MARKETING TOURISM DESTINATION WITH A STRATEGIC PLANNING APPROACH IN INDIA

YATHATI SRINIVASA RAO

HOD, Department of Commerce, Rajah RSRK Ranga Rao College,
Bobbili, Viziangaram Dist.

ABSTRACT

Different actors in the tourism industry and tourism researchers use the concept of a destination in different senses. It is therefore important to formulate the definition that will be used in this study. The World Tourism Organisation (WTO) Think Tank in 2002 defined tourism destination as a physical space in which the visitor spends at least one overnight. It includes tourism products such as support services and attractions, and tourism resources within one day s return travel time. It has physical and administrative boundaries defining its management, images and perceptions defining its market competitiveness. Local destinations incorporate various stakeholders often including a host community, and can nest and network to form larger destinations. The spectrum of destinations is enormous. At one end are compact destination products such as theme parks, Ayurvedic treatments and spas. These may be destinations for a day trip, short stay or occasionally longer holidays. They are often owned and operated by a single company. At the other end of the spectrum are groups of countries or whole continents. For instance, the European Travel Commission (ETC) Pacific Asia Travel Association (PATA) that market Europe and the Pacific as tourism destinations. Between these extremes is a great range of types and scales of destinations: large geographical areas, individual countries, regions, cities, towns resorts, local tourism destinations and combinations of the above. However a solitary vacationer may be simultaneously considering and comparing destinations from both the extremes. The tourism industry is very much a service industry. However, compared to most other service industries it has several differentiating features, deriving from the complexity of destination products and intrinsic characteristics of tourism. There are two particularly significant features of destination management.

Introduction

Tourist destination are a mix of tourism products, experiences and other intangible items promoted to the consumer. At a general level, this concept of destination can be developed to represent geographically defined entities such as group of countries, country, regions in a country, a resort or a wide range of experiences created tourism marketers. There are a range of six components which comprise a destination (i.e from an industry supply perspective or from consumer's viewpoint) The destination is often referred to as an amalgam of six A's. – Available packages; Accessibility; Attractions; Amenities; Activities; Ancillary services.

Early Forms of Destination Marketing

The history of such organization can be traced to the nineteenth century in the USA, where much of the focus was on attracting meetings and conventions, which is one facet of the events industry (Ford and Peeper 2007). In the USA, the formation of the Detroit Convention & Businessmen's League in 1896 is seen as the formal

beginning of the USA destination promotion industry, handled by their Convention & Visitor Bureau Organizations.

While much of the initial interest was on domestic tourism, New Zealand was the first country to begin overseas promotion. In U.K many individual resorts began to advertise in parallel with developments in North America and Mainland Europe. For e.g in 1879 Black Pool Town Council levied a local tax on the rates to undertake advertisements at railway stations, attractions and amusements via its Advertising Committee, initially using leaflets and after 1881, with posters. As attractions were added to the town's tourism infrastructure (e.g Black Pool Tower in 1894 and the illuminations in 1912) these featured in posters. Such advertising sometimes in conjunction with railway companies, was aimed at the domestic tourism and day trip market. Despite attempts by Central Government in U.K to limit municipal spending on promoting tourism, this became a highly competitive activity prior to 1914.

Even during the First World War with Government restrictions imposed on domestic travel & tourism, destinations were still promoted by some of the most influential place promoters of the time the private railway companies. The most prominent advisor was the Great Western Railway Company (GW) with literary and visuals representations drawing upon the concept of departure and the aesthetic appeal of the coast. In U.K in 1921 the Health Resorts and Watering Places Act formally approved municipalities expenditure of a 1d rate to undertake certain forms of destination advertising to existing rail borne travel and the potential of car and Charabanc (early coaches) trips to the coast.

This development of formally funded place marketing in the 1920s typically through guide books, posters and news paper advertising helped to provide the modern day foundations of the destination marketing organization (DMO) One of the principal task of (DMOs) is to increase visitation levels in a marketing context. However DMO's also have a management function including the co-ordination of planning, economic development, the role of stake holders including the host community, private sector tourism interest, public sector (including local and national government) tourists and other bodies such as pressure groups. These different stakeholders are an important focus for planning, since they may have different political agendas which makes seeking to derive a consensus destination marketing a complex task and illustrates the importance of collaboration.

