and bus booking sites to find the best travel deals. According to Founder–CEO of iXiGO.com, distribution costs forms third biggest expense item on the P&Ls of airlines in India. Meta-search model's growth in India is reducing distribution costs through efficient online customer acquisition and is helping accelerate ancillary revenue generation (Business Wire India, 2009).

Factors Driving the Development of the Indian Online Travel Industry

Internet penetration has a direct correlation with the growth of every online business including online travel services. State-owned Videsh Sanchar Nigam Limited (VSNL) launched internet services in India in August 1995 which opened new vistas for communication. Four years later, the Government of India opened the path for private participation by providing free licenses to 132 private internet service providers (ISPs). There is currently no restriction on the number of service providers. A recent policy move also allows ISPs to set up international gateways after the necessary security clearance. These policies led to a rapid growth in the internet penetration in India. According to a report published by IMRB and IMAI (2011) on internet in India, as of March 2011, there were 82 million claimed internet users in urban areas and 14.3 million users from rural areas. This was expected to increase to 73 million and 24 million respectively by December 2011. Internet has thus provided a unique opportunity for value addition and rapid growth to different organizations based on online services particularly online travel services which accounts for the largest share in e-commerce. The growth of internet is particularly boosted by its usage in younger population. More than 75 percent of internet usage is still driven by younger population including young men (IAMAI-IMRB, 2011) and school- and college-going students. According to a publication by Population Reference Bureau (2006), more than half of the population in India was below the age of 25. This automatically guarantees the growth in usage of internet based services in future. With increasing adoption of technology by Indian banks, electronic payment modes have started gaining importance. Credit cards, debit cards and multiple mobile payment products, net banking are the various modes of non-cash retail payment system that exists today which has supported the growth of online travel industry.

Recent Trends in Online Travel Business

The entry of low-cost carrier airline has given a boost to the online portals to travel planning. According to comScore (2011) report on online travel trends in India, growth in airline unique visitors on the internet is mainly from Low Cost Carriers (LLC). Visits to LCC websites like Spicejet.com, goindigo.com, and airasia.com has been moving up (Google India, 2010). LCCs, a recent phenomenon in India, in an uncompetitive and tightly regulated Indian aviation market, have been responsible for the surge in the medium as a travel tool. While the traditional airlines website registered a decline of 2.3 percent in the number of unique visitors over August 2009 to August 2010, the LCCs grew by 19.9 percent over the same period (comScore, 2011). Apart from this online portal for Indian Railways has fueled to the growth rate in the online travel service portals. IRCTC is better known for changing the face of railway ticketing in India. It pioneered internet-based rail ticket booking through its website as well as from the mobile phones via GPRS or SMS.

Consumer's Propensity to Use the Online Travel Website

Customer satisfaction plays a significant role in fostering trust in online services (Flavian, Guinaliu, and Gurrea, 2006) and leads to repeated purchase. Customer satisfaction with online travel websites is dependent on the informative, attractive, and interactive nature of the websites (Chu, 2001). Hence, online shopping trend is dependent on various subprocesses such as navigation, searching for information, online transactions, or customer interactions

(Lee and Lin, 2005). Online travel purchase is also dependent on the design and layout of the website, service quality (Yi and Gong, 2008), and availability of information (Jeong, Oh, and Gregoire, 2003). After-sales services such as text-messages or email about the confirmation of payment reassure the consumer and helps develop trust for the website. Adequate information about the product, pricing information, quick reloading of pages are some of the features that aid in providing an enriched experience to the customer. For a customer, internet-based travel services present expediency and allow them to compare service offerings and prices at their leisure, hence providing an increase in options to the customer (Combes and Patel, 1997). The customer does not have to interact with the travel agent for travel bookings. Hence, a good e-commerce website design with quality service will influence customer's attitude, strengthen customer's trust, increase customer satisfaction, attract consumers, and elicit repeat purchases from them (Ivan Wen, 2009).

Development in Related and Supporting Industries

Computer serves as the main platform for accessing the internet. Excluding large corporations and conglomerates, there are nearly 58.6 mn install base of PCs (IAMAI – IMRB, 2011). According to PC Tracker report published by IDC (2011), the Indian PC market sales stood at 2.44 million units, showing a sequential decline of 4.2 percent i.e. over the previous quarter (Q1 2011). However, in terms of revenue, the growth has been 2.6 percent year-on-year (IDC). Multinational vendors dominate Indian PC market, with most reporting strong growth in 2010. US leaders HP and Dell compete for the rank of market leader, with Taiwanese manufacturer Acer in the third place. The top three vendors, HP, Dell, and Acer, account for more than 40 percent of the overall brand PC market. Indian market netbook sales were estimated to have approached 4 million units in 2010, up from more than 1.8 million in 2009. The new breed of netbooks with lower price provides a good growing segment, although sales initially fell short of expectations (Business Monitor International ltd, 2011). Netbooks and computers face competition from other devices including tablets and smartphones that are being offered by vendors as alternative connectivity solutions and often include a Wi-Fi option. Although Indian tablet market is still nascent, nearly 1,58,000 media tablets were sold (shipped) in the nine months ending June 30, 2011. The split between 3G and WiFi models was in the proportion 7:3 (CyberMedia Research, 2011). The year 2010 saw the emergence of tablet notebooks, spearheaded by Apple's iPad. Other vendors, such as Samsung with its Galaxy Tab, have followed Apple in releasing tablet devices. By May 2011, the iPad2 had been released in India, with a delay of less than 50 days from the US launch (Business Monitor International Ltd, 2011).

Mobile Services and Broadband Connection in India

One of the key differences between developed countries and developing countries, especially BRIC countries, exist in the medium of internet access by the consumers. While in developed countries consumers have grown a habit of using PCs with dial-up or broadband connections for internet access, consumers in countries like India are using mobile phones to access internet. With 1.1 billion average monthly mobile internet hits and 157.5 million monthly mobile internet page views mobiles are becoming a major point of internet access in India (Comviva, 2010). Mobile companies such as Nokia are partnering with state-run telecoms companies—BSNL and MTNL—to provide high-end handsets for 3G services. Samsung opened about 300 retail units in 2008, and built on this in 2009 with the launch of its IT Brand Store concept (India Consumer Electronics Report, 2011). The rock bottom prices of mobile services in India have reduced the gap between rich and poor in Indian telecom industry. According to a report by BCG (2010), as the mobile market grows, attention will turn to internet and a rapid fall in prices and increase in availability will occur quite quickly especially for wireless broadband services. This will provide a boost to the internet based industries and also a growth of mobile based services will be seen as in case of m-travel.

Broadband has been termed as a transforming technology and is now widely available in many countries. Broadband connections have had significant effects over internet usage among Indians. Households in urban cities have more than 8.7million broadband connections and around 37.1million users utilize these connections to access internet. Effectively, 3.50 individuals in every household are using a broadband connection (IAMAI-IRB, 2011). Affordability of broadband is one of the important factors impacting the growth of broadband services. According to a consultation paper by Telecom Regulatory Authority of India on National Broadband Policy (2010), the standard broadband connection (speed > 256 Kbps) was initially available with a tariff of Rs 1,500 to Rs 1,800 after launch of broadband policy in 2004. Competition and eco-friendly system has brought down broadband monthly charges to about Rs 250 per month excluding modem rental and installation charges. The increasing popularity of smart phones, tablets, and launch of 3G services will also boost broadband demand in India.

Government's Measures to Develop Online Travel Industry

The biggest contribution of Indian government to the online travel segment is IRCTC's portal. Within a short span of its going online, the IRCTC website had become the largest and the fastest growing e-commerce website in the Asia-Pacific region, with about six lakh registered users in 2003. It pioneered internet-based rail ticket booking through its website, as well as from the mobile phones via GPRS or SMS. Ticket cancellations or modifications can also be done online. In addition to e-tickets, IRCTC also offers i-tickets that are basically like regular tickets except that they are booked online and delivered by post. IRCTC has also launched flights and hotels booking facilities which added to their line of online reservation services.

According to the a report on India vision 2020 by Planning Commission (2002), mobile telecommunications and the internet will set the contours of technological progress over the next two decades. By 2020, India envisages that third generation (3G) mobile devices with access to mobile data and voice should be within the reach of wider sections of the Indian population. The report also states that private internet service providers have been allowed to set up international Internet gateways, as well as both satellite and landing stations for submarine optical fiber cables. Internet telephony is also opening up. India should strive to complete the transition into digital switching and transmission, voice over Internet protocol (VoIP), broadband and 3G by 2020. The broadband policy by the government also envisages an increased penetration of high speed internet with 20 million broadband connections by the year 2010; however the performance has not been up to expectations (Telecom Regulatory Authority of India, 2010). With a vision of computer literacy, the government recently started a programme to expand education through information technology which envisages world's cheapest tablet PC—Aakash. Introduction of these tablets will reach out to the population which is restricted by high cost of computing devices for accessing internet. As a part of this plan, government is currently focusing on students with a subsidized cost as low as $35 (*New York Times*, 2011). As a part of plans to strengthen the information technology infrastructure in India, Government of India started a unique project to connect the major institutions in India. The project named as National Knowledge Network connects the institutions with ultra-high-speed core, starting with multiple 2.5/10 G and progressively moving towards 40/100 gigabits per second (NKN Brochure, 2011). Until now the 640 institutions have been connected including IITs, IIMs, and a number of major institutions; however, the project aims to connect over 1500 institutions/organizations/laboratories under various categories throughout the country (National Knowledge Network, 2011).

Challenges and Recommendation

According to a report on internet in BRIC countries, the internet penetration rate in India is only 7 percent, although it is expected to reach 19 percent by 2015 (BCG, 2010). Online content is accessible predominantly to India's young, wealthy urban populations. India witnesses highest PC costs and lowest PC availability among all the BRIC countries (BCG, 2010). Although, mobile phone penetration and growing wireless internet popularity will accelerate the internet market. However, the penetration of mobile in rural market has been significantly less than in urban markets. The biggest factor for the limited penetration of mobiles has been network coverage and distribution channels. There is an untapped opportunity for improvement in this segment of market. With the accelerating penetration of mobile phones focus is shifting towards mobile based services.

Legal framework is necessary for the growth and development of new technologies like e-commerce. In India, Information Technology Act deals with the various issues related to e-commerce. The act was passed to regulate the activities related to e-commerce, e-governance, and cyber offences in 2000 which was subsequently amended in 2008. However the act mainly regulates the cyber offences and e-governance activities and not e-commerce activities as various issues related to e-commerce has not been touched in the IT (Amendment) Act 2008. A sound legal framework is needed in India to address the various aspects e-commerce such as concerns of privacy and safety issues owing to the consumer information being passed through several hands during the process.

Online travel market is getting bigger and bigger. In the process the number of players is increasing and competition is becoming stiff. Although internet penetration in India is growing rapidly still the internet penetration is poor which makes it difficult for online travel services to reach the mass market. Apart from this airline companies are coming up with their own online portals. This will intensify the competition for the online travel agencies. This combined with lower margin and higher operating cost poses as a significant challenge faced by online travel agencies.

A key to maximising results across all channels is to incorporate a holistic approach to marketing activity, both online and offline. Customers have changed the way they research and book travel online. Consequently, travel companies increasingly interact with users in different channels, and strategies should be holistic with a view of optimizing each stage of interaction with the consumer. Social media is going to be a key focus for travel companies' online marketing. Opportunities around the globe for those in the travel and tourism industry as well as consumers have vastly improved with the advent of e-commerce technologies.

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If you are not making the progress that you would like to make and are capable of making, it is simply because your goals are not clearly defined.

—Paul J. Meyer

Focus

How Internal Marketing Produces Quality in Tourism and Tourism Related Businesses?

RAHUL PRATAP SINGH KAURAV AND MONIKA PRAKASH

Internal marketing was first proposed as a solution to the problem of delivering high service quality consistently by Berry, Hensel, and Burke (1976). This article is trying to identify the variable and constructs which constitutes concept of Internal Marketing (IM). How the concept of IM can be implemented for the benefits of tourism industry is also explored through this article. Secondary data sources are used for revealing the research. This article recommends preposition of IM for consistently delivering the promises which has been made by tourism managers, as productivity issues in tourism industry. Few limitations and directions for future researches discussed at the end of article.

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Internal Marketing: An Introduction

More than 35 years ago, internal marketing (IM) was first proposed as a solution to the problem of delivering high service quality consistently by Berry, Hensel, and Burke (1976). The IM concept emerged from services marketing and its main concern was to get everyone who was involved in service encounters—the frontline squad of contact workforce—to perform superior in the interaction with customers (Kaurav and Prakash, 2011).

Since the 1970s, IM has appeared to be solution of the problem related with consistantly delivering high service quality (Berry, Hensel, and Burke, 1976). The literature dedicated to IM is rapidly evolving and increasing (Sasser and Arbeit, 1976; Berry, 1981; Gronroos, 1981; Barnes, 1989; George, 1990; Piercy and Morgan, 1990, 1991; Piercy, 1995; Varey, 1995; 1996 and many others). In the following few paragraphs, the IM concept has been explored with supportive and argued phenomina.

Numerous researchers have tried to define IM number of times but their definitions have appeared to be extremely narrow, usually unclear in explaining concepts of IM.

Berry L.L. (1981) has studied all the dimensions of employees and defined IM as

> *Viewing employees as internal customers, viewing jobs as internal products and then endeavouring to offer products that satisfy the needs and wants of these internal customers while addressing the objectives of the organisation.*

In the same study he has stated that the same marketing tools used to attract customers can also serve to attract and retain the best employees, who can be considered of as "internal customers."

Table 1: Literature review of IM in different services settings

Author (year)	Aim – methodology – sample	Background – variables	Main findings – discussion topics
Gronroos (1981)	IM Theories and practices (R, H)	Starts with the initiation of IM	Find two factors in most effective manner: Customer orientation and Empowerment
Winter (1985)	Measurement of compiled dimension (S)	All marketing pre-requisite for IM	Paired IM with Inter-functional coordination and integration
George (1990)	IM concept measurement (S)	Concept measurement and application	Find some new factors like: marketing like approach and job satisfaction
Berry and Parshuraman (1991)	Measuring effects of IM in services industry (S)	Analysis of SERVQUALS and new dimension of IM	Empowerment and quality of services are the two factors to successive IM
Chaston (1994)	Internal customer relations-investigating barriers (M)	Modified SERVQUAL	Barriers [...] emphasis on department goals [...] many gaps
Foreman and Money (1995)	IM: concept and measurement-transactioncost perspective (V)	Instrument construction: literature review and Berry L. L., (1981); Berry and Parasuraman (1991)	Fifteen items representing the IM concept. vision, reward and development
Bonshoff and Tait (1996)	IM and enhancement of thelevel of service quality (B)	Causal model using reduced SERVQUAL Two of the four internal gaps (1 and 3)	Organizational Commitment exert a positive influence on service quality perceptions [...] so the role of IM is to... convincing frontline employee to accept and support the organizational values, goals and objectives should be beneficial to both the organization and customers as well as to employees
Rafiq and Ahmed (1998)	Empowerment of service employees (S)	Build relationship between customer orientation and services employees	Find constructs like: Empowerment and Stakeholder's Motivation
Caruana and Calleya (1998)	IM and organizational commitment (B)	IM variables derivate by Money & Foreman, (1995)	Effect of IM is on the affective commitment [...] no clear boundaries between IM and Human Resource practices [...] there is any reason for different constructs?
Quester and Kelly (1999)	IM practices (B)	Definition of IM who implements IM Foreman and Money, (1995)	Focus on the IM practices – Involvement of HRM IM as interdepartmental responsibility
Conduit and Mavondo(2001)	ICO and IMO (V)	Construct relationships between: IM process, organizational dynamics, ICO, market orientation	Supported hypotheses: ICO and market orientation, ICO and management support, internal communication and ICO, personnel management and ICO
Ahmed, Rafiq, and Saad (2003)	IM mix, organizational competencies and business performance (M)	Construction of a battery ofitems IM mix – synthesis of literature	IM mix consists of three factors IM mix positive related to business performance organizational competencies are partial mediator of business performance
Naude, Desai, and Murphy (2003)	Determinants of IM orientation level (CS/S)	Adoption of Foreman & Money, (1995) scale	Perceived market orientation of local managers, aspects of communication, socialization and workplace satisfaction affect the level of IM orientation
Lings and Greenley (2005)	Development of multidimensional construct – IMR (R)	IMO represents the adoption of market orientation to the context of employer-employee exchange internally in the firm	Five dimensions of IMO: formal face-to-face information generation, informal information generation, information dissemination, formal written information generation, and responsiveness. Positive impact of important organizational factors
(Gounaris, 2006)	IMO measurement (H)	Builds on previous conceptual basis of Kohli & Jaworski, 1990); Lings, (2004)	Three factor order construct: three sub-dimensions-internal market intelligence generation, disseminate intelligence, response to intelligence

Table to be continued...

Table continued...

Author (year)	Aim – methodology – sample	Background – variables	Main findings – discussion topics
Nahavandi, Caruana, and Farzad (2008)	Analysis of impact of IM on organizational commitment (B)	Analyzed the relationship between IM & OC	The another one important dimension of IM is training and development, stakeholder's motivation, job satisfaction and inter-functional coordination and integration
Panigyrakis and Theodoridis (2009)	Analysis of impact of IM on business performance (R)	Administered a new questionnaire on the basis of conceptual framework of Lings & Greenley (2001); Kohli & Jaworski, (1993); and Conduit & Mavondo, (2001)	IM has two prime motives: a) it complements external strategic marketing efforts, through interaction between the personnel and the customer; b) It effectively develops and maintains a workforce which is both motivated and satisfied.

Notes: CS - case study; M - manufacturing; B - banks and financial institutions; T - telecommunications; S - services; Tch - technology firms; R - retailing; H - hotel industry; V – various.

> *Looking at the employee as a valued customer is the focus of new descipline of internal marketing.* (Thomson, 1991)

According to Woodruffe (1999), IM can be defined as:

> *Treating with equal importance the need of the internal market – the employees – and the external market through proactive programmes and planning to bring about desired organizational objectives by delivering both employees and customer satisfactions.*

Chowdhary and Prakash (2005) explain IM as:

> *Internal marketing refers to selling the service concept to the internal audience before it can be sold externally. The organization must ensure all support and enable the employees to deliver what is promised.*

Clow and Kurtz (2008) also define IM as:

> *The process of using marketing concepts to enhance the satisfaction of company's employees is called internal marketing.*

Lambert (1995) is of an opinion that a number of current management issues merit attention can be treated with a broadened concept of IM:

- retention of skilled people in organization by providing corporate and personal direction;
- relationship with the management team who share the objectives, experience, and skills to build, release,

Table 2: Objectives and activities of IM

Authors	Objectives and activities of IM
Varey and Lewis (1999)	There major tasks for IM are: i) the dissemination of information to and from all internal group involved in marketing activities, for the efficient implementation of marketing decisions; ii) the development of competence, especially important where "the organisation is the product" (i.e, in service business); and iii) the development and maintenance of incentive and motivation system reward marketing performance.
Ewing and Cauruana (1999)	The main objective of IM function is to obtain motivated and customer conscious personnel at every level, since the IM concept holds that the organization's personnel are the first market of a company (p. 18).
Dunne and Barnes (2000)	Two primary focuses of IM are: i) it is designed to complement external strategic marketing efforts through the facilitation of personal interaction between staff and internal clients; ii) it serves to develop and maintain motivated and satisfied work force that contributed to the organization externals and strategic marketing objective.
Varey (2001)	The purpose of IM is to motivate employee toward services-mindedness and customer-oriented performance by an active marketing-like approach, where a variety of activities are used internally in an active and coordinated way.
Ahmed and Rafiq (2003)	The duty of IM is to develop employee awareness of their roles and help them to commit to active participation in the marketing or exchange process, i.e., to make the corporation more marketing-oriented (p. 214).

Source: Adapted from Sincic and Vokic (2007).

and mobilize individual motivation for economic recovery;

- building a corporate brand which appeals to both customers and organization members;
- productivity through participating requiring leadership, processes, and commitment from all.

In the era of objectivity where every simple concept has been accepted only when its objectives are clear to understand, many researchers have discussed about objectives and activities of IM. This piece of research had tried to identify different objectives and activities, as many researchers have opinion for its objectivity, as revealed in Table 2.

Tourism

The UNWTO define tourists as people who

> *travel to and stay in places outside their usual environment for more than twenty-four (24) hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.* (UNWTO, 1995).

Wikipedia defines *tourism as: tourism is travel for recreational, leisure or business purposes* (Wikipedia, 2009).

The term tourism industry comprises of hospitality, travel, tour operations, entertainment, and leisure, where associates of different categories participate in their own industries. An industry is generally viewed as groups of firms engaged in the same or similar kind of productive activities. Still literature is lacking of agreement about constituents of tourism industry. For example, many businesses in other services sectors, such as entertainment (e.g. movie theatre) and transport (e.g. taxi) would not generally be classified as a tourism firm (Vanhove (2005); Ermen and Gnoth (2006)).

What constitutes success in tourism

The constructs of tourism success are indefinable. Does the success of a DMO automatically determine the success of a destination? Does a successful tourism destination necessarily imply a successful DMO? To answer these questions, research first deûned what success means for a DMO and for a destination. Pearce (1992) argues that studies identifying how different stakeholder groups evaluate the success of a DMO are required in order to capture the many intangible dimensions of the construct. Ritchie and Crouch (2003) argue that the evaluation of destination success must be addressed through an assessment of both input (e.g. effective marking) and output variables (e.g. increase in visitation). To achieve the objectives of the study, which involved examining impacts of the concepts of IM on tourism success as it relates to both destinations and DMOs.

Gowreesunkar, Cooper, and Durbarry (2009) concluded that in case of tourism destinations or DMOs, there could be no external marketing in absense of IM. Many researchers have suggested that destinations need to set up an IM approachas it includes all the efforts necessary to gain commitment and involvement towards destination partners and tourists.

Communication has to be given a central position in the IM process, as ideas, knowledge, information, and suggestions need to be extracted from the local residents, service providers, authorities, and associations (Gowreesunkar, Cooper, and Durbarry, 2009). This results in form of cooperation and this leads to consistency of stakeholders in the delivery of tourism product. Internal communication is a powerful enabler, especially in case of destination marketing, where loosely connected independent stakeholders need to come together to recretae a rather abstract experience for the tourist visiting destination.

Research methodology

As stated in abstract also, this is a conceptual article. We had gone through the extensive literature review for identifying all the constructs and variables for completing the study. In the process we selected various concepts and tableside them for proper knowledge dissemination in this area of research.

This is a conceptual article identifying all the literature related to the concept of IM and its components. The whole study is based on secondary data which has been collected through various national and international journals of repute. Some books are also explored for the same job.

The scope of study is selected as tourism industry as it is highly sensitive and dependent on treatment which tourist have got on previous visit. Even the experience is shared for their friends also for their visit mean a word of mouth method of advertising. That is why construct who share tourism success are also identified through literature review.

Intended to understand and decipher constructs and variables of IM

From extensive and varied literature reviews, 13 constructs to make up the core structure of IM for research have been derived. The constructs are (i) inter-functional coordination and integration, (ii) customer orientation, (iii) marketing-like approach, (iv) job satisfaction, (v) empowerment, (vi) stakeholder's motivation, (vii) quality of service, (viii) stakeholder's development, (ix) vision of the firm, (x) strategic rewards, (xi) internal communication, (xii) senior leadership, and (xiii) training and development. For understanding and differentiating the aforementioned constructs, further discussions are followed here.

Inter-functional coordination and integration

A major impetus of IM, amongst other things, is to be a vehicle for internal strategic implementation (Winter, 1985). This can be done through inter-functional coordination and integration. The concept is defined as the coordinated utilization of an organization's resources in creating superior value for target customers (Narver and Slater, 1990).

Customer orientation

Gronroos (1981) first alluded to the fact that customer orientation is the driving force for IM. This is especially significant for services organizations where the most crucial part of the business occurs during stakeholder–customer contact. Hence, IM's aim is to get motivated and customer-oriented stakeholders.

Marketing-like approach

IM holds that stakeholders are "best motivated for service-mindedness and customer oriented behaviour by an active marketing-like approach, where marketing-like techniques are used internally" (George, 1990). Marketing-like approach is defined as a business management philosophy based on the need for customer orientation, profit orientation, and recognition of the role of marketing to communicate the needs of the market to all major corporate departments.

Job satisfaction

Job satisfaction is defined as how content an individual is with his or her job. The underlying view of IM is based on the concept that in order for a service organization to have satisfied customers, it must first have satisfied stakeholders (George, 1990).

Empowerment

In order for stakeholders to fully appreciate their jobs (i.e. the internal product), they must be allowed more latitude in dispensing their duties (Gronroos, 1981). Berry and Parasuraman (1991) believe that empowerment should be an essential aspect of IM. Empowerment is the procedure of enabling or authorizing an individual to feel, behave, act, and control work and decision-making in autonomous ways (Rafiq and Ahmed, 1998).

Stakeholder's motivation

In most organizations, the situation is that the customers are highly demanding of stakeholders whilst the stakeholders in turn hold high expectations from their jobs as a sources of self-actualization and self-development (Rafiq and Ahmed, 1998). Here, IM sought to increase stakeholder's motivation by focusing on treating the job as an internal product and try to "sell" it to the stakeholders.

Quality of service

Preston and Steel (2002) define quality of service as a form of attitude, related but not equivalent to satisfaction, which results from the comparison of expectation with performance. Berry and Parasuraman (1991) added that service quality is an important element in IM because high quality will make it easier for stakeholders to identify themselves with the service they are selling to the customers.

Stakeholder's development

Foreman and Money (1995) defines stakeholder development as a strategic investment by an organization in training its members. If stakeholders are required to perform their tasks well, they must be armed with the necessary skill and knowledge that is required of them.

Vision of the firm

Foreman and Money (1995) define vision as short term and long term goals that stakeholders can believe in. IM programmes that are inventively and sensitively created and putted into practice, with this in mind, it will improve both the internal efficiency and external effectiveness of the organization's marketing efforts.

Strategic rewards

Strategic reward as a system is designed to motivate behaviors, actions, and accomplishments that help advance the organizations towards specific business goals. Ahmed and Rafiq (2003) believe the inclusion of strategic reward in implementing IM is important as it will help in accomplishing other goals of IM such as motivation and stakeholder satisfaction.

Internal communication

Ahmed and Rafiq (2003) identify internal communication as the dissemination of information within the organization to enable the creation of stakeholders with a greater sense of ownership, accountability, and responsibility. When stakeholders are well-informed about the expectations of its customers as well as the condition and health of the organizations, they are more willing to dispense their duties diligently which in turn improves the business performance.

Senior leadership

Ahmed and Rafiq (2003) define senior leadership as the moral and intellectual ability of the upper-echelon management to move the organization and its stakeholders towards the right direction. Thus, leadership style is important in determining stakeholders' attitudes and behaviors. Management commitment is the most consistent predictor of stakeholders' behavior and its effectiveness will lead to an improvement of the well-being of the organization.

Training and development

Preston and Steel (2002) and Nahavandi, Caruana, and Farzad (2008) identified first that the training and development part is another important factor to study IM because it makes stakeholder more comfortable in adjusting them with organizational change.

Table 3: IM variables

IM variables	Authors in chronological order
Inter-functional coordination and integration	Winter, 1985; Narver and Slater, 1990; Sincic and Vokic, 2007; Nahavandi, Caruana, and Farzad, 2008
Customer orientation	Gronroos, 1981; Naude, Desai, and Murphy, 2003
Marketing-like approach	George, 1990
Job satisfaction	George, 1990; Nahavandi et al., 2008
Empowerment	Gronroos, 1981; Berry and Parshuraman, 1991; Rafiq and ahmed, 1998
Stakeholder's motivation	Rafiq and ahmed, 1998; Preston and Steel, 2002; Nahavandi, Caruana, and Farzad, 2008
Quality of service	Berry and Parshuraman, 1991; Preston and Steel, 2002;
Stakeholder's development	Foreman and Money, 1995; Piercy and Morgan, 1989
Vision of the firm	Foreman and Money, 1995
Strategic rewards	Ahmed and Rafiq, 2003; Jaiswal and Saha, 2007
Internal communication	Ahmed and Rafiq, 2003; Sincic and Vokic, 2007
Senior leadership	Ahmed and Rafiq, 2003; Jaiswal and Saha, 2007
Training and development	Preston and Steel, 2002; Jaiswal and Saha, 2007; Nahavandi, Caruana, and Farzad, 2008

Constructs and variables of IM applicable at tourism industry

Variables of IM, which have applied at destination, are renewed following how they work in case of tourism industry.

Inter-functional coordination and integration

In case of tourism this variable deals with how tourism authorities facilitate coordination among stakeholders like restaurateurs and hoteliers, tour guides and escorts, travel agencies, tour operators, public and private monument authorities, merchandisers (souvenirs shop owners, emporium owners, owners of books and cassette shops, etc.), employees of local tourism department, civil authorities, event managers at a destination.

Customer orientation

In case of a tourism destination this variable deals with whether tourism authorities expend efforts to educate and motivate various stakeholders for providing superior services to visitors.

Marketing-like approach

Marketing like approach means customer (stakeholder) and profit (maximum tourist arrival) orientation approach by destination managers.

Job satisfaction

Implication for a destination is that should there be a supportive business climate at a destination; thus, entrepreneurs will be motivated to operate and offer superior services. In contrast, a destination where service providers spend time and effort struggling with petty bureaucratic and administrative issues, they will have little energy to focus on customer issues. This in turn will also serve as entry barrier for entrepreneurs. A thriving destination would require unabated supply of entrepreneurs who come in with innovative ideas and products to keep the destination fresh. Increased competition would also lead to better services for tourists. Take care of your stakeholders—they take care of your guests. This variable measures how supportive and encouraging the destination is for business.

Empowerment

In case of tourism this variable describes how empowered stakeholders feel to conduct their businesses. Some destination authorizes are authoritarian and have strict guidelines for conduct of businesses. This refers to freedom in designing and delivering products for customers, dealing with them, and taking care of them. This refers to amount of control DMOs exercise over the stakeholders.

Stakeholders' motivation

DMO managers need to motivate stakeholder for their continue engagement in same or similar activities like cultural activities and good civilian system.

Quality of service

At a destination, good customer service should be the norm rather than exception. Destination managers should set high standards for service quality. For a networked product like tourism, good service quality could be ensured only when all stakeholders are pressed for superior service. When a destination establishes itself for quality services, stakeholders are able to drive mileage out of it.

Stakeholders' development/ Training and development

On similar lines, a destination must ensure training of stakeholders on a continuing basis. For a superior tourist experience it is important to ensure that visitor is satisfied during all encounters involving different stakeholders from a common member of community to trained guides and taxi drivers. This is a "must" responsibility of DMOs—public or private.

Vision of the firm

Every destination must have a unique personality that should be projected and used for differentiating it forms other destinations. DMOs must have a clear vision for positioning the destination. Ideally, all resources at a destination should be deployed towards sustaining this image. Independently, stakeholders' activities should also reinforce this image. In absence of such a shared vision, everyone will be doing whatever they feel like and would fail to create a preordained experience. Starting point, therefore, is to have a vision and share it with stakeholders who must buy in.

Strategic rewards

Similarly, destinations should also have a reward mechanism to reinforce desirable performance by stakeholders. From simple recognition to monetary rewards/ concessions are used by DMOs to buttress required performance by stakeholders.

Internal communication

At a destination it is DMO's responsibility to keep all stakeholders engaged and together in so far as primacy of tourist interests is concerned. DMOs must continuously keep stakeholders informed about new products, schemes, strategies, etc. This is important as stakeholders in this case are independent entities (not on company rolls).

Senior leadership

DMOs as public authorities often take an antagonist stance vis-à-vis other stakeholders. They become just one of the competitors whereas they have a larger responsibility of herding all on the path set as strategic direction for the destination. Their role is to sell the idea (vision) of the destination and ensure buy in terms of commitment and compliance from individual members. Success of DMOs is measured in terms of sync among activities of different stakeholders at a destination.

Conclusion

Through the robust discussion on the concept of IM and tourism success we came on conclusion that this concept is very useful for tourism industries and for their stakeholders also. A success or breakthrough preposition can be proposed by implementing IM models in tourism industries.

This article also suggests the ways and means to tourism managers for achieving a better performance of their tourism center. They can adopt a suitable strategy or method obtaining the benefits of concept. The article also discusses about how to take care of stakeholders for inculcating them.

The stress of the article is on developing a vision towards the success of tourism industry in future.

Limitation and future directions for research

Empirical testing still remains for validating the concept in actual world. That is why this preposition cannot be generalized as a common phenomenon. This article has not tested the relationship between destination, DMOs, and stakeholders, which can be an idea for future research.

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If we attend continually and promptly to the little that we can do, we shall ere long be surprised to find how little remains that we cannot do.

—Samuel Butler

Trends, Challenges and Compliance for Tourism and Hospitality Management: A Review and Perspective for Indian Educators in Industry

HIMANSHU AND JEANNIE

Although, ample research has been conducted across the globe, in the past and in recent times, related to the education and training aspects of the tourism and hospitality industry there exists a lacuna as far as the Indian context is concerned. The undertaken descriptive study presents the recent trends, developments, and their economic consequences on the global and Indian tourism and hospitality industry, and then construes the challenges and its proposed compliances that are required to be addressed, based on the review of existing literature in regard to the tourism and hospitality management education, for a sustainable growth of the industry.

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Tourism and hospitality is a multidisciplinary, multidimensional field of study which draws its foundations from a wide range of other fields of which psychology, sociology, anthropology, geography and economics, are few to name. The debate continues on how to study tourism and hospitality, and as such there is no predominant devised methodology on how to approach the study in this field. Numerous research work and extensions to the research has been conducted on the issue, but no such compilation of review on this aspect of tourism and hospitality management education has been undertaken in the Indian scenario. The industry has been on the path of continuous uninterrupted growth in last few decades. The diversity in the Indian natural geography, culture, cuisines, and hospitality, draw millions of tourist from across the globe to the destination. Though, the traditional approach to tourism and hospitality itself has been one of the major attractions in Indian tourism and hospitality industry, but with the changing paradigm shift there exists a need to professionalize and to organize this industry with huge potential. In the recent times, campaigns like "Incredible India" and other related programmes from the state tourism have attempted to unleash the potential in a much organized manner. However, recently, the education and career related to the industry have been given their long due importance and government and private sectors have approached this aspect positively. But, with the growing popularity and considering the importance and the potential of the industry the time has come to introduce reforms and benchmark the practices for the tourism and hospitality management education in India. The presented descriptive study covers the trends and growth of the industry in regard to the global as well as Indian context and then based on the review of existing literature attempts to draw the challenges and the compliances for the educators in the Indian tourism and hospitality industry.

Tourism and Hospitality Industry—Global Scenario

Tourism and hospitality is one of the world's most important and rapidly expanding industries and statistical indicators suggest that the economic consequences of the industry will continue to grow steadily. The global tourism industry is projected to grow at around 3 to 4 percent in 2013, which was worth $1.15 trillion in 2012 with annual revenues rising at 1.5 percent over the past five years. However, this conceals the strong decline during 2009 when the trends were negative and down by 10.7 percent, as the global economy sank into recession and the number of tourists fell sharply. Steady growth of 3.9 percent with more than 1 billon visitors worldwide in 2012 for the first time in the history indicates the industry has returned to better conditions as number of international visitors has increased as per the United Nations World Tourism Organization's data (2013). The data also reveals that although it was a furrowed recovery, but the industry generally began to recover in 2010. The total international arrivals increased to 952 million in 2010 which was an increase of 6.4 percent million and reached to 996 million in 2011 with a rise of 4.6 percent. Except for the Middle East, there has been a positive growth in tourist arrivals across the globe including whole of Europe, whole of Asia along with Oceania, Caribbean, North and South America and North and Saharan Africa. The maximum tourist arrivals in 2012 were in Europe, followed by Asia and the pacific, America, Africa and Middle East.

Considering the long-term trends, in the past six decades tourism has continued to expand and diversify and has become one of the largest and fastest-growing economic sectors in the world as a consequence of emergence of new destinations as contrary to the traditional ones of Europe and North America. Despite sporadic shocks, international tourist arrivals have shown uninterrupted growth from just 277 million in 1980 to 435 million in 1990, to 674 in 2000 and over one billion in 2012 with an average continued growth rate of 3.5 to 4 percent in the last decade except for the periodic downfall during the economic recessions of 2001–02 and 2009.

