Tourism Industry: New Managerial Practices & Technology Implementation (India)

Mr. Udit Kumar Pandey  
Department of Management Studies  
Amrapali Institute, Haldwani

Er. Yogesh Kumar Fulara  
Department of Electronics  
Amrapali Institute, Haldwani

Abstract—Tourism industry with its second position in all industries after petroleum is now with the new strategic horizons to explore the resources and optimize the available options of tourism. Increasingly, organizations and destinations, which need to compete, will be forced to manage. Unless the current tourism industry improves its competitiveness, by utilizing the emerging innovative management methods and IT skills, there is a danger for exogenous players to enter the marketplace, jeopardizing the position of the existing ones. Only creative and innovative suppliers will be able to survive the competition in the new millennium. This paper provides a framework for the utilization of managerial practices and technology in tourism by adopting a strategic perspective. A continuous business process re-engineering is proposed in order to ensure that a wide range of prerequisites such as vision, rational organization, commitment and training are in place, so they can enable destinations and principals to capitalize on the unprecedented opportunities emerging through managerial practices and new technology.

“A vision is not a project report or a plan target. It is an articulation of the desired end results in broader terms.”
A. P. J. Abdul Kalam

Keywords—Smart Key, Remote Transaction Book, computerized reservation systems (CRS), Amadeus, PARAS.

Introduction
What is tourism? Oxford dictionary defines tourism as the commercial organization and operation of holidays and visits to places of interest. Tourist is a person who travels for pleasure. The word Tourist does not encompass all kinds of persons who are on tour. The meaning of the word tour includes:
(a) A journey for pleasure in which several different places are covered.
(b) A short trip to view or inspect something.

Structure of Tourism Industry

Tourism industry is a combination of Hospitality (a combination of businesses related to accommodation and dining) and Travel Industry (businesses providing transportation services (to tourists) through different modes). Other than these, there are numerous other businesses, which offer their services and products to the tourists and form a ‘part’ of the tourism industry. The chart given below indicates the vast and complex structure of Tourism Industry—

Components of Tourism Industry

<table>
<thead>
<tr>
<th>ACCOMODATION</th>
<th>Apartments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels &amp; Motels</td>
<td>Guest House</td>
</tr>
<tr>
<td>Camps</td>
<td>Lodge</td>
</tr>
<tr>
<td>Hostels</td>
<td>House Boats</td>
</tr>
<tr>
<td>Bed and Breakfast</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ATTRACTIONS</th>
<th>Cultural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural</td>
<td>Educational</td>
</tr>
<tr>
<td>Monuments</td>
<td>Events</td>
</tr>
<tr>
<td>Social</td>
<td>Medical</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOUR OPERATORS</th>
<th>Outgoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incoming</td>
<td>Cruises</td>
</tr>
<tr>
<td>Day tours and sightseeing</td>
<td>Adventure Tours</td>
</tr>
<tr>
<td>Religious Tours</td>
<td></td>
</tr>
<tr>
<td>Educational tours</td>
<td>Special Interest</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BUSINESS TOURISM</th>
<th>Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentive</td>
<td></td>
</tr>
<tr>
<td>Exploring New Possibilities</td>
<td>Meeting Organizers</td>
</tr>
<tr>
<td>Event organizers</td>
<td>Conference Organizers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CARRIERS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Airlines</td>
<td>Roadways</td>
</tr>
<tr>
<td>Ships</td>
<td>Railways</td>
</tr>
<tr>
<td>Rent-a-cars and other vehicle</td>
<td>Cruises</td>
</tr>
<tr>
<td>hiring</td>
<td></td>
</tr>
<tr>
<td>Local transportation (includes</td>
<td></td>
</tr>
<tr>
<td>city-buses, auto/taxi, boats,</td>
<td></td>
</tr>
<tr>
<td>trams, local trains etc)</td>
<td></td>
</tr>
</tbody>
</table>

DISTRIBUTION, COORDINATION AND FACILITATING SERVICES

Government Agencies (at all levels)  
Packaging agents Guides Tour
Managers  
Ticketing Agents  
Tour Wholesalers  
Holiday Sellers  
Associations  
Machinery and equipment hiring and leasing  

RETAIL SERVICES  
Art and Crafts  
Garments  
Souvenir  
Books  
Medicine  
Luggage  
All other retail shops used by tourists  

DINING  
At hotels (all kinds)  
Local Restaurants  
Roadside joints Cafeterias  
All retail counters serving food and beverages  

OTHER SUPPORT SERVICES  
Insurance (travel, life, medical, luggage etc) Recreational services  
Communication Services (Phone, fax, Internet, Postal services etc)  
Banking Services  

In India there is a potential of different products under the industry as are follows;  
•Adventure Tourism  
•Pilgrimage Tourism  
•Nature & Wildlife Tourism  
•Recreation & Leisure Tourism  
•Cultural Tourism  

Tourism is essentially an expression of natural human instinct for experience, education and entertainment. Indian tourism sector is one of the most crucial sectors of the economy in the country. It is not only a significant contributor to GDP and foreign exchange reserve of the country, but also it provides widespread employment. Tourism sector can also be considered the backbone for allied sectors, like hospitality, civil aviation, and transport. Today 21.2 crore people around the globe are employed in travel trade and tourism. The rate of international arrivals in India in recent years has been to the tune of about 19 lakh arrivals per year.  