According to Seddighi and Theocharous (2002) understanding how tourist select the destination. There visit is central to destination marketers so they can decide upon which marketing strategies to use to influence consumer behavior. At a simplest level any traveler is faced with a range of motives. In case of business traveler, this is often not a choice related form of travel and is dedicated by employment needs although conference & incentive travel may be influenced by cheque. It is the leisure holiday which has attracted the greatest amount of research, where the initial choice of destination facing the tourist is either a domestic or overseas destination(s), the decision being partly based upon the purchasing power of the consumer.

The attitudes and perception of the prospective tourist towards alternative destination leads to different preferences as a multistage process. Seddighi and Theocharous (2002) also develop the importance of destination specific factors including :

- Whether the visitor has been to the destination before.
- The cost of living at the destination
- The price of the tourist package
- Facilities at the destinations
- The cost of transportation and time taken in travelling
- The quality of promotion and advertising
- The quality of services
- Any political stability at the destination

This highlights the importance of destination marketing, as Buckley & Papadopolus (1986:86) argued when

"*Greater attention must be paid to the characteristics of visitors when trying to develop a marketing strategy…….. a clear market segment must be identified and an investigation made of the buying decision factors, which predominate in that segment…. It is however, important to recognize that the tourist product is a composite product and that there is more than one type of client.*"

This also indicates the importance of buyer behavior as a key element in destination choice. As Middleton & Clarke (2001) indicate, models of consumer behavior have traditionally emphasized price as the key element in destination choice. But growing consumer sophistication has seen branding and other non-rational consideration and attitudes influence buying behavior. In a simplied form, this process can be summarized as follows :

- Destinations promote competitive products to consumers direct, and via the travel trade / intermediaries.

- Advertising, promotion and the interplay of personal recommendation, family, friends, consumer trends, taste and the internet combine to shape buyer characteristics.

- These buyer characteristics are filtered by the *learning behavior* of consumers, which has been influenced by marketing/ recommendation. For e.g Ashworth and Goodall (1982) observed that if a tourist is dissatisfied they will not recommend the destination to others: a reminder of the importance of visitor satisfaction and Word of Mouth. It is also shaped by the perceptions

of consumers of brands and images of destinations and their experience of travel (i.e prior travel to destinations)

- These characteristics combine in the buyer decision making process where learning, perceptions and experience lead to the motivation to buy.

At the motivation stage the characteristics of the consumer (i.e demographic, economic and social profile) combine with their psychographic characteristics as well as their attitudes to

- create: needs, wants and goals. In tourism purchase, Morgan (1996) suggests the family often acts as a single decision making unit and Zalton (1998) noted malefemale differences in purchases.

- The consumers then choose between different goods and services to purchase a product or brand to fulfill their motivation.

Within the buyer research, which is derived from a sub-area of marketing called 'Consumer behaviour', the DMO may apply marketing segmentation techniques. Yet one of the most influential factors in the consumers choice of destination is the *destination image* which is not necessarily grounded in experience or facts but is a key motivator in travel and tourism.

Images and the expectations of travel experiences are closely linked in prospective customers mind and the ultimate objective of destination marketing destination marketing is to : ' Sustain, alter or develop images in order to influence prospective buyers' expectations'(Middleton and Clarke 2001:127). Again this reiterates the importance of marketing research in seeking to understand the intrinsic attractiveness of a destination's image to a visitor, as well as how the perceived image can be used to position the destination to derive a competitive advantage.

The Tourist Destination Image

Within the literature on tourism marketing, the study of destination imagery is one of the major areas of academic endeavour. For this reason we will examine the factors which have an impact upon destination image including how to approach the study of image formation. According to Gallarza, Saura and Garcia (2002:58), the initial development of destination image research can be dated to Hunt (1975), Most academic studies have focused on :

- Conceptualization and dimensions of TDI (Tourist Destination Image)

- The destination image formation process

- The assessment and measurement of destination image.

- The influence of distance on destination image.

- Destination image change overtime.

- The active and passive role of residents in the image of destination.