According to Tourism Towards 2030, UNWTO's recently updated, long-term outlook and assessment of future tourism trends (World Tourism Organization, 2011), international tourist arrivals is expected to increase by 3.3 percent every year on an average from 2010 to 2030 worldwide. This epitomizes that the total tourist arrivals shall reach 1.8 billion arrivals by 2030, which signifies some 43 million more international tourist arrivals every year. According to the report of International Labor Organization (2011), tourism and hospitality industry is amongst the largest and most dynamic industries and it is projected to generate nearly 9 percent of total GDP and generate more than 235 million jobs in recent years which signify 8 percent of the employment globally. The growth in tourism and hospitality industry employment globally was recorded at 1 percent between 2008 and 2009, despite the economic crisis. The United Nations World Tourism Organization has estimated the sector to provide 296 million jobs globally by 2019 (International Labor Organization, 2010).

In the past, emerging economy destinations have grown favorites in terms of international tourist arrival as compared to the advanced economy destinations, and this trend is set to continue in the future. In next couple of decades till 2030, arrivals to the presently emerging economies is expected to increase at double the pace at 4.4 percent per year than those to advanced economies at 2.2 percent per year (World Tourism Organization, 2012).

Tourism and Hospitality Industry—Indian Scenario

The Indian tourism and hospitality industry experienced an overall growth of 24.6 percent during 2009–2010 timeframe. The industry witnessed a growth of 11.8 percent in 2010 and 8.9 percent in 2011 in the international tourist arrivals with 27.15 percent increase in the international tourism receipts in 2010 and an increase of 23.71 percent in 2011. According to a report by the Planning Commission and Invest India, the industry was the third-largest foreign exchange earner and accounted for 6.2 percent of India's GDP and 8.8 percent of India's total employment. The industry has crucial linkage with other industries including agriculture and horticulture; handicrafts; transportation; and construction. The tourism industry in India comprises of tourist transport operating agencies; travel and tour operating agencies, surface, air and water transport facilities for tourists; units providing facilities for cultural, adventure and wildlife tourism; and convention/seminar units and organizations. In India, travel and tourism is a US $32 billion business as per the estimates, and in addition, US $23 billion is the accounted size of the hospitality sector. The combined total size of the tourism and hospitality sector in India is valued at US $55 billion. It is expected that over the next couple of years the Indian Tourism Industry will witness an inflow of US $12.17 billion in investments with additional US $12.17 billion from the hospitality sector (Invest India, 2012).

As compared to the other industries, the tourism industry has the potential of creating more jobs per million invested rupees and has the capability of providing employment to a wide continuum of job seekers, right from the unskilled to the specialized, and from the urban to people in the remote area of the country. World Travel and Tourism Council (WTTC) has highlighted the Indian tourism industry's employment generation potential and marked that it is projected to be world's second-largest employer by 2019, employing directly or indirectly, 4.03 million people.

The Indian tourism and hospitality industry is viewed as a total of revenues from two segments: revenue generated from travel and revenue generated by consumption of food and beverages at any form of outlet by the customers. The industry includes heritage tourism, medical and healthcare tourism, adventure tourism, rural tourism, ecotourism and pilgrimage tourism.

Considering the recent trends and future estimates, there exists a need to professionally manage and plan an organized growth of this sector in India. According to the Ministry of Tourism, the tourism and hospitality industry needs about 2 lakh trained professionals every year, but the only about 18,000 persons are getting trained professionally and are available in the professional world, the number gets reduced further to about 12,000 professionals after considering an attrition of about 30 to 35 percent in the industry. By the close of the Eleventh Plan, according to the ministry's estimate, the efforts to expand the foundation and institutional infrastructure of tourism and hospitality education through schools, colleges, it is, polytechnics and universities is estimated to provide a large number of trained persons and is going to curtail the gap in a major way. Also the ministry revealed that, it has received about 10 percent increased budgetary support from the cabinet than the last year grant (Economic Times, 2012). The ministry also expressed concern regarding the quality of tourism and hospitality education and the quality of the institutions providing such education in the country and stated that IHMs and FCIs have to raise their standards to the level of institutes of excellence, so as to be acceptable internationally and to become model institutions.

Review of Literature—Tourism and Hospitality Management Education

Ample research work has been undertaken in the field of tourism and hospitality management education, largely in the context to the countries which comprise of a significant market share of the total global tourism industry and who have mastered the art and practice of the tourism and hospitality education, and are considered as the benchmarks for the industry. The studies in the past have been conducted on parameters including design and delivery of curriculum and programmes, critical analysis of methodologies and pedagogy being followed in the sector, gap analysis on stakeholders' expectations and actual scenario, skills and competency set required for the industry and other related aspects. A review of the same has been presented in the following section.

Haywood (1989, pp. 259–264) argued that educational methods traditionally employed in hospitality and tourism education are becoming outdated and the technical knowledge becomes outdated so quickly that education can no longer be based on the assumption that knowledge and skills acquired early in life will, with marginal updating, remain adequate. And, thus, suggested that the education should be redesigned to embody the social principles of active, adaptive organizations. The study also proposed that learning must be centered on principles like student participation and freedom to experimentation and the students should be motivated to learn and update continuously in the field of tourism and hospitality. Similar suggestions were recommended in other studies conducted in the American context on curricular and programmatic trends (Pavesic, 1993, pp. 285–294; Lewis, 1993, pp. 273–283).

Ritchie (1995, pp. 7–13) presented a framework to design and develop tourism and hospitality programmes based on the critical analysis and discussions on the traditional models which were being followed in the industry. The devised model emphasized that the focus, while designing and developing programmes must be to provide a balance between conceptual material and practical experience, taking into consideration the balance between economic development and environmental protection. The model also proposed that a balance between practical management skills and understanding of various social sciences disciplines and language skills oriented towards providing a quality tourism experience on a sustainable basis also needs to be given importance while designing the programmes (Formica, 1996, pp. 317–323; Smith and

Cooper, 2000, pp. 90–95) highlighted the need to consider the aspects like globalization and internationalization and suggested that an orientation towards the global aspects must be introduced in the tourism and hospitality programmes (Olsen and Roper, 1998, pp. 111–124; Okumus and Wong, 2005, pp. 259–279) recommended devising the programmes with an orientation towards strategic management (Chen and Groves, 1999, pp. 37–42) examined the philosophical relationships between tourism and hospitality academic programmes and their implications, especially for curricular design and provided a thematic structure to improve the programmes in tourism and hospitality.

Lefever and Withiam (1998, pp. 70–78) conducted a curriculum review on how industry views the tourism and hospitality education and based on the analysis suggested that stronger practical and hands-on learning, more focus on interpersonal and human-resources skills, and on finance-related knowledge is required to be imparted in the curriculum. Chung (2000, pp. 473–487) conducted a study to lay out an effective plan for reforming the tourism and hospitality curriculum and suggested that the focus must be given on the competencies related to functional areas of management, including marketing, human resources, and finance, and aspects related to foreign language, specialization courses, communication and administration while reforming the curriculum of tourism and hospitality education. Morgan (2004, pp. 91-99) argued that in the future, tourism will be part of the experience economy with a new theatrical metaphor replacing the current strategic model of tourism and hospitality education and to succeed in such an environment, it was suggested that the system and students may need to rediscover the liberal humanistic values like self-awareness, imagination and creativity, in order to fulfill the managerial objectives of creating successful business managers.

Lam and Xiao (2000, pp. 291–295) indicated the existence of gap between supply and demand for quality personnel, and stated that the key dilemma of tourism education is poor curriculum design. The study strongly argues that graduates from tourism education institutes and vocational training schools cannot fulfill industry needs and demands in terms of quality and quantity. As a result drastic education reforms in regard to curricula design, qualifications and knowledge, and standardization of tourism education practices need to be developed for consistent growth of the industry. Collins (2002, pp. 151–163) discussed the dilemmas and problems in tourism and hospitality education and argued and examined the relevance of the present methodology in the field from the stakeholder's point of view. The study scrutinized the effectiveness of the imparted curriculum from the sector representative's and the graduating student's perception and based on quantitative and qualitative analysis, highlighted the need for improved mix between academic and practical experience while imparting the education in this field. Jauhari (2006, pp. 123–134) examined the link between the competency requirements of the industry and the current provisions for the same in the Indian hospitality management education and revealed that there exists a gap in terms of the hospitality industry requirements and the ongoing skills development of the workforce and suggested collaboration between educational providers and the industry, especially in relation to the ongoing competency development of managers. Solnet, Robinson, and Cooper (2007, pp. 66–70) also suggested that tourism and related fields such as hospitality, leisure, sport and events being applied subject areas, the programmes and curriculum development shall be done with close links with industry.

Echtner (1995, pp. 32–41) proposed a three pronged approach and suggested professional, vocational and entrepreneurial programmes for the tourism and hospitality education. Amoah (1998) proposes that a linkage between policy formulation and implementation in tourism; and the market of education can play a vital role towards meeting the challenges of the industry. Amoah and Baum (1997, pp. 5–12) portray a framework which is being used to study consultation between the makers of tourism and education policy at a macro level and suggested the development and implementation of a specific tourism education policy, to bring tourism education closer in line with macro tourism policies. Esichaikul and Baum (1998, pp. 395–370) discussed the role of policy makers in the context of developing tourism economies stating that the industry in such economies does not have the maturity, expertise, cohesiveness or level of international investment to meet the needs. Mayaka and Akama (2007, pp. 298-306) explained that the third world countries, lacks a well-coordinated tourism training strategy and institutions capable of providing such trainings with an element of human resources, specifically at the supervisory and managerial level. The study also suggested introduction of systems approach in managing the activities, in such countries where tourism and hospitality is increasingly gaining momentum as a major socio-economic phenomenon. Breakey, Robinson, Craig-Smith, and Szambowski (2011, p. 48) developed a conceptual model consolidating tourism and hospitality educational approaches based on critical review of the literature. The model explains a dichotomous relationship within the tourism and hospitality education approaches according to both the general orientation and the aspects that influence the actual design, delivery and structure of the curriculum of the tourism and hospitality programs.

Baum (2002, pp. 343–364) realized and studied the very important issue of the expectations of employers in the tourism and hospitality sector regarding the fresh graduate entrants and reviewed the skills and training required for the tourism and hospitality sector on the basis of the nature of work; de-skilling within the tourism and hospitality workplace; the technical and generic skills debate within the sector; skills and the education process in tourism and hospitality sector. Rimmington (1999, pp. 186–192) identified and expressed concerns regarding the graduate standards, quantity and quality assessment, research assessment, key skills and learning and teaching including the impact of information technology in the sector. Lashley (1999, pp. 180–185) studied the expectation of the stakeholders and suggested that the future managers in the industry need to be reflective practitioners, and this issue will have to be addressed by the tourism and hospitality educators. The study also emphasized that to achieve expected standards, which require theoretical and critical evaluation as well as the demonstration of practical and organizational skills, the educators are required to devise a systematic approach about their understanding of students' learning preferences. Dale and Robinson (2001, pp. 30–35) suggested a three-domain model for theming of tourism education based on generic, functional, and product and market-based themed degree routes.

Kay and Russette (2000, pp. 52-63) identified the competencies considered essential for the success of today's tourism and hospitality industry as recognizing customer problems; portraying enthusiasm; maintaining professional and ethical standards; cultivating a climate of trust; and adapting creatively to change along with the set of managing skills like managing individual employee, performance; setting goals to carry out the organization's mission and objectives; knowing about selling techniques; and mastering forecasting reports. Littlejohn and Watson (2004, pp. 408-414) expressed that the future health of hospitality and tourism sectors is increasingly affected by trends in globalization and pressures on competitiveness and to ensure the sustainability of the sector, the expectations from the graduate profiles were identified into three main scenarios: professional developers, portfolio strategists and pragmatic mavericks. Raybould and Wilkins (2005, pp. 203–216) investigated and identified that the industry rated skills associated with interpersonal, problem solving, and self-management skill domains as most important aspect in the competency set that the graduates shall possess. Baum (2006, pp. 124–135) addressed the nature of skills in international hospitality and tourism. According to the study skills pertaining to emotional, experience and aesthetic dimensions need to be added to the services skills bundle. Weber (2006, pp. 1–3) while referring to the issues and challenges for the educators in industry, in the present global scenario, highlighted the importance and understanding of teamwork and collaboration, diversity, innovation creativity and risk taking ability to deal with fierce competition and at the same time developing a mindset focused on attaining a balance between pursuit of profit and market positioning with sound ethical decision making in order to achieve sustainability. Tesone and Ricci (2009, pp. 53-64) conducted research on similar aspects and examined the perceptions of desired knowledge, skills and abilities, and attitudes associated with entry-level employees in the industry.

Based on the presented review of the existing literature, compiled from the studies conducted over the last two decades in context to the tourism and hospitality education, some major findings in form of challenges has been drawn which the educators related to the industry confront in present global scenario.

Research Methodology

The presented study is descriptive in nature and reports the recent trends in the tourism and hospitality industry in Global as well as Indian context. As per the need of the present scenario, the study attempts to identify the challenges, that the educators in the industry confront, and propositions to tackle these challenges, based on the inferences drawn from the review of existing literature.

Challenges and Compliances for Tourism and Hospitality Management Education

The following inferences presented as challenges and their compliance are specifically in context to Indian scenario as well as all the stakeholders in the industry worldwide in general:

Globalization

With the changing business dynamics and liberalization of economies, new avenues for the tourism industry has emerged, as the market is no longer just domestic but has evolved to a global level with the phenomenon of globalization. This aspect has been highlighted as one of the most dominant challenge to address by numerous authors including (Formica, 1996; Olsen and Roper, 1998; Smith and Cooper, 2000, Okumus and Wong, 2005) in their study during the recent times and have mentioned that not only the policy makers for the tourism at the macro level in terms of the international tourist arrival but also the educators are required to strategically plan, design and deliver the curriculums and programs that are multi-cultural and multi-ethnic orientated and shall also include the aspects pertaining to the global languages. The educators need to inculcate the dimensions of global markets and shall prepare the professionals who can cater to the global tourism and hospitality industry requirements.

Evolution as Experience Industry

The future of tourism will be part of the theme-based tourism or in literal sense shall be a part of "experience industry," rather than just visiting certain destinations and sight-seeing as argued by authors like Chen and Groves (1999), Morgan (2004), Baum (2006), and Dale and Robinson (2001). With a melodramatic shift in the allegory of tourism towards the current strategic model of tourism and hospitality education, the educators, students and the system as a whole are required to rediscover the liberal humanistic values, in order to fulfill the managerial objectives of creating successful business managers to succeed in such dynamic environment.

Curriculum Focusing on Managerial Functions

With the changing demographics, working dynamics and organizational culture, the role of professionals at workplace has become more demanding. The organizations expect that the employees must be multi-functional along with a strategic mindset, so as to manage and take decisions in the complex business scenarios. Many authors including Lefever and Withiam (1998), Rimmington (1999), Chung (2000), Raybould and Wilkins (2005), and Tesone and Ricci (2009) have marked the need of including the aspects of managerial functions including human resource, financial management, marketing, information technology and overall orientation towards strategic management in the curriculum of the tourism and hospitality management education. The authors argue that the education in the industry shall be more careers oriented and the graduate students at the completion of the programmes shall be ready to perform duties in the real world straightaway rather than undergoing additional training for the same.

Linkage between Policy Formulators and Educators

There exist a need on part of both the policy makers at the macro level in regard to the education environment and the tourism education environment, so as to devise the requisite tourism and hospitality education policy (Amoah, 1998; Amoah and Baum, 1997; Esichaikul and Baum, 1998). Considering the importance of the developing economic destinations in the present scenario of tourism and hospitality industry, the anticipated future growth, and the state of expertise of these nations in the field, the literature suggests that the overall policy formulators at the macro level shall include the aspects of the tourism and hospitality sector education in the policy and shall determine the course of actions for the educators in the industry.

Entrepreneurship Development

The educators need to focus on developing the skills like creativity, innovation and an element of risk taking ability among the graduating students and other participants of training programmes considering the requirements of the present economic state of the global tourism and hospitality industry. Many authors like Echtner (1995), Amoah and Baum (1997), Morgan (2004), Weber (2006), and Mayaka and Akama (2007) have identified the need of developing entrepreneurial skills and its elements in the industry. Practical exposure and orientations towards experiment in the sector has also been highlighted as one essential development areas in the present curriculum and programmes being executed by the educators in the industry.

Competency Development

The aspect of developing industry relevant competencies among the graduating students and participants of the training programmes has been a point of focus for a long time in the studies conducted by many authors on the issue (Kay and Russette, 2000; Baum, 2002; Littlejohn and Watson, 2004; Raybould and Wilkins, 2005; Baum, 2006). Industry relevant competencies identified in the studies include recognizing customer problems; portraying enthusiasm; maintaining professional and ethical standards; cultivating a climate of trust; adapting creatively to change; managing individual employee performance; setting goals to carry out the organization's mission and objectives; knowing about selling techniques; mastering forecasting reports; portfolio strategists; pragmatic mavericks; emotional, experience and aesthetic dimensions; understanding of teamwork and collaboration, diversity, innovation creativity and risk taking ability. The educators in the industry of tourism and hospitality need to focus on developing the identified competencies in order to make the graduates employable and acceptable in the industry. Also the mentioned studies have emphasized on aspect of practical and activity based learning as the methodology to be followed in imparting the curriculum.

Fulfill the Industry–Academia Gap

One of the most important aspects that the educators need to concentrate on, is to confiscate the existing disparity between the industry's expectations and the understanding of the educators on the aspects related to knowledge, skills, capabilities and attitude of the professionals that are being developed in the field. Lam and Xiao (2000), Collins (2002), Jauhari (2006), Solnet, Robinson, and Cooper (2007) and many others have drawn attention towards the mentioned aspect and have suggested drastic education reforms in regard to curricula design, qualifications and knowledge, and standardization of tourism education practices are required, so that the graduates from tourism education institutes and vocational training schools can fulfill industry needs and demands in terms of quality and quantity. A need for improved mix between academic and practical experience has been highlighted specially in relation to the ongoing competency development of managers. The studies also suggested that the design of tourism and related programmes and development of curriculum shall be done with close links with industry so that the ever increasing gap between industry and academia can be fulfilled.

Conclusions

An industry that constructs and contributes the tenth part of the global economy, and for which a steady but significant growth has been anticipated, irrespective of the business cycles, it is necessary to formulate and implement plans and policies strategically at both macro as well as micro level. Education pertaining to the management of industry is playing and is projected to play a vital role in the overall development of the industry. Considering the recent global trends and trends and forecast for the industry in India it can be concluded that tourism and hospitality are expected to be one of the most important aspect for the economy and to capitalize on the opportunity, the Indian educators related directly or indirectly to the field shall comply to the challenges which has been drawn in the light of the existing review of literature. Indian educators can learn from the theories, models and practices that has been developed and followed by the leaders in the industry and can inculcate the propositions that have been deduced in the presented study. By providing a fair trial to the suggestions made in this study, in regard to the challenges and compliances, as comprehended, the educators can improve the overall system which will lead to improvement in the quality of the graduated professionals, which shall further convalesce and enhance the productivity of the industry and shall contribute to the growth of the nation in a more significant manners.

Implications of the Study

The study shall be of interest to the academicians and researchers on the one hand, and the institutions operating in the field, imparting education and training in the field of tourism and hospitality, on the other. In general, it would provide a comprehensive review of the existing literature relevant to the field, to the academics and researchers and in specific, the propositions, drawn in the study, shall benefit the institutions and educators, as they can consider the challenges and compliance while designing the curriculum and pedagogy and development of the training and graduate programs relevant for the tourism and hospitality industry, which shall contribute towards amplifying the overall productivity of the sector.

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I can't think of anything that excites a greater sense of childlike wonder than to be in a country where you are ignorant of almost everything.

—Bill Bryson

Focus

Measuring Expectations and Experiences of Tourists: A Study of Adventure Tourists in Himachal Pradesh

S.P. BANSAL, PRASHANT KUMAR GAUTAM AND ARUN SINGH THAKUR

This study is an outcome of the survey conducted on adventure tourists in Himachal Pradesh to know their satisfaction level about their trip to the state of Himachal Pradesh and services availed during the trip. Opinion of tourist (N=450) was taken after they had experienced the adventure activity, so that their pre-tour perception about the destination and adventure activities can be judged. Through extensive surveys and consultation with major stakeholders and tourists, a number of gaps have been identified in the provision of adventure tourism product of Himachal. Whilst there has been positive Indigenous adventure tourism development within the state, there appears to be further demand for more quality interpretive aboriginal developments with the region. There is a specific demand for this product in the growing international and domestic market, specifically with backpackers and those from Israel, Americas, European countries and leisure travellers form the neighbouring states of India. Emphasis should be placed on 'authentic' aboriginal experiences. Study reveals that adventure tourist to Himachal generally expects that destinations to have proper garbage disposal systems, adequate infrastructure, proper medical facilities and security at the top priority. On the other side respondents perceived that Himachal is not having the facility of qualified guides or instructors, but during on-tour they were happy with the availability of qualified service operators.

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In tourism industry, adventure sports tourism has been identified as one of the fastest growing segments, with the number of operators and tourists increasing worldwide (Adventure Travel Society, 2002). Adventure tourism has recently grown in popularity as a niche form of tourism (Swarbrooke, Beard, Leckie, and Pomfret, 2003). It is "characterised by its ability to provide the tourist with relatively high levels of sensory stimulation, usually achieved by including physically challenging experiential components" (Muller and Cleaver, 2000, p. 156).

What distinguishes these adventure travel activities from those of traditional outdoor recreation is "the deliberate pursuit of risk and uncertainty of outcome often referred to as adventure" where an individual often faces increasing levels of risk or personal threat. Proposed five concepts of competence related to the adventure experience fear, distress, abilities, and attitudes (Swarbrooke et al., 2003). Negi (2001) in his book highlights the governmental planning to create infrastructural facilities for trekking, mountaineering and winter/water related sports and the challenges and difficulties in adventure sports with an element of personal risk. It is an activity not of a routine nature but stretch endurance limits of participants and equipment used. It invariably aims to enhance professional competence and have operational utility.

Adventure tourism has been defined by Weiler and Hall (1992, p. 91) as being:

> A broad spectrum of outdoor tourist activities, often commercialised and involving interaction with the natural environment away from the participant's home range and containing elements of risk; in which the outcome is influenced by the participant, setting, and careful management of the experience.

In regard to this definition, and to outline the general framework under which this study takes place, the focus will be on adventure tourism that is not just "often commercialised," but "intrinsically commercialised."

Much academic focus has been given to adventurous activities conducted as a sporting or recreational pastime (see Cheron and Ritchie, 1982; Ewert, 1985; Ewert, 1989; Ewert and Hollenhorst, 1989; Ewert, 1994; Hall, 1992; Priest, 1992; and Robinson, 1992). Therefore, "considering the confusion and overlap in the boundaries of leisure, recreation, and tourism, care must be taken in adopting any definition" (Sung, Morrison and O'Leary, 1996, p. 5).

Sung, Morrison and O'Leary suggested the following revised definition of adventure travel:

> A trip or travel with the specific purpose of activity participation to explore a new experience, often involving perceived risk or controlled danger associated with personal challenges, in a natural environment or exotic outdoor setting. (Sung, Morrison and O'Leary, 1997)

It can be seen that this definition regards the involvement of "perceived risk or controlled danger" as something that is "often" associated with adventure travel. This suggests that some adventure activities may have no level of perceived risk. This line of thinking is flawed. A principal argument of this study is that with adventure activities, if the operator were to remove or greatly diminish the level of perceived risk, then the experience could no longer be regarded as adventure tourism and as a result, tourist demand for that 'adventure' activity would diminish. People don't go bicycle-touring primarily to experience the view because "in adventure travel it is the activity which attracts the tourist" (Hall, 1992, p. 144) and it is in the activity that the risk resides.

Inventory below lists a number of activities which Weiler and Hall (1992, p. 144) describe as being examples of adventure tourism. The hybrid nature of an adventure tourism experience being conducted on either a commercialised or non-commercialised basis is demonstrated when one considers activities such as fishing, bushwalking or bicycle touring. These activities are easily and quite often conducted as a self-organised recreational trip rather than as a professionally guided trip.

It is apparent that the acceptance or "deliberate seeking of risk and danger by participants in outdoor activities" (Weiler and Hall, 1992, p. 143) makes adventure

Table1: Inventory of Adventure Tourism Activities

Arctic Trips	Bicycle-touring
Backpacking (bushwalking, tramping)	Four Wheel Drive trips
Bungy jumping	Motorcycling
Camping	Snow shoeing
Cross-country skiing	Fishing
Hang-gliding	Hot-air ballooning
Horseback riding	Paragliding
Hunting	Mountain biking
Jungle exploring	Walking tours
Mountaineering	Orienteering
Nature Trips	Skiing
Rappelling	River kayaking
Rock-climbing	Rogaining
Safaris	Soaring
Sailing	SCUBA diving
Sea kayaking	Sky-diving
Snorkelling	Survival and wilderness training
Trekking	Bird watching
Whitewater canoeing	Spelunking
Whitewater rafting	Windsurfing
Dog Sledding	

Source: Hall and Weiler (1992); Sung, Morrison and O'Leary (1996).

tourism stand apart from other forms of tourism. "Feelings of competence and enhanced sensations as well as feelings of anxiety or fear - it is this duality of emotions that make risk recreation fundamentally different from other recreation activities" (Robinson, 1992, p. 53). It is difficult to imagine this particular blend of emotions being present in other forms of tourism, and if removed from the adventure tourism experience, it would change to something more mundane. For example, if an operator were to offer a white water rafting experience where the rapids were extremely small and intermittent, the guide to client ratio was such that the client did not have to do any paddling at all, and the raft was so big that the risk of capsize was negligible, then it would not be a very exciting, or indeed "risky," experience.

Ewert (1989) distinguishes many activities commonly associated with outdoor recreation from those in which there is a deliberate seeking of risk and uncertainty of outcome as *adventure*. Diminishing the risk below acceptable levels, and thereby diminishing the level of adventure, will change the experience. If risk is not apparent in the activity, then the activity becomes a type of tourism activity other than adventure tourism. The importance of risk in adventure travel activities is also supported by Sung Morrison and O'Leary (1996, p. 4) when they predict that "the absence of risk may result in a decrease in satisfaction as well as a decrease in the desire to participate."

Risk has been defined as "the potential to lose something valuable." Robinson (1992, p. 13) speaks of the "unavoidable negative consequences" in regard to activities such as mountaineering and rock climbing. He defines risk as the potential to lose something of value which may take the form of a physical, social esteem, or self esteem injury. Ewert (1989) says that within an outdoor adventure experience, this risk can be physical, emotional or material, but is usually associated with the possibility of being injured or even killed. Cheron and Ritchie (1982) view risk as a multidimensional psychological phenomenon which influences individual perceptions and decision processes.

Uncertain outcomes, as well as challenge and danger were identified as the most important meanings associated with the term "risk" by a sample made up of 309 trampers, 442 skiers, 25 hunters, 49 climbers, and 62 day walkers as reported in a study conducted by Johnston(1992). Danger and uncertainty of the outcome were also reported as being significant to the meaning of risk.

Technological advancements are also the main factor that continues to facilitate the development of adventure tourism. For example, tourists may buy the latest ice axes, trekking poles, climbing boots or other adventure sports equipment with the expectation that these will make them more accomplished climbers or adventure activity participants. Furthermore, we can say that access routes towards participating into adventure tourism activities are changing as a result of these influences. Recreation and tourism are becoming less spatially and temporally separated due to advances in tourism and travel technology. As the after result of technological advancements and their implementation in adventure tourism results in making it most important and profitable segment to the service providers, it is no longer necessary to serve an apprenticeship of participating in adventure activity under the protection of experienced peers before being "allowed" to move into more challenging and demanding environments. However, today adventure companies and the packages they offer create the possibility of bypassing this traditional skill requirement and moving directly to the more exotic challenges of the adventure sports segment.

Systematic approach to mapping customer expectations helps managers to know better what aspects of a service best define its quality and can prepare the organization to take up a competitive position based upon its ability to deliver what customers demand (Cronin and Taylor, 1992). Similarly in the case of tourism organizations, tourist's expectations of destination attributes and service quality help them deliver in the way that meets satisfaction level of tourist. A direct measurement technique is the Importance-Performance analysis (IPA) technique which emerged from the earlier work of Martilla and James (1977). Unlike SERVPERF, the Importance- Performance technique allows simultaneous comparison of direct performance measure of service quality to the importance rating given by customers for the various quality items being evaluated. The inclusion of customer preference rating in IPA gives a better picture of customers' quality assessment of service. According to (Barsky, 1995) such relative assessments pinpoint clearly the quality aspects of product or service which contributes greatly to customer satisfaction. As a result the information derived out of importance-performance analysis (IPA) can aid the development of more focused marketing strategies (Ford, Joseph, and Joseph, 1999). This view is confirmed (Lovelock, Patterson, and Walker, 1999) who state that importance-performance analysis is a useful management tool which can help firms to redirect their scarce resources from low impact areas to high impact areas. This technique is also called Key Driver Analysis.

The importance-performance scale is based on the assumption that satisfaction is affected by both the importance of an attribute and perceived performance on the attribute. Designed for ease of transferring results into actions, the scale's end result is a graph indicating appropriate levels of action.

For the purpose of this study the researcher has deployed a variant of this technique- Expectations- Experience Matrix (EEM) (see Figure 1). In EEM, respondents' expectations and experiences have been plotted on a grid that is divided into 4 quadrants. Each quadrant is created on the basis of the mean scores of the expectations-experience ratings. The variables are then assessed

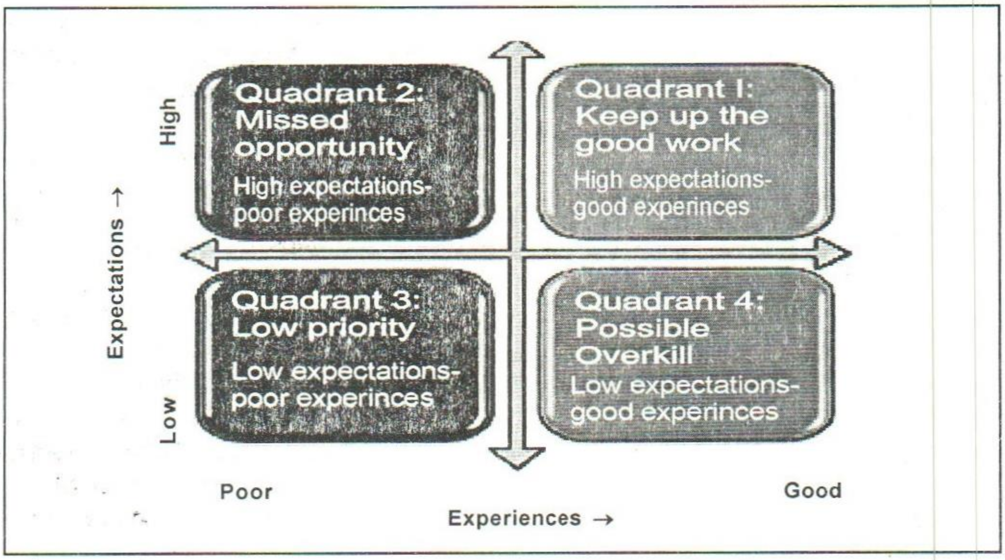


Figure 1: Expectation – Experience Matrix

Adapted from: Martilla J. and James J.(1977). Importance performance analysis. *Journal of Marketing,* 41 (January), 77-79

according to its position in the quadrant on the grid. Each quadrant suggests different response from a strategy point of view.

Attributes that are rated high in expectation and high in experience score suggest that service providers *keep up the "good" work* and increase resources directed towards

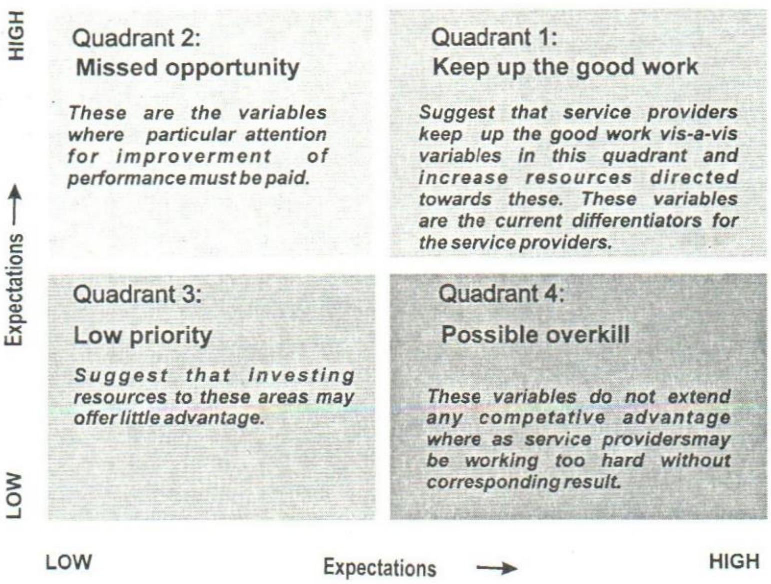


Figure 2: Expectation – Experience Matrix Explained

Quadrant I: Attributes are perceived to be very important to respondents, and at the same time, the organisation seems to have high levels of performance on these activities. The message here is To Keep up the Good Work.

Quadrant II: Attributes are perceived to be very important to respondents, but performance levels are fairly low. This sends a direct message that improvement efforts should concentrate here.

Quadrant III: Attributes are with low importance and low performance. Although performance levels may be low in this cell, managers should not be overly concerned since the attribute in this cell is not perceived to be very important. Limited resources should be expended on this low priority cell.

Quadrant IV: This cell contains attributes of low importance, but relatively high performance. The respondents are satisfied with the performance of the organizations, but managers should consider present efforts on the attributes of this cell as being over-utilized.

Sources: Adapted from Evans & Chon, 1989; Hemmasi, Strong, & Taylor, 1994; Keyt, Yavas, & Riecken, 1994; Martilla & James, 1977 and Martin, 1995.

these areas. In contrast, attributes having low expectation rating and a low experience rating suggest that investing resources to these areas may offer only little advantage and should therefore be on a *lower priority.* Attributes that are rated high in expectation and low in experience are the *missed opportunities* and service providers need to concentrate here and pay particular attention for improvement.

Lastly, attributes rated low in expectations and high in experience are areas of *possible over kill.* Providers should reconsider the level of effort (see Figure 2). The beauty of EEM is that it can help a business understand what its customers feel is important to it across a number of relevant variables.

About the Study

This study is an outcome of the survey conducted on adventure tourists in Himachal Pradesh to know their satisfaction level about their trip to state and services availed during the trip. Opinion of tourist was taken after they had experienced the adventure activity, so that their pre-tour perception about the destination and adventure activities can be judged. The pin pointed objectives of the study was to examine the profile of adventure tourist, mapping expectation and experiences of adventure tourists in order to provide insight to fulfil the gap between perception of service providers regarding provisions of services and experience of tourists for the services availed at the adventure tourism destination. To fulfil the objectives of the study, a sample of 450 tourists was taken. The analysis is made with the help of some statistical tests available in SPSS like, paired sample 't'-test and simple central tendencies for generalising the results.

The data for this study was collected with help of pre-structured questionnaires. The sample consists of the tourists visiting three districts of Himachal Pradesh. In the first part of this study profile of the total sample of 450 tourists is presented, while in the second part the gap between expectation and experience is given.

The tourists were surveyed at the following places:

1. District Kullu (Manali, Kullu, Shojha, Rohtang, Bhuntar).
2. District Shimla (Shimla, Narkanda, Kufri, Tattapani, Hatkoti).
3. District Kangra (Bir-billing, Mcleodganj, Dharmshala, Pong Dam, Palampur).

Profile of Tourists

The detailed profile of tourists surveyed for the study is given in the table 2. This profile included gender, age, educational level, occupation, monthly income, length of stay, number of visit, likelihood of repeat visit and likelihood of referral of destination or visit to other.