With untapped share of tourism industry and available opportunities, India can obtain its remarkable position among the largest players in the top countries. With ample scope and employment opportunities, the provided services by Indian firms in the field of tourism are inadequate. On the basis of available statistics, the working potential’s training facilities can be safely said to be totally inadequate. To make the New Tourism Policy result oriented, implementation need to be monitored by a High Powered Committee under the Chairmanship of Chief Secretary. A Management Information System needs to be set up to assist the Committee to make available information on various aspects of implementation on a continuous basis. The Committee also needs review the policy from time to time.  

Technology & Tourism  
The developments in computer and communication technologies have made it possible to have rental cars with computerized driving directions and self-service video-terminals at rental counters in high traffic airports. Fully automated rental transaction systems National's "Smart Key" machine and Budget's "Remote Transaction Book" came into existence. Yet another major contribution of technological developments in computers and communication systems to tourism is the computerized reservation systems (CRS). These systems can now inform subscribers about schedules, fares and seat availability, issue tickets and boarding passes, record bookings, maintain waiting lists, display preferred airlines or classes, search for the lowest fare available or the first available non-stop flight and calculate fares for domestic and international itineraries. The system can also make reservations for other services like hotels, car rentals, cruises, railways, tours, boat charters, theaters and sporting events.  

Objective of the Study  
Objective behind the study are as follows;  
• To analyze the current potential available to be tapped by Indian firms in the field of tourism.  
• To study the technological enhancement and managerial practices used and initiated for the industry up-lift.  

Important facts about tourism (2010)
India
No. of foreign tourist arrival in India - 5.58 million (P)
Annual growth rate - 8.1%
No. of Indian Nationals departure from India - 2.07 million (P)
Annual growth rate - 9.0%
Foreign Exchange Earnings from tourism - US $ 14.19 Billion (P)
Annual growth rate - 24.6%

World
No. of International tourist arrival - 940 million (P)
Annual growth rate - 6.6%
International Tourism Receipts - US $919 Billion (P)
Annual growth rate - 8.0%

India’s Position in the World
Share of India in International Tourist arrival - 0.59%
India’s Rank in world tourist arrival - 40
Share of India in International Tourism Receipts - 1.54%
India’s Rank in world Tourism Receipts – 16

Foreign Tourist Arrivals (FTAs) in India, 1997-2011

<table>
<thead>
<tr>
<th>Year</th>
<th>FTAs in India (in millions)</th>
<th>Percentage change over the previous year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>2.37</td>
<td>3.8</td>
</tr>
<tr>
<td>1998</td>
<td>2.36</td>
<td>-0.7</td>
</tr>
<tr>
<td>1999</td>
<td>2.48</td>
<td>5.2</td>
</tr>
<tr>
<td>2000</td>
<td>2.65</td>
<td>6.7</td>
</tr>
<tr>
<td>2001</td>
<td>2.54</td>
<td>-4.2</td>
</tr>
<tr>
<td>2002</td>
<td>2.38</td>
<td>-6.0</td>
</tr>
<tr>
<td>2003</td>
<td>2.73</td>
<td>14.3</td>
</tr>
<tr>
<td>2004</td>
<td>3.46</td>
<td>26.3</td>
</tr>
<tr>
<td>2005</td>
<td>3.92</td>
<td>13.3</td>
</tr>
<tr>
<td>2006</td>
<td>4.45</td>
<td>13.5</td>
</tr>
<tr>
<td>2007</td>
<td>5.08</td>
<td>14.3</td>
</tr>
<tr>
<td>2008</td>
<td>5.28</td>
<td>4.0</td>
</tr>
<tr>
<td>2009</td>
<td>5.17</td>
<td>-2.2</td>
</tr>
<tr>
<td>2010</td>
<td>5.58 (P)</td>
<td>8.1</td>
</tr>
<tr>
<td>2011 (Jan-</td>
<td>2.92 (P)</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

(P) Provisional @ growth rate over Jan-Jun, 2010
Source: (i) Bureau of immigration Govt. of India for 1997-2009.
(ii) Ministry of Tourism Govt. of India, for 2010-2011.