- Destination image change overtime.

- The active & passive role of residents in the image of destinations.

- Destination image management (i.e. positioning and promotion)

Fig : Tourist Destination Image

NATURAL RESOURCES	GENERAL INFRASTRUCTURE	TOURIST INFRASTRUCTURE
Weather Temperature Rainfall Humidity Hours of Sunshine **Beaches** Quality of Sea Water Sandy or Rocky Beaches Richness of Scenery Protected Nature, Reserves, Lakes, mountains, deserts etc Variety & uniqueness of Flora and Fauna **Tourist Leisure & Recreation** Theme Parks Entertainment & Sports Activities Golf, Fishing, Hunting, Skiing, Scuba etc. Water Parks, Zoos, Trekking, Adventure activities, Casinos, Night Life, Shopping **Natural Environment** Beauty of the scenery Beauty of the cities & towns Cleanliness Overcrowding Air & Noise Pollution Traffic congestion	Development and quality of Roads, Airports and Ports Private and Public Transport Developments of Health facilities services Developments of Telecommunications Development of commercial infra structure Extent of Building development **Culture, History & Art** Museums, Historical Buildings, monuments etc. Festivals, concerts and handicrafts Gastronomy, Folklore, Religion Customs and ways of life. **Social Environment** Hospitality and friendliness of the local residents. Underprivileged and Poverty. Quality of life. Language barriers.	**Hotel and self catering accommodation** No of beds Categories Quality **Restaurants** Numbers Categories Quality **Bars, Discotheques & Clubs** Ease of access to destinations. Excursions at the destinations, Tourist Centers Network of tourist information **Political & Economic Factor** Political Stability Political Tendencies Economic Development Safety Crime Rate Terrorist attacks Prices **Atmosphere of the Place** Luxurious Place, Fashionable place, Place with fame & reputation. Place oriented towards families. Exotic place Mystic place Relaxing place Stressful place Happy, enjoyable place Pleasant place. Boring place Attractive or interesting place.

This proliferation of studies has made the definition of TDI a complex task, with no consensus of the term and its scope, although it is broadly concerned with the

way individuals and groups develop mental constructions about destinations, focusing on different attributes which are shaped with their beliefs, values, ideas, perceptions & impressions. As Beerli & Martin (2004 a) suggest, the image of the destination might be classified into nine items as shown in the table, based on the attributes of the destinations which are vast and very difficult to reduce to a series of simple constructs. A study by Echtner & Ritchie (1991) has added some clarity to the wide range of definitions which exist by pointing to the existence of three axes that support the image of a destination:

- a psychological/ functional dimensions
- a common/unique dimensions
- holistic/attribute axes

As Beeri & Martin (2004 a) suggest, a number of attributes have been studied in TDI studies, which can be classified according to the functional – psychological axis. These studies can help in understanding what GUMM (1988) described as the personal factors affecting the tourist formation of a destination image.

- The accumulation of images of the destination.
- Modifying the initial image after gathering more information, creating an individual image.
- Deciding to visit the destination
- Sharing the destination
- Returning home
- Modifying the image based on experience to create an organic and induced image.

This organic image, based upon non-commercial sources of data is influenced by the media and friends. In contrast, the induced image is the result of commercial data and information such as destination or industry advertisement.

One consequence of these studies of TDI is that whatever measures are developed to understand imagery, one needs a frame work within which to understand image formation.

A Model of Destination Image Formulation
Baloglu and Mc Cleary (1999) provided a framework to analyse TDI,which is conditioned by two key elements.
- Stimulus Factors (external stimuli, physical objects, personal experience)
- Personal Factors (Social and Psychological characteristics of the consumer) As a result, three determinants of TDI were identified by Baloglu and Mc Cleary (1999)
- Tourism motivation
- Socio demographic factors

- Information sources

These determinants help shape the TDI as an attitudinal construct, that comprises of a consumers mental understanding of knowledge, feelings and global impression of a destination. The image has a perceptual/cognitive as well as an effective element which generate response to create an overall image of the destination as shown in the figure. The conative image is analogous to behaviour since it is the intent or action component. Intent refers to the likelihood of brand purchase (Howard & Sheth 1969). Conation may be considered as the likelihood of visiting a destination within a given time period. Woodside & Sherrell (1977) found intent to visit was higher for destinations in the evoked set, as did Thompson & Cooper (1979) and Pike (2002b).