Expectation–Experience Analysis

For this stage the respondents' opinion on expectation and experiences for important parameters were noted (see Table 2). On tour stage is the central stage of the value chain where the tourist is actually delivered with the product. The stage begins when the tourist is reached a place and continues through the visit to consume various tourist products. It comes to an end with end of the. There were 450 valid responses. An expectations and experience

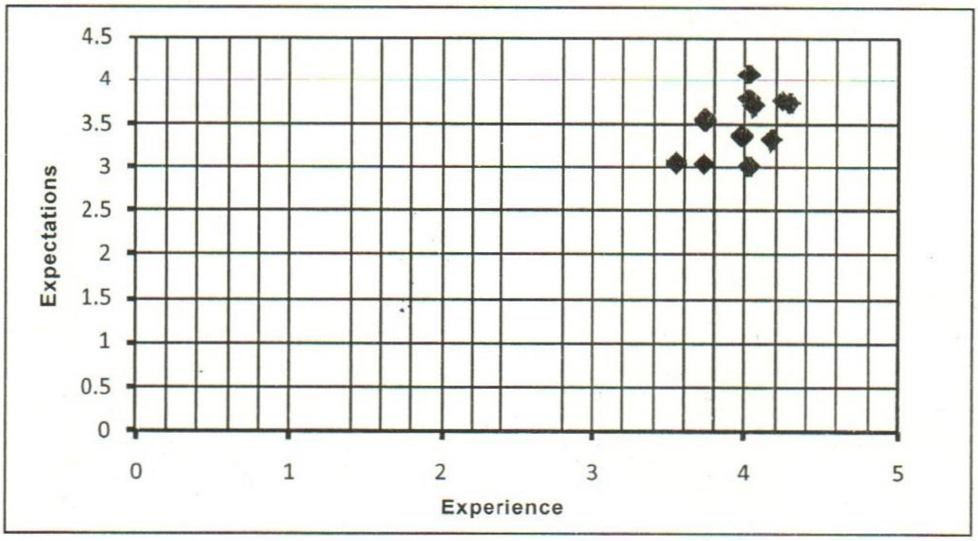


Figure 3: Expectations and Experience Matrix

matrix was created with the help of the mean scores for the expectations and experience of tourists with the adventure tourism in Himachal Pradesh (for details see figure 3). Surprisingly it was found that the responses lie in the quadrant no. 1, which means that Himachal is going good with adventure tourism. This is also evident by the fact that Himachal Tourism is winning many prizes in this aspect.

Table 2: Profile of tourists/visitors

		Number	Percentage
Type Of Tourist	Domestic	300	67.3
	Foreign	150	33.3
Gender	Male	310	68.9
	Female	140	31.1
Marital Status	Married	152	33.8
	Single	298	66.2
Age	Under 30 Years	170	37.8
	30-35 Years	150	33.3
	45-60 Years	80	17.8
	More Than 60 Years	50	11.1
Education Level	Below Matriculation	60	13.3
	Matriculate	80	17.8
	Graduate	187	41.6
	Post Graduate	123	27.3
Occupation	Public Sector Employee	25	5.6
	Private Sector Employee	143	31.8
	Businessman	106	23.6
	Student	176	39.1
Monthly Income	Below 200 US$/5000 Rs	55	12.2
	200-500 US$/5000-10000 Rs	155	34.4
	500-1000 US$/10000-20000 Rs	168	37.3
	Above 1000US$/Above 20000 Rs	72	16.0
Package Tourist	Yes	187	41.6
	No	263	58.4
Length Of Stay	1-3 Days	139	30.9
	4-5 Days	167	37.1
	6-10 Days	105	23.3
	More Than 10 Days	39	8.7
Number Of Visit	First Visit	103	22.9
	Second Visit	193	42.9
	Third Visit	120	26.7
	More Than Third Visit	34	7.6
Willing To Visit Again	Yes	336	74.7
	No	37	8.2
	Cannot Say	77	17.1
Will Recommend to others	Yes	336	74.7
	No	25	5.6
	Cannot Say	89	19.8

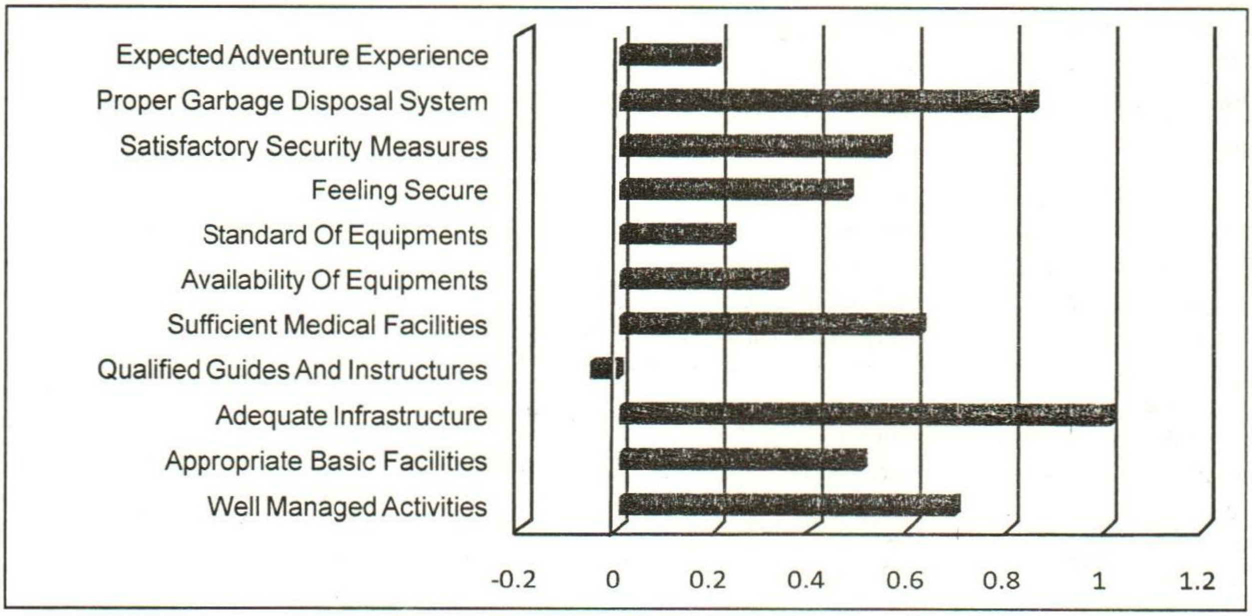
Source: Data collected with the help of questionnaires

Table 2: Paired Samples Statistics

Pair		Mean (Expectation)	Mean (Satisfaction)	Std. Deviation (Expectation)	Mean (Satisfaction)	Correlation
1	Adventure activities at the destination are well managed	3.73	3.04	.921	1.299	.864
2	Basic facilities are appropriate	3.55	3.05	.921	.899	.849
3	Infrastructure for adventure activities is adequate	4.02	3.01	1.044	.943	.805
4	Instructors and guides are fully qualified	4.02	4.08	1.052	1.033	.966
5	Medical facilities are sufficient	3.98	3.36	1.126	.862	.877
6	Required equipment is available with service providers	4.05	3.71	1.077	.883	.789
7	Equipments meets international standards	4.02	3.79	1.010	.976	.910
8	You feel secure during adventure activity	4.24	3.77	.724	.927	.818
9	Security measures during activity were satisfactory	4.29	3.74	.829	.793	.795
10	Garbage disposal systems were proper installed	4.17	3.32	.903	1.351	.792
11	Adventure experience was upto expectation level	3.74	3.54	1.083	1.154	.939

Note: Mean value shows perceived importance of factor on a 5 point scale. Standard Deviation (S.D.) reflects the consistency with which the respondents have rated the factor. A smaller S.D. means more consistency in response and vice versa.

Tables 2 and 3 and Graph 1 depict the results of survey conducted to map the expectations and experiences of tourists coming to Himachal Pradesh, especially indulging in adventure activities. For the marketers of a product or destination, it is pre-requisite for them to understand the gap between "what tourist



Graph 1: Gap between Expectation and Experience

thought" and "what they got." The positive score of gap means the expectations are not fulfilled, while negative score means "they have got more than they expected."

To draw some significant results from the data statistical test like "t" test was applied (for details see Table 3). Since all the values in the last column (significance) are less than 0.05, the differences between the expectations of the tourist and the experiences of the tourist in relation to adventure activities are significant that these differences cannot be attributed to chance error due to sampling. Therefore this can be concluded that there is significant difference between the expectations and experiences of tourists' with respect to adventure tourism in Himachal Pradesh.

Table 3: T-test

		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference		t	df	Sig. (2-tailed)
					Lower	Upper			
1	Adventure activities at the destination are well managed	.687	.685	.032	.623	.750	21.258	449	.000
2	Basic facilities are appropriate	.500	.501	.024	.454	.546	21.190	449	.000
3	Infrastructure for adventure activities is adequate	1.011	.628	.030	.953	1.069	34.167	449	.000
4	Instructors and guides are fully qualified	-.060	.273	.013	-.085	-.035	-4.668	449	.000
5	Medical facilities are sufficient	.620	.554	.026	.569	.671	23.722	449	.000
6	Required equipment is available with service providers	.340	.662	.031	.279	.401	10.889	449	.000
7	Equipments meets international standards	.224	.423	.020	.185	.264	11.256	449	.000
8	You feel secure during adventure activity	.467	.534	.025	.417	.516	18.541	449	.000
9	Security measures during activity were satisfactory	.547	.520	.025	.498	.595	22.291	449	.000
10	Garbage disposal systems were proper installed	.853	.842	.040	.775	.931	21.499	449	.000
11	Adventure experience was upto expectation level	.196	.397	.019	.159	.232	10.447	449	.000

Summary

This study was designed and conducted to assess gap between expectations and experiences of adventure tourists in Himachal Pradesh. The research developed its findings by keeping the Himachal as a case study area, since Himachal (more specifically Manali) is known as adventure sports capital of India (Lonely Planet India 2010). However, the findings derived from these analyses were presented under the heading 'study results'. For the purpose of ease of understanding and facilitating logical link to the recommendations being offered in this paper, some of the main findings/ conclusions are presented below to serve as a foundations part. Through consultation with major stakeholders and tourists, a number of gaps have been identified in the provision of adventure sports tourism product of Himachal. On the basis of these gaps questionnaire was prepared and opinion of service providers towards the assessment of gap analysis was identified. The study, on the whole, brings out the fact that Himachal is a state blessed with a very rich potential for almost all types of tourism, whose potential has not been exploited to its optimum. However the pinpointed recommendations are as follows:

- Respondents thought the destinations to have proper garbage disposal system but in actual situations this was not present, so they had bad experience in this regard.
- Respondents also felt that there is serious shortage of adequate infrastructure related with proper parking to public conveniences at tourist places of Himachal Pradesh.
- Respondents consider the adventure activities badly

managed. Some of them quoted example of mountain scooter. At Solang there were some very good mountain bikes available, but the riders were giving joy rides to tourists here and there and sometime in mud also. It is observed that separate and tough tracks can be developed for the same, which would have increased the tourist experience.

- Study saw a big gap between the expectation w.r.t medical facilities and proper security measures.
- Researchers, themselves experienced that despite the governmental warning and ban (in the month of August 2011) paragliding was in operation at Manali area.
- One very serious point, which was shown by the survey, is that people thought Himachal to be a very secure destination, but, in on-tour stage tourists felt Himachal to be not so secure destination.
- On the other side respondents perceived that Himachal is not having the facility of qualified guides or instructors, but during on-tour they were happy with the availability of qualified service operators.

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> *The traveler sees what he sees, the tourist see what he has come to see.*
>
> ***—Gilbert Keith Chesterton***

Focus

Medical Tourism: Opportunities and Challenges for Health Care and Tourism Industry

ANUPAMA SHARMA

Medical tourism in India has emerged as the fastest foreign exchange earner segment of tourism industry. High cost of treatments in the developed countries, particularly the USA and UK, has been forcing patients to cost effective health tourist destination like India, Singapore, and Thailand. Though medical tourism In India is presently at a formative stage but it has an enormous potential for future growth and development. There is a need of collective efforts of union government, state government, media, non-government organizations, and local inhabitants in order to promote this segment at a very large scale. In this article an effort has been made to find out the possibilities of increasing the growth and potentialities of medical tourism in India, to understand the difficulties and problems faced by medical tourist in India, and to realise the significance of governmental efforts to provide better amenities and medical facilities to attract more and more health tourist in India. Data has been collected through secondary sources which include research articles, ministry reports, books, magazines, journals, e-journals and websites. After analyzing all the facts it can be concluded that India is in an advantageous position to tap the global opportunities in the medical tourism sector. The government should take steps in the role of a regulator and also as a facilitator of private investment in healthcare sector. Mechanisms need to be evolved to enable quicker visa grants to foreign tourists for medical purposes where patients can contact the immigration department at any point of entry for quick clearance.

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Medical tourism is a term used to describe the rapidly-growing practice of traveling across international borders to seek healthcare services. Travelers generally look for complex surgeries, cosmetic surgeries, dental treatment and heart bypass surgery and search for that health destination where he can avail all these facilities at very cost effective price. India is the best place for them where they can avail treatment at very low price. With the available talent base of over 500,000 doctors and 700,000 nursing professionals, India is providing international standard health care services at comparatively very low cost to nationals and international tourist requiring medical services. Thus India's health care center in world is emerging as the largest service sector among others.

Tourism industry is playing a crucial role in creating a brand name for Indian tourism in all over the world. Statistics indicate that India is enjoying a regular increase in foreign tourist arrival (FTA) and foreign tourist receipts. In the month of February 2012 the total foreign tourist arrival was 6.77 lakh, which has increased upto 6.88 lakh in the month of February 2013.In the month of February 2011 it was 6.28 lakh only. There has been a growth of 1.6 percent in February 2013 over February 2012 as compared to a growth of 7.9 percent registered in February 2012 over February 2011. FTAs during the period January-February 2013 were 13.87 lakh with a growth of 2.1 percent, as compared to the FTAs of 13.59 lakh with a growth of 8.7 percent during January-February 2012 over the corresponding period of 2011. FEEs during the month of February 2013 were '10,186 crore as compared to '8,502 crore in February 2012 and '7,653 crore in February 2011. The growth rate in FEEs in rupee terms in February 2013 over February 2012 was 19.8 percent as compared to 11.1 percent in February 2012 over February 2011. FEEs from tourism in rupee terms during January-February 2013 were '20,584 crore with a growth of 20.2 percent, as compared to the FEEs of '17,125 crore with a growth of 27.5 percent during January-February 2012 over the corresponding period of 2011. FEE from tourism in terms of US$ during January-February 2013 were US$ 3.80 billion with a growth of 11.4 percent, as compared to US$ 3.41 billion with a growth of 15.5 percent during January-February 2012 over the corresponding period of 2011.

Table 1 depicts that FTA and Foreign Exchange Earning (FEE) is increasing over the years. In the year

Table:1 Foreign Tourist Arrivals (FTAs) and Foreign Exchange Earnings (FEE) from Tourism in India during December 2012 and comparative figures of 2011 and 2010 FTAs(Nos)

Month	FTAs(NOs)			Percentage Change	
	2010	2011@	2012@	2011/10	2012/11
January	5,68,719	6,22,713	6,81,282	9.5%	9.4%
February	5,52,152	6,27,719	6,77,472	13.7%	7.9%
March	5,12,152	5,35,613	6,22,658	4.6%	16.3%
April	3,71,956	4,46,511	4,52.239	20.0%	1.3%
May	3,32,087	3,83,439	3,71,678	15.5%	-3.1%
June	3,84,642	4,05,464	4,32,128	5.4%	6.6%
July	4,66,715	4,75,544	5,24,644	1.9%	10.3%
August	4,22,173	4,28,490	4,55,662	1.5%	6.3%
September	3,69,821	4,17,478	4,14,859	12.9%	-0.6%
October	5,07,093	5,59,641	5,76,382	10.4%	3.0%
November	6,08,178	6,69,767	6,89,613	10.1%	3.0%
December	6,80,004	7,36,843	7,49,701	8.4%	1.7%
Total	57,75,692	63,09,222	66,48,378	9.2%	5.4%
FEEs (in Rs.Crore)					
Month	FEEs (in Rs. Crore)			Percentage Change	
	2010#	2011#	2012#	2011/10	2012/2011
January	5,593	5,777	8,623	3.3%	49.3%
February	6,646	7,653	8,502	15.2%	11.1%
March	5,507	5,522	7,843	0.3%	42.0%
April	4,518	5,724	6,745	26.7%	17.8%
May	4,358	5,047	5,562	15.8%	10.2%
June	4,751	5,440	6,485	14.5%	19.2%
July	5,444	7,116	8,389	30.7%	17.9%
August	4,620	5,734	7,260	24.1%	26.6%
September	4,678	5,748	6,652	22.9%	15.7%
October	5,219	7,019	8,154	34.5%	16.2%
November	6,516	7,941	9,723	21.9%	22.4%
December	7,039	8,870	10,549	26.0%	18.9%
Total	64,889	77,591	94,487	19.6%	21.8%

Note: @Provisional Estimates # Advance Estimates.
Source: Report of Ministry of Tourism 2011-12

2010 the total FTA in India was 57,75,692 lakh which has increased upto 66,48,378 lakh with an annual growth rate of 5.4 percent over the year 2011-10. The total foreign receipt in the year 2010 was 64,889 crores which has rose upto 94,487 crores with an annual growth rate of 21.8 percent over the year 2011-10.Thus various segments of tourism industry are playing a vital role in improving the economic well being of the society.

Medical tourism in India is a multibillion dollar provider industry and attracting millions of foreigners and domestic tourist to visit incredible heritage of country and at the same time providing the medicinal blessings of traditional Vedas and Upanishads and also of modern medical services at affordable cost. From the ancient time India is famous for its traditional treatment therapies and made a recognized place in the medical literature by providing yunani, ayurvedic, allopathic, homeopathy, and naturopathy advantage of medicine not only to the Indians but also to the foreigners. History witnessed that millions of people have benefitted with the medicinal wisdom of our skilled medical professionals. Many states of India are now recognized as well known health care center for providing particular segment of medical treatment like Kerala and Karnataka has emerged as a hub for ayurvedic treatment, and being specialised in healing the patient with the virtue of natural herbs. Here health tourist not only gain the cure for his disease but also enjoy the benefits of scenic scenes, natural beauty, spas ,and pleasant weather. Further Uttarakhand of India is gaining importance for healing the patient with yoga and meditation and natural medicines.

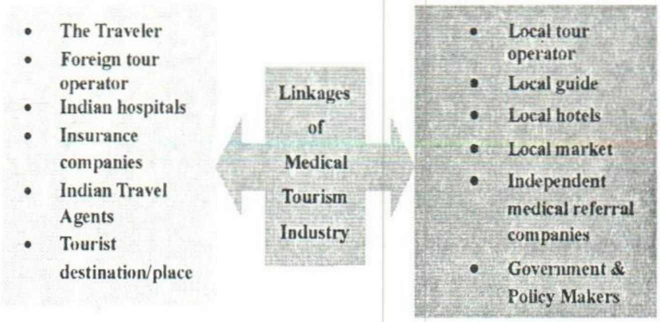
India is full of well trained, qualified and experienced professionals and doctors. India's doctors are most competent there by making India a destination for the people who want to undergo treatment for their medical problems and who have frustrated from the long waiting list of medical diagnostic centers of their own country. According to Renub Research Report titled " Asia Medical Tourism Analysis and Forecast to 2015",India will receive nearly half a million medical tourists and the sector is expected achieve an annual growth of 30 percent by the year 2015. Asian countries including India, Thailand, Singapore ,Malaysia, Phillipines, South Korea and Taiwan are contributing a lot towards the growth of medical tourism and has created a brand name for themselves for providing affordable and high quality health care. Asian medical tourism market is expected to double by 2015 from its current market in 2011.It is projected that out of these 7 Asian countries India, Thailand, and Singapore is expected to capture more than 80 percent market share in 2015.

India ranks second for medical tourism in the world. Though it spends less than 1.2 percent of its GDP on medical services but makes extra efforts to provide extra care and services to the foreign tourist while dealing with them. Medical treatment in India is very cost effective as it charge 20 percent less than any other foreign country for providing health facilities. It has been seen in the recent past that patient from US, UK, and other foreign countries in a maximum number are coming to India for their treatment. Besides cheaper cost of the treatment other factors are also contributing towards an increase of international health tourist traffic in India. Today Indian clinical and paramedical talent is universally recognised and JCI accreditation to some hospitals of India has proven a boon to Indian medical system which is helping in gaining the faith of foreign patients in India's hospitals and professionals. In India they do not have to wait long and to pay extra money for their treatment.

Before understanding the process of Medical tourism it is necessary to learn about the linkages of Medical Tourism Industry. Medical Industry depends on various elements for its survival which are as follows.

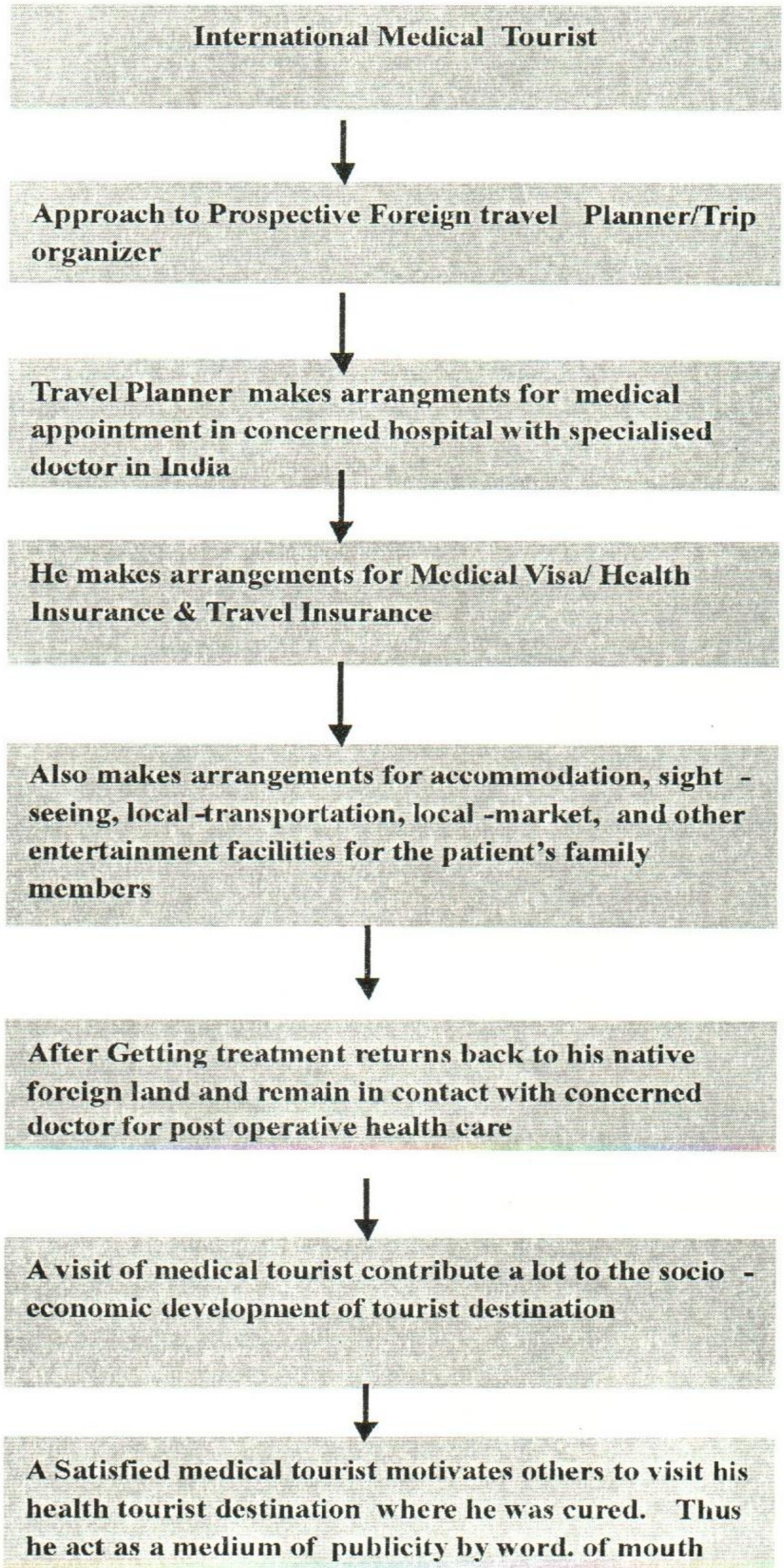
Linkages of Medical Tourism Industry

Medical Tourism Industry depends on various sectors for its survival. These are as follows.



It is clear from the above figure that medical tourism industry depends on various factors. There is one individual who wants to get cured in that health center, which is cost effective, hygienic, well equipped, highly technologically advanced and full of specialised doctors. For getting treatment in another country he contacts a travel company who organises health travel trips and makes arrangements for appointment with specialised doctor. Travel planner is the one who arranges for the

Medical Tourism Process



Source: Author's own.

medical visa, medical insurance and other facilities including local transportation, local shopping, and local sightseeing etc.

The role of independent medical referral companies can not be neglected in promoting medical tourism. Various new and standardised pharmaceuticals companies are coming to join the joint venture and to give their services in order to promote health services in India. Government play a crucial role in making liberal policy to exempt service tax, income tax, VAT, and to provide subsidies to promote more and more health resorts, rejuvenation centers and to build new hotels and accommodation facilities to accommodate a huge number of health tourist and patients.

Factors responsible for increasing demand of India as a major Health Tourist Destination.

- To find out the significance of tourism industry in Indian Economy.
- To know about the share of medical tourism in total FTA and foreign tourist receipt.

Primary Factors	Secondary Factors
Trained & Skilled Doctors, Nurses, Lab -Technicians, and other Staff Members.	Diversity of cuisines, traditions, culture, and religions
No Long waiting list for getting treatment as patients have to suffer in another countries	Valuable natural, cultural and living heritage of India
English speaking doctors & staff who makes everything comfortable for the patients.	"Athithi Devon Bhava" Policy of Indians.
Highly technologically advanced and JCI accredited hospitals and rejuvenation centers	Beautiful world famous historical and archaeological sites
Cost effective treatment which is comparatively 50-60 percent cheaper than USA and UK.	Humble, noble and sophisticated behaviour of doctors and staff
An advantage of all kind of Medicinal therapy. including Ayurvedic, Allopathic, Homeopathic, Yunani and Siddhi	To enjoy a goodness of yoga and meditation, aromatic spas, natural oil's messages and natural herbs.
Options for private room, dedicated staff during their stay and many other tailor-made services	Post rejuvenation holiday trip across India to various exotic places.

Source: Author's own.

- To explore the potential of Medical Tourism industry in India.
- To study why India is one of the most preferred prime health tourist destination for foreign people.
- To explain the primary and secondary medical benefits available for health tourist in India.
- To examine the role of Indian Government in promoting Medical Tourism and Medical Tourist inflow.
- To examine the role of Government in attracting Pharmaceuticals Industries to promote Medical Tourism.

Research Methodology:

Research methodology is partly descriptive, partly exploratory and partly casual .For this study data and information has been collected with the help of Books, Magazines, Newspapers, Research Articles, Research Journals, E-Journals, UNWTO Report, Report of Ministry of Tourism, Report of World Travel and Tourism Council and the website www.health-tourism-india.com etc.

Research Questions:

I. Does the services provided by Indian Health Centers is satisfying the needs of medical tourists?

II. Do the initiatives taken by Government to develop medical tourism infrastructure to increase the foreign and domestic tourist arrival in India has been done in a planned manner or not?

III. Does this study will help to identify major thrust areas where tourism planners can pay extensive attention to develop and promote medical tourism from national and international point of view?

Analysis and Discussion

The analysis of data collected through exploratory research show that in recent few years India has gained a status of prime health tourist destination as patients from foreign country are not visiting India only for elective surgical treatment but also for life saving as well as life enhancing procedures. India is full of various holidaying options and the pleasure of enjoying beautiful scenic places, deserts, hill stations, and other aesthetical monuments and historical sites. These attributes of Indian culture are working as the pull factors for attracting foreign tourist. The number of tourist coming to India from all over the world is increasing at an remarkable rate due to the cost effective treatment, highly qualified doctors and other para-medical staff, fluent English speaking staff, high standards of health care delivery along with hospitality and zero waiting periods unlike US,UK, and Canada where people have to wait for a long time for treatments.

According to a study conducted by the Confederation Of Indian History(CII), and McKinsey consultants, medical tourism in India will bring more than 100bn rupees by Feb. 2013.Last year more than 150,000 foreigners visited India for treatment, with the number rising by 15 percent a year. Last year 4200 heart operations have been done by Escort hospital in Delhi itself. The death rate for coronary bypass patients at Escorts is 0.8 percent and the infection rate is 0.3 percent. This is well below the first-world averages of 1.2 percent for the death rate and 1 percent for infections. It is clear from the above description that our hospitals are well equipped with specialised Physicians , Surgeons and hospital support staff, and know the use of high class technology. Thus our hospitals are not lacking behind in any way from others as available in foreign countries.

Table-2 shows that where patients have to pay £ 15,000 in UK, £ 13,000 in France and£13,250 in US for getting bypass surgery, the same is available in India with £4,300, which is comparatively 60-70 percent less than UK. Where one has to pay £ 15,900 in US, for hip replacement, the same can be availed by the patients in India in only £ 3,180. An eye diseased person has to pay £ 2,900 for his cataract Operation in UK, but in India this operation charges only £ 660 which is comparatively very low. Thus we can say that Asian hospitals are very economical in comparison of western countries.

Table 2: Cost Effective analysis of Medical Treatment in India with other foreign countries.

Procedures	UK	France	US	India
Heart Bypass	£ 15,000	£ 13,000	£13,250	£4,300
Hip Replacement	£ 9,000	£ 7,600	£ 15,900	£ 3,180
Cataract Operation	£ 2,900	£1,000	£ 2,120	£ 660

Source: guardian.co.uk

Table 3: Cost Effective analysis of Medical Treatment in India with other Asian countries

Procedures	Thailand	India	Singapore
Heart bypass	$11,000	$10,000	$18,500
Heart valve replacement	$10,000	$9,000	$12,500
Angioplasty	$13,000	$11,000	$13,000
Hip replacement	$12,000	$9,000	$12,000
Hysterectomy	$4,500	$3,000	$6,000
Knee replacement	$10,000	$8,500	$13,000
Spinal fusion	$7,000	$5,500	$9,000

Source: American Medical Association.

It is clear from the table no.3 that asian countries are offering medical facilities at very cost effective price to foreign patients. Thailand itself is sharing more than 40 percent of the total Asian medical tourist arrival. Its medical tourism market is expected to be more than double by 2015 from its current market in 2011.In the same way Singapore is leading in medical tourism sector but its treatment cost are bit costlier as compared to its competitors. It is expected that Singapore will receive more than one billion tourist by 2015. India is also leading in the field of medical tourism and offering medical facilities at a very low cost in comparison to other Asian countries.

Around 1.7 lakh international tourist are flying annually to India for getting medical treatment and getting cured for their spinal injuries, hip replacement, knee replacement, cosmetic surgeries, and bypass surgeries at very minimal price. Today Indian hospitals are well equipped with latest western kit with machines which were earlier only available in USA and UK at very high cost. Mumbai's Jaslok Hospital has dedicated its one floor only for Gulf patients who comes to get treatment for their knee, hip, spine and heart surgery at a very reasonable prices. A study by the Confederation of Indian Industry forecast that medical tourism will reach $2.3 billion dollars a year by 2012 and could further rise significantly.

Many hospitals in India are accredited by international institutions and are offering world-class treatment at that cost which is comparatively 40-50 percent less than that of any European country. Acknowledging the significance of medical tourism in India, government is trying to persuade the international tourist traffic by offering medical visa. Generally a medical visa is valid for one year, or the period of treatment whichever is less. The period of medical visa can further be extended for one year with the permission of state government or FRROs, if prescribed by the specialized doctor/specialized hospital.

Tourism in India is also one of the fast revenue generating industry and contributing around 5.92 percent to the National GDP, and providing employment to over 9.24 percent of the total country's workforce. To promote tourism in India government is introducing various kinds of tax deductions and exemptions to attract foreign investors to invest in tourism sector and also providing various kinds of incentives to persuade them. In its Union-Budget 2010-2011, Government of India has introduced a scheme of tax deduction for the establishment of new, especially 2-Star category hotels in country.

Medical tourism in India is playing a vital role in improving the economic and social status of the society. According to a study by McKinsey & Company and the confedetation of Indian Industry, India will receive $1 billion business by 2012 from medical tourism which is 1 percent of the total world-wide revenue generated by medical tourism. The total revenue generated from medical tourism in the year 2004 worldwide was $40 billion which has increased upto $60 billion in the year 2006. McKinsey & Company estimates that it will rise to $100 billion by the end of the year 2012.

Tourism in India is flourishing and gaining a status of industry and contributing a lot towards the revenue generation and removing the problem of unemployment from the society. Today many states of India like Kerala, Arunachal Pradesh, West Bengal, Uttarakhand, Tamil Nadu Uttar Pradesh, Dadar & Nagar Haveli, and UTs of Daman & Diu, have got a status of an industry. State governments are making provisions to include tourism in Schedule-I, of the Industries Development Act 1951 to grant it the status of an industry and to promote accommodation sector, so that every segment of tourism industry including hotels throughout the country can avail various benefits under the Industrial Policy of the respective state governments like Land banks for budget hotels, Exemption of duty on stamp paper, Exemption in VAT and Sales Tax, and Single-window clearance for new hotel projects etc.

Key Findings of the Research

India offers world-class treatment at very affordable prices which is comparatively very high in USA and UK. The Indian healthcare industry is growing at a very high pace and it is expected that the sector will touch US$238.76 billon by 2020. According to the Investment Commission of India medical industry has experienced remarkable growth of 12 percent per year during the last four years, due to an increase in the average life expectancy, average income levels, and rising awareness for health insurance among consumers. On account of the detail study of the potential of medical tourism in India as well as in Gurgaon the key findings of the study may be summarised as follows:-

1. Most of the JCI accreditated and other hospitals of India are dedicatedly serving the patients of cardiology and cardiothoracic surgery, orthopaedic surgery (including knee and hip replacement surgery), organ transplant surgery (including liver, kidney), Neurosurgery, Ophthalmology, Paediatric Surgery, Paediatric Neurology, Urology, Gynaecology/ Obstetrics/Surrogacy, Psychiatry, General Medicine and General Surgery, Cancer management, Cosmetic treatments, and Dental care.
2. Various foreign investors and pharmaceuticals industries are coming forward to invest in the medical sector to build a good image of India as a medical tourist destination and to attract international tourist.

3. Inexpensive and affordable costs of medical care services, approximately 30 percent to 70 percent lower than the costs in the US, UK, Singapore and Korea, making India highly appealing for foreign tourist as a health tourism destination.

4. Experienced and talented professionals, comprised of nurses, technicians, attendants, clinical co-ordinators, and nutritionists are working together to serve the global medical tourist with their skills of performing complicated surgeries and other medical procedures.

5. The doctors of India are disseminating their technical talent and art of surgeries to the patient of whole world.

6. Every hospital of India is now well occupied with English speaking staff and thus removing the problem of communication gap between patient and the hospital staff.

7. India receives maximum of its international medical tourist from USA, UK, UAE, Nepal, Sri Lanka, Bangladesh, Maldives and Mauritius.

8. Various health travel planners are coming forward to work with different hospitals, medical professionals, airlines, and hotel industry to serve and oblige the medical patients with their best quality services and at the most affordable price.

9. Indian government is investing a huge amount on promotional activities to increase the potential of medical tourism in India. Today Internet and word of mouth publicity is playing a vital role in awakening thousands of people, about the best quality and availability of specialized doctors, surgeons and medical services in India.

10. Maharashtra, Bangalore, Gujarat, Kerala and Karnataka receive maximum number of foreign health tourist, in comparison to other states of India because of their natural scenes, flora, fauna and ayurvedic techniques of healing and rejuvenation.

11. Tourism in India is also one of the fast revenue generating industry and contributing around 5.92 percent to the National GDP, and providing employment to over 9.24 percent of the total country's workforce.

12. It is projected that India will capture 2.5 percent of the total international medical tourism market by the year 2012, with concurrent foreign exchange revenue of $ 2.3 billion. It is also estimated that medical tourism in India will receive around 1.1 million health tourist from all over the world by the end of 2012.