The above figure simplify that the industry development is increasing with the proceeding years with a little decrease in some of year provided with economic fluctuations in the corresponding periods. As per the share covered of world tourism it is still 0.59% of total tourist arrival of the world and 1.54 % in case of tourist receipts. It provides with the facts that India with its available resources required to have some advancement in its tactics to increase its share and make change in its position from 40 to the top 10 countries in the world.

Managerial Practices used and initiated

With the previous data regarding the tourism activities in India, it is clear that the industry has its steady growth with still opportunity for development. In the area of managerial practices and innovative ideas, Ministry of Tourism has come up with vital options for implementation. The ministry has introduces administrative set up for the upbringing of the industry consisting following components;

\[
\text{Administrative Set up}
\]

CDB
T & V

CDB-Community Development Block,
LB – Local Bodies,
T/T – Tehsil/ Taluka,
T & V – Town & Village.

With the practice of new set up and entrance of emerging trends in the industry at international level practices are implemented by the Indian firms in the area of tourism. It consist of the
administrative set up implementation and including the rare resources of the India in to main frame so as to increase the growth rate of the industry.

The further steps taken by ministry are in term of infrastructure development. Augmentation of quality tourism infrastructure throughout the country is a key area of functioning of the Ministry. More than fifty per cent of the Ministry’s expenditure on Plan schemes is incurred for development of quality tourism infrastructure at various tourist destinations and circuits in the States/UTs.

**Human Resource Development**

It has been the Endeavour of the Ministry of Tourism to put in place a system of training and professional education with necessary infrastructural support capable of generating manpower sufficient to meet the needs of the tourism and hospitality industry, both quantitatively and qualitatively. As of now, there are 29 Institutes of Hotel Management (IHM), comprising 21 Central IHMs and 8 State IHMs, and 5 Food Craft Institutes (FCIs), which have come up with the support of the Ministry. These institutes were set up as autonomous societies with specific mandate to impart / conduct hospitality education / training in hospitality skills.

**Training programmes**

In the field of Hotel Management, Catering and Nutrition were initiated by Government of India under the Department of Food, Ministry of Agriculture. To begin with, four Institutes of Hotel Management, Catering Technology and Applied Nutrition were set up at New Delhi, Mumbai, Chennai and Kolkata. For imparting training in hospitality related craft disciplines, 12 Food Craft Institutes were also set up at different places in the country. Consequent to transfer of the programme to the Ministry of Tourism, format of the various training programmes was reoriented and remodeled keeping in view the professional workforce requirements of the country’s fast expanding accommodation and catering industry. In order to harness the resources and also to provide a central thrust to the programme, Ministry of Tourism also established the National Council for Hotel Management and Catering Technology (NCHMCT).

**Technological enhancement of Tourism Industry in India**

The last few decades witnessed the application of computer and communication technologies in the field of tourism. Two distinct streams of information sources viz, (i) online and (ii) offline came into existence. Databases containing information about places, tourist attractions and facilities became available for online access in several countries. The emergence of computerized reservations system (CRS) like Galileo, Amadeus, Sabre, PARS, JALCOM, QAMTAM and ABASUS, etc. opened up a new source of online information on tourism and are being expanded continuously. The latest source of online information is INTERNET which contains some pages on most of the tourist destinations in the world.

In India, the Department of Tourism took the first initiative to introduce information technology in tourism establishing TOURNET with the technical assistance of CMC Ltd. The network consisted of 35 information nodes installed in the field offices of the Department of Tourism located in different parts of the country. In the online field, the CRS Amadeus and PARS are already operational in India.

**Conclusion**

Indian tourism industry with its horizon of untapped resources has capability to ensure its growth and prosperity in the tourism industry. With the implementation of managerial practices and advancement in the technology uses the resources of tourism industry are exploited with higher level of output. With the enormous opportunities and option India is a potent player in the industry and using resources carefully to
with its exposure to international equipment and requirement.

REFERENCES

- www.rncos.com
- www.gourkanjiital.com
- www.indiatourismstat.com
- www.tourism.gov.in
- Government of India, Ministry of Tourism
  - National Tourism Policy of India
- www.fhrai.com
- Planning Commission, Government of India,
  New Delhi
- Human Resource Development, in Tourism
  Industry in India: A Case Study of Air India Ltd.,
  New Delhi, Nafees A. Khan
- Challenges and Strategies – Enhancing
  Competitiveness of Indian Tourism Industry,
  Anurag Dugar*
- Government of India, Ministry of Tourism
- http://www.iflsindia.com
- http://www.euromonitor.com
- http://dspace.titm.k.ac.in/bitstream
- http://www.gujaratindustry.gov.in
- http://www.eximbankindia.com
- http://www.responsibletravel.org
- http://www.ica.coop