Figure 3 highlights how the cognition/affect/conation relationships apply in decision-making. The process is similar to the AIDA model used by advertisers, where the aim is to guide a consumer through the stages of awareness, interest, desire and action.

Figure 3 : Cognition/affect/conation. Source: Adapted from Myers (1992).

Need awareness ⟶ Develop alternatives ⟶ Evaluate alternatives ⟶ Choice

(Cognition)   (Affect)   (Conation)
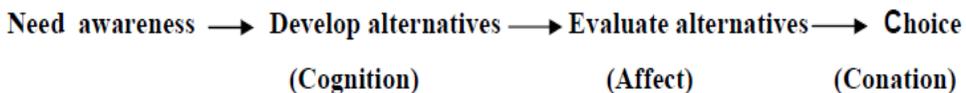
PERSONAL FACTORS

The construction of images of destinations is clearly an area which can be studied using quantitative research methods to measure the elements of a TDI and the visitors preferences. Yet there is also a growing interest in more qualitative studies which seek to examine the images portrayed in brochures by marketers to promote destinations. In case of less developed world tourism destinations, Echtner & Prasad (2003) examined the visual elements in the brochures. They found images of land which were unchanged, where unrestrained behavior could occur and where uncivilized people existed. They also highlighted the myths created in destination images by tour operators to represent the less developed world to appeal to particular market segments. Such destination imagery is demeaning to the host population and that this may attract visitors with false expectation and a form of tourism that is not compatible with the destination.

Kim and Richardson (2003) point to a similar effect that may be generated by motion pictures on destination image. Such images enter the domain of popular culture and the impact on place images can be very influential. In fact Gartner (1993) highlighted the interrelationship of cognitive and affective elements of destination images which have a strong impact on the decision to visit.

One example of this occurred in Scotland following the launch of a children's programme, **Balamory** set on a fictitious island of the same name; which was in real life, the Isle of Mull, in the town of Tobermory, with its painted houses. This led to a tourism boom, following the rise of toddler tourism (Connel 2005). The local area tourist board, AILLST, PROMOTED THE AREA USING Tobermory on the front cover of their 2004 holiday brochure, adding to the tourist boom.

The Report of NCAER

Though the domestic tourism survey was primarily intended to be used for the compilation of Tourism Satellite Account (TSA), it was one of the major surveys undertaken both in terms of cost, spread and sample size. The survey could have been used for describing the characteristics of domestic tourism movement in the country including origin-destination mapping, frequency and motivation of travel, economic impact of tourism, etc. The report is however, very sketchy and does not contain any detailed statistical tables. Even the data sets are not made available for public use as per data dissemination policy of the Government of India. The sampling design and other technical aspects of the survey are also not fully described in the report. It was therefore, recommended that the Ministry of Tourism should insist on providing such details appropriately in the report in the case of such surveys in future. It should also be insisted that detailed statistical tables are included in the reports as appendices and unit level data sets are placed on the public domain for further analysis and research by any agency.

Summary of the Report
Demographic Profile of Tourist Households

- A 196 million households were estimated for the country in 2002 - 141million in rural areas and 55 million in urban areas. Of these, 87 million (44 percent) households are tourist households, with 65 million (75 percent) in rural areas.

- Uttar Pradesh, Andhra Pradesh, Maharashtr a, West Bengal and Tamil Nadu are the five highest ranked states in terms of share in total tourist households in the country.

- Top five states with respect to number of tourist households per 1000 households are Delhi, Rajasthan, Andhra Pradesh, Karnataka and Uttar Pradesh.

- At the all India level, Scheduled Castes/Scheduled Tribes (SC/ST) and Other Backward Classes (OBC) formed one-fourth and one-third of the total domestic tourist households respectively.

- Over half of the rural tourist households depend on agricultural income (cultivators and agricultural wage earners) and 64 percent of urban tourist households depend on salaried jobs and businesses.