13. According to a statistics, by the end of the year 2012, India will receive around one million health tourist with a compound annual growth rate (CAGR) of 28.09 percent over the year 2007. In India a health tourist has to spend less on different surgeries in comparison to other developed countries.

14. According to a study by McKinsey & Company and the confederation of Indian Industry, India will receive $1 billion business by 2012, from medical tourism. Which is 1 percent of the total world-wide revenue.

15. The contribution of private and multi-specialty hospitals of India in promoting medical tourism can't be overlooked. The Apollo, Max Health Care , Escorts, Stephens hospital, Jason Hospital, and Global Hospital, in India are catering the need of medical care for international patients in the areas of diagnostic, disease management, and preventive health care.

16. According to a study 75-80 percent of health care services and investments in India are now provided by the private sector. India is granting various incentives and tax rebate to various pharmaceuticals industries to provide medicines, surgical-equipments, and other medical facilities.

17. The Ministry of Tourism has included the promotion of wellness tourism as new initiatives. The Marketing Development Assistance Scheme (MDA) administered by the Ministry of tourism provides financial support to Wellness Tourism Service Providers accredited by State Governments till the guidelines of AYUSH-NABH for accreditation are finalized.

Preferred Hospitals for Medical Tourism in India

There are various hospitals in Delhi, Mumbai, Kolkata, Bangalore, Chandigarh, Madurai and Chennai which are offering high class medical facilities with their specialised doctors, nurses, dieticians, and lab technicians to national and international health tourist and receiving millions of dollars. Along with these states, there is a lot of scope for promoting medical tourism in another states and cities like Gurgaon, Faridabad, Lucknow, Meerut, Bareilly, Kerala, Goa, and Gujarat which are full of highly advanced hospitals and well qualified doctors. If Indian government will try to give them some extra attention and rebate these places definitely can mark a good place in the world health tourism map. Some leading in India which are offering high class medical facilities are as follows.

Leading Hospitals in India

States	Hospitals
Delhi	• All India Institute of Medical Sciences (AIIMS), New Delhi • Escorts Heart Institute and Research Centre Limited, New Delhi • Indraprastha Apollo Hospital, New Delhi • Max Hospital·
Chennai	• Apollo Hospitals, Chennai • Sankara Nethralaya, Chennai
Madurai	• Sankara Nethralaya, Chennai
Bangalore	• Manipal Heart Foundation, Bangalore • Mallya Hospital, Bangalore • Narayana Hrudayalaya, Bangalore
Kolkata	• B. M. Birla Heart Research Centre, Kolkata
Mumbai	• Breach Candy Hospital, Mumbai • Jaslok Hospital, Mumbai • PD Hinduja National Hospital and Medical Research Centre, Mumbai • Tata Memorial Hospital, Mumbai • Rushabh Eye Hospital • Hiranandani Hospital • Rotunda Surrogacy Clinic India
Chandigarh	• Fortis Hospital, Chandigarh
Gurgaon	• Medanta-The Medicity • Artemis Health Institute (AHI) • Max Multi Speciality Hospital • The Fortis Memorial Research Institute • Paras Hospital • Columbia Asia

Source: Author's own.

Some Leading Hospitals in Specialised Treatment in India

Dental Treatment	Cancer Treatment	Neuro Surgery	Orthopedic Treatment
• 32 Smile Stone Dental Clinic, Delhi • Mother Dental Implant Clinic, Delhi • Ivory Dental Clinic, Delhi • Rajan Dental Implant Clinic, Chennai • Acharya Dental Clinic,Chennai • Adarsh Dental Clinic	• All India Institute of Medical Sciences (AIIMS), New Delhi • Indraprastha Apollo Hospital, New Delhi • Max Super Speciality Hospital, New Delhi • Fortis Hospital, Delhi • Medanta Hospital, Gurgaon • Rajeev Gandhi Cancer Institute, Delhi • Delhi Cancer Institute • Tata Memorial Hospital, Mumbai • Breach Candy Hospital, Mumbai	• Indraprastha Apollo Hospital, New Delhi • Hinduja Hospital, Delhi • Wockhardt Hospital,Delhi • National Institute of Mental Health and Neuro Sciences (NIMHANS), Bangalore • Central School of Psychiatry,Ranchi • Ranchi Institute for Neuro Psychiatry and Allied Sciences	• B.L. Kapur Memorial Hospital Delhi • Dharamsila Hospital and Research Centre,Delhi • Indraprastha Apollo Hospital, New Delhi • Max Super Speciality Hospital ,New Delhi • Max Balaji Hospital, Delhi • Rockland Park Hospital, Delhi • Pushpanjali Medical Centre, Delhi

Delhi has emerged as a prime destination for cardiac care, orthopedic care, mental trauma, and other kinds of allopathic treatment, and serving millions of domestic and foreign patient at that cost which is comparatively very low than that of their own country. Chennai is known for quality eye care. Medical tourism in India has emerged as the fastest growing segment of tourism industry despite the global economic downturn. High 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 done. The Indian medical tourism industry is presently at a nascent stage, but has an enormous potential for future growth and development.

Government Initiatives to Promote Medical Tourism in India

To tap the potential of medical tourism, Indian Government has undertaken various measures to promote India as a global health destination. The Indian Ministry of Tourism has started a new category of visas for medical tourists called the 'M' or medical visas. Further efforts have been made to improve the basic infrastructure including aviation sector to ensure smooth arrival and departure of health tourists.Government is inviting and attracting foreign and private investors to invest in the infrastructure, accommodation, aviation, and pharmaceuticals sectors to provide best quality of services to their customers. It will also ensure the optimum utilization of the scarce resources available for health.

Government is taking initiatives to encourage the growth of health tourism by providing a wide variety of exemptions, incentives, lower import duties and higher depreciation rates on medical equipment as well as providing medical visa to foreign patients who are coming to India for their treatment. The Ministry of Tourism has taken several steps to promote India as a Medical and Health Tourism Destination, which are as follows:

1. Ministry of Tourism has produced various promotional tools such as CDs, pamphlets, brochures, and other directories etc. to promote health and wellness tourism in India and have made provisions to circulate them among the all targeted areas.
2. Medical and health tourism has been specifically promoted at various international platforms such as World Travel Mart, London, ITB, Berlin, ATM etc.
3. Government has introduced a specific category of 'Medical Visa' for foreign health tourist who are visiting India for their medical treatment.
4. Ministry of Tourism has conducted a campaign called "Incredible India," to promote Yoga and Meditation/ Wellness Tourism in India, and have promoted print and electronic media to persuade and attract the tourist for the same.
5. Ministry of Tourism has organized various road shows in West Asia (Dubai, Riyadh, Kuwait and Doha) in October 2009 to promote medical tourism.
6. In the year 2009, Ministry of Tourism has launched a scheme named ' Market Development Assistance', to provide financial assistance to different Medical tourism service providers and wellness tourism service providers to participate in fairs/medical conferences/ wellness conferences/wellness fairs and road shows.
7. The Indian Institute of Travel and Tourism Management, Gwalior has conducted a study to focus on the problems and challenges faced by medical tourist visiting India which is commissioned by Ministry of Tourism.
8 Ministry of Tourism has published and circulated a book named *'5 Challenges of Medical Tourism in "Vulnerable" India',* to focus on the problems of Medical Tourism.

Government Initiatives to Attract Pharmaceuticals Industries

India's pharmaceuticals sector is growing very fast and gaining a global leadership position in supplying medicines and drugs all over the world. Indian Government in its Union-Budget 2011-12 has made various provisions to exempt this sector from various kind of direct and indirect taxes. Some of them are as follows:-

1. No increase in excise and service tax rates.
2. Reduction in the import and excise duties for kits and machines that are used for carrying out diagnostic tests.
3. Cut on duties on chemicals, kits and machines that are used for carrying out diagnostic tests.
4. Continue to keep diagnostic services out of service tax scope.
5. Removal of current anomaly between bulk drug and formulations to ease levy of excise duty.
6. Providing incentives to promote hospital infrastructure and medical device manufacturing industry.
7. Under section 35AD, weighted deduction of 150 percent of the capital expenditures are proposed to be allowed to hospitals. This amendment will apply in relation to 2013-14 and subsequent AYs.
8. Under section 35(2AB), weighted deduction of 200 percent of expenditures not incurred on approved in-house research and development facilities, have been extended for a further period of 5 years i.e up to 31 March, 2017. This amendment will apply in relation to 2013-14 and subsequent AYs (up to 2017-18)

9. Under section 80 D, a deduction of Rs 5,000 is allowed for expenditure incurred during the year by an assessee on account of preventive health check-up of self,spouse, dependent children or parents.
10. Rate of service tax is proposed to be increased from 105 to 12 percent
11. Specific exemption provided for healthcare services.
12. Basic rate of central excise duty increased from 10 percent to 12 percent and merit rate increased from 5 percent to 6 percent.
13. Exemption from Excise duty/ Countervailing duty(CVD) is proposed on specified life saving drugs.
14. Provision for custom duty reduction (BCD) on the following items:-

Item	Current Rate	Proposed Rate
Probiotics	10%	5%
Life Saving Drugs	10%	5%
Iodine	5%	2.5%
Isolated Soya Protein	15%	10%
Soya Protein Concentrate	30%	10%

Challenges before Medical Tourism Industry

Tourism industry is growing day by day in the world and India is sharing a major part of world tourism receipts and world tourism traffic and has proved successful in maintaining its place on world tourism map. According to the World Travel and Tourism Council (WTTC), tourism industry will create about 40 million jobs for the people by 2019. Though India shares only 1.24 percent of international tourist receipts and 0.59 percent of international tourist traffic but this contribution can not be neglected. The major challenges before Indian medical industry are as follows:-

1. Non-availability of adequate infrastructure including adequate air seat capacity, accessibility to tourist destinations, accommodation and trained manpower in sufficient number.
2. Poor hygienic conditions and incidents of touting and harassment of tourists in some places are factors that contribute to poor visitor experience.
3. Lack of capital, lack of community participation and awareness, lack of involvement from rural sector, lack of concern for sustainability, complex visa procedures, and lack of good language translators are the other reasons which are serving as the constraints in the way of medical tourism.
4. Hospitals of India are lagging behind in providing the hygienic medical facilities and room services including hygienic food to the patient, as a result Indian hospitals are loosing trust of foreign patients.
5. Other major constraints in the development of medical tourism in India is the partial attitude of the government towards corporate and public hospitals.
6. Further Indian hospitals are facing the problem of shortage of skilled professionals. According to the Planning Commission, India is facing a short of a phenomenal 600 000 doctors, 1 million nurses and 200 000 dental surgeons.
7. Our community health centers are suffering from the shortfall of professionals such as obstetricians and gynecologists (56 percent), pediatricians (67 percent), surgeons (56 percent) and medical specialists (59 percent).
8. Lack of appropriate accommodation facilities, lack of security measures and trained and skilled workforce is the another challenge before medical tourism Industry.
9. Another reason is high service tax. A tourist has to spend a lot of money on availing the tourism related services because a sales tax levied on these services is twice time higher than any other developed country. This is clear from the following table:-

Table 4: Revenue Generated Through Medical Tourism World-Wide

Year	Revenue (In Billion US $)
2004	40
2006	60
2008	80
2012	100

Source: www.health-tourism-india.com

10. Comparative tax rates between India and the neighboring Countries may be refer to table no.5, which depicts that incidence of taxes in India is making inbound tourism , very costly and promoting outbound tourism indirectly. In its union budget 2011-2012 government has increased service tax on airfares which is making air travelling expensive. In the same way Independent restaurants has to pay an extra of 10 percent tax for being air-conditioned, in a country where temperatures soar up to 48–50°C.

Table 5: Comparative tax rates between India and the neighboring Countries

Countries	Room %	Food %	Liquor %
India	16	16	23
Hong Kong	0	0	0
Maldives	3.5	3.5	3.5
China	5	5	5
Japan	5	5	5
Malaysia	6	6	6
	7	7	7
Singapore	.7	.7	.7

Interpretation of Research Questions

The exploratory research states that the people who are coming India for their medical treatment are enjoying the benefits of cost effective treatment, post treatment therapies, goodness of yoga and meditation along with their treatment and going satisfied to their native place. It may further strengthen by memoir of a patient named George Marshall, who came from Britain to get treatment for his coronary heart disease in southern Indian city of Bangalore and stated that in Britain he was asked either to wait for six months for a heart bypass operation on the National Health Service or pay 19,000 pound to go on scalpel immediately. Then he moved to Wockhardt hospital and heart institute in southern Indian city of Bangalore, where doctors took a piece of vein from his arm to repair the thinning arteries of his heart and charge a very cost effective price i.e 4,800 pond for his surgery. Thus we can say that treatment cost in India is approximately 50 percent cheaper than UK and US.

Further to develop high standard infrastructure facilities, for the benefits of medical tourist along with others, a large number of mega projects have been sanctioned by government in different states of India. In the financial year of 2010-11 a total no. of 136 projects have been sanctioned by government in different parts of India and a huge amount of Rs. 72,879.90 lakhs have been sanctioned for the same. In the financial year of 2011-12, under the scheme of Product Infrastructure Development for Destination & Circuits, a total no. of 58 projects have been sanctioned in 19 states of India. Thus we can say that Indian government is working in a very positive manner to improve medical as well as other infrastructure facilities to increase tourist inflow and foreign receipt.

By providing adequate infrastructure facilities and hygienic medical facilities, the government and travel planner will certainly get success in enhancing the benefits of medical tourism for national as well as international tourists.

Conclusion

At present there is an acute lack of reliable empirical data concerning medical tourist flows. Inspite of having all potential for medical tourism, India is lagging behind in gaining all benefits from this emerging segment. There is a need to promote India as the new emerging medical value travel destination abroad. India should call for the collective efforts of private sector, public sector, organized and unorganized organizations, local community and media to synergize their actions to promote India as the healthcare destination world wide. Further there is a need to improve the infrastructure facilities including building up of new standardised hospitals, labs, research laboratories, rest rooms, hotels, rest houses and health resort in order to provide high class facilities and amenities to the patients who came from far off land to get treated for their disease. One of the many challenges which India faces is to provide good quality, affordable healthcare to all. For this there is a need to reduce inequalities, imbalances that exist between regions, cities and villages and different socio-economic groups. Indian government should not forget its weaker sections and should make provisions for them to get treatment in the standardised hospitals at very reasonable price or on no price.The poor in India have no access to health care because either it is too expensive or not available. Indian doctors are busy in treating wealthy persons and making money. Now a slight change into the behaviour of doctors has come into noticed —they are coming back to India for serving their native land with their specialised knowledge that they acquire at foreign land.

Recommendations

The promoters should concentrate more on publicity of medical tourism as the awareness about medical tourism among people is very low.

- The heath care centers can also dispatch membership card to their customers; this will result in retaining of the customers for a longer period of time.
- The promoters can encourage the tourists to recommend their health care centers to others as word of mouth information is effective and does not cost any money.
- The promoters should ensure that they cover all kinds of health insurance provided in different nations, and

encourage customers to take up health insurance, as this will simplify the transaction process.

- The promoters should hold various campaigns in different nations and continents and offer better discount packages.

Limitations of the Research Study

I. This research study is basically based on secondary data which may not be reliable.

II. Preparation of a research study is a time consuming process.

III. Organization of data is itself a very tough task.

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We are now running out of time, and the question now is not what is happening, but how bad will it be before the world starts doing enough?

— Jonathon Porritt

Focus

Eco-Tourism in Tribal Regions of Odisha: Its Potential and Prospects

NILAKANTHA PANIGRAHI AND SUMITRA SETHI

Eco-tourism encapsulates scientific, aesthetic, and philosophical approaches which reflect the structure and function of the society. During the last decades, a lot of changes have been observed both in content and context of eco-tourism. With the globalisation process the processes of these changes have added values to enhance its importance. The present paper, while describing the treasure of tourism of Odisha, emphasises the potentials and prospects of eco-tourism in the State and more particularly in the tribal areas. It justifies that eco-tourism of the state, if given due importance with proper value addition, can not only provide the potency of attracting tourists from far and near, but can also generate more revenue for the state.

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India is one of the fewer countries of the world, which is endowed with natural tourism. The rich resources of this country are reflected in bio-cultural diversities, histories and antiquities. All these natural resources should have made the growth of tourism in India four times faster than the world average (WTO, 1994). In reality small countries like Malaysia, Indonesia, Hongkong, Maldives and Bhutan have proved more potential to make their national tourism an industry (Singh,1996). More so, tourism is one of the largest sources of foreign exchange in countries like Costa Rica, Belize and in Guatemala, it is second (Yadav, 2002). In Indian context the unwholesome development adopted in the country over the decades has threatened the integrity with the ecosystem. This is the reason why statecrafts, scientists, activists and local communities are struggling to balance the need for economic growth with preservation of natural resources.

Objective

The paper is divided into five parts. Firstly, the paper explains the concept of eco-tourism and reviews the major focus of the Government. Secondly, it briefly describes the treasure of tourism and the tourist potentials in the State of Odisha. Thirdly, it highlights an overview of the socio-cultural profile of the tribal communities of Odisha and the potentials of tourism expansion from within the State. Fourthly, the paper from empirical source explains the potentials of rich ethnic tourism, which has attracted tourists from within and outside of India. Finally, through evidences it analyses the potentialities and prospects of ethnic tourism in Odisha. For preparation of this paper data has been collected from secondary sources of Government and non-Government records and reports. The experiences gathered by the authors as social anthropologists have helped a lot to identify the rich potentialities of eco-tourism particularly in tribal regions of the State. In order to establish the importance of eco-tourism the study has adopted ethnographic approach in which the socio-cultural importance of tribal communities and their region have been reflected.

I

The concept of eco-tourism has been defined differently by different national and international agencies. Conceptually eco-tourism encapsulates a type of "tourism that involves travelling to relatively undisturbed or uncontaminated natural areas with the specific objective of studying, admiring and enjoying the scenery, wild plants and animals, as well as the existing cultural aspects (both past and present) found in those areas. Ecological tourism implies a scientific, aesthetic and philosophical approach, although the ecological tourists are not required to be a professional scientist, artist, or philosopher. Scholars have also used the term "nature tourism" (Ceballos Lascurain, 1987) which not necessarily ecologically sound; while Cohen (1984) raised the issue of neglect of development in and around protected areas. The definition of eco-tourism have changed considerably from a descriptive concept in which there is no difference between nature-tourism and eco-tourism, but today it is used as the "desired state" of a development to reach a balance between "nature conservation," sustainable socio-economic development," and "nature tourism" (Boo, 1992b, Ziffer,1989). More or less all of them have emphasised on the management of tourism and conservation of nature so as to maintain a balance between tourism and ecology on the one hand, and the requirements of local communities" interns of generating employment, enhancing their earning skill, and improving the status of women. The International Year of Eco-Tourism during 2002 by UN General Assembly reviewed the eco-tourism experiences worldwide highlighted three significant aspects viz: nature, tourism, and local communities. Most of the studies relating to tourism emphasises its" economic dimensions at international and national levels (Gray, 1970; EIU, 1973; Thuens, 1976; Mathieson and Wall, 1982), while very few have investigated at local levels (Henderson 1975; Vaughan, 1977; Singh, 1981; Dube, 1985; Chopra, 1991; Srivastava, 1992 and Singh, 1992). The experience of last fifty years shows that the concepts and ideas like sustainability, conservation, eco-tourism etc. are not likely to materialise if community as a whole do not gives a new mindscape and a new ethic-scape (Jagmohan, 2002). United Nations has declared 2002 as the International Year of Eco-Tourism. This is how eco-tourism and eco-tourists have got a wider importance both in the field of tourism economy and environment. However, in contrast to the conventional tourists (Gossling, 1999:309; Koch, 1997:218) eco-tourists stays in the facilities that are likely to be owned and managed by local people rather than multinational corporations and often eat local food and consume local services (West and Carrier, 2004, 483-498).

The review of Indian situation reflected that tourism has helped in maximising economic benefits rather than ensuring social benefits. Eco-tourism as a concept move around nature of the tourism and local communities emphasises on conservation, sustainability and biological diversities. In Indian context all the Five Year Plans have built up infrastructure like tourist circuits and centres, diversified tourism from the traditional sight-seeing tour, to a developed non-traditional areas such as trekking, winter sports, beach resorts; restored and balanced development of national heritage of cultural, historical and tourist importance.

The international tourism in India has increased much late during the decade of 1981 to 1990 and has generated foreign exchange and employment (both direct and indirect) (Mary and Chung, 1996). However, assassination of Prime Minister Indira Gandhi (1984), crash of Airbus (1990), assassination of Prime Minister Rajiv Gandhi (1991), brutal killing of Graham Stains and his two kids (1999), caste conflicts, occurrence of Kargil war with Pakistan (1999), reoccurrence of terrorism, communal riots, etc., have affected the growth of tourism in India. However, over the years the enchanting networks of 572 nature-endowed areas, 89 national parks, and 483 wild life sanctuaries and 3606 protected monuments under the Ancient Monuments and Archaeological Sites and Remains mobilise tourists from within and outside of the nation.

II

Rediscovering Tourism of Odisha

Tourism has been recognized as an industry in Odisha and sizeable revenue is earned for the State from domestic as well as foreign tourists. The Government during the 3rd Five-Year Plan first mooted the idea of tourism, which was revamped during the 5th Five-Year Plan. The creation of Department of Tourism of the state dates back to 1973 though a lot of modifications have been made from time to time as regards the sphere of function of the Department. The Department of Tourism and Culture has been functioning in the present shape since 1995. The Odisha Tourism Development Corporation was created in March

1979 and it was incorporated under Companies Act in September 1979 (Government of Odisha, 2002).

Traditionally known as the land of Lord Jagannath, Odisha is a potential State for tourists of various interests. The innumerable temples of Odisha scattered throughout the length and breadth of the State ranging from the miniature on the Mahendragiri to the gigantic Jagannath, Lingaraj and Sun Temple of the Golden Triangle, have the magic touch to keep the visitors spell bound. The capital city of Bhubaneswar at one time is said to have as many as 7000 temples. Scores of them stand even today as reminiscence of this cathedral city of India. Here one can find a chronological development of temple architecture over centuries beginning with the Bharateswar, Lakshmaneswar, and Shatrughneswar group of temples to the great Lingaraj. There are 79 heritage sites in Odisha protected by Archaeological Survey of India. Bhubaneswar the capital city alone houses 22 out of those heritage sites. But in most of these places such sites have been encroached.

Similarly, in the Western parts of Odisha, Sambalpur and Sonepur can be called mini temple towns. They have developed a separate style of temple architecture, which flourished during the Chouhan rules in Western Odisha. A special mention in this connection can be made of the leaning temple of Bimaleswar at Huma, 30 km from Sambalpur on the bank of the river Mahanadi. Out of four distinguished Yogini shrines of India, Odisha has the distinction of having two. One of them is at Hirapur near Bhubaneswar and the other at Ranipur Jharial in the district of Bolangir. At Ranipur and Jharial the temple stands in close proximity of numerous Saiva shrines and a Vaishnaba shrine. This speaks of the cultural synthesis that existed in this region then (Government of Odisha, 2002).

The brick temple of Ranipur, Jharial and the Pataleswar brick temple of Buddhikomna are among the finest of the very few brick temples of India. The rock-cut caves of Khandagiri and Udayagiri throw much light on the hitherto obscure history of Odisha. The double storied Ranigumpha in Udayagiri reflects the socio-economic and political life of that period. The Kalinga war famed Dhauligiri contains the rock edicts of Emperor Ashok. Another rock edict of the same emperor is found at Jaugada in the district of Ganjam. Dhauligiri can be of more interest for the Buddhist tourists with the peace pagoda constructed on the top of the hill in the early seventies. Another treasure house for the Buddhists is the Ratnagiri-Lalitgiri-Udayagiri complex where once stood the famous Pushpagiri Buddha Vihar. Recent discovery of the mortal relics of Buddha at Lalitgiri and new excavations at the nearby Langudigiri unearthing interesting findings, have enhanced the importance of the region. However, the construction of Government offices at Udaygiri within 100 meters of prohibited zone have symbolises encroachment of heritage sites even by the State (Government of Odisha, Ibid).

The Chinese Traveller Hiuen Tsang has described the Nrusimhanath Plateau in the district of Bargarh as Po-lo-mo-lo-ki-li, which may be the Parimalagiri Buddha Vihar. The excavations in a place called Kuruma near Konark have also brought to light the remains of a Buddha Vihar. The pictographic sites of Vikram-khol in Sambalpur district, Yogi Math and Gudahandi in Kalahandi district provide enough opportunity for study of the pre-historic age. It has attracted many historians and archeologists over the time. Places of natural beauty are in abundance in Western Odisha, which reflect from the natural streams and forest resources at Harisankar in Bolangir and Nrusinghanath in Balangir presents a panoramic view. The deity of Nrusinghanath sitting in the shape of a half-human and half-lion form tearing Hiranyakasipu against the backdrop of a stream is a scene to witness. Kalahandi district is endowed with the wealth of forests with rare species of black tigers, a natural waterfall at Rabandar and a host of temples situated at the peak of mountain hills at Bhawanipatna. These are places of tourist"s importance. The Patala Ganga spot at Nawapara district, Ushakothi, Hirakud and Badrama in Sambalpur district and the Khandadhar waterfall in Sundargarh district, the Mahanadi and the Tel river in Suvarnapur district present beautiful natural scenes and the confluence of two rivers present a memorable sight. These places of importance can reflect eco-tourism and attract tourists more, if given due importance by the State (Government of Odisha, Ibid).

The legend of Nilamadhab associated with Kantilo is thought provoking. There are more than 20 sanctuaries in the State. The lush green forests of Ushakothi and Similipal filled with the chirping of birds and rich wild life are equally much-needed oases for the development of eco-tourism in Odisha. The biosphere reserve of Nandankanan, the natural Chandka forests, the Nandankanan Zoological Park which are located only 20 km from Bhubaneswar the capital city in the recent years have set more than world records. Of course the super cyclone of 1999 has devastated these places need revival from commercial point of view (Panigrahi, 2002).

The lion safari and white tiger safari of Bhubaneswar, the majestic Mahanadi gorge at Tikarapara with the added attraction of the Crocodile Sanctuary and coming of millions of Olive Ridley turtles to Gahirmatha twice a year to lay eggs has attracted wild life lovers. Odisha has a paradise for the birds as well as in the Chilika Lake, which is the only and largest brackish Water Lake in Asia, where dancing Dolphins, are an added attraction of the place. The perennial and precipitous waterfalls at a number of places like Bagra, Duduma, Harishankar, Nrusimhanath, Pradhanpat, Khandadhar, Berehipani, Joranda, etc. formed against enthralling hills of scenic beauty. These places really provide the tired travellers with a cool breeze and ice cold water to relieve them off the clutches of the scorching sun in the summer.

More refreshing in the winter are the hot sulphur springs at Atri, Taptapani, Deulajhari and Tarabalo. The lovely beaches of Odisha stretch over 400 km from Chandaneswar to Gopalpur are still virgin and rated among the best in the world. The traditional fairs and festivals of Odisha include Rathayatra at Puri, Dhanu Yatra at Bargarh, Sitalsasthi at Sambalpur, Nila Parva at Chandaneswar, Chhou dance at Baripada etc. are observed with colourful ceremony.

The State is also rich in folk dances like Odissi, Gotipua Nacha, Palla, Danda Nacha etc. The tribal folk dances like "dhemsa," "chau," and different forms of other dances also enrich the folk dance of the State. In addition to these traditional dances special dance and cultural programmes like Konark Festival at Konark, Adivasi Festival at Bhubaneswar, beach festival at Puri, also organised every year. The Zilla Mahostavas organised every year in different districts and district level cultural festivals like Parav in Koraput, Malyabanta in Malkangiri, etc also attracts the tourists from far and near places. The tie and dye textiles of Western Odisha popularly known as *sambalpuri* textiles, the appliqué works of Pipili, the horn and soap stone works of Puri, *patta* paintings of Raghurajpur and the silver filigree of Cuttack are worth possessing souvenirs for the near and dear ones at home. There are quite a few places like Daringibadi in Phulbani district, the Sunabeda plateau in Koraput district where the tourists get same experiences as that of Himalayan valley.

With the commencement of the 6th Five Year Plan, however, sustained efforts are being made to improve the infrastructure for the promotion of tourism in the state. The number of hotels/beds which was only 188 having 3202 rooms in 1980 rose to 733 having with 14,939 rooms in 1999. They provide clean and comfortable accommodation with delicious value added homely treatments. The international airport at Bhubaneswar has direct or convenient air links with Delhi, Bombay, Calcutta, Madras, Hyderabad, Vizag etc. Many fast and super fast trains run to tourist destinations of the State links with all major cities of the country (Government of Odisha, Ibid). Over the time this has also increased both the domestic and foreign tourists into the State and increased their spending in Odisha (Government of Odisha, Ibid). The employment opportunities in this sector have also increased when compared in different years. Tourism business in the State has generated employment for 26,695 persons in the year 1996-97, which has increased to 46,103 persons in the year 2000-2001 (Government of Odisha, 2000). This clearly indicates the potentiality of tourism sector for creating employment.

III

Ethno-Cultural Resources of Tribal Communities of Odisha:

Odisha has large concentration of tribal population in the country. Out of 427 Scheduled Tribes of the country, Odisha has 62 tribal communities who constitute 27.08 percent of State's population (2001). The tribal communities living in the State range from small communities like Chenchu, Bonda, Juanga, Didayi, to large communities like Munda, Santalas, Kondh, Oraon, Saora and Bhuyan. Almost 44.21 percent of the total land area of the State has been constitutionally declared as Scheduled Area, which covers most of the districts except the coastal districts and few in-land areas. The districts largely dominated by Scheduled Tribes are Malkangiri (58.51%), Mayurbhanja (57.87%), Nawarangpur (55.26%), Rayagada (54.99%), Sundargarh (50.74%), Koraput (50.67%), Kondhaland (50.13%), Keonjhar (44.62%), Gajapati (47.88%), and Jharsuguda (33.31%) (1991 Census of India). The tribal communities of the State can be categorised as hunter-gatherer-nomads; hunter-gatherer and shifting cultivators; simple artisans; settled agriculturists; industrial and urban unskilled and semi-skilled workers (Behura, 1990-93).

The Scheduled Tribe communities have differences with each other. All these differences are reflected in their political, economic and socio-cultural life way processes. However, these communities have similarities as regard their dependency on nature to collect their livelihood requirements and in adherence to nature-spirit complexes. It is observed that few tribal communities like Birhor, Kondh and Paudi Bhuyan are also found beyond the State boundaries and are distributed in the States of Jharkhand, Chhatishgarh, Assam and West Bengal. Many of these communities are belonging to the Austric sub-family of Austro-Asiatic language family. Etymologically the name of these communities carries symbolical meaning, which commonly refers to man, forest dwelling, dress pattern, etc. Almost all these communities are divided into certain sub groups who reside on hill-tops and hill slopes. All of those tribal communities are patrilineal, partilocal, patriarchal and posses both nuclear and extended form of family, patri-lineages and clans. For them marriage by negotiations is always considered as socially approved and most prestigious, however, they also follow other ways of acquiring mates, such as marriage by capture, marriage by exchange and marriage by service. Since these tribal communities are conservative, tradition bound and has limited worldview, their social organisation and marriages are basically regulated by *clans* or similar organisations like *Birinda (among the Saoras)*. Any breach of customary practices by the members results in social excommunications and imposition of fines. The secular and sacerdotal village functionaries known differently among different communities perform the role of village head, priest, medicine man, shaman etc. and look after their politico-jural and religious functions. The ethnic identities of these communities are reflected through their dress pattern, housing structure ornaments, god, goddess and spirits of both benevolent and malevolent nature.

Particularly Vulnerable Tribal Communities of Odisha

Of the 62 Scheduled Tribes, the State has declared 13 tribal communities as Primitive Tribal Groups. These communities are: *Bonda Paraja, Chuktia Bhunjia, Didayi, Dongaria Kondha, Hill Kharia* (also known as *Mankiridia, Birhor*) *Juanga, Kutia Kondh, Lanjia Saora, Lodha, Paudi Bhuiyan and Saora.* Each of these tribal communities is rich in maintaining their social institutions, socio-cultural profile and ethnic identities. They are the storehouse, which reflects the rich culture of the tribal communities, which fascinates the tourists from outside.

Their economy is subsistence-oriented and depends upon the collection of minor forest produce, wage-earning and agricultural labour. Their social organisation has patrilineal and totemistic clans and most of the families are nuclear. Their marriages are usually post-pubescent and monogamous, although polygynous unions are not totally ruled out. The divorce and re-marriage are socially permissible. In the socio-political nexus, the Mukhia/Sardar plays the role of headman and the traditional village Panchayat is called, Desh. They are polytheists who strongly believe in the Bhagaban, Dharam Devata and Basumata. In addition, there are village deities; tutelary deities, ancestral cult, benevolent and malevolent spirits and all of them constitute the supernatural constellation. They observe a number of rituals and festivals throughout the year with emotional attachment to gain favour of spirits and the blessings of deities for their overall well being.

The tribal communities practise slash and burn type of cultivation (Kamani) on hill slopes, settled cultivation on wetland and vegetable cultivation in kitchen gardens. They also collect food materials, fuel wood, honey, and resin lac, medicinal plants and herbs from forest. Although monogamous union is the common practice, polygyny is not entirely ruled out. The marriage by negotiation is prestigious but other forms of acquiring mates practised among them are marriage by mutual consent and elopement, marriage by ceremonial capture, etc. There is the prevalence of bride price, which is paid to the bride"s father in cash and/or kind. Their family, which is the smallest social unit, is characterised by patriarchy, patrilocality and patrilineality. They have lineage and clans. The village head among them is called the Naik/Padhan, who presides over the village assembly or Darbar and the inter-village traditional political organisation is known as the "Bar" in Sundargarh district and "Pirh" in Keonjhar district. The Dharam Devta and Basukimata, who represent Sun and Earth, respectively are at the apex of their pantheon. The Dihuri is the sacerdotal chief, who performs all rituals connected with worship of deities. In matters of the cure of diseases, they apply magico-religious methods through Raulia, the witch doctor and utilise medicinai plants and herbs.

Although monogamy is the rule, polygynous unions are also prevalent. Besides the regular way of acquiring mates through negotiation which is considered the most prestigious one, the marriage by ceremonial capture and by service are also prevalent in their society. The soral polygyny and levirate are socially permitted. They observe various life-cycle rituals as per their customs and the Guar ceremony as a death ritual is significant among them. They practise shifting, terrace and settled cultivation and in addition, they collect minor forest produce and also pursue animal husbandry, horticulture, wage earning to earn their livelihood. The Saoras are significant for their iconography, craftsmanship and they possess rich cultural heritage.

IV

Tribal Museum: A source of Tourist attraction:

Scheduled Castes and Scheduled Tribes Research and Training Institute (thus known as SC & ST R & T I) is one of the State level agencies working for tribal development in the state. This Institute started as a semi-official organisation during 1952 and then, it was known as Tribal Research Bureau. The objective of this Bureau was to collect, and process basic data on various aspects of the culture processes of scheduled groups in the State of Odisha, and render advisory services to both Government of Odisha and Government of India on matters of their socio-economic development.

The concept on the "Museum of Men" in the Institute was started in 1986 and Government of Odisha thought to make a systematic approach to establish a museum. Accordingly, five typical huts were made representing the Santhal, Juanga, Gadaba, Saora, Dangaria Kondh while also displaying their artefacts. There are 2038 artefacts till now collected from among 21 tribal communities of Koya, Gondia, Ganda, Didayi, Kohva, Bhumija, Dangaria Kondha, Kutia Kondha, Juanga, Pauri Bhuiyan, Santhal, Oraon, Khadia-Mankiridia, Bathudi, Gond, Pahadia, Gadaba, Bonda. The collected artefacts can be classified as hunting weapons, fishing tools, agriculture implements, household items, jewellery, textile, musical instruments, kombs, dhokara, basketry, goard items, wood carving, decorative objects etc. All these artefacts have been displayed on their functional basis relating to agriculture, hunting, and music. The collections on each artefact are not sufficient to show the evolutionary process/form during the display. The Institute has adopted four types of card system to develop a documentation process of all 2038 artefacts. They are viz: index card, chemical card, documentation card, and exhibition card and preserves the artefacts mainly through chemical conservation method.