- Nation-wide, the average annual income of tourist households was about Rs. 64,199; Rs. 55,780 for rural tourist households and Rs. 89,191 for urban tourist households

- For the country as a whole, about 19 percent and 29 percent of tourist households belong to the 'least' income and 'low' income categories respectively, together accounting for 48 per cent of total tourist households.

- Middle income households constituted 46.7 percent of the total tourist households at the aggregate level.

- 39 per cent of the total rural tourist households were landless and 34 per cent were marginal and small farmers.

Expenditures

- The average expenditure per trip at the all India level is Rs. 1389. It is Rs. 2044 for urban areas and Rs. 1170 for rural areas.

- Average expenditure per trip is the highest for travel related to leisure and holiday trips. This is followed by BT trips and RP trips are the third highest category.

- Social trips, account for the lowest average expenditure per trip.

- Average expenditure per urban trip is much higher than that for the rural one, the difference being most stark for social trips.

- Expenditure on transport accounts for the share of trip expenditure.

- Expenditure by occupation categories shows that expenditure per trip at the national level is highest for tourists belonging to households depending on business as the primary occupation. This is followed by the professional and self-employed categories.

Package Tours

- Out of a total of approximately 229 million trips made, a mere 3.9 million (about 1.7 percent) were organised as package tours.

- Half of the package trips were made for religious and pilgrimage purposes and about 28 percent for leisure and holiday purposes.

- Package trips comprise 7.8 percent of LH trips in the country and 6.2 percent of RP trips.

- Salaried, middle-income households accounted for the largest share of package trips.

- Average total expenditure on package trips was Rs. 1588.The average cost of package trips by urban households was Rs 2129 and was Rs.1288 for rural households.

- Travel costs accounted for the largest share of total expenditure on package trips in both Urban and rural areas.

Same Day Trips

- There were 243 million same day tourists in India in December 2002.

- he largest share of same-day trips was accounted for by trips for social purposes followed by the category "others" and by RP.

- The average expenditure on a same-day trip for all purposes taken together was Rs.119 in urban areas and Rs 78 in rural areas.

- Expenditure on travel for business & trade purposes is the highest at the all India level in case of same day trips.

- The lowest expenditure per trip is found in travel related to RP in both urban and rural areas

Scenario of tourism in India

Tourism in India, and domestic tourism in particular, veils many a mystery, in part due to inadequate collection of data related to the sector and partly due to the absence of a systematic framework for analysing the sector.1 While statistics related to international visitors have periodically been collected, data on domestic tourists have been generated only sporadically, in an *ad hoc* manner, typically by non-government entities. In more than fifty years since Independence, only one large government survey -- the NSSO's 54th Round (January - June 1998), based on a thin sample -- contained a tourism module along with other modules focusing on daily commuters and the use of mass media by households. The definition of tourists underlying the survey was inconsistent with the current international definition and the survey did not include tourist expenditures except for travel costs. Earlier surveys date back to more than twenty years ago, and these were typically small, isolated attempts by state governments or business associations or researchers.

Domestic Tourism in India thus marks the first time a national household survey dedicated to tourism has been undertaken in the country. Moreover, the survey methodology and framework are consistent with the most recent methodological advances in quantifying tourism and its role in the economy, as embodied in the framework for Tourism Satellite Accounts (TSA) adopted recently by the United Nations Statistical Commission. Indeed, the survey is part of an integrated approach by the Ministry of Tourism, Government of India, in developing and formulating a TSA for the Indian economy. However, the findings of the survey will also help generate important stylized facts – the critical building blocks of a broader exploration and understanding – of domestic tourism in India.

The two broad objectives of the survey were to (1) to estimate the total number of domestic tourists by different purposes of travel; and, (2) to estimate the total magnitude and patterns of tourist expenditures. This report presents the major findings of the national household survey of domestic tourism in India. It is hoped that these findings will be of immense interest to a broad community including government entities, private- sector stakeholders in tourism, academics, media and even the vast majority of individuals whose aggregated travel and tourism behavior is captured in these findings. In particular, it is also hoped that the survey findings will spur analysts and researchers interested in tourism to identify and develop hypotheses and models to better understand the "how's and why's" of the findings presented here, with a view to improving policies for development of tourism in the country. Consistent with that spirit, our constant endeavour in the presentation of the report is to focus tightly on providing material facts devoid of speculation and opinion. Or, as they say in crime novels, to provide "just the facts, and nothing but the facts".