An attempt was made to review the register of the visitors to the museum from the period of 1990 to 1998. During the period the museum has attracted a total of 313 numbers of tourists. Of the total, 271 (86.58%) have represented from different countries in abroad, while only 36 (11.50%) have represented from other States of India and the rests are from different districts of Odisha (SC and ST R and TI Museum Record, 2000). The foreign tourists who have visited the museum were are more in number from countries like USA, Netherlands, England, Australia, Belgium, France and Italy. This at one level clearly indicates the potentiality of popularising ethnic-tourism for future development of tourism in Odisha.

Conclusion

The state of Odisha bears the natural potency of tourism, which is spread, over its different regions. Over the time particularly during pre-independence period these places have been enriched through the construction of temples and art and architectures. The sole objective during that time was not to project them as source of attraction for the tourists from far and near. However, over the time and more particularly during the post-independent period the state considered such sources to attract people for pleasure and entertainment. The marketing aspect of tourism and generating income from these sources came little later. The importance to develop tourism by the state has been mainly confined to coastal regions and or few inland places of the state. It has not given due and appropriate importance to develop and/or to enrich tourism from ecological and cultural point of view. The rich ecological treasure of both the tribal communities and the areas of their living have not been duly explored.

Suggestions

Attempts should be made to conserve the physical ecology as well as the cultural ecology of the ethnic tribal communities by empowering them through participatory protected area management approach.

- The illegal encroachments of the heritage sites are to be cracked down. The permission for construction of structures within these zones should not be given.
- The ethnic communities should be encouraged to enrich their ethnic heritages and skill so as to make more attractive with the change process. It should be an opportunity for these tribal communities to generate more income from tourism business in dignified manners.
- The whole approach of cultural integrity of the tribal communities and tourism should be honoured on the basis of right perspective for the tribal communities, than not merely on income generation perspective for the State. The fabric of native culture reflected through folklore, folk music, folk dance, customs etc should be promoted through required value addition.
- Educational and awareness programmes should be widely made so as to know the possible effects of

eco-tourism in the tribal people and on their cultural life.

- Development of infrastructure and reduction of human threats in interior pockets of the State should be the prime focus of the intervention to establish eco-tourism in the State.
- More investment should be made on the promotion and preservation of monuments with cultural, historical and mythological significance.

Overall, the eco-tourism of the state should effectively protect indigenous people and cultures from external threats; recognise their traditional rights on lands, territories and water; recognise their rights to control and co-manage these resources; allow participation of traditional institutions in the management of natural resources; and to recognise the rights of these people to determine their own development priorities.

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Life is a journey that must be traveled no matter how bad the roads and accommodations.

—Oliver Goldsmith

Hospitality and Tourism Education in India: In Search of Innovative Programmes

ASHISH DAHIYA

Productivity in hospitality and tourism business to a great extent banks upon the human resources along with technology and other significant factors of contribution. Education and training institutes in India are a source of supply of skilled human resources to the tourism and hotel industry, thus are directly responsible for productivity in trade and over the years have gained a significant attention. This paper seeks to examine the growth and development of hospitality and tourism education in India with particular reference to the programmes, their modules, offerings and nomenclatures in hospitality and tourism education system of India. Further, this article attempts to highlight some significant issues related to the programmes available and measures that might be taken to solve them. The paper concludes by examining the future of hospitality and tourism education in this growing industry. Further the need of innovative programmes in the sectors of hospitality and tourism are discussed and the implications for curriculum development are broached. Also, the involvement of government as a formulator of policy and its liaison with educational bodies, local and national agencies is discussed with a view to improving and widening the system for the future benefit of the hospitality and tourism industry in India.

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Productivity is one of the prime concerns of all the industries across the globe. Optimising Productivity at all levels with increase in sales, controlling the costs and ensuring quality products or services are considered to be the mantras of success for any trade. The case is almost the same in hotel and tourism business. This sector heavily banks upon its manpower for productive services. With increasing competition in hospitality/ tourism industry globally and the growing demands of efficient services, the training and education has become a key area in hospitality. The Government of India has been taking initiatives to promote and develop hospitality and tourism both in terms of physical infrastructure and in terms of services by paying attention on uplifting physical products as well as manpower.

As per UNWTO, there has been a tremendous growth in hospitality and tourism industry in last few years. Despite concerns over the global economy, international tourism demand continues to show resilience the number of international tourists worldwide grew by 5 percent between January and June 2012 compared to the same period of 2011 (22 million more). The figures turned more exciting when the global international tourists reached the catching figure one billion in year 2012 and gave fascinating beginning to year 2013 as per the UNWTO World Tourism Barometer a regular publication of World Tourism Organisation.

For many developing countries tourism is one of the main sources of foreign exchange income and the number one export category, creating much needed employment and opportunities for development. In over 150 countries, tourism is one of the five top export earners, and in 60 it is the number one export. It is the main source of foreign exchange for one-third of developing countries and one- half of each Least

Developed Countries (LDCs), where it accounts for up to 40 percent of their GDP [United Nations Conference on Trade and Development (UNCTAD)].

India has also seen a significant increase in the number of visitors. As per Market Research Division, Ministry of Tourism Government of India, Foreign Tourist Arrivals, FTAs in India during 2012 were 66.48 lakh with a growth of 5.4 percent, as compared to the FTAs of 63.09 lakh with a growth of 9.2 percent during the year 2011 over 2010. Foreign Exchange Earnings, FEEs from tourism in terms of US$ during 2012 were US$ 17.74 billion with a growth of 7.1 percent, as compared to US$ 16.56 billion with a growth of 16.7 percent during the year 2011 over 2010. Despite above discussed India is yet to pave a benchmark in terms of International Tourist and Tourism Receipts as yet we are to make one percent share in the world in Tourism and there needs to be done a lot in above regard.

Over the years, India has emerged as a favored destination for the tourism and hospitality investors. Various hotel groups both national and international are investing into the Indian hotel Industry, with the boom in economy and elevated life standards India is the market for multinational companies. Now high-end tourists are patronizing India as well. Hotels are amongst the most visible and important aspects of a country's infrastructure. Hotel industry is a closely linked one to the tourism industry. A number of factors like promotion of tourism and rapid industrial progress have given a boost to hoteliering. The recent liberalization of trade and opening up of economy will further lead to revolutionary growth in this sector.

The Prime Minister's National Skill Development Council has identified Tourism/Hospitality Industry, along with Health and Information Technology, for mass basing the skill training. The three sectors are recognized as larger generators of employment. This Council, it may be mentioned, is chaired by the Prime Minister and is at the apex of a three-tier structure and is concerned with vision setting and laying down core strategies. It is assisted by the National Skill Development Coordination Board chaired by the Deputy Chairman Planning Commission. At the third layer of the structure is the National Skill Development Corporation which is essentially for promoting private sector action for skill development.

Tourism Sector is a major generator of employment. As a highly labour intensive activity, tourism and tourism supported activities create a high proportion of employment and career opportunities for low skilled and semi-skilled workers, particularly for poor, female and young workers. Women make up 70 percent of the labour force in tourism sector and half of all tourism workers are 25 years or under. The tourism sector can be an important source of employment for many of the unemployed youth and consequently reduces the poverty in the society (UNCTAD 2010). The Ministry of Tourism (MoT), Government of India has mentioned in its report (2012) that Tourism in the country has the potential to emerge as a key economic driver. It is estimated that tourism can generate employment next only to the Construction Sector (National Skill Development Corporation). With MoT targeting over 12 percent growth rate in inbound as well as domestic tourists, it has been projected that tourism sector will generate additional jobs for about 2.5 crore persons, both direct and indirect, during the period 2010-16 (12^{th} Plan).

With the growth of hotel industry propelled by foreign and domestic tourism and business travel, the demand for well-trained quality personnel too has grown impressively. The growing industry demands for more manpower. The research conducted by Shaw Hotels & Consultancy Services Pvt. Limited for FHRAI on "Staffing Practices in Indian Hotel Industry" has revealed that hotels even small and independent have achieved high staffing ratios and the annual staff turnover in the four core departments varies between 14–18 percent annually. Thus, the requirements of manpower are double fold a) due to expansion and growth of Industry b) due to annual staff turn over. Further, the report published by World Bank (2007) cites that the demand of skilled courses like Multimedia, Hospitality and Hotel Management, Tourism, and Telecommunication and Aviation is emerging at a very high rate in India.

As per a study (of 2004), carried out by the Market Pulse for the MoT, the annual supply of skilled manpower to the hospitality sector was of about 18000 persons which further came down to about 12000 after attrition. This was against an estimated annual requirement of about 2 lakh persons. The recent study (of 2010) of the Market Pulse for the MoT reveals the growing dimension of tourism in the country as it estimates that the hospitality sector alone will open up additional 36.18 lakh jobs during the 12th Plan at the projected growth rate of 12 percent.

Servicing the Sector effectively will be a prerequisite for the anticipated delivery. This is a primary concern of MoT and a concern of all the stakeholders including the authorities in the States. Servicing the sector with skilled manpower becomes an imperative and a foremost challenge for the 12th Plan period. The task of creating a skilful service is inherently challenging since the Sector is constrained to take raw hands in view of prevailing skill gap which is further widened by a rather high rate of attrition. Unless efforts are stepped up substantially to create institutional infrastructure and facilities for training, the supply of skilled manpower will not even touch ten percent of the projected requirement.

Amoah and Baum (1997) cites that the importance of human resources in the tourism industry cannot be disregarded. 'the human factor is fundamental to development of the tourism sector since it constitutes the very essence of quality in tourism supply similarly Mc. Donald and Hopkin (2003) have mentioned that hospitality education is a vehicle for improving the quality of employees in the industry.

In view of above, this paper seeks to examine the growth and development of hospitality and tourism education in India with particular reference to the programmes, their modules, offerings and nomenclatures in Hospitality and Tourism Education System of India. Further, this article attempts to highlight some significant issues related to the programmes available and measures that might be taken to solve them. The paper concludes by examining the future of hospitality and tourism education in this growing industry. Further the need of Innovative Programmes in the sectors of hospitality and tourism are discussed and the implications for curriculum development are broached. Also, the involvement of government as a formulator of policy and its liaison with educational bodies, local and national agencies is discussed with a view to improving and widening the system for the future benefit of the hospitality and tourism industry in India.

Hospitality and Tourism Education across the World

Amoah and Baum (1997) have mentioned that there are different definitions to the words Tourist and tourism, and this diversity occurs because of the different sectors involved, specifically in the case of hospitality. There is also a debate that whether Tourism and Hospitality industry should be seen as an industry itself, instead of being a financial activity that links sectors i.e. hospitality through its consumers' common objectives. Goeldner (1998), in Copper *et al.* (1994) comments that tourism is still an emergent subject and that tourism education has grown significantly during last 50 years but its knowledge is still fragmented. In providing useful typology, Copper *et al.*(1994) have explained three ways by which the study of tourism has developed as an academic subject. First it was through specific training related to the travel sector, after wards courses in the business areas and later on the study of tourism was approached along with traditional subjects such as Geography, Sociology and Linguistics. Airey and Tribe (2000) describe hospitality courses as being prominently influenced by industry. 'The emphasis on practical and industry – oriented content is clear from module titles such as Food Preparation Techniques'. Airey and Tribe (2000) also mentions that over the recent years course titles have shifted from Hotel Catering Management to include hospitality and whilst they recognise the change in title opens up a wider conceptual frame work, at the same time it is clear that the vocational orientation remains the core of curriculum. Cornard Lashley (2004) in Escaping the Tyranny of Relevance: Some Reflections on Hospitality Management Education, Annual Conference of Association of Tourism Education, in The Review of Hospitality Management (HEFCE, 1998) defined hospitality management as "having a core which addresses the management of food, and/or drink, and or accommodation in a service context" (p2). When all these activities are taken into account, hospitality activities employ approximately 2 million people in Britain (HtF, 2002) and the Henley Centre (1996:15) suggested that for each hospitality job a further 1.3 jobs are created in support services in the wider economy.

Breakey and Smith (2008) mentions that overall, the growth of degree programs for the tourism and hospitality industry has followed a natural growth curve, with a very slow beginning in the 1970s, followed by accelerated growth in the 1980s, and massive growth throughout the 1990s and the present decade. While the initial programs were in hospitality it is worth noting that these undergraduate degrees often included tourism related content and the third program introduced in Australia had a combined focus of both hospitality and tourism. Specific tourism only degree programs were not introduced in Australia until the late 1980s. However the escalation of tourism program offerings was more immediate and this significant growth has continued throughout the last two decades. Similar trends have been identified in other nations, such as the United Kingdom (Craig-Smith, 1998) and the United States of America (Boger, 2000), and more recently countries such as China (King, McKercher, and Waryszak, 2003) and Brazil (Knowles, Teixeria, and Egan, 2003). It is interesting to note that hospitality degree programs are considered to have grown and matured at a very rapid pace despite hospitality education being a relatively new academic pursuit (Williams, 2005a, 2005b). Research on hospitality and/or tourism degree education has been undertaken at different stages of the development process, including the research by Wells (1990; 1996), Hobson (1995), Craig-Smith (1998), Pearce (2005), Craig-Smith and Ruhanen (2005), and King and Craig-Smith (2005). In addition a number of research projects and discussions have focused on comparisons with other countries, such as the United Kingdom (King, 1990; Wise, 1978), New Zealand and the South Pacific (King, 1990, 1996), Hong Kong (King et al., 2003), and China (Craig-Smith and Ding, 2007). Linton (1987) has cited that the biggest challenge of developing countries is to develop their own experience and establish appropriate structures. Knowles *et al.* (2003) cites, the developing countries need professionals who have a holistic perception of the industry, people who are able to understand it as a whole, its inter relationships, and its impacts and professionals who are able to find a way to avoid the inadequate forms of development of tourism/ hospitality within a country.

Hospitality and Tourism Education in India

Education and Training for hospitality in India have relatively early origins, commencing in mid 1950's in Mumbai with United Nations Funding support. Training program in the field of Hotel Management Catering Technology & Applied Nutrition was initiated by Government of India in year 1962 under the Department of Food, Ministry of Agriculture. To begin with four Institutes of Hotel Management (IHM's) were set in New Delhi, Mumbai, Chennai and Kolkata for imparting training in hospitality related craft disciplines, Twelve Food Craft Institutes (FCI) were also then set up at different places in the country.

Consequent to transfer of program to the ministry of Tourism in October 1982, formats of various training programs were reoriented and remodeled keeping in view the performance workforce requirements in the country. In order to utilize the resources and to provide a central thrust to the program, Ministry of Tourism Govt. of India also established The National Council of Hotel Management and Catering Technology in year 1982. With the growth and development of hospitality, industry in India Hotel Management & Catering Technology Program has gained tremendous popularity and of course, the profile of students seeking admission to this course has undergone a tremendous change. So far (till 2002), Three Year Diploma was the highest qualification offered by a Government Institute in India in the field of hotel Management.

Pleased with the fantastic placements and looking at the growing demands of Indian hospitality professionals overseas the need of offering a degree program in Hotel Management was felt so as to give better opportunities to hospitality graduates globally. In year, 2003 The National Council of Hotel Management (NCHM) joined hands together with (IGNOU) Indira Gandhi National Open University and upgraded the three year diploma program to a B.Sc Degree program in Hospitality & Hotel Administration. In year 2004, the stepping-stone to success of Indian Hospitality Education was added by introduction of M.Sc program in Hospitality by National Council at four IHM's initially. As in 2013, under aegis of NCHM, there are 41 Institutes of Hotel Management comprising of 21 Central IHMs, 8 State IHMs and 12 Private IHMs and 5 Food Craft Institutes following National Council's course curriculum and few more are expected.

In the University system, hospitality education has ventured lately. It was in the year 1996, MJP Ruhelkhand University Bareilly launched 4 year Bachelor of Hotel Management & Catering Technology programme in India. Subsequently Bundelkhand University Jhansi (2001), BIT Mesra (2003), HNB Garhwal University, Srinagar Garhwal (2004) and other Universities launched hotel management programme in their campuses. In terms of launching Masters Programme in Hotel Management (MHM) was launched in Kurukshetra University Haryana (2002), Bundelkhand University Jhansi & MD University Rohtak (2005).

Ministry of Tourism Govt. of India has also promoted Hotel management Programmes under Central Financial Assistance Scheme, and about 30 Universities are coming up with degree level programmes in Hotel and/or Tourism Management in coming 2-3 years. Refer to Table 1.

Table 1: List of Government Universities Offering Hotel Management* Programmes in India *(List is indicative only) (*Under Central Financial Assistance Scheme of Ministry of Tourism, Govt. of India)(2012)*

Name of University	Website
Baba Ghulam Shah Badshah University - Kashmir	www.bgsbuniversity.org/
BPS Women University Khanpurkalan, Sonipat	http://www.bpswomenuniversity.ac.in/
Chhatrapati Shahu Ji Maharaj University, Kanpur	http://www.kanpuruniversity.org
Dr. B.R Ambedkar University Agra	www.dbrau.ac.in/
Goa University	www.unigoa.ac.in/
Himachal Pradesh University Shimla	www.mtashimla.org/
HNB Garhwal Central University Uttarakhand	www.hnbgu.ac.in
Indira Gandhi National Open University — New Delhi	www.ignou.ac.in
Jamia Millia Islamia University	www.jmi.ac.in
Jiwaji University Gwalior	www.jiwaji.edu/
Kurukshetra University, Kurukshetra	www.kuk.ac.in
Lucknow University - Lucknow	www.lkouniv.ac.in/
Magadh University	www.magadhuniversity.org/
Maharaja Sayajirao University of Baroda	www.msubaroda.ac.in/
Maharshi Dayanand University (MDU) Rohtak	http://www.mdurohtak.ac.in/info/acad_fac_mgmtscien_HMgmt.html
Mohan Lal Sukhadia University Udaipur	www.mlsu.ac.in/
Punjab University Chandigarh	www.puchd.ac.in/
Punjabi University Patiala	www.punjabiuniversity.ac.in/
Ravenshaw University, Cuttak - Odisha	www.ravenshawuniversity.ac.in/
University of Jammu	www.jammuuniversity.in/
Uttarakhand Open University - Haldwani	www.uou.ac.in

Tourism Education in India

In India, initially diploma programmes in tourism were launched in 1970's and slowly it gained significance through the acceptance and popularity from the industry. Slowly, many universities have come forward to offer tourism course at diploma, PG diploma level. Government of India under its tourism ministry wing has initiated an autonomous Indian Institute of Tourism & Travel Management (IITTM) in Gwalior during 80s. The Indian Institute of Tourism and Travel Management (IITTM), an autonomous organisation of the Ministry of Tourism, Government of India, is one of the premier institutes in the country offering education, training, research and consultancy in sustainable management of tourism, travel and allied sectors. The IITTM came into being on 18th January 1983 with its registration at New Delhi.

The IITTM has its headquarters at Gwalior (set up in 1992) with centres at Bhubaneswar (set up in 1996) and Noida. The Noida centre is functioning from PUSA (Jan. 2007). In the year 2004, the National Institute of Water Sports (NIWS), Goa was also incorporated in the IITTM. It has been decided to set up another centre of the IITTM at Nellore in Andhra Pradesh. The IITTM is a member of the Asia Pacific Education Training Institutes in Tourism (APETIT), promoted by United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

Masters Programme in Tourism was firstly launched by Kurukshetra University in early 90s subsequently by HP University Shimla, HNB Garhwal University, Bundelkhand University Jhansi, and Jammu University. The success of the course has motivated almost 20–25 universities across the vast sub-continent to offer tourism course at varying levels. In this row many private colleges and universities (Deemed) are also in the race of offering tourism related course presently.

Table 2: List of Universities imparting Hotel Management Graduate/ Post Graduate /Degree, PG Diploma's & One Year Diplomas in India in their campus/University Teaching Department /Distance Educations

Name of University	Regular ® Distance(d)	PhD	M.Sc. MHM/ (HM) MBA	B.Sc./ BBA BHMCT	PG Diploma	One Year Diploma
Allahabad Agricultural Institute – Allahabad	(d)	-	-	Y	-	-
Amity University (Noida, Gurgaon, Jaipur)	®	-	Y	Y	-	-
Annamalai University, Tamil Nadu	(d)	-	Y	Y	Y	Y
Bahara University, Himachal Pradesh	®	-	-	Y	-	-
Barkatullah University – Bhopal	(d)	-	-	-	Y	-
Bharati Vidya Peeth University – Pune	®	-	-	Y(O)/ (A)	-	-
Bilaspur University – Chattisgarh	®	-	-	Y	-	-
Birla Institute of – Technology Ranchi	®	-	Y^	Y(O)^	Y^	Y^
BPS Women University – Sonipat	®	-	-	Y	-	-
Bundelkhand University – Sonipat	®	Y	Y(o)	Y(o)	-	-
H.N.B Garhwal University - Srinagar Garhwal	®	Y	-	Y (o)/ (A)	Y	-
Himachal Pradesh University, Shimla	®	-	-	Y	-	-
Himgiri Zee University – Dehradun	®	-	Y	-	-	-
Indira Gandhi National Open University	(d)	-	Y(s)	Y(s)	-	-
Jammu University	®	-	-	Y	-	-
Kashmir University – Srinagar	®	Y	-			
Kurukshetra University – Haryana	® / (d)	Y	Y® (o)/(d)	Y(A), (ic)	Y(d)	-
Lovely Professional University - Jalandhar	®	-	-	Y	-	-
M.D University - Rohtak, Haryana	®/ (d)	Y	Y(o)	Y(A)	Y	Y
M.M University Mullana	®	-	Y(o)	Y(o)	-	-
M.P Bhoj Open University – Bhopal	(d)	-	-	-	Y	-
Manav Rachna International University – Faridabad	®	-	-	Y	-	-
MJP Rohilkhand University – Bareilly	®	Y	-	Y(o)	-	-
Panjab University – Chandigarh	®	-	-	Y	-	-
Punjab Technical University	(d)	-	Y	Y	-	-
SRM University Chennai	®	Y	-			
Subharti University – Meerut	®	-	-	Y	-	-
Uttarakhand Open University - Haldwani	(d)	-	-	Y	-	Y
Uttarakhand Technical University, Dehradun	®	-	Y (a)	Y(a)	-	-
Vardhman Mahaveer Open University -Kota	(d)	-	-	-	-	Y
Vinayaka Missions University, Tamil Nadu	(d)	-	-	Y	Y	-
Yashwant Rao Chauhan Open University – Maharashtra	(d)	-	-	Y(ic)	-	-

(o) – On Campus; (a) – Affiliated Institute; ^ – International Centre, (ic) Industry Collaborative Program; (s) – Specific designed program in collaboration with NCHMCT.

Higher education system of India is the third largest network in the world, after those of China and the U.S. with about 350 universities and 17, 000 colleges and half a million academics catering 10 million students. In spite of these impressive numbers, it provides access to just 7 percent of the eligible age group (17 to 23 years of age); as compared to 50-70 percent in high income group countries, and the world average of 30 percent. This puts a premium on quantitative expansion. Much remains to be done to improve educational quality. Thus both quantity and quality of higher education has become the main concern. It is also interesting to mention here that out of 350 Universities about 25-30 Universities only offer Hotel & Tourism Programmes (Refer to Table 2).

Hospitality Courses Available in India

- 6-8 Weeks *Hunar Se Rozgar Tak* after class 8th (An Initiative by Ministry of Tourism, Govt of India)
- 6-month Certificate Course in Hotel and Catering Management
- 1-year trade Diploma Courses in
  - Bakery & Confectionery
  - Hotel Reception and Book Keeping
  - Restaurant and Counter Service
- 3-year Diploma in Hotel Management
- 4-year Bachelor of Hotel Management & Catering Technology
- 4-year Bachelor of Hotel & Tourism Management
- 3-year B.Sc. in Hotel Management
- 3-year BBA in Hospitality & Hotel Administration
- 3-year BA in Hospitality & Tourism Management
- 3-year BA in International Hospitality Management
- 1-year PG Diploma in International Hotels
- 2-year M.Sc. in Hotel Management
- 2-year MHM – Masters in Hotel Management
- 2-year MBA – Hospitality/Hotel Management
- 1-year M Phil in Hotel Management
- Ph.D Programme in Hotel & Tourism Management

Eligibility for above courses

- Certificate courses: 10+2 or equivalent
- For 1-year diploma: Class X or XII pass with minimum aggregate performance of 50 percent
- For 3 or 4 year bachelor degree programme: Class XII or equivalent pass with a minimum of 50 per cent often English as a Subject in Class 12 is a requirement.
- For 1 year PG Diploma: The applicant must be a graduate of any stream
- Post Graduate Degree in Hospitality Administration: A Bachelor degree in Hotel Management or equivalent
- Ph.D Programme in Hotel & Tourism Management: Masters in Hotel/Tourism Management with minimum 55 percent marks.

Apart from above mentioned University teaching departments the other premier institutions in the field include:

- Army Institute of Hotel Management & Catering Technology, Nagareshwara Nagenahalli, Kothanur Post, Bangalore-560077.www.aihmctbangalore.com
- Indian Institute of Hotel Management (by the Taj Group of Hotels), Rauza Bagh, Aurangabad 431 0001; Maharashtra India http://www.ihma.ac.in
- National Council for Hotel Management and Catering Technology, in collaboration with IGNOU, New Delhi administers admission to the hotel management programmes at the government-sponsored institutes of Hotel Management, Catering Technology and Applied Nutrition at Ahmedabad, Bangalore, Bhopal, Bhubaneswar, Kolkata, Chandigarh, Chennai, Delhi, Goa, Gurdaspur, Guwahati, Gwalior, Hyderabad, Jaipur, Lucknow, Mumbai, Patna, Shimla, Srinagar, Thiruvananthapuram & Dehradun http://www.nchmct.org
- Park Hotel School, **Apeejay Institute of Hospitality** No.1, Sector-10,C.B.D. Belapur Navi Mumbai – 400 614, India http://www.aih.edu.in
- Welcomgroup Graduate School of Hotel Administration, Valley View, Manipal- 576119; http://www.manipal.edu

Industry Sponsored Programmes

Various programmes are being offered by Industry as well in which a candidate can join the degree programme after 10+2 and learn in the respective hotel training centre also a stipend is being paid the candidates in these courses.

- Ashok Institute of & Tourism Management. C-12/A, Qutab Institutional Area, New Delhi – 110016. www.theashokgroup.com
- Coordinator- STEP Programme Oberoi Centre for Learning & Development 7, Shyamnath Marg Delhi offers Three Year Graduate Programme after 10+2, with a stipend paid to learners. http://www.oberoihotels.com/careers/
- Coordinator Welcomlegionnaire Programme Welcomgroup Management Institute ITC Green Centre, 10 Institutional Area, Sector - 32, Gurgaon - 122 001 offers four year Graduate Programme after 10+2, with a stipend paid to learners http://www.itcwelcomgroup.in/Others/OthersCAR.aspx

Tourism Programmes Available in India

In India Tourism Education is offered under following nomenclatures

Under Graduate Programmes in Tourism: (After 10+2)

— B.Com (Tourism)

— BA(Tourism)

— BBA (Travel & Tourism)

— BTA : Bachelor of Tourism Administration

— BTM : Bachelor of Tourism Management

— BTS : Bachelor of Tourism Studies

— BTTM : Bachelor of Travel & Tourism Management

Post Graduate Programmes in Tourism: (After Graduation)

— M.A (Tourism) : Master of Arts in Tourism

— M.Sc (Tourism) : Master of Science in Tourism

— MBA (Tourism) : Master of Business Administration (Tourism)

— MTA : Master of Tourism Administration

— MTM : Master of Tourism Management

— MTTM : Master of Travel & Tourism Management

— PGDBM (Travel & Tourism) : Post Graduate Diploma in Business Management (Travel & Tourism) *equivalent to MBA*

— Ph.D in Tourism Management (After Post Graduation in Tourism with 55 percent marks)

List of Institutes / Universities offering Tourism Programmes in India

Following Universities and Institutes of National Importance offer Tourism Programmes on Campus in India:

— Aligarh Muslim University

— Banars Hindu University – Varanasi

— Bundelkhand University – Jhansi

— Central University of Himachal Pradesh – Dharamshala

— Central University of Jammu

— Himachal Pradesh University - Shimla

— HNB Garhwal Central University – Srinagar Garhwal, Uttarakhand

— Indian Institute of Travel & Tourism Management – Gwalior, Noida, Nellore, Bhubaneswar

— Jiwaji University – Gwalior

— Kanpur University – Kanpur

— Kashmir University – Srinagar

— Kumaon University – Nanital

— Kurukshetra University – Kurukshetra

— Lucknow University – Lucknow

— M.D University – Rohtak

— National Tribal University – Amarkantak

— North East Hill University – Shillong

— Pondicherry Central University – Puducherry

— Tezpur University – Assam

— University of Delhi (College of Vocational Studies) – Delhi

— University of Jammu – Jammu

Significant Issues Pertaining to Hospitality and Tourism Education in India

Recognizing the significance of Tourism and Hospitality Education in India this area has been of significant concern in Conferences, that have organized recently in Oct 2012 at Institute of Hotel and Tourism Management, M.D University Rohtak, then on 2nd February 2013 at IITTM, Gwalior, 12th Feb 2013 by University Institute of Hotel and Tourism Management, Panjab University Chandigarh and on 23rd Feb 2013 at Department of Hotel Management, Kurukshetra University, Kurukshetra, ICSSR and UGC Sponsored Conference on Tourism and Hospitality at Women Christian College – Chennai March 12-13, 2013. The key discussions in the conferences involved considerations like that current hospitality and tourism education system in India emphasis on the supply of a labour force tend to meet industry needs, but less attention is given on adequate development of quality human resources. It is strongly felt that there is a dire need of innovative programmes in hospitality and tourism education both in India and Overseas. The major issues that exist in current hospitality and tourism education are as under:

— **Curricula:** The curricula in Hospitality and Tourism Education are not designed effectively. Most of the current Hospitality and Tourism Programmes are out of date and are not able to develop competent and knowledgeable personnel. Many text models are implemented as is by borrowing from west and many have not been upgraded since decades. There is no significant difference between Postgraduate and Under Graduate Curriculum in some of the subjects. Subsequently there is no major difference between four years, three year degree and diploma progeammes.

— **Discrepancies in Staff Structures**: Surprisingly, yet interestingly there lies a dissonancy in Staff Structures, The faculty positions, Qualifications and Pay scales are significantly different in Universities, Colleges and IHM's in India.

— **Dominance of Non-Tourism Discipline:** Most Degree programmes of Tourism Education are dominated by Non-Tourism related disciplines such as History, Commerce, Geography, Management and others. The reasons may be varied, but till now many Universities even do not have a single full time faculty of core Tourism and or Hospitality domain even at Assistant Professor Position and there exists a vacuum at Associate or Professor positions due to non availability of faculty resources.

— **International Linkages:** Indian Education System in Hospitality and Tourism itself has so much to offer to a learner from its own country. Yet, the significance of international linkages can not be overruled. Most of the Tourism and Hospitality programmes lack in International Linkages both in term of Industry as well Institutional Linkages.

— **Internships and Industry Linkages:** Although most of the programmes in Hospitality and Tourism, in India offer strong Industry linkages offering internships varying from six months to a year and on go to train manpower for Industry demands, moreover almost all academic Boards in Universities and Higher Education Institutes have Industry Representation on their Academic Boards, yet there is lack of standardization and offering of best practices. In many cases interns are treated as work force both in hotels and tourism sector which turns many of the learners to leave the industry even before they join.

— **Lack of Standardized Curriculum:** The hierarchy of Hospitality and tourism education and training does no correspond to the career path which is specified by the individual needs of students or trainees and general demand of industry. Except central bodies like AICTE, NCHMCT and IITTM many of the institutions lack in standardized curriculum. In fact so far even UGC is yet to come with standard curriculum for Hospitality and Tourism Programmes.

— **Lack of Government Support**: Indian Govt is promoting Hospitality and Tourism Programmes and some good initiatives like *Hunar Se Rozgar Tak* have been laudable. However, there lies a lack in support for operating expenses of the Institutes in terms of Salaries, Research Funding and inspiring Youth for Pursuing programmes. As a matter of fact most of the Institutes as well as University Teaching Departments even in Govt. funded Institutions work on self sustainability models for meeting operating expenses thus as a result the programmes offered even in central government institutes turn to be expensive in fees structures.

— **Mismatch in Hierarchy of Education and Training:** There exists a mismatch between Hierarchy of Education and Training; this is more prevalent in case of Hospitality Programmes. Ministry of Tourism has launched M.Sc – Hotel Management Programme in few of its IHM's, similarly many Private Institutes have done so. There seems to be great mismatch in the hierarchy of Education and Training as the neither the faculty available is with a Doctoral or even higher degree in most of the Institutes nor there is a significant gap in Training of students for Bachelors or Master's Programmes.

— **Nature of Education: (Vocation/Technical/ Professional):** Though the higher education in Tourism and Hospitality is rapid, Professional and Vocational Schools still play a dominant role in India. Till now even the Policy planners are not clear about the nature of Tourism and Hospitality Education. In many universities it is under Vocational Studies, few have it under aegis of Faculty of Management or others, the three year courses are under UGC and Four Year Programmes under All India Council of Technical Education AICTE. For Industry all are more or less same with no major difference.

— **No Significant Difference in International and Other Programmes:** The programmes offered under International Nomenclatures have no major differences in comparison to those of others offered except the nomenclature. There lies a dire need to look into programmes for International and National sector and rethink should actually there lies such need or not.

— **Nomenclature of the Degrees:** There lies a huge difference in nomenclature of degrees both at Under Graduate as well as Post Graduate level. In Hospitality programmes they are offered as B.Sc (HHA), BHM, BBA(HM), BA (IHM), BHMCT, BHTM and at Masters level MBA(HM), M.Sc (HM), MHM similarly in Tourism the Under Graduate Programmes are offered under BBA(T&T), BTM, BTS, BA(Tourism), B.Com (Tourism) and at Masters Level MA(Tourism), MTM, MA(Tourism), MTA, MBA (Tourism), MTTM. There lies a significant action on part of statutory bodies and government for uniformity in nomenclature of Degrees in Tourism & Hospitality.

Non Availability of Faculty Recourses: There are limited faculty resources available both in Tourism and Hospitality. There is a great vacuum at senior positions. Similarly, there are almost negligible centers' for Training and updating the existing faculty resources. On one end the Ministry of Tourism recruits faculty with a Bachelors Degree in Hotel Management with Certificate in Hospitality Training (CHT), but on the other end, Universities look forward for Masters or Ph.D in Hotel/ Tourism Management. The case is a little better and uniform in case of Tourism Programmes.

— **Research Practices:** For any programme in higher education the structure should be kept keeping into consideration both current and future needs. This can only be met with research practices. The academic research practices in hospitality are almost negligible and in tourism are limited. There is no centre of Excellence for Research for Hospitality and Tourism in the country. Rather the funding granted my UGC, AICTE and Ministry of Tourism, Government of India receives only a limited number of applications for Research Proposals in Tourism and Hospitality.

— **What are the Programmes for:** Most of the programmes are having multiple focus and it is not clear what they are aiming at. This becomes more clear from multiple nomenclatures for same programme at different setups.

— **Involvement of Many Authorities, Whom to Follow (AICTE/UGC/MoT/DEC/NCHMCT/Others):** Many authorities are found to be involved in development of Hospitality and Tourism Education Programmes. For example Ministry of Tourism (MoT), Govt. of India has been a key initiator for Hospitality and Tourism Education through National Council for Hotel Management and Catering Technology and Indian Institute of Travel & Tourism Management, however, the guidelines for Tourism Programmes by UGC seems to be different from MoT, and AICTE are different both for academic and physical infrastructure, similarly the guidelines for Colleges by Universities may vary from University to University. Thus there lies a confusion between central bodies whom to follow.

Suggestions and Discussions

The education system in India offers Tourism and Hospitality Programmes into Academic Higher Education at University Teaching Departments, Technical Programmes in AICTE approved Institutes/ Colleges, Vocational and/ or Skill imparting education at IHM's through NCHMCT. The development of Hospitality and Tourism Education is closely associated with growth of Tourism and Hospitality Industry both as domestic as well international tourism in India. The earliest hospitality and tourism education began in 1950's. This long process of development has given Indian tourism and hospitality education a multifaceted outlook and can be divided into three periods: the origination period (1950–1970), the infancy period (1970–1990), and the growth and competition period (1990–present). Over the past years, tourism and hospitality higher education in India has witnessed rapid growth in numbers, increasing diversification in program names, and with private colleges and govt institutes including involvement of universities in this domain.

It is critical for the Indian Government to focus efforts and investment in the improvement of existing system of providing education in Tourism and Hospitality. Although Ministry of Tourism, Govt of India aims to train 1,07,800 youth under skill development programme in Hospitality by year 2016-17 against target of 53,800 in 2012-13. The budget of Ministry of Tourism, Govt of India has also been increased to three times in XII Five plan in comparison to XI Five Year Plan. There lies a series of reforms to be implemented in Education System for Tourism and Hospitality. Current tourism and hospitality programs are boosting global competitiveness for the future hospitality market in India; It includes careful planning, positioning clear goals, curriculum planning, integrating hospitality/ tourism curriculum, alliances and collaboration, and strengthening tourism and hospitality research. The reforms in above regard may cover on following areas:

- **Setting of National Educational Policies and Standard Guidelines pertaining to Hospitality and Tourism Education**: Currently Hospitality and Tourism education is promoted as well as nurtured by Ministry of Tourism, Govt of India, Controlled by Ministry of HRD, Government of India through UGC, AICTE with stake of State Governments through State Universities and guided by parent university legislations. There lies a need of setting of National Educational Polices and Standard Guidelines pertaining to Hospitality and Tourism with uniform norms and practices across the country and minimal mismatch between regulatory/ statutory bodies. Simultaneously, there is a need of National University of Tourism and Hospitality Studies with emphasis on Masters as well as Doctoral Programmes in Hospitality and Tourism so as to develop a pool of talent for faculty resources for Institutes and Universities. There need to be clear yet simple guidelines for vocational education, graduate education and higher education in Tourism and Hospitality with the clear role of Higher Education, HRD Ministry and Ministry of Tourism, Govt of India. A Centre for Excellence for conducting Faculty Development Programmes, Management Development Programmes may be created at level of Centre Government so as to develop the existing faculty resources to meet the growing demands of trade. Subsequently a Centre for Research in Tourism and Hospitality may be created for strengthening Research in Hospitality and Tourism involving both academic and industrial research for the benefit of stake holders and country at large.

- **Offering Innovative Programmes and Developing a New Education Model for Tourism and Hospitality**: The current education practices in Tourism and Hospitality offers three tiers of education with great differences i.e. at vocational level, at under graduate level and Higher Education. Contrary to academic demands of Research and Higher education the demands of Industry continues to be of skilled manpower and the industry is highly labour intensive. There is a strong need of innovative programmes in Hospitality and Tourism. The Prime Minister Skill Development Council of India has already identified the trade of Hospitality and Tourism for potential employability through skill development and AICTE has included the Tourism and Food Areas in modules for ITI, Polytechnics, Colleges and Universities which is likely to be implemented in year 2013 yet a simple and easily understandable Education Model acceptable to host population is needed. There is already a multiplicity in terms of ongoing programmes offered in tourism and hospitality with reference to their nomenclatures and offerings. Also fostering awareness amongst host population of India in regard to benefits of opting for these programmes is needed so that youth of India could be inspired to opt of these programmes. Else there may not be many takers of these courses. This new education model should provide a linkage between education and training path and career path. It should build a hierarchical career path in to curricula of hospitality and tourism education and training. There is also a need to establish common guidelines for Faculty and implementation of similar pay scales in respective tiers of education i.e. vocational, undergraduate and graduate programmes so as to attract the talent for joining Hospitality and Tourism academics. The existing faculty resources may be strengthened with FDP's and New Institutes may be given with Masters and Ph.D as mandatory qualifications in Hospitality and Tourism with thrust on core faculty in the area of Tourism and Hospitality.

- **Extension of Government Support and Strengthening of Research facilities:** The academic research is still at a nascent stage in Hospitality and Tourism in India in comparison to other countries. There are about Twelve Journals in Hospitality and Tourism Published in India and most of them have emerged in last one decade. There is no Government Journal except four Universities and IITTM offering research journals in Tourism and Hospitality. There lies a need to inspire faculty of Tourism and Hospitality for both academic research and link with industry research. This can be done through either by setting own centre for excellence in research or foreign collaborations. The productivity of any domain can only be enhanced through research. The government needs to extend support in this regard and should extend support to certain Institutes/ Universities in particular for meeting out operational expenses rather that placing them in self sustainability mode. As most of the faculty in self sustaining institutes for operating budgets shall only tend to focus on enhancing student strength in under graduate programmes and managing the feasibility of operating expenses rather than thrust on research.

The rapid development of Hospitality and Tourism in India has urged reforms in Hospitality and Tourism Education. The current system is looking for innovative programmes with better understanding of domain and offering employability for trade in International as well as Domestic sector. The youth of today are having enormous potential, they are highly productive, keen to deliver quality services, aim at quick promotions and committed for work. Fortunately hospitality and tourism domain has a lot to offer for all. The new reforms in this domain will benefit both the students as well as trade. The spirit of providing hospitality via *Atithi Devo Bhava* is inculcated in every Indian. All we need is manifestation in human mind for career and life with quality education leading to enhanced productivity. All this, if planned and implemented carefully shall not merely strengthen our own system but shall also turn out to be an exporter of Indian Hospitality and Tourism education overseas.

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- http://www.tourism.gov.in

Whenever you are asked if you can do a job, tell 'em, 'Certainly I can!' Then get busy and find out how to do it."

—Theodore Roosevelt

Tourism Development in Arunachal Pradesh: Opportunities and Challenges

AMITAVA MITRA AND MAILA LAMA

The article attempts to examine the opportunities and challenges of tourism development in Arunachal Pradesh. The study relies on both primary and secondary sources of data. The state is found to have an enormous potential for tourism development. The inflow of tourist in the state is growing rapidly in the recent years. Though the tourist arrival in the state is growing, yet it accounts for a small fraction of total tourist arrival in the North Eastern Region. At the same time, tourist arrival in the state is found to be seasonal in character. It is found that there are some constraints which need to be sorted out to attract more tourists in future. The study reveals that tourism development can bring huge economic benefits to the state, but it calls forproper planning and management to avert negative impact on its environment.

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Tourism, a service oriented industry, has grown over the years and has become a major industry globally (Tisdell, 2001). According to the United Nations World Tourism Organisation (UNWTO), over the past six decades, tourism has experienced continued growth and diversification to become one of the largest and fastest growing economic sectors in the world. It provides jobs to around 260 million people and is a prime source of foreign exchange earnings and export receipts for many developing countries.It contributes around 10 percent of the export receipts in India and much more in Nepal and Maldives (Gosslings, 1999). The international tourist arrivals in the world increased from 593 million in 1997 to 990 million in 2011. The international tourist arrivals worldwide grew by 5 percent in 2011 (UNWTO, 2012). As per the UNWTO estimates, in 2010 international tourism generated US $ 919 billion in export earnings which is 8 percent growth over the previous year. In 2011 worldwide receipts from international tourism were US $ 1030 billion. The World Travel and Tourism Council (WTTC) estimated that tourism contributed 9.2 percent of global GDP and forecasts that this will continue to grow at over 4 percent per annum during the next ten years to account for some 9.4 percent of Gross Domestic Product (GDP) (WTTC, 2010).

India is a fascinating country and has numerous tourist attractions. It is land of diversity. The rich historical and cultural heritage, ethnic diversity, rich biodiversity and panoramic scenic beauty are the major attractions for visitors.However, the share of India in international tourist arrival worldwide has been relatively less. The international tourist arrival in India has increased from 2.37 million in 1997 to 6.31 million in 2011. The international tourist arrival in India grew at the rate of 9.2 percent in 2011 over 2010 which is much higher than the world average. However, the share of India in international tourist arrivals worldwide is less than one percent. India's share in international tourist arrivals worldwide was only 0.40 percent in 1997 which marginally improved to 0.45 percent in 2004 and further to 0.61 percent in 2011 (UNWTO). India is ranked 42nd in terms of its share in international tourist arrivals worldwide. Tourism plays an important role as a foreign exchange earner for the India. In 2010, India's foreign exchange earnings from tourism were US $ 14.19 billion which increased to US $ 16.56 billion in 2011. India's share in international tourism receipts worldwide has improved from 0.65 percent in 1997 to 1.61 percent in 2011. In 2011, India was ranked 17th in terms of its share in international tourism receipts worldwide.

The entire north east region of India is a paradise for tourists. The region is rich in natural beauty, forest resources, rich biodiversity and diverse and splendid culture and tradition of different ethnic groups. However, the region receives less the one percent of the total tourist arrival in the country. Arunachal Pradesh is one of the eight states of north east India. It is an underdeveloped state but has huge potential for tourism development. It is rich in forest resources and biodiversity. It has 80.50 percent of its total geographical area under forest cover which is one of the highest in India (State of Forest Report, 2011). The forests of the state are home to diverse species of plants and animals some of which are rare and endangered. It accounts for 20 percent of country's fauna and 50 percent of the species of orchid found in the entire country (Chatterjee *et al.*, 2006). At the same time, it rich in natural beauty with presence of undulating topography, valleys and snow capped peaks. In addition, it is rich in cultural resources being the home of 26 major tribes and 110 sub tribes each having different dialects, tradition and culture. Thus, the state has a huge opportunity to accelerate economic development through the promotion of tourism.However, there is need to formulate proper planning and strategy to transform the potential into reality. Hence, the present study is an attempt to examine the tourists' spending pattern and nature and structure of tourist demand in tourist spots of Arunachal Pradesh. The study is expected to help the state planner and stakeholders to develop facilities in consonance with tourist demand and derive economic gains.

For convenience, the paper is divided into five sections. The first section deals with methodology. The second section discusses tourism potential and its growth. The third section analyses the socio-economic characteristics of surveyed tourists and structure of tourist demand. The fourth section examines the constraints of tourism development in the state and final section deals with conclusion and policy implications.

Section I: Data Source and Methodology

The study is empirical in nature and is based on a sample survey of 309 tourists consisting of 278 Indian tourists and 31 foreign tourists. The secondary sources of data were used wherever necessary. The secondary data used in the study was collected from the Directorate of Tourism, Government of Arunachal Pradesh; Ministry of Tourism, Government of India; and other sources. The survey was conducted with the help of well framed pre-tested questionnaire during peak tourist seasons in 2010 and 2011 in selected tourist spots of the state. The questionnaire was designed to obtain information relating socio-economic characteristics of the tourists, travel cost and other expenses, duration of stay, purpose of visit etc. Face-to-face interview technique was used to collect information from the tourists who had completed their tour and stationed at hotels and lodges. The sample of touristwas selected by random sampling technique. However, a stratified random sampling technique was used to determine the proportion in which Indian and foreign tourists were selected in the sample. In the sample only those tourists, who had defined a source of income, were selected. The data were analyzed using various statistical tools. The rest of the paper has been organized as follows.

Section II: Tourism Potential and Growth

Arunachal Pradesh has an enormous potential for development of tourism. The tourists can enjoy its picturesque hills, dales, seasonal climate meet its people with beautiful arts, crafts and colorful festivals. There are eleven identified tourist circuits in the state (Table 1).

Table 1: Government Approved Travel Circuits in Arunachal Pradesh

Sl. No	Travel Circuits
1	Tezpur-Bhalukpong-Bomdila-Tawang Tourist Circuit
2	Tezpur-Seijosa(Pakhui)-Bhalukpong-Tipi Tourist Circuit
3	Itanagar-Ziro-Daporijo-Along-Pasighat Tourist Circuit
4	Doimukh-Sagalee-PakeKessang-Seppa Tourist Circuit
5	Ziro-Palin-Nyapin-Sangram-Koloriang Tourist Circuit
6	Daporijo-Taliha-Siyum-Nacho Tourist Circuit
7	Along-Mechuka Tourist Circuit
8	Pasighat-Jegging-Yingkiong-Tuting Tourist Circuit
9	Tinsukia-Tezu-Hayuliang Tourist Circuit
10	Dibrugarh-Roing-Mayudia-Anini Tourist Circuit
11	Margherita-Miao- Namdapha Tourist Circuit

Source: Directorate of Tourism, Government of Arunachal Pradesh

The tourist spots in these circuits can be grouped into different types of tourism as follows.

Heritage Tourism

Tawang, Bhismarknagar and Itanagar are historical and heritage tourist spots. Tawang has more than 350 year-old Buddhist Monastry which is one of the oldest monastries in Asia. There is also a Stupa called "GorsamChorten" at Gorsamvillage of Zemithang Circle which is one of the largest Stupas in Asia. So, Tawang can be developed as a Buddhist tourist center which can attract Buddhist tourists from Thailand, Japan, Korea, Sri Lanka, Nepal, Bhutan etc. The Itafort of Itanagar was built in the 14th century A.D. and is a historical site as also Bhismarknagar in DibangValley district.

Pilgrimage Tourism

Malinathan and ParasuramKund are pilgrim centers of Arunachal Pradesh. Malinathan is a unique site developed between the 10th and 12th centuries A.D. It has an ancient temple housing sculptures of Gods and Goddesses. ParasuramKund is a place where Parasuram is believed to have washed away his sin of matricide. During MakarSankrati thousands of pilgrims from all over the country come here for a holy dip.

Cultural Tourism

Arunachal Pradesh is a home of twenty six major and numerous minor tribes with rich cultural traditions. The added attractions are the colourful festivals which form essential aspects of the socio-cultural life of the people of the state. Thus, Arunachal Pradesh is a wonderful destination for the cultural tourists.

Nature-based Tourism and Ecotourism

Arunachal Pradesh is rich in forest resources and biodiversity. Therefore, the areas of the state which are rich in forest resources and biodiversity can be developed as destinations of nature-based tourism and ecotourism. So the tourist spots like Bomdila, Bhalukpong, Dirang, Tawang, Ziro, Along etc. which comprise of natural beauty like valleys, snow-clad mountains, plateaus, green forests, orchids etc. can be developed as a major destinations of ecotourism. Tawang and Bomdila can be regarded as mountain resorts for the tourists in Arunachal Pradesh.

Wildlife-based Tourism

Wildlife tourism is also a type ecotourism which promotes sustainable tourism and significantly contributes to sustainable development. In Arunachal Pradesh, there are two national Parks, viz. Namdapha National Park and Mouling National Park, eight Wildlife Sanctuaries and one Biosphere Reserve which house diverse species of animals. Viewing wild animals can be a satisfying experience for the tourist in the state. This fact clearly reveals the state's potential to develop wildlife-based tourism.

Adventure Tourism

Arunachal Pradesh has a huge potential to develop adventure tourism which is also a type of ecotourism. There are numerous voluminous rivers such as, Kameng River, Siang River, Lohit Riverand Subansiri River. It also has a number of mountain peaks such as, Kangte peak West Kameng district and Gorichen peak in Tawang district. There are numerous passes in the state such as, Bomdilapass, Sela pass, Bumla pass, Lumla pass etc. The state also has a number of Lakes such as SelaLake and SangetsarLake (Madhurilake) in Tawang district and GangaLake in Itanagar. So, the Tourists activities like mountaineering, trekking, boating and river rafting and angling can be made available of and developed in most of the tourist spots at the foothill regions of the state.

Thus, it is clear that Arunachal Pradesh has a huge potential for tourism development. However, the number of tourist arrival in the state is relatively low.But tourist arrival in the state is growing rapidly in the recently. The number of tourist arrivals in the state had been very less in the initial years, i.e. up to 2003. After 2003 tourist arrivals in the state increased rapidly to 50,873 in 2005 and further to 152,312 in 2008. In the year 2009 number of tourist arrivals in the state was 1,99,092 which rose significantly to 231,252 in 2010 and 237,980 in 2011 (Table 2). The trend and growth in tourist arrival is shown in Figure 1.

It is observed that the state has been receiving increasing number of tourist arrivals in recent years. The growth of tourist arrivals was found to be very high. During the period 2004 to 2011, the tourist arrivals in the state grew at an exponential rate of 27.7 percent per year.The high growth of tourist arrivals in the state may be because of the fact that in the last couple of years a determined effort has been made by the Government of Arunachal Pradesh to woo the tourists to selected tourist destinations of the state by organizing a number of tourist festivals. But there were drastic fluctuations in the growth of tourist arrivals in the state. The percentage increase in tourist arrivals in the state was 26.90 percent in 2005 over the previous year which increased sharply to 58.91 percent in

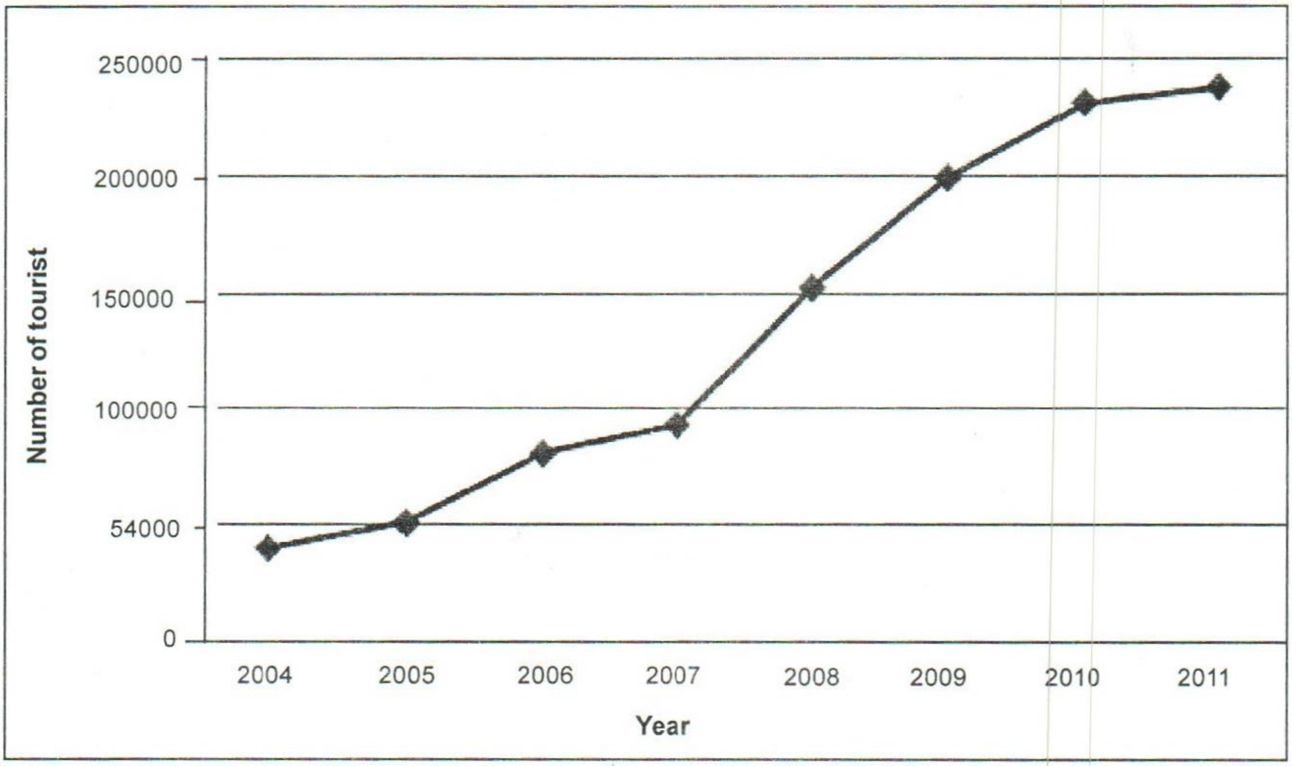

Figure 1: Trend in tourist arrivals in Arunachal Pradesh

2006. However, it declined sharply to 15.42 percent in 2007 over the previous year. Again it rose sharply to 63.23 percent in 2008 and thereafter declined to 30.71 percent in 2009 and further to 16.15 percent in 2010 over the previous year. The annual average growth of tourist arrivals in the state was estimate to be around 18.75 percent during 2008 to 2011.

Table 2: Tourist Arrivals in Arunachal Pradesh

YEAR	DOMESTIC	FOREIGN	TOTAL
2004	39767 (99.19)	321 (0.81)	40088
2005	50560 (99.38)	313 (0.62)	50873
2006	80137 (99.13)	706 (0.87)	80843
2007	91100 (97.63)	2212 (2.37)	93312
2008	149292 (98.02)	3020 (1.98)	152312
2009	195147 (98.02)	3945 (1.98)	199092
2010	227857 (98.53)	3395 (1.47)	231252
2011	233227 (98.00)	4753 (2.00)	237980

Note: The figures in the brackets indicate percentage of the total.
Source: Directorate of Tourism, Government of Arunachal Pradesh.

It is important to note that domestic tourist constitutes a very high percentage of the total tourist arrivals in the state. On an average, foreign tourist accounts for only around 2 percent of the total tourist arrivals in the state. In the year 2011 foreign tourists accounted for only 2 percent of total tourist arrivals in the state and the rest 98 percent were domestic tourists. The relatively proportion of foreign tourists visiting the state may be due to its remote location, inaccessibility, lack of proper infrastructure, lack of proper marketing strategy and entry restrictions (as foreign tourists need Protected Area Permit (PAP) to visit the state). The procedure for obtaining PAP is reported to be complex and time consuming. This acts as a disincentive for potential foreign tourists to visit the state.

Although the number tourist arrivals in the state has been increasing rapidly yet the share of Arunachal Pradesh in total domestic tourist arrivals in the north eastern region is found to be one of the lowest. For example, in 2006 the state accounted for only 2.02 percent of the total domestic tourist arrivals in the north eastern region of India. Its share improved to 3.42 percent in 2009 and further improved to 3.70 percent in 2010. Arunachal Pradesh is ranked fifth among the eight state s of north-east India in terms of its share in domestic tourist arrivals in 2010. The share of the state in the total domestic tourist arrivals in the region may be small because of its remoteness, infrastructural deficiency, lack of proper marketing strategy and entry formalities (as domestic tourists need to obtain Inner Line Permit (ILP) to visit the state).

Section II: Socio-economic Profile of Tourists and Structure of Tourist Demand

Demand for recreation, to a great extent, is affected by the socio-economic characteristics of tourists (Sharma, 2004). Hence, an attempt was made to study the socio-economic profile of the tourists. An analysis of the data revealed that out of the total tourists surveyed, 80.26 percent were male and 19.74 percent were female. Age is also one of the important factors that influence the nature of tourist demand. The analysis of age profile of the surveyed tourists revealed that a good percentage of the surveyed domestic tourists (45.32 percent) belonged to age group of 25-35 years and 35-45 years. On the other hand, most of the surveyed foreign tourists (51.61 percent) belonged to the age group of 60 and above. The average age of the surveyed domestic tourists was found to be 41.17 years and that of the surveyed foreign tourists was found to be 53.43 years. Although the average age of the surveyed foreign tourists was somewhat high, yet most of them expressed willingness to participate in adventure activities. It was found that 56.60 percent of domestic tourists and 61.30 percent of foreign tourists were willing to participate in adventure activities like trekking, river rafting, paragliding etc. if proper facilities were developed. This fact emphasizes that there is a need to develop facilities for adventure tourism activities to cater to the demand of adventure lovers and to attract energetic and youthful tourists in future. This will provide avenues of employment opportunities and income to the local youth population.

Occupation is also a crucial factor determining the demand for tourism. It was observed that most of the surveyed tourists (54.37 percent) were salaried employees. Among the surveyed domestic tourists 55.40 percent were salaried employees followed by self-employed (16.91 percent). While among the surveyed foreign tourists 45.16 percent belonged to salaried employee category followed by professional and consultant (32.26 percent). It is clear that majority of the surveyed tourist belonged to fixed source of income. Hence, there is a need to develop tourism facilities in keeping view of the tourists' demand in relation to their income and requirements. Hence, there is need to develop both modest and luxury facilities taking into account the demand from tourists belonging to different income category.

Among the surveyed tourists none of them was illiterate. About 55 percent of surveyed Indian tourists were educated up to graduation level and only 0.36 percent was educated up to primary level. Among the surveyed foreign tourists 80.65 percent were educated up to the level of post graduation and above. Most of the surveyed Indian tourists (67.63 percent) had annual household income of less than Rs. 750 000), while most of the foreign tourists (67.74 percent) had annual household income of Rs.5000000 and above. Mean annual household incomes of Indian and foreign tourists were Rs. 630275 and Rs. 6029032. The mean age, sex, education, income and occupation of Indian and foreign tourists are given in Table 3.

Table 3: Socio-economic profile of surveyed tourists

	Variable				
Tourists Variables	***AGE***	***SEX***	***EDQ***	***AHHI(Rs)***	***OCCU***
Indian tourists					
Mean	43.44	1.17	15.35	630275	1.88
SD	13.84	0.38	1.63	511798	1.13
Foreign tourists					
Mean	57.29	1.42	16.52	6029032	2.19
SD	14.10	0.50	1.12	3559512	1.19

The analysis of purpose of visit of tourists revealed that majority of them (67 percent) came for to enjoy natural beauty/recreation and around 20 percent came to know local people and their culture. Most of the Indian tourists (73 percent) came to enjoy natural beauty/recreation, while most of the foreign tourists (55 percent) came to know local people and their culture. Duration of stay of Indian and foreign tourists was observed to differ significantly. About 70 percent of Indian tourists spent less than a week, while 52 percent of foreign tourist spent a week and more in the study area. The mean number of days spent in the study area by Indian and foreign tourist were 4.43 and 11.39 days. Most of the Indian tourists were from Assam and East India and most of the foreign tourists were from the USA, UK, Italy and Germany.

The study also made an attempt to examine seasonality of tourist arrivals in Arunachal Pradesh. This was considered necessary to understand the demand for tourism in different seasons. It showed that the tourist arrivals in the state were highly seasonal in character. A large proportion of the total tourists were found to visit the state during the period March to May and September to October. For example, the period during 2009 to 2011, 30.21 percent of total tourist visited the state during March to May and 28.05 percent visited during September to November period. This means around 60 percent of the total tourist visits the state in a year is usually during March to May and September to November period. These two seasons may be considered as peak tourist seasons in the state. Tourist visits are the lowest during the period June to August because Arunachal Pradesh receives heavy monsoon rainfall (annual average rainfall is around 350 cm) which results in landslides leading to disruption of road network. During the December-to-February season, inflow of tourist is relatively low because of heavy snowfall and cold weather in the high altitude tourist spots. However, moderate numbers of snow-lovers visit to see and experience snowfall despite hostile weather condition (Mitra and Lama, 2013). The seasonality of tourist inflow in the state indicates high demand for tourist facilities during the peak season and under utilization of tourist facilities during the lean season.

Finally, an attempt was made to examine the composition of expenditure of the surveyed tourists in the study area. It was found that the highest percentage of total expenditure (52.88 percent) was incurred by the tourists on accommodation followed by food and beverages (38.37 percent). It was found that the surveyed tourists spent only 3.58 percent of total expenditure on local transport. This indicates that most of the tourists hired vehicles mostly from Guwahati and Tezpur in Assam to visit the study area. The non-availability of adequate public transport facilities might have prompted them for hiring vehicles from Guwahati and Tezpur in Assam. On the other hand, a study in Sikkim shows that tourists spend more than 30 percent of the total expenditure on local transport because of easy availability of tourist taxis in Sikkim (Government of Sikkim, 2006). The surveyed tourists spent 5.17 percent of total expenditure on miscellaneous items which mainly includes purchase of handicrafts showing that there is a good potential market for indigenous handicraft products.

Section IV: Constraints of Tourism Development

From the forgoing analysis and discussion, it is quite apparent that Arunachal Pradesh has a tremendous potential for developing tourism. However, the statistical data on tourist arrivals revealed that the tourist arrivals in the state is limited as compared to other states like Sikkim and Himachal Pradesh, which have more or less similar topography and natural attractions. Among the north eastern states of India, Arunachal Pradesh is placed in the fifth position in terms of its share in total domestic tourist arrivals in the region (Indian Tourism Statistics, 2010). This fact indicates that there are certain factors which are acting as obstacles for tourism development in the state. After careful examination, the following challenges and constraints were found to be working against the development of tourism in the state.

Firstly, tourism development in the state is observed to be affected due to remoteness and inaccessibility of tourist spots. This can be attributed to infrastructure deficiency, particularly transport infrastructure. Among the north eastern states of India, Arunachal Pradesh appears to be the most backward state in terms of infrastructure facilities (Mitra, 2009). For example, the state is among the two states of India which do not have functional airport. The status of railway in the state still is negligible with only 1.2 km meter gauge. However, there is a proposal to connect the state capital by railway network and the construction work to establish railway route has already been started and going on in full swing. The state capital is expected to be connected by railway network within a few years. In the absence of other means of transport, roadways constitute the principle mode of transportation to visit the state. However, the density of roads is observed to be very low in the state. In fact, the state is having the lowest density of roads among the eight state s of north-east India. The density of roads in the state is only 21.93 kms per 100 sq. km which is much lower than the north eastern regional average of 66.08 kms and national average of 75 kms (Planning Commission, 2006). This indicates that the tourist spots in the state are relatively inaccessible. At the same time, the condition of roads leading to important tourist spots is observed to be poor and creates a lot of trouble and dissatisfaction to visitors.

Secondly, entry formalities required by visitors to visit tourist spots in the state are also acting as constraints for tourism development. Domestic tourists intending to visit Arunachal Pradesh are required to obtain Inner Line Permit (ILP) which is issued in limited places like Tezpur, Guwahati, Shillong, Kolkota, Dibrugarh etc. Though the state Government claims to have simplified the process of issuing ILP, yet the visitors are found to have faced a lot of problem in obtaining ILP. During the survey a good number of tourists (18.35 percent) reported that they faced a lot of problem in obtaining ILP such as bureaucratic delay and harassment. The average number of days required by the surveyed tourists for obtaining ILP was found to be 5.28 days which appears to be high. Foreign tourists desiring to visit Arunachal Pradesh are required to obtain Protected Area Permit (PAP) which is issued by the Ministry of Home Affairs, Government of India. Recently, the Central Government has also delegated powers to the state Government for issue of PAP to foreign tourists visiting in a group of two or more members for a maximum period of 30 days (Government of India, 2009). Though the Government has, to some extent, simplified PAP regime, yet it is found to have restrained the potential foreign tourists from visiting the state. During the survey, a good number of foreign tourists (19.20 percent) viewed that PAP issuing process was highly cumbersome and time consuming. This implies that there is much scope for further simplification in issuing PAP to woo more foreign tourists. At the same time, security forces should be trained to be tourists friendly while dealing with them.

Thirdly, inadequate marketing of state's tourist attractions as well as inadequate measures to disseminate information about the tourist spots of the state is also responsible for low level of tourism development. For example, an analysis of the tourism website of Arunachal Pradesh leads us to conclude that it needs to be more interactive. The tourism website is found to be outdated. Hence, there is a need to maintain updating of information on various facilities available at regular interval. There is also a need for introducing online booking of hotels as it is done in case of other states like Sikkim and Meghalaya. This will reduce uncertainty and increase tourist inflow in the state. The success of Singapore and China in tourism industry would suggest that the marketing of tourism product is as important as its nature and quality for promoting the tourism industry (Mitra, 2009).

Last but not the least, tourism industry in the state is also affected due to growing insurgent activities in the region and increasing numbers of "bandhs" in the state as well as in neighboring states like Assam which is the gateway to visit the state. Tourism is highly sensitive to the socio-political violence and disturbance. These disturbances have acted as a psychological barrier to the potential tourists.

Section V: Policy Implications and Conclusion

On the basis of findings, the present study makes following suggestions for sustainable development of tourism in Arunachal Pradesh:

- Tourism development in the state needs organizational support and Coordination of different agencies. Institutional arrangements for proper coordination among different agencies should be evolved and it should be given priority in the overall planning.
- Tourism development in a destination to a great extent depends on its linkage with other tourist centers. Hence, the tourist circuits should be developed linking the important tourist spots of the state with tourist spots of north eastern region and neighbouring countries.
- Public-private partnership model should be adopted as an essential ingredient of policy for tourism development in the state. This is important because private investors are hesitant to invest large amount of fund in building facilities for tourists. Hence, the Government should build up the facilities for tourists like tourist lodges, huts, restaurants, parks, and facilities for adventure activities (like trekking, paragliding, river rafting, angling, rope ways etc.) but the management of such facilities should be handed over to private parties who can deliver the best services to the tourists.
- The state is highly suitable for adventure activities such as trekking, hiking, rock climbing, camping, mountaineering, paragliding, ballooning, river rafting and angling. Therefore, the Government should encourage adventure activities by developing facilities for such activities in different tourist spots based on suitability.
- Tourism development in the state can be fostered by simplifying and improving efficiency in the process of issuing entry permits. Although the state Government has simplified the process of issuing ILP by making arrangement for issuing it at the entry points, yet there is much scope for improving bureaucratic efficiency for convenience of visitors.
- Tourism and environment are closely related and interdependent. If tourism is not planned and managed properly, it can destroy the environment on which it is based. Therefore, there is a need to formulate proper guidelines for tourists as well as for various stakeholders (such as tour operators, hotels and resorts, transport operators) for effective implementation of the policy and to conserve natural environment.

From the above discussion and findings, it can be concluded that Arunachal Pradesh has a tremendous potential for developing tourism. The potentiality of the state for developing tourism is also reflected by the growing numbers of tourist arrivals. However, there are numerous challenges and constraints for tourism development in the state. These challenges are found to be responsible for relatively limited numbers of tourist arrivals in the state. However, in recent years, the state recorded a very rapid growth in tourist arrivals. This indicates that if proper and adequate facilities are developed, the state can be one of the most favoured tourist destinations. In this regard, the suggestions made in the present study based on field survey of tourists and focal group discussion with different stakeholders may be incorporated in policy making for tourism development in the state. Tourism, if properly developed, can be an engine of economic growth for the state which heavily depends on inflow of funds from the Centre. It will provide additional revenue to the state exchequer and generate additional income and employment for local people. However, tourism development in the state should be planned and managed properly so that the negative impact of tourism on its fragile environment can be averted.

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The idea of eco-tourism is to establish a stronger bondage between man and nature in the form of education, participation and economic benefits, so that the natural environment is protected by the very people who live by it.

—Saumitra Dutta Gupta

Feature

Price Spread and Marketing Efficiency in the Marketing of High Value Cash Crops in Himachal Pradesh

BRIJ BALA

The study has been conducted with a view to examine the various marketing channels, costs, margins and price spread in the marketing of vegetables in Himachal Pradesh. The cropping pattern on sampled households was vegetable-dominated with 80 to 86 percent of the total cropped area under vegetables and the cropping intensity was as high as 270 percent. More than 90 percent of the total produce of selected vegetables was marketed surplus. Regional markets were well equipped and were working efficiently. However, market malpractices viz., overcharging for the services like loading/unloading, weighing, grading etc. and under weighing of the produce of farmers prevailed. Fluctuating market prices further aggravated by the lack of market information were also reported to be the major problems. Of the three major channels operative in the study area, channel-III happened to be the most efficient channel. It was also observed that the retailers' margin was the highest among all the market functionaries in all the channels. The producer's share in consumer's rupee varied from 46 percent to 74 percent. The study has emphasized on the adoption of improved technology to enhance the returns from vegetable production. Strengthening of farmers' organizations and cooperative marketing institutions along with the development of infrastructure viz., small scale processing units, roads, transportation and storage facilities, has also been suggested to ensure efficient marketing. A mechanism for proper implementation of the market rules and regulations was strongly needed to be put in place. Promotion of contract farming in the vegetable producing areas was also stressed upon so as to minimize the market related problems of the farming community.

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The article is based on the work done under a project funded by NABARD. So, the author is highly indebted to NABARD for its financial assistance especially in the districts of Shimla, Kullu, Solan and Lahaul-Spiti, started in the late sixties and continued in the seventies and eighties, gained momentum in the nineties and has now encompassed many new areas in the low and mid-hill districts. Vegetables have emerged as the most important high value cash crops of the state in the recent past which is evident from the fact that the area under vegetable crops has increased from 23,130 hectares in triennium ending 1992-93 to 55,520 hectares in triennium ending 2008-09 while the production during the same period has increased from 3,69,000 tonnes to 10,40,760 tonnes registering a compound growth rate of 5.86 percent in the area and 6.80 percent in production (Sharma, 2011, p. 97).

The process of crop diversification has given rise to a set of new problems that are mostly related to marketing. The vegetable crops warrant quick and immediate marketing to ensure remunerative prices to the farmers. However, inadequate market infrastructure and too many intermediaries between the producers and consumers lead to high marketing costs and ultimately results in low share of producer in the consumer's rupee. The lack of market intelligence about the potential markets and the pattern of market arrivals and prices in important regional and national markets further compound the woes of the farmers. So, there is a need for regular and reliable studies on different aspects of marketing. Hence, the present study was conducted with the objective to study the market functionaries, marketing channels, costs, margins and price spread in the marketing of important vegetable crops/ cash crops.

Methodology

The study was carried out in three districts of Himachal Pradesh namely Kullu, Mandi and Solan where the area under vegetable crops has increased rapidly during the past 5-10 years. From each of these three districts, one block accounting for the maximum area and production of vegetable crops was selected. A list of panchayats in each of the selected blocks was prepared. Out of these panchayats, the two most important vegetable growing panchayats were selected purposively in each of the selected blocks. Thereafter, a sample of 25 percent of villages in each of the selected panchayats was selected randomly. In the final stage, 75 households were proportionally allocated among the selected villages in each of the three selected blocks. The farmers were categorized into small and large categories on the basis of operational holdings using cumulative cube root frequency method. All important vegetable crops grown by the sample households viz., cabbage, cauliflower, capsicum, pea, tomato and frenchbean were considered for the study.

Bhuntar, Mandi, Solan and Pathankot were selected to study the various market efficiency parameters. The study is based on secondary and primary data. The secondary data were collected from both published and un-published sources from different agencies and offices. The primary data were collected by survey method through a personal interview method using a well designed and pre-tested questionnaire. The tabular analysis was used to study the demographic structure of the family, land and other inventory, cropping pattern, area under vegetable crops etc. The averages and percentages were calculated to facilitate the comparison and interpretation.

Marketing efficiency was worked out by employing the formula given by Acharya and Agarwal, given as follows.

ME = $NP_F/(MC+MM+ML)$, Where NP_F is the net price received by farmer,

MC is total marketing cost; MM is total marketing margin, and ML is marketing loss.

Results and Discussion

Socio-Economic Profile of the Sampled Households

Family size and age-wise distribution

Since farming is a labor intensive activity, therefore, number as well as age composition of family members available for farming determines the efficiency of farm households. The family size and structure of sampled households has been presented in Table 1. A quick perusal of the table reveals that the average family size in Kullu, Mandi and Solan districts was 5.4, 5.3 and 5.8, respectively. The proportion of male population was higher in all the districts. It can further be observed from the table that the family size on large farms was higher than the small farms in all the three districts under study.

Table 1: Average family size of sampled households on different categories of farms (No.)

Particular	Small	Large	Overall
Kullu			
Male	2.8	3.2	2.9
Female	2.4	2.8	2.5
Total	5.2	6.0	5.4
Mandi			
Male	2.8	3.4	2.9
Female	2.3	3.0	2.4
Total	5.0	6.4	5.3
Solan			
Male	3.2	3.5	3.3
Female	2.4	3.1	2.6
Total	5.6	6.6	5.8

Table 2 reveals that the population below 15 years of age comprised of 26.5, 25.2 and 25.1 percent in districts Kullu, Mandi and Solan, respectively. The average working population in the age group of 15-60 years was 64, 63.6 and 61.9 percent, respectively in the three districts. This indicates that there was sufficient working force available in the farm-families to provide human labor for the labor intensive vegetable cropping system. The proportion of dependents (below 5 and above 60 years) was upto 16 percent in different districts so the women in the farm- families had to devote considerable amount of time for attending the children and aged people. The sex-ratio on sampled households was observed to be the highest in Kullu (867) followed by Mandi (837) and was lowest in Solan (788).

Educational status

Educational status of family members plays an important role in the scientific management of farms, adoption of recommended technologies and efficient marketing of farm products. It further helps in enhancing skill and general standard of awareness in the family. A quick

Table 2: Age-wise distribution on different categories of farms

(percent)

Age group years	Small			Large			Overall		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
					Kullu				
0-5	2.30	2.50	2.39	3.10	2.91	3.01	2.55	2.63	2.58
5 to 15	21.50	24.25	22.77	30.10	22.50	26.54	24.14	23.70	23.94
15 to 40	30.80	29.50	30.20	28.20	25.10	26.75	30.00	28.13	29.13
40 to 60	35.25	34.80	35.04	30.80	39.40	34.83	33.88	36.24	34.98
Above 60	10.15	8.95	9.59	7.80	10.09	8.87	9.43	9.31	9.37
Total (No.)	**151**	**130**	**281**	**67**	**59**	**126**	**218**	**189**	**407**
Sex-ratio		**861**			**881**			**867**	
					Mandi				
0-5	3.10	3.01	3.06	2.98	2.40	2.71	3.07	2.86	2.97
5 to 15	22.50	20.50	21.60	25.40	22.80	24.17	23.17	21.08	22.22
15 to 40	29.80	26.80	28.45	35.30	33.40	34.40	31.08	28.45	29.88
40 to 60	33.40	35.90	34.53	29.40	32.80	31.01	32.47	35.13	33.68
Above 60	11.20	13.79	12.37	6.92	8.60	7.72	10.20	12.49	11.25
Total (No)	**165**	**135**	**300**	**50**	**45**	**95**	**215**	**180**	**395**
Sex-ratio		**818**			**900**			**837**	
					Solan				
0-5	2.90	2.30	2.64	3.10	2.20	2.68	2.95	2.27	2.65
5 to 15	22.50	21.80	22.20	25.40	20.40	23.05	23.25	21.39	22.43
15 to 40	40.30	31.70	36.61	35.90	30.20	33.22	39.17	31.26	35.69
40 to 60	25.40	28.80	26.86	23.80	25.10	24.41	24.99	27.73	26.19
Above 60	8.90	15.40	11.69	11.80	22.10	16.65	9.65	17.34	13.04
Total(No)	**182**	**137**	**319**	**63**	**56**	**119**	**245**	**193**	**438**
Sex-ratio		**753**			**889**			**788**	

perusal of Table 3 reveals that the overall literacy rate on the sampled households in Kullu, Mandi and Solan districts was 81.9, 85.3 and 83.5 percent, respectively. These literacy rates were very high when compared to their respective district literacy rates as per the census, 2001 which were 72.9, 75.2 and 76.6 percent, respectively. The male literacy was higher than their female counterparts on both the (small and large) farm categories and in all the three districts. The proportion of illiterate population on sampled households was the highest in Kullu and the lowest in Mandi. The table thus clearly elucidates that the sampled farm families were well educated, and constantly kept themselves updated with the latest technological development in vegetable cultivation as well as the marketing of produce.

Table 3: Education wise distribution on different categories of farms

(percent)

Educational Status	Small			Large			Overall		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Kullu									
Illiterate	17.40	20.80	18.97	14.50	18.10	16.19	16.51	19.96	18.11
Primary	16.50	19.70	17.98	15.20	16.80	15.95	16.10	18.79	17.35
Middle	20.10	20.10	20.10	19.10	25.75	22.21	19.79	21.86	20.75
Matriculate	16.50	13.40	15.07	14.50	12.85	13.73	15.89	13.23	14.65
Higher Secondary	25.75	24.50	25.17	30.50	22.50	26.75	27.21	23.88	25.66
Graduate & above	3.75	1.50	2.71	6.20	4.00	5.17	4.50	2.28	3.47
Total(No.)	**151**	**130**	**281**	**67**	**59**	**126**	**218**	**189**	**407**
Literacy rate	82.60	79.20	81.03	85.50	81.90	83.81	83.49	80.04	81.89
Mandi									
Illiterate	13.50	16.50	14.85	12.80	15.50	14.08	13.34	16.25	14.66
Primary	15.80	20.10	17.74	18.90	15.20	17.15	16.52	18.88	17.59
Middle	20.40	20.50	20.45	20.50	22.10	21.26	20.42	20.90	20.64
Matriculate	25.50	25.80	25.64	24.80	27.90	26.27	25.34	26.33	25.79
Higher Secondary	19.80	12.60	16.56	16.20	13.80	15.06	18.96	12.90	16.20
Graduate & above	5.00	4.50	4.78	6.80	5.50	6.18	5.42	4.75	5.11
Total(No.)	**165**	**135**	**300**	**50**	**45**	**95**	**215**	**180**	**395**
Literacyrate	86.50	83.50	85.15	87.20	84.50	85.92	86.66	83.75	85.34
Solan									
Illiterate	12.10	19.20	15.15	17.00	24.00	20.29	13.36	20.59	16.55
Primary	18.10	25.20	21.15	15.00	22.50	18.53	17.30	24.42	20.44
Middle	19.90	28.10	23.42	20.50	25.80	22.99	20.05	27.43	23.31
Matriculate	25.50	20.40	23.31	22.80	19.90	21.44	24.81	20.25	22.80
Higher Secondary	19.60	5.30	13.46	18.20	5.80	12.36	19.24	5.45	13.16
Graduate & above	4.80	1.80	3.51	6.50	2.00	4.38	5.24	1.86	3.75
Total(No.)	**182**	**137**	**319**	**63**	**56**	**119**	**245**	**193**	**438**
Literacyrate	87.90	80.80	84.85	83.00	76.00	79.71	86.64	79.41	83.45

Land utilization pattern

The size of holding that a farm household owns shows the basic strength of the farming family and its utilization reveals how efficiently this natural resource is being used by the farmer. The average land holding of the sampled farms in Kullu was 1.11 hectares (Table 4). On large farms the average size of holding was 1.55 hectares while on small farms it was 0.94 hectares. The irrigated land comprised of about 47 percent of the total holding. The main sources of irrigation were bore-wells, tube-wells and gravity channels. The net cultivated land turned out to be 0.68 hectares of which 67 percent was irrigated. On small farms, the net cultivated area was 0.56 hectares while on large farms it was 0.96 hectares.

Table 4: Land utilization pattern (ha.)

Particular	Small			Large			Overall		
	IR	UR	Total	IR	UR	Total	IR	UR	Total
				Kullu					
Total holding	0.43	0.51	0.94	0.75	0.80	1.55	0.52	0.59	1.11
Horticultural purpose	0.08	0.17	0.25	0.03	0.31	0.34	0.07	0.21	0.27
Uncultivable land		0.13	0.13		0.24	0.24		0.16	0.16
Cultivated land	0.36	0.21	0.56	0.72	0.25	0.96	0.46	0.22	0.68
				Mandi					
Total holding	0.43	0.36	0.78	1.03	0.97	2.002	0.55	0.48	1.03
Horticultural purpose	0.03	0.09	0.12	0.34	0.35	0.69	0.09	0.14	0.24
Uncultivable land		0.06	0.06		0.24	0.24		0.10	0.10
Cultivated land	0.39	0.21	0.60	0.69	0.38	1.07	0.45	0.24	0.70
				Solan					
Total holding	0.49	0.18	0.67	0.82	0.27	1.08	0.57	0.20	0.77
Horticultural purpose	0.07	0.05	0.12	0.11	0.03	0.14	0.08	0.04	0.12
Uncultivable land		0.13	0.13		0.15	0.15		0.14	0.14
Cultivated land	0.42		0.42	0.71	0.09	0.79	0.49	0.02	0.51

Note: IR- Irrigated Land & UR- Un-irrigated Land

In Mandi district, the sampled households had an average land holding of 1.03 hectares with 0.78 hectares on small farms and 2 hectares on large farms. About 53 percent of the total land holding was reported to have irrigation facility. The horticultural crops were given about 23 percent of the total land holdings. Sometimes, the seasonal agricultural crops were cultivated in the orchards with new/young plantations. The net cultivated land on small and large farms was 0.6 and 1.07 hectares, respectively giving an overall figure of 0.70 hectares.

A perusal of the table reveals that the sampled households in district Solan had an average land holding of 0.77 hectares. About 74 percent of the total land holding was irrigated. Gravity channels constructed by IPH department and maintained by local bodies like Panchayats and Gram Sabhas, were the main sources of irrigation. Net cultivated land turned out to be 0.51 hectares with 0.42 hectares on small and 0.79 hectares on large farms.

Cropping pattern

In order to examine the place and importance of vegetables in the study area, the cropping pattern of the area has been analyzed and presented in Table 5. The cropping pattern on the sampled farms of district Kullu showed that vegetable crops constituted the major proportion of the total cropped area. In the overall situation, the cereals, pulses and oilseeds were given only 19.8 percent of the total cropped area, however, this proportion was a bit higher (21.36 percent) on large farms than the smaller ones (18.7 percent). Thus, more than 80 percent of the total cultivated area was put under vegetables. Cabbage, cauliflower, capsicum, cucumber, pea, frenchbean, tomato and brinjal were the major vegetables grown in the area. Among these vegetables, cauliflower alone occupied 25 percent of the total cropped area as it was being grown thrice in a year. It was followed by cabbage, tomato, capsicum and pea. Cropping intensity obtained on small farms was 220 percent while that on large farms was 228.9 percent thus, giving an overall figure of 223.6 percent.

Table 5: Cropping pattern on sampled farms (percent)

Crops	Kullu			Mandi			Solan		
	Small	Large	Overall	Small	Large	Overall	Small	Large	Overall
Kharif									
Cereals	6.44	9.97	7.88	7.43	9.13	7.98	4.60	6.46	5.30
Pulses	2.90	1.82	2.46	1.35	1.40	1.37	2.12	1.95	2.06
Cauliflower	12.24	9.86	11.27	10.45	7.00	9.42	-	-	-
Capsicum	9.86	7.27	8.80	5.60	6.09	5.77	14.16	8.64	12.10
Cabbage	6.44	3.64	5.30	-	-	-	-	-	-
French bean	3.48	2.51	3.08	3.82	6.70	4.72	7.08	5.63	6.54
Other vegetables	6.83	6.91	6.86	8.13	8.58	8.3	4.95	5.82	5.28
Sub total	**48.19**	**41.98**	**45.65**	**36.78**	**38.90**	**37.56**	32.91	28.5	31.28
Zaid rabi									
Cauliflower	10.50	8.73	9.78	7.43	7.49	7.47	16.29	15.85	16.13
Cabbage	5.86	7.97	6.72	7.59	7.49	7.58	-	-	-
Other vegetables	2.64	4.37	3.34	3.82	3.96	3.88	1.13	2.82	1.76
Sub total	**19.01**	**21.06**	**19.85**	**18.85**	**18.93**	**18.93**	**17.42**	**18.67**	**17.89**
Rabi									
Cereals	9.34	8.66	9.07	6.95	11.26	8.30	5.74	5.41	5.61
Oilseeds	0.00	0.91	0.37	-	-	-	0.00	1.50	0.56
Cauliflower	1.22	7.89	3.94	5.39	4.66	5.18	-	-	-
Pea	7.73	3.56	6.03	10.72	9.89	10.50	21.95	15.40	19.51
Cabbage	4.38	6.58	5.28	6.73	5.69	6.43	1.20	5.63	2.86
Other vegetables	-	-	-	-	-	-	2.13	7.74	4.22
Sub total	**22.68**	**27.61**	**24.70**	**29.79**	**31.50**	**30.41**	**31.02**	**35.68**	**32.76**
Zaid kharif									
Tomato	10.12	9.35	9.80	14.59	10.65	13.11	18.63	17.13	18.07
Sub total	**10.12**	**9.35**	**9.80**	**14.59**	**10.65**	**13.11**	**18.63**	**17.13**	**18.07**
Total cropped	100.00	100.00	100.01	100.00	100.00	99.99	100.00	100.00	100.00
area (ha.)	(1.24)	(2.20)	(1.51)	(1.49)	(2.63)	(1.71)	(1.13)	(2.13)	(1.37)
Net sown area (ha.)	0.56	0.96	0.68	0.60	1.07	0.70	0.42	0.79	0.51
Cropping intensity (percent)	220.14	228.89	223.60	246.29	245.88	245.49	271.02	268.35	270.03

In Mandi district too, the cereals, pulses and oilseeds occupied a back seat in the cropping pattern with a proportion of only 17.7 percent of the total cropped area. Among different vegetables, cauliflower occupied the highest (22 percent) proportion of total cropped area, followed by cabbage (14 percent), tomato (13 percent) and pea (10.5 percent). The importance given to different vegetables in the cropping pattern was almost the same on small and large farms as it was mainly governed by the prices fetched by different vegetables in the previous year.

Like other two districts, more than 86 percent of the total cropped area was occupied by vegetable crops in Solan district (Table 5). It can be observed from the table that all the crops even vegetables were being grown in their main seasons. Pea occupied the first position with 19.5 percent of the total cropped area. It was followed by tomato, cauliflower and capsicum. Cropping intensity obtained on small farms was comparatively more than that on large farms.

Total production and utilization pattern of the produce

A perusal of Table 6 shows the total production and utilization pattern of the produce on different farms. The marketable surplus varied from 90 to 95 percent of the total produce. The losses incurred ranged between 0.15 to 5 percent. The post harvest losses were found to be the highest in tomato followed by capsicum and cauliflower in Kullu and Mandi districts while in Solan district cabbage incurred the highest losses followed by frenchbean. The percentage of marketed surplus was highest for cabbage in Kullu and Mandi while in Solan it was tomato which registered the highest proportion of the total produce to be marketed by the sampled farms.

Table 6: Total production and utilization pattern of the produce **(Percent)**

Crop	Category	Kullu				Mandi				Solan			
		TP (q/ farm)	HC gifts & KP	Losses	Marketed surplus	TP (q/ farm)	HC gifts & KP	Losses	Marketed surplus	TP (q/ farm)	HC gifts & KP	Losses	Marketed surplus
Tomato	S	42.84	1.93	5.12	92.95	72.04	1.24	2.15	96.61	79.80	1.04	0.73	98.23
	L	74.16	1.22	5.14	93.64	92.40	1.00	1.17	97.83	146.37	0.62	0.40	98.98
	O	52.16	1.63	5.18	93.19	75.77	1.19	2.86	95.95	97.23	0.88	0.60	98.52
Pea	S	10.75	7.35	0.11	92.54	17.65	4.48	0.85	94.67	32.24	2.45	0.84	96.71
	L	8.97	9.91	0.35	89.74	28.60	2.62	0.57	96.81	38.70	2.31	0 80	96.89
	O	10.31	7.93	0.20	91.87	19.76	3.95	0.78	95.27	32.91	2.46	0.85	96.69
Cabbage	S	37.52	0.16	1.35	98.49	62.84	1.19	0.97	97.84	4.20	5.90	3.33	90.77
	L	62.10	0.63	0.78	98.59	105.5	0.63	0.70	98.67	36.24	1.82	0.97	97.21
	O	44.40	0.35	1.11	98.54	71.98	1.03	0.91	98.06	11.90	4.52	2.94	92.54
Cauliflower	S	49.17	0.12	1.41	98.47	51.90	1.44	1.53	97.03	32.20	1.56	1.09	97.35
	L	94.28	0.42	1.09	98.49	73.94	0.91	0.66	98.43	55.77	1.18	0.63	98.19
	O	61.62	0.25	1.30	98.45	56.03	1.32	1.29	97.39	37.24	1.45	0.94	97.61
Capsicum	S	17.08	2.99	2.51	94.50	10.71	4.11	1.96	93.93	24.00	2.13	1.00	96.87
	L	23.84	2.53	3.46	94.01	20.32	2.16	1.08	96.76	27.97	2.14	0.93	96.93
	O	19.30	2.78	2.72	94.50	12.51	3.52	1.68	94.80	25.04	2.13	0.98	96.89
French bean	S	4.30	9.53	0.08	90.39	6.27	4.29	0.70	95.01	8.16	5.07	3.19	91.74
	L	5.45	9.72	0.23	90.05	18.83	2.77	0.40	96.83	12.00	4.41	2.33	93.26
	O	4.57	9.63	0.15	90.22	8.73	5.95	0.61	93.44	9.03	5.36	2.88	91.76

TP- Total Production, HC- Home Consumption, KP- Kind payment

Marketing Functionaries, Marketing Channels and Price Spread

Marketing of vegetables is a complex activity as vegetables need speedy marketing and quick disposal. An attempt has been made in this part to explain different marketing channels, costs and margins associated with them, price spread, producer's share and marketing efficiency obtained through different marketing channels.

Marketing channels for selected vegetable crops

Different marketing channels were found operational in the study area. However, no significant difference was observed amongst the farmers of small and large categories, so far as the channelization of the produce was concerned. Hence, the different categories were not taken into consideration while presenting the results related to the marketing of produce. The marketing channels followed by the farmers in the study area have been enumerated in Table 7.

Table 7 Marketing channels operational in study area

Channel No.	Channel	Quantity disposed (percent)
Channel-I	Producer → Commission agents/Wholesaler → Trader (within and outside the state) → Retailer → Consumer	40.50
Channel-II	Producer → Commission agent → Wholesaler → Retailer → Consumer	28.25
Channel-III	Producer → Commission agent → Retailer → Consumer	28.20
Channel-IV	Producer→ Retailer→Consumer	2.62
Channel-V	Producer→Consumer	0.55

It can be observed from the table that channel-1 including producer, wholesaler/commission agent, and trader, was the most dominant channel. On an average, 40.5 percent of the produce was channelized through this channel. Channel-II was the other important channel where the commission agents and the wholesalers played their roles separately. Channel-III was found to be equally important, wherein the produce was directly purchased by retailers from the commission agents and then was sold to the consumers. About 28 percent of the total produce was disposed through this channel. Some of the produce was also sold through channel-IV, but very small quantity was sold directly from producers to the consumers.

Price spread for selected vegetables

The percentage of consumer's price received by producer is taken as a measure to estimate the efficiency of a marketing channel. The channels involving the least number of functionaries come out to be the most efficient channels. But, it is also true at the same time that the so called most efficient channel may not be the practical one and preferred by farmers as is evident from Table 7 that channels IV & V having comparatively less intermediaries, were not much preferred by the farmers. Marketing costs, margins and price spread in different channels have been explained below.

Price spread in channel-I

Marketing costs, margins and price spread for different vegetables channelized through channel-I have been summarized in Table 8. It can be observed from the table that the producer's sale price per quintal varied from Rs.625 for cabbage to Rs. 1750 for pea. The major costs incurred at producer's level were picking/harvesting, assembling, grading, packing, packing material, transportation, loading/ unloading charges, weighing charges and losses. The difference in the costs incurred by producer for different vegetables mainly accrued to labor required for picking, cleaning and packing, type of packing material used, losses during transportation and weighing charges which were generally charged in the form of deduction of 1-2 kilograms per lot (*nag*) of the produce. These costs varied from Rs. 45 to 121.5 for different vegetables thus giving the net price received by the producer ranging between Rs. 580 for cabbage and Rs. 1642.7 for pea. In this channel the commission agent acted as the wholesaler and incurred the costs viz., cleaning, sorting and grading which varied from Rs. 29.5 to Rs. 60. The traders (both from within and outside the state) played an important role in the marketing of vegetables. The costs incurred by these traders to handle the produce to the ultimate destination included packing, loading/unloading, commission, transportation and other miscellaneous charges which varied from Rs. 105.5 per

Table 8: Price spread in channel-I (Rs./q)

Sr. No	Particulars	Cabbage	Cauliflower	Tomato	Pea	Capsicum	French bean
1.	Net Price received by producer	580	918.5	1034.2	1642.7	1507.2	1303.5
2.	Costs incurred by producer	45	66.5	90.8	107.3	117.8	121.5
3.	Producer's sale price/CA's purchase price	625.0	985.0	1125.0	1750.0	1625.0	1425.0
4.	Costs incurred by CA/WS	29.5	47.0	48.5	49.3	60.0	54.0
5.	Commission of commission agent	31.3	49.3	56.3	87.5	81.3	71.3
6.	Sale price of CA/WS and purchase price of trader	685.8	1081.3	1229.8	1886.8	1766.3	1550.3
7.	Costs incurred by trader	101.5	142.4	152.3	148.3	163.3	146.0
	Trader's margin	144.6	147.8	172.8	187.8	262.8	249.3
8.	Sale price of trader/purchase price of retailer	931.9	1371.5	1554.9	2222.9	2192.4	1945.6
9	Costs incurred by retailer	119.8	124.0	193.0	183.8	188.8	171.3
10	Retailer's margin	210.7	258.8	293.8	276.3	281.3	260.3
11	Consumer's price	1262.4	1754.3	2041.7	2683.0	2662.5	2377.2
12	Price spread	682.4	835.8	1007.5	1040.3	1155.3	1073.7

quintal for cabbage to Rs. 163.3 per quintal for capsicum. The trader's margin varied from Rs. 145 per quintal to Rs. 163 per quintal. The retailer's purchase price was highest for pea (Rs. 2223/q) and lowest for cabbage (Rs. 932/q). The costs incurred by the retailer were the highest among all the functionaries. Losses constituted the major proportion of the costs incurred at retailers' level. Reduction in weight over time in all the green leafy vegetables and the unsold produce that went waste at the end due to spoilage constituted a major proportion of losses to the retailer. Such losses amounted up to 50-60 percent of the total marketing costs incurred by retailer. These losses were highest in tomato followed by capsicum. The similar observations were quoted by Baba et al. (2010, p.115) while studying the price spread of vegetables in Kashmir valley.

Price spread in channel-II

Per quintal costs incurred by various market functionaries while following channel-II, has been presented in Table 9. A perusal of the table reveals that the wholesale price received by producer varied from Rs. 660 for cabbage to

Table 9: Price spread in channel-II (Rs./q)

Sr. No	Particulars	Cabbage	Cauliflower	Tomato	Pea	Capsicum	French bean
1.	Net Price received by producer	620.0	998.0	1108.0	1880.2	1632.0	1540.0
2.	Costs incurred by producer	40.0	52.0	92.0	111.8	118.0	110.0
3.	Producer's sale price/CA's purchase price	660.0	1050.0	1200.0	2000.0	1750.0	1650.0
4.	Costs incurred by commission agent	30.4	50.4	52.4	47.5	59.5	49.5
	Commission of commission agent	33.0	52.5	60.0	100.0	87.5	82.5
5.	Sale price of CA and purchase price WS	723.4	1152.9	1312.4	2147.5	1897.0	1782.0
6.	Costs incurred by wholesaler	131.0	142.0	148.0	134.0	125.0	105.0
7.	Wholesaler's margin	151.8	152.5	162.5	200.5	220.5	208.5
8.	Retailer's price	1006.2	1447.4	1622.9	2482.0	2242.5	2095.5
9.	Costs incurred by retailer	105.5	106.5	103.5	143.5	158.0	138.0
10	Retailer's margin	195.5	255.0	225.0	265.0	275.0	250.0
11	Consumer's price	1307.2	1808.9	1951.4	2890.5	2675.5	2483.5
12	Price spread	687.2	810.9	843.4	1010.3	1043.5	943.5

Rs. 2000 for pea. The costs incurred by the producers ranged between Rs. 42 to 118. Thus, the net price received by producers varied between Rs. 620 to 1880 for different vegetables. The commission agent incurred less marketing costs as compared to other intermediaries because he had just to maintain his office, storage godowns and hospitality to produce sellers and buyers. Wholesaler had to pay commission to the commission agent and other costs incurred by him included the rent of the shop, charges for electricity& water, losses during storage and sometimes the labor charges for recleaning, sorting and grading. The wholesaler's margin in this channel varied from Rs. 152 for cabbage to Rs 221 for capsicum.

The retailer's margin was observed to be the highest among all the market functionaries and thus, contributed the maximum towards price spread because he directly dealt with the consumer and there was no check on the prices charged by him from the consumer. The price spread was highest for capsicum followed by pea and frenchbean.

Price spread in channel-III

It can be observed from Table 10 that the producers realized the highest net price for frenchbean followed by capsicum and pea. The marketing costs incurred by farmer/producer also varied in the similar fashion. The costs incurred by CA/WS varied between Rs. 36 and Rs. 63 for different vegetables. The price offered by CA/WS to the retailer varied from Rs. 797 for cabbage to Rs. 1997 for frenchbean. The losses due to spoilage were quite high in vegetables and thus, constituted the major proportion of the costs incurred at retailers' level. The ultimate consumers' price obtained in this channel was highest for frenchbean followed by capsicum and pea.

Table 10: Price spread in channel-III **(Rs./q)**

Sr. No	Particulars	Cabbage	Cauliflower	Tomato	Pea	Capsicum	French bean
1.	Net Price received by producer	680.0	1000.0	1015.0	1301.0	1441.0	1731.0
2.	Costs incurred by producer	45.0	55.0	85.0	99.0	109.0	119.0
3.	Producer's sale price/CA's purchase price	725.0	1055.0	1100.0	1400.0	1550.0	1850.0
4.	Costs incurred by CA/WS	35.5	43.5	42.5	52.5	62.5	54.5
	Commission of commission agent	36.3	52.8	55.0	70.0	77.5	92.5
5.	Sale price of CA/WS and purchase price of retailer	796.8	1151.3	1197.5	1522.5	1690.0	1997.0
6	Costs incurred by retailer	117.8	115.0	105.0	125.0	145.0	120.0
7	Retailer's margin	202.3	230.5	220.5	250.5	240.5	225.5
8	Consumer's price	1116.8	1496.8	1523.0	1898.0	2075.5	2342.5
9	Price spread	436.8	496.8	508.0	597.0	634.5	611.5

Producer's Share in Consumers' Rupee

The producer's share in consumer's rupee was worked out and has been presented in Table 11. A quick perusal of the table indicates that the consumer's share for cabbage was the highest in Channel-III followed by Channel II and I. In case of cauliflower too, the proportion of consumer's rupee received by the producer was maximum (66.81 percent) in Channel-III followed by Channel-II (55.17 percent) and I (52.36 percent). The producer's share behaved in the similar fashion for the other four vegetables. A general conclusion can be drawn from the table that the producers received the highest proportion of the consumer's rupee through Channel-III for all the vegetables under study. This was because of the fact that minimum number of functionaries were involved in this channel. Similar observations were recorded by Singh and Singh (2009, p.117) while studying the marketing of mustard in Rajasthan. NamDeo et al. (2006, p.97) and Shiyani et al. (1998, p.156) also supported the same point of view.

Table 11: Producer's share in consumer's rupee **(percent)**

Particulars	Channel-I	Channel –II	Channel-III
Cabbage	45.94	47.43	60.89
Cauliflower	52.36	55.17	66.81
Tomato	50.65	56.78	66.65
Pea	61.23	65.05	68.55
Capsicum	56.61	61.00	69.43
French bean	54.83	62.01	73.90

Marketing Efficiency

The efficiency of any marketing channel is judged by the fact that the producers receive remunerative prices and the consumers get the produce at reasonable and affordable price at the same time. Marketing efficiency of different marketing channels for different vegetables was examined with the help of Marketing Efficiency Index (MEI). The value of MEI was observed to be the highest for channel-III indicating thereby that channel-III was the most efficient channel when compared to the other two channels (Table 12). Among different vegetables marketed through channel-III, the value of MEI was highest for frenchbean and lowest for cabbage. Channel-II ranked second in terms of marketing efficiency for marketing of all other selected vegetables. Thus, it can be concluded that the marketing channel with lesser number of market functionaries was comparatively more efficient as compared to the channels with more number of market functionaries. Tripathia et al. (2009, p.106) also reported the similar results while studying the marketing of ginger in Meghalaya.

Table 12: Marketing efficiency of different vegetables under study

Channel/Crop	Channel-I	Channel –II	Channel-III
Cabbage	0.85	0.90	1.56
Cauliflower	1.10	1.23	2.01
Tomato	1.03	1.31	2.00
Pea	1.58	1.86	2.18
Capsicum	1.30	1.56	2.27
French bean	1.21	1.63	2.83

Conclusions and Policy Implications

The study has observed that the production and marketing of vegetables is highly remunerative; hence, the area under these crops can be expanded and the production can be enhanced by encouraging the farmers. Though, regional markets played an important role in the marketing of vegetables, yet, market malpractices were reported by some of the farmers. The major problem they were facing was the fluctuating market prices which was further aggravated by the lack of market information. It was also observed that the retailer's margin was the highest among all the market functionaries. The producer's share in consumer's rupee varied from 46 percent to 74 percent for different vegetables under different marketing channels which can further be enhanced by reducing the marketing costs and checking the excessive margins retained by various functionaries. Policy implications emerged from the study are mentioned below:

Extension facilities should be strengthened so as to exhort the adoption of improved technology to enhance the returns from vegetable production. Establishment of small scale processing units at farmers' or village level may help the farmers to increase their returns by adding value to their low grade farm produce and reducing wastage during the peak periods. Strengthening of farmers' organizations and cooperative marketing institutions may ensure efficient marketing of vegetables and remunerative returns to the farming community. There should be some check on the prices charged by the retailers. The retailers' purchase prices should be flashed on the ticker boards in the markets by the market committees and the retailers should not be allowed to charge beyond some fixed percentage (say 20 percent or 25 percent) of their purchase price. A mechanism is required to be created to ensure the proper implementation of the rules and regulations for deductions at market place. Promotion of contract farming in the vegetable producing areas is needed to be put in place so that the farmers get proper technologies like latest seed and technical knowhow, the remunerative agreed upon prices and do not face problem in marketing their produce. It will also help in expanding area under vegetables/high value cash crops and hence, will uplift the socio-economic status of farming community.

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The productivity of work is not the responsibility of the worker but of the manager.

—Peter F. Drucker

Feature

Financing of Higher Education in India: Then and Now

SHAKEEL AHMED AND BADAR ALAM IQBAL

Since the initiation of liberalization policy towards globalizing Indian economy, the need and the significance of higher education has got a lot of momentum. Accordingly, in order to develop knowledge based economy and also to meet the rising demand of skilled manpower, India Government has been allocated financial resources. The allocated financial resources are not adequate to meet the rising cost of higher education and make the Higher education a friendly one. India has also been lagging far behind in terms of funds being invested in higher education. The present paper deals with the trends in financing of higher education during pre-liberalization era and post-liberalization regime.

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Education—which in the broader sense refers to refers to acquisition of knowledge so that one can behave promptly in the society—had leaded the human civilization through distinct phases. With the quality of knowledge human civilization traveled from the phase of apes to the present 21st century. In this sense, education has emerged as a passport to enter in the era of opportunity and prosperity. It had provided opportunity to the mankind to move in distinct dimensions—to become academicians, entrepreneurs, politicians, philosophers, etc. Education is, henceforth, considered as an engine of economic and social development of the country (Anbalagan, n.d.).

In India, the same scenario exists, but at a different level. This is because of the social and economic scenario of the country. To put simply, there is social and economic development, but it is not in equity with that of the developed world.

With high birth rate and low death rate, a large number of population is added to our existing population every year. As such, we are called as the "land of the youth and children." Even after 60 years of untiring and continued efforts to develop and expand education, around 35 percent of the population is still illiterate and around 30 percent still poor. This bitter truth is, however, only one side of the coin, and at the other side, we can find that through education India has made remarkable progress in certain fields. Presently, we are among top ten industrialized countries of the world and among the top three as producer of scientifically and technologically trained manpower.

This had been made possible because of the well-developed higher education system of the country. Education had now become one of the dominant sectors of the Indian economy in terms of enrolment of children, employment of adults and investment of financial resources.

While school education has a broad base, higher education suffers from a narrow base. With the expansion of school, due to impetus it gets in various five year plans of the country, the pressure on the higher education system had made the situation more precarious. To cope up with the problem, the country is in need of huge funds for infrastructure and other facilities for development in higher education. Even if there is surge in public expenditure in higher education by the government, the quantum required for the expansion of higher education base, had to look for other sources of funding.

Objectives

The study enlists the following objectives:

1. Brief scenario of development of higher education sector in India.
2. Present sources for financing higher education of the country.
3. Future dimensions to higher education financing.
4. Pros and cons of future sources of higher education finance.

Methodology Used

The study is analytical in nature, and henceforth, makes extensive use of secondary data for bringing out the past and present scenario of India's higher education. Past, present, and future financing sources for higher education are also discussed at detail. Charts have also been given in substantiate the views expressed in the text.

Financing of Higher Education Then

It is self-evident that education has a foundational role in development. While education enables achievement of national goals, it also enhances the capacity of the nation to dream novel, bigger and ambitious dreams (Annual Report, 2010–11).

A snapshot of history shows that India has been a major seat of learning for thousands of years. When there was no university elsewhere in Europe, Indian universities like Nalanda, Takshila, and Vikramsila were renowned seats of higher learning.

However, the foundation stone of the present higher education milieu in the country was laid down with the establishment of Hindu College at Calcutta in 1817 by Raja Rammohan Roy and his friend David Hare. Later on, Wood's Education Dispatch (1854) came as a landmark for India's education system—primary, secondary, and university, by giving definite direction. Resultantly, the first three modern universities were established at Calcutta, Bombay, and Madras in 1857.

Even if India was under British dominance, the British did not give much support to higher education in their colonies. It took them another 30 years to set up the fourth university at Allahabad in 1887 and yet another 29 years to establish the fifth and sixth universities at Mysore and Banaras in 1916 (Prakash, 2007).

Since independence, India has covered a long distance on the path of expanding the institutional capacity in higher education (Table 1). In the year 1950, the country had just 25 university-level institutions; this figure has gone up to 417 in 2007—nearly 17-fold increase. The figures further rose to the level of 467 in 2009. The growth of degree colleges during the period has been even larger. As the number of colleges has gone up from 700 in 1950 to 25,951 in 2009, there had been nearly 30 times growth (UGC, 2011).

Table 1: Institutions of Higher Education and their Intake Capacity

Capacity Indicators	1950	1991	2004	2006	2009
No. of university level institutions	25	177	320	367	467
No. of colleges	700	7,346	16,885	18,064	25,951

Total university level institutions by 01.07.2010 add up to 534

Source: UGC, Government of India, New Delhi, 2011.

In the country, university-level institutions widely differ in terms of their structure and coverage (Table 2). These could be sub-divided into six broad groups: central universities (in the year 2009, numbering 40), state universities (234), deemed universities (128), institutions of national importance, established under central legislation (39), institutions of national importance, established under state legislation (5), and private universities (21). The diversity is apparent (UGC, 2011).

Today, the Indian higher education system has transformed into a loose configuration of various types of institutions, based largely on the British model, but also in part on the American model of higher education. In the federal arrangement, most institutions of higher education

Table 2: University-level Institutions in India

Type	2002	2006	2007	2009	2010
Central Universities	18	20	25	40	41
State Universities	178	217	231	234	257
Institutions Deemed to be Universities	52	102	102	128	130
Institutions of National Importance					
(by State Legislation)	5	5	5	5	5
Institutions of National Importance	12	13	33	39	39
(by Central Legislation)					
Private Universities		10	21	21	61
Total	**265**	**67**	**367**	**467**	**533**

The figures for 2010 are up to 01.07.2010
Source: UGC, Government of India, New Delhi, 2011.

are under the provincial governments, but several reputed institutions are directly under the national government. The new private sector has not only accelerated the growth, but also added a new dimension to the higher education landscape. The Indian higher education system is now a large and complex body (Agarwal, 2009).

Higher education in India is being de facto privatized on a massive scale. But this privatization is not a result of changing ideological commitments of the key factors—the state, the judiciary or India's propertied classes. Rather, this privatization has resulted from a breakdown of the state system. Instead of being part of a comprehensive program of education reform, much of the private initiative remains hostage to the discretionary actions of the state. As a result, the education system remains suspended between over-regulation by the state on the one hand, and a discretionary privatization that is unable to mobilize private capital in productive ways. The result is a sub-optimal structuring of higher education. The most potent consequence of this is a secession of the middle class—ironically the very class whose interests these institutions were supposed to serve—from a stake in public institutions (Kapur and Mehta, 2004).

The rising of higher education institutes is important as it is assumed that the move will help in achieving the dual objective of the government—100 percent literacy

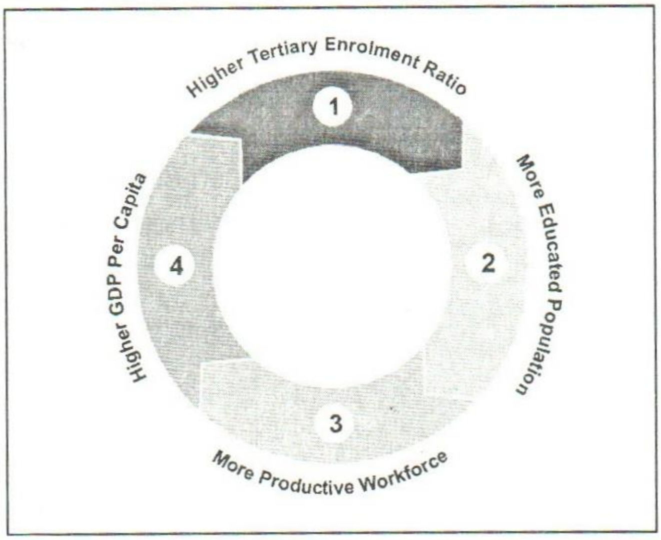
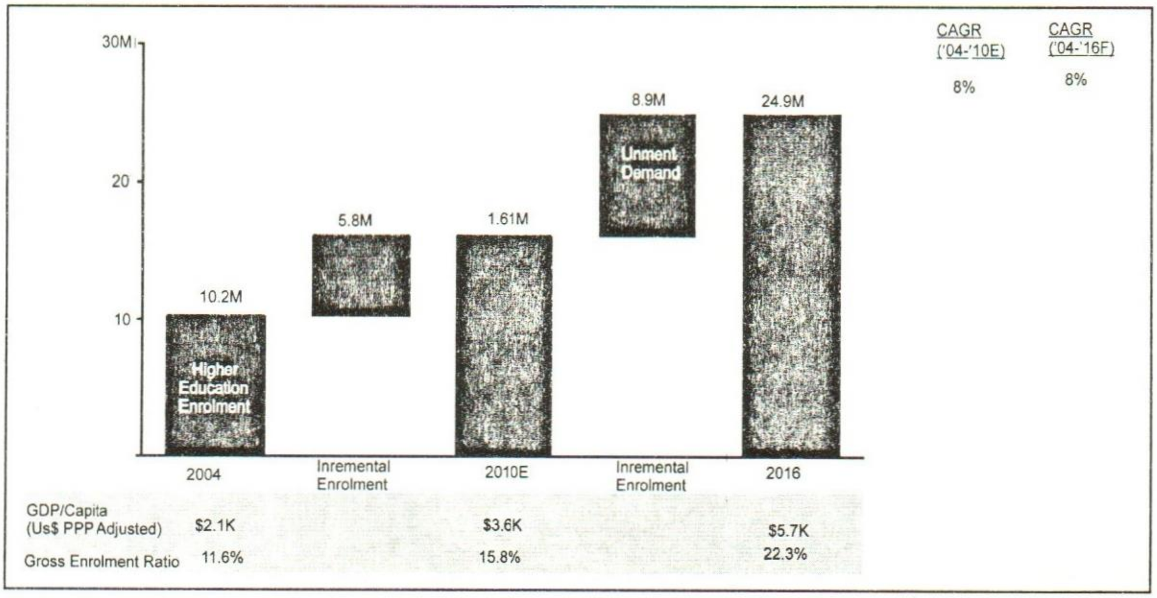


Figure 1: Impact of Higher Education

Source: Financing Indian Higher Education, The Parthenon Group, March, 2011. Prepared for THE EDGE 2011 Conference. Available online at http://www.parthenon.com/GetFile.aspx?u=%2FLists%2FThoughtLeadership%2FAttachmen GE_Parthenon%2520Report_Student%2520Financing_vFINAL.pdf (accessed on February 4, 2012).



Graph 1: Enrolment forecast for Indian Higher Education,004-2016F

Source: Financing Indian Higher Education, The Parthenon Group, March, 2011. Prepared for THE EDGE 2011 Conference. Available online at http://www.parthenon.com/GetFile.aspx?u=%2FLists%2FThoughtLeadership%2FAttachments%2F25%2F 1103EDGE_Parthenon%2520Report_Student%2520Financing_vFINAL.pdf (accessed on February 4, 2012)a

rate and quality education. Figure 1 explains the importance of higher education. Accordingly, higher tertiary enrolment ratio will lead to more educated population. Increased educated population will form part of the more productive workforce of the country contributing to higher GDP per capita. The outcome of higher GDP will be in the form of higher tertiary enrolment ratio. Thus, there is circular flow, where higher tertiary enrolment ratio resultantly leads to higher tertiary enrolment ratio.

Predictions from the analysis of the enrolment trends in Indian higher education **(Graph 1),** shows that enrolment which stood at 10.2 million in 2004, will rose to around 25 million by the year 2016. Comparisons between the growth rate of higher education seekers and providers (institutes), there will be around 8.9 million students left empty handed (without higher education facility).

Financing of Higher Education Now

In the developing countries, higher education was pitted against school education, especially primary education. It was argued that higher education falls under non-merit goods category or are purely private goods. The only sector of education with a merit good label is elementary education (Government Subsidies in India 1997; shodhganga.inflibnet.ac.in, n.d.).

After independence various universities have been opened both by the government as well as private sector with the sole motive of serving the society by imparting higher education and conducting researches related to pure and social sciences. The fees charged from the students were minimum; hence these institutions were generating deficit so there was a need to go for the donations and aids to cover its fixed and running expenses. But gradually there was a drastic change in the scene. The education sector emerges as one of the most profitable business opportunity. The increase in the number of private schools and institutions supports the fact. Higher education is not an exception to this. Gradually most of the corporate entities have also entered into the picture (Singh, 2008).

The educational system in India is predominantly a state funded and directed activity. Given the financial constraints, India, like many other developing countries, finds it difficult to cope with the ever increasing financial requirements of an expanding system. Reform measures suggested by international agencies and recommended by various committees appointed by the national government have explored possibilities of additional resource mobilization to reduce the burden on the public exchequer (Varghese, n.d.).

The cost of higher education in India is supported by the central and state government sector and by the nongovernmental sector (including student/parents and the rest of the community). The 16 Central universities receive maintenance and development grants from the central government through the UGC, while other universities and colleges receive maintenance funds from state governments and some development grants from the UGC. Private colleges, instead, are either privately managed and publicly funded (aided colleges) or privately managed and funded (unaided colleges). Private aided colleges are required to admit 50 percent of their students based on their performance on entrance exams (free seats). These students are not required to pay any extra fees or tuition. The other 50 percent of students are admitted based on their willingness to pay extra tuition (payment seats). Unaided private colleges set their own fee levels (below a government-set ceiling) that are generally extremely high in comparison to the aided private colleges and government colleges (*gse.buffalo.edu/org, n.d.*).

Now-a-days education sector is a trillion dollar industry of service sector in the area of education wherein students, teachers and non- teaching employee constitute resources for profit generation. In this industry the students are the customers, the teachers are the service providers and the institutions are organizers or marketers and teaching-learning process is no longer for the building of a nation but a business for profit making. Education at all levels, will continue to grow, because it cultivates the human mind and makes people important and useful in the all round development of a country, however for the corporate sector it will grow as a big service industry. Predatory and powerful MNCs are targeting public education, particularly higher education, for profit- making. Though predominantly a government supported service in India most governments are as consequences of neo-liberal economic reforms, withdrawing from it. The government of India through extensive privatization, commercialization and deregulation is encouraging this process (Singh, 2008).

Seeing the growing demand of financial assistance for mitigating the problems of higher education sector the National Policy on Education, 1986 (NPE, 1986) spells out the approach to mobilization of resources for Education. The report of the Education Commission (1964-66) strongly argued for devoting 6% of the GNP to education. Successive governments in the recent past promised this level of investment but it remains more a political intention than a realised commitment. The Majumdar Committee (MHRD, 1999) recently analyzed the financial implications of making elementary education a fundamental right and came to the conclusion that enhancing the share of investment to 6 percent of the GNP would be sufficient to provide adequate resources at all levels of the education system (Varghese, n.d.).

The trends in the financing of higher education in India show that: (i) the share of the government in total educational expenditure has increased; (ii) the share of higher education in the total public education expenditure has declined, both in plan allocation and in recurring expenditure (This shows a reduced public priority and resource commitment towards higher education, especially in the late 1980s); and (iii) student fees and endowments as a share of total resources for higher education have declined. Consequently, the share of government expenditure in total spending on higher education has increased. By the '90s, the government, which is the dominant partner in funding, found it increasingly difficult even to maintain the same level of funding for higher education. Therefore, mobilizing resources from non-government sources became important even to sustain the system of higher education at its present level of operation. Most of the committees appointed during this period have made various suggestions in this regard (Varghese, n.d.).

The 1980s was a period of economic crisis in many developing countries. During this period many countries resorted to extensive external funding, primarily through the structural adjustment programmes (Varghese, n.d.).

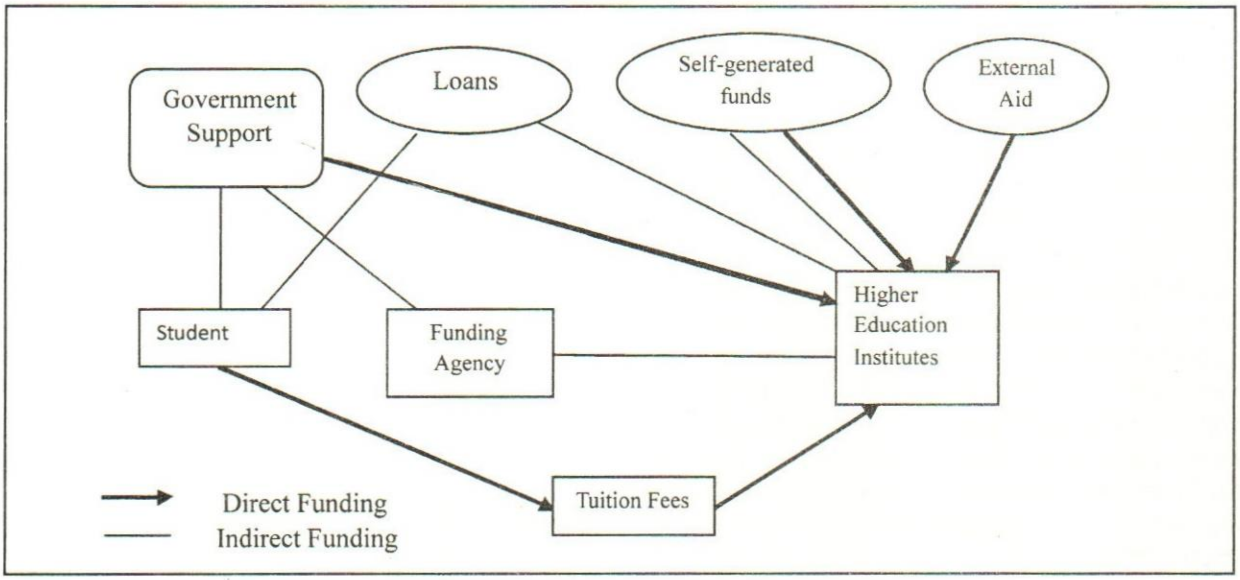
In the Indian context, two important committees were appointed to recommend measures to respond to the demand for funds for education. The Swaminathan Committee (AICTE, 1994) looked into possibilities of resource mobilization in technical education, essentially through cost-recovery from students (Varghese, n.d.).

The reform measures suggested in the reports of both committees have two distinct aspects, namely, improving efficiency in the functioning of institutions of higher education to reduce waste and saving resources and mobilizing them from sources other than the government.

Reforms relating to mobilization of resources to reduce the public cost include promotion of distance learning, encouragement of private sector and cost-recovery methods. Access to higher education through non-institutionalized structures like the open learning system has expanded in India. Open universities have been established both at the national and state levels. The Open University system reduces recurring expenditure on account of salaries and non-recurring expenditure on account of institutional arrangements for imparting education. Therefore, one of the strategies adopted in India to meet the increasing demand for higher education is through the Open University system and correspondence courses (Varghese, n.d.).

The growth of private sector has led to two types of distortions: (i) it encourages only certain courses, especially professional courses; (ii) it adversely affects equity considerations in education, since admissions are based more on the ability to pay principle than on merit. The criticisms about capitation fee colleges both in terms of admission criteria and their functioning have led to litigation. Consequently, the government is now trying to regulate the operation of these colleges (Varghese, n.d.).

The higher education financing system is beginning to change and a policy of fostering financial independence in universities and degree colleges (reducing government allocations to universities and increasing user fees) has been in place since 1997 (*gse.buffalo.edu/org, n.d.*). Thus, according to Altbach (1997)' the cost of higher education is shifting from "public purse, public purpose to private purse and private purpose." The principle of "Let the buyer pay" got increasing acceptance among governments and public (shodhganga.inflibnet.ac.in, n.d.).



Source: Cheung, B.; Higher Education Financing Policy: Mechanisms and Effects. Essays in Education, Vol.5,

In the fast changing scenario of education, if universities are to keep pace with development, they have to enlarge their resource base and make efforts to enlarge their internal resources by mobilizing participation of society in higher education. Universities may mobilize such external resources through participation/contribution/ consultancy from individual Indians or non-resident Indians, Alumni Associations, public and family trusts, industrial/ business houses, co-operatives, professional associations, unions/association of employees, municipalities/ panchayats, MP/MLA/Counsellors' funds (UGC, 2011).

Various modes of financing higher education in India, at present, include:

Public Expenditure

Education in India comes under the concurrent list. Hence, both union and the state governments have to meet educational expenditure (Anbalagan, 2011). The bulk of funding emerges from the state and provincial governments, which have a large measure of autonomy relating to the amounts spent on higher education and how allocations are made. The central authority is mainly concerned with funding the top tier of universities and ensuring that research is appropriately supported (UGC, 2011).

Since the commencement of the Five Year Plans in India, education has become one of priority sectors of the Union and State governments. However, all the sub-sectors, viz., elementary education, secondary education, adult education, higher education, technical education and others did not receive adequate attention during the era of planning. Table 2 presents the expenditure pattern of sub-sectors of education from First Five Year Plan to Tenth

Five Year Plan. It is very clear that higher education had never been on the discussion table for the government, as elementary and secondary education got priority from time-to-time (Anbalagan, 2011).

The Eleventh Plan places the highest priority on education and among the sub-sectors of education, higher education receive a substantial attention. Since First Five Year Plan, Technical and higher education received less attention, hence, it is the 11th Plan Prime Minister Dr. Manmohan Singh termed Eleventh Plan as "Education Plan" and described it as "Second Wave" in the development of higher education. The second wave in development of higher education is reflected in setting a target 15 percent of enrolment rate, up from 10% by the end of 10th plan. It is ambitious target because we achieved the increase in enrolment rate of higher education from about 1 percent in 1950 to 10 percent in 2006. It took us close to fifty five years to realize 10 percentage points increase in enrolment ratio. And now, a half of that, that is 5 percentage points net we decided to achieve in only five year period of 11th plan between 2007–2012. However this ambitious target was backed by a quantum jump in the financial allocation from Rs. 3294 crores during the Tenth Plan to about Rs. 47,000 crores in the Eleventh Plan. The unprecedented expansion in institutional capacity is reflected in setting up of about 1464 new educational institutions - comprising 30 central universities, 8 IITs, 7 IIM, 20 NITs, 20 IIIT's, 3 IISER, 2 School of Planning and Architecture 374 model colleges, and 1000 Polytechnics (UGC, 2011).

Education is recognized as the important instrument for achieving inclusive growth. Hence, both the union and state governments' increased educational expenditure from Rs.64.46 crore in 1951-52 to Rs. 235996.22 crore in 2009-10 (Budgetary Estimates) and this is a manifold increase. However, educational expenditure as a proportion of the GDP was very meager. From 0.64 percent in 1950-51 to 4.28 percent in 2000-01; it is increased in the subsequent years; it declined and reached 3.85 percent in 2009-10 (Table 3). Education is the main sub-sector that gets a sizable share of budget allocation from the social sector expenditure. The share of educational expenditure from the social sector expenditure was 50.8 percent in 2000-01 and it declined to 44.5 percent in 2008-09. Table 4 presents the CAGR of public investment in education as a percentage of GDP between 1951-52 and 2007-08. During the five decades from 1950-51 to 2008-09 classified of time interval of a decade, we find that all the five stages CAGR of investment in education was higher than the GDP's CAGR. During the decade 1981-82 to 1990-91, both variables registered a higher level of CAGR than the other decades. From the foregoing analysis, it may be observed that the Government of India pays more attention for social development and especially to education (Anbalagan, 2011).

Table 3: Central and State Government Expenditure on Education

Year	Education Expenditure (at current prices) (Rs. in crore)	Education Expenditure percentage of GDP
1951-52	64.46	0.64
1960-61	239.55	1.48
1970-71	892.36	2.11
1980-81	3884.20	2.98
1990-91	19615.85	3.84
2000-01	82486.48	4.28
2007-08	155797.27	3.40
2008-09 (RE)	198986.14	3.77
2009-10 (BE)	235996.22	3.85

Note: Re: Revised Estimates; BE: Budgeted Estimates.

Source: DR. P. Anbalagan; Public Expenditure on Education: A Study of Inter-state

Table 4: Compound Annual Growth Rate (CAGR) Of Investment In Education And GDP

Year	GDP at current Prices	Investment in Education
1951-52 to 1960-61	5.43	15.70
1961-62 to 1970-71	10.55	14.67
1971-72 to 1980-81	12.55	12.82
1981-82 to 1990-91	14.42	18.37
1991-92 to 2000-01	14.06	15.59
2001-02 to 2008-09	12.99	10.50

Source: DR. P. Anbalagan; Public Expenditure on Education: A Study of Inter-state Variations in India, IJBEMR Volume 2, Issue 1 (January 2011), ISSN 2229-4848. P-24

Fees

A commonly suggested cost recovery method in higher education is to increase fee rates. The share of fees in total-expenditure on higher education has declined over time. This happened because the amount of fee levied remained almost unchanged over a long time, while the cost of education increased (Varghese, n.d.).

India had been facing significant challenges in funding their rapidly expanding higher education systems. Even after rapid economic growth in recent they remain developing economies. In both countries, increasing tuition costs in both public and private sector institutions has shifted a growing burden for funding higher education to students and their families. India does not contain an adequate system of grants or loans to ensure equal access to higher education, although it have some financial aid programs in place and have made efforts to provide access for poor students and students from disadvantaged populations (UGC, 2011).

In the recent past private higher education in India is expanding. It is already a significant part of the higher education system, and its expansion will continue for a simple reason: the public sector is simply unable to provide the financial resources needed to provide the access demanded by growing populations (UGC, 2011).

One method of reducing the financial crisis in higher education is to mobilize more resources byway of higher tuition fees. A large number of countries are moving in this direction of higher cost sharing by students. The fee enhancement prescription is based on the assumption that fees are very low and that there is scope for increasing fees The experience world over is that public institutions recover only a small percentage of their unit cost by way of user charges It is an irony that more charges are levied by developing countries than most of the developed countries (shodhganga.inflibnet.ac.in; pp. 61–62).

Considering the levels of fees in higher education in India are very low and that there exists scope for increase in the fee and for rationalization of the fee structure, especially in higher technical education, University Grants Commission (UGC) and All-India Council of Technical Education (AICTE) committees have recommended that at least 20 percent of the recurring expenditure per student should be generated through student fees and other sources. Although raising tuition fee is one option, there is potential for efficient utilization of resources in educational institutions (prayatna.typepad.com, 2004).

The UGC held a series of seminars on problems of higher education. The seminars recommended that it is the primary responsibility of the state to provide eligible students with good quality higher education at reasonable cost. In fact, investment in this area by the state should be stepped up to 3 percent of the GD (prayatna.typepad.com, 2004).

While the UGC has the legal right to set tuition and fees, it has not done so – in practice, it is the individual state governments and institutions that take the initiative. Even less action has been taken by many other states largely because of the violent student resistance to the introduction of higher fees (*gse.buffalo.edu/org, n.d.*).

Most of the students who go in for higher education are from economically and socially better-off families whose ability to pay is higher than what they are actually charged. A continuation of the present levels of subsidy benefits a segment of the population that does not deserve it. Therefore, there is scope for increasing fees to mobilize resources. Such possibilities are higher at the post-compulsory and tertiary levels of education (Varghese, n.d.).

A discriminatory fee structure implies that fee will be charged according to the paying capacity of the student, the fee to be levied based on the cost of providing education for each faculty or subjects on the one hand and paying capacity of individual students on the other. Needless to add, those belonging to the highest socioeconomic households will pay the most, close to the full pricing of education. Students from the lowest social and economic households will pay the least which indirectly helps target subsidies in favour of the poor. One can argue that discriminatory pricing may lead to an increased income for higher education without adversely affecting equity considerations in educational provisions. In this sense, a discriminatory fee structure will reduce the perverse effects of the existing public subsidy system (Varghese, n.d.).

Student fees have recently been enhanced in all types of universities in India. The management and technical institutions provided a lead in this direction. Fees remain the main source of income for private institutions, where parents are willing to pay. Though enhancing fees in public institutions is often resisted in India, recent experience shows that it is possible even in public institutions. However, a uniform increase at times goes against equity considerations. A discriminatory structure based on the ability to pay principle increases income without adversely affecting equity concerns (Varghese, n.d.).

Self-generate Funds

Considering the helplessness of the Government to mitigate financial requisites of the higher education, institutes need to look at other sources for generating required funds. In this regard, institutes can involve itself in productive activities to generate funds. In case of Indian higher education sector even though institutes are involved in such activities, but the funds so generated are not enough to meet out the deficiency.

Donations and Endowments

Donations and Endowments can be regarded as a kind of external aid, but such funds are not stable and it accounts for only a small part of the operating revenue. Private contributions to education in the form of donations and endowments, which were the hall marks of the pre-independence period, have dwindled.

Self-financing Courses

Many a time, the distance courses are being introduced solely with the aim of generating revenues for the university. The revenues generated through distance modes are seldom used for the benefit of distant learners but utilized to finance mainstream activities of the university. It hits hard the interest of especially those who are relatively underprivileged.

Yet another method resorted to by several institutions is to create both self-financing seats in the normal courses as well as self-financing courses. Though no data are available on the nature and extent of self-financing courses and seats, it is generally believed that this practice is picking up and even the mainstream universities and colleges are adopting it to generate additional revenues. If the trend continues, a time may come when the higher education system would gradually be restructured to offer only self-financing courses to be self-reliant. This would not only lead to truncated growth of higher education but also weaken our society (Prakash, 2007).

Fellowships

To help the students in evading oneself from financial crisis with respect to acquiring education, government—central and state—had launched various fellowships. The purpose is to support financially, the minority groups, women candidates, backward classes, meritorious students, etc. Some of the fellowships to support higher education of distinct groups include:

1. Rajiv Gandhi National Fellowships for SC/ST;
2. Post-Doctoral Fellowships for SC/ST;
3. Post-Graduate Scholarships for SC/ST Students in Professional Courses;
4. Post-Doctoral Fellowship for Women;
5. Post-Graduate Indira Gandhi Scholarship Scheme for Single Girl Child;
6. Part Time Research Associate-ships for Women (now renamed as Post-Doctoral Fellowships for Women);
7. Maulana Azad National Fellowship for students from Minority Communities. (UGC, 2011)

Loans

Although public funding plays a prominent role in many countries, it does not cover all of the operating costs, so students have to be responsible for a fraction of the costs. To offset the increase in fees, the government of India announced a new education loan program, the Educational Loan Scheme in April 2001. The scheme provides loans to "poor and needy" Indian citizens to undertake basic education and to "meritorious student" to pursue higher education at home or abroad. However, the numbers of students who have been availing of the loan scheme are relatively low. This is probably because of the reasons of what is considered a high interest rate, the short repayment period, etc. (*gse.buffalo.edu/org, n.d.*).

Reducing Subsidies

There is scope for reducing subsidies in higher education. Unlike at the primary level, a majority of students in higher education come from better-off families and hence can pay more. Perhaps, keeping fees at lower levels in the name of equity benefits the better-off sections of society. More importantly, a high level of public subsidy reduces the scope for the government to mobilize additional resources, leading to privatization of the sector, though only the state can provide a long-term perspective and focus on social concerns in promoting higher education. There is thus a need to strengthen the state which cannot be done while maintaining high levels of subsidy. On the other hand, an indiscriminate reduction in subsidies may leave the sector to the vagaries of market forces. Therefore, what is argued for is targeting subsidies to students from poorer sections of society. It also needs to be emphasized that enhancing fees may not generate the level of resources required for the sector (Varghese, n.d.).

Tax

Taxing individuals, who had the benefit of the state resources in the past for their education and industries, which are likely to derive advantage from good human resources were the options suggested for creating such a fund (prayatna.typepad.com 2004).

In 2004, education cess was introduced at the rate of two per cent on all major taxes; the revenue is meant for elementary education. In 2007, one additional percent of cess was introduced on all major taxes with the object of utilizing the revenue for secondary and higher education (Anbalagan,n.d.).

The idea regarding imposing-off of graduate tax had also been put forth. The graduate tax is an education specific tax levied on those who use educated manpower. The paradoxical situation in India is that while the expenditure on education is borne by the government, the products of the educational system are used by the public and private sectors. The educational sector in India provides manpower to the production sectors and they generate profits which are beneficial to the employers. However, employers seldom contribute to the education sector on a regular basis. There is, therefore, a strong case for levying a tax on every graduate who is employed in an organization. An employer can be asked to pay an annual tax to the government for each graduate recruited. The amount of tax to be levied should be based on the cost of education at that particular level (Varghese, n.d.).

This seems logical and hence a desirable proposition. The major drawback with the scheme is that it may work as a disincentive for many employers in recruiting university graduates; they may use lower level educated manpower as a substitute. This may exacerbate the already aggravated situation of unemployment of the better educated in India. The substitution possibilities may be lower in those organisations where the burden of taxation can be shifted to individual employees. Nevertheless taxing employers based on the type of manpower they use has a good rationale even if it leads to substitution (Varghese, n.d.).

Future Dimensions

New developments in science and technology, competition, media revolution and internationalization are revolutionizing the education sector and the world is experiencing an unprecedented change, creating the urgency of re-appraisal of the traditional roles and functions of the Indian education system and looking after the present administrative structure/finances of university management. This has been happening because we are witnessing a paradigm shift in higher education, from "national" to "global education, from "state controlled" to an "open market economy, "from "general education" to an "educational system driven by market forces, "from" one time education for a few" to "life-long education for all, from "teacher centered" to "learner centered" education (Nair and Kumar, 2004).

Considering the phenomenal increase in the growing demand of the education seekers, and the awful infrastructural base at higher education sector, experts had forwarded novel initiatives to meet out the deficiency. As such, some future modes for financing higher education includes the following.

Financing through Foreign Direct Investment (FDI)

In order to fulfill high aspirations of India, there is requirement of large number of higher educational institutes. Since the present status is not adequate, voices have been raised in favor of foreign institutes, imparting higher education, to operate on the Indian soil. According to various experts, FDI which had pushed the growth of various sectors with injection of huge foreign capital, and thus contributing to country's GDP growth, can also play a contributory role in the vary sector.

Even foreign players seem to be desperate enough to operate in India. Seeing the massive business opportunities in the education sector and with the prospect of elevating their brand value, foreign universities have been inking strategic partnerships with educational institutions in the country. There had been number of examples that can be put for reference in this respect. Collaboration between Lovely Professional University, Jalandhar, and San Francisco State University; U.K's Leeds Metropolitan University's collaboration with Jagaran Social Welfare Society, Bhopal; collaboration of Lancaster University, U.K., with Jawaharlal Nehru University, etc., are few of such collaborations.

Since there had been number of restrictions over foreign direct investment in education, even if FDI upto 100 percent has been allowed in the sector, foreign players had been resistant regarding making operations solely in the country.[1]

However, the Foreign Universities Bill, which was passed by the Union Cabinet on March 16, 2010 for introduction in the parliament, shows the government desire to open the sector at its earliest. If passed, it would be the first of its kind allowing foreign universities to establish their branches in India. The requirements enlisted there-under in the bill, though hard to meet, envisage that this will help India expand its capacity more quickly and save the country's billions of dollars in foreign exchange outflow (Dukkipati, 2010).

The ides had been favoured by many experts because it is assumed that introduction of foreign universities' offshore campuses in India will improve the standard of higher education in the country by enhanced competition between the foreign and the existing public and private universities. Countries like China and Malaysia can be taken as example in this regard. In addition to this, the country will also draw numerous simultaneous benefits.

At the same time, voice in contradiction to the view has also been raised. Accordingly, it had been said that intrusion of FDI in the sector will lead to extreme commercialization of the sector. It will also affect the policy of equity, regulatory freedom, and deterioration of the educational and cultural ethos of the education sector.

Henceforth, though India had put a halt over the decision of operating-up of foreign universities in India, but being the member country of WTO, must abide by the decisions and regulations of WTO. So it cannot stop the foreign universities and institutes to operate in India, which are having ample financial, physical and intellectual resources and are running on absolutely business principles for earning profit.

Financing through Initial Public Offerings (IPOs)

A novel idea regarding financing the higher education, for mitigating the deficiency of the sector, is through Initial Public Offerings (IPOs). According to this, educational institutes' especially higher and professional ones will be allowed to list them in the stock market and arrange for financial requirements through trading of institute's shares in the stock market.

The idea had been favoured because it is believed that this initiative is potent enough to satisfy even the most insatiate need of the sector. Huge financial flows through such an offering will leave the institutions with pockets full of huge funds. The funds so generated will be utilized for uplifting the institute at individual, and sector at country level.

On the other hand, views against the idea had also been put forth. The view says that institutes who are better performers but not market themselves quite effectively will not be able to enjoy synergistic gains, as against those who market themselves effectively, even if not perfom better. Hence, performance with regard to better pass-out ratio and better job prospects will have nothing to do with arrangement of funds through IPO (Singh, 2008).

Conclusion

Higher education had emerged as an important aspect for growth of any country. For developed economies such growth and development took place much earlier than the developing nations because of the huge gulf between the levels of education between the two, especially higher education.

India, since long back, had been trying hard to improve its higher education sector, by making considerable budget allocations towards the vary sector. However, the focus was on primary level. The eleventh plan allocation had made considerable arrangement to finance higher education; these are not ample enough due to the existence of huge gulf between education seekers and providers. Private institutes were allowed to play complementary role to meet out the deficiency, albeit, they seem to deviate from the path.

The issue of allowing foreign institutes to impart education in the country by setting up their own institutes had also been advocated by the government. However, the move had been flout on various grounds. This seems to be possible at some point of time because India being a WTO member had to follow its regime and cannot escape from it for too long. In addition to it a novel idea of allowing educational institutes to arrange for funds is through listing itself on stock exchange.

These moves, though may be potent enough to mitigate financial deficiency, cannot be accepted easily as an experience of private institutes, in majority, is not soothing. A step, however, can be taken after making compatible policies which will cease-off the possibility of any loophole.

Compendiously, it may be said that India need some audacious initiatives in the sector to achieve its goal of VISION 2020. This requires deviation from the long hold policies, considering the changing global milieu, even though they have benefited the country to a considerable extent. The move may be helpful in equipping the young blood of the country with the competence which will be comparable and compatible with the global requirements. This can be made possible when ample finance will be directed towards the higher education of the country. For this, if the long available resources are not suffice enough, new one need to be appreciated, but in a vigilant manner. The Twelve Five Year Plan starting from April 1, 2012 could contribute positively and constructively making India Vision of 2020 a reality. India has to go miles and miles to make compatible in the global world and keep pace with developed world.

Notes

1. Various pre-conditions that need to be fulfilled before setting up institutes by overseas players includes

maintaining a non-profit character, which is only possible either through registered society or a trust in case of schools, colleges and deemed universities which are not eligible to receive foreign investment under the automatic route. Even if investments were to be permitted, such entities would not be able to distribute returns on the investment and had to utilize it towards the promotion of its objects. **(Nishith Desai Associates, 2009)**

Another bottleneck includes services in respect of construction and the infrastructure requirements of the school, as such investment may be treated as FDI into construction and development projects, which would then be required to meet the criteria relating to minimum capitalization norms, minimum build-up area, lock-in period, etc. as provided under Press Note 2 (2005 Series). In addition, such institutes would be required to comply with a number of preconditions, like, undertaking declaring therein that the degrees / diplomas awarded to the students in India shall be recognized in the parent country of the foreign university / institution. **(Nishith Desai Associates, 2009)**

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Times of great calamity and confusion have been productive for the greatest minds. The purest ore is produced from the hottest furnace. The brightest thunder-bolt is elicited from the darkest storm.

—Charles Caleb Colton

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