Details of the study done on Domestic Tourism
THE SURVEY CONCEPT, DEFINITIONS AND METHOD
Definitions

Popular perceptions of domestic tourists tend to be quite narrowly defined, as persons traveling to leisure resorts or tourist destinations or on religious pilgrimage. However, the internationally accepted definitions are broader, and are the ones adopted in the present survey. To avoid confusion, we define below some basic concepts used in the survey and in this report.

Tourist:

The UN/WTO (World Tourism Organisation) defines visitors as "any person travelling to a place *other than that of his/her usual environment* for less than 12 months and whose main purpose of the trip is other than the exercise of an activity remunerated from within the place visited.

Visitors are further sub-divided into two categories: tourists, who must stay one or more night in the place visited, and same-day visitors, comprising visitors who visit a place and return the same day (without overnight stay). This definition recognizes the following categories as characterizing the main purpose of travel for tourist: a) leisure, recreation and holidays, b)Visiting friends and relatives c) business and professional (including for study d) health treatment e) religion and pilgrimage, and, (f) sports.

Tourist households:

A household in which at least one member was a tourist during the reference period.

Tourist trips:

A trip is defined as consisting of both travel to the destination(s) *as well as return to the usual environment* of the visitor. A trip is counted as part of tourism if it conforms to the definition of tourist travel given earlier.

Tourist Expenditures:

All expenditures related to acquisition of goods and services for a trip, made by the visitor or on behalf of the visitor before, during and after the trip.

Survey Description and Methodology

The all-India survey of domestic tourism had two objectives: to estimate total number of domestic tourists by different purposes of travel, and to estimate domestic tourism expenditure. The target population of the survey was the tourist population in the country, with states and urban/rural categories as sub-populations or target groups, for whom too representative estimates were sought. The geographical coverage of the survey includes all the states and union territories of India.

The survey methodology and sampling design adopted is quite similar to that used by the National Sample Survey Organisation (NSSO) in its Household Budget Surveys (HBS), but also distinguished by the need to incorporate important aspects of tourism activities. For example, domestic tourism is greatly affected by factors such as seasonality and socio-cultural traits. Cross-section data generated through a single point survey (as in a HBS) would not be able to capture any impact of such parameters. Instead, a repeated survey over a period (half yearly) enabling generation of longitudinal data was decided upon. Thus, the survey period was divided into two sub-rounds, each with duration of six months, the first from January to June 2002 and the second from July to December 2002.Second, the domestic tourism expenditure survey is a household survey but, unlike an HBS, the ultimate unit of selection is a tourist household. Consequently, a list of tourist households (sampling frame) is prerequisite to selecting the representative sample (tourist households) from which to collect the desired information. The sampling frame should be up-to-date and free from errors of omission and duplication (which is particularly problematic).In developing countries like India, such sampling frame is neither readily available nor can it be easily prepared since developing new frames is an expensive proposition. The survey design adopted a three-stage stratification in which a readymade frame could be used at least for the first two stages, and a sampling frame developed in the last stage.

groups, for whom too representative estimates were sought. The geographical coverage of the survey includes all the states and union territories of India. The survey methodology and sampling design adopted is quite similar to that used by the National Sample Survey Organisation (NSSO) in its Household Budget Surveys (HBS), but also distinguished by the need to incorporate important aspects of tourism activities. For example, domestic tourism is greatly affected by factors such as seasonality and socio-cultural traits.

Cross-section data generated through a single point survey (as in a HBS) would not be able to capture any impact of such parameters. Instead, a repeated survey over a period (half yearly) enabling generation of longitudinal data was decided upon. Thus, the survey period was divided into two sub-rounds, each with duration of six months, the first from January to June 2002 and the second from July to December 2002.Second, the domestic tourism expenditure survey is a household survey but, unlike an HBS, the ultimate unit of selection is a tourist household. Consequently, a list of tourist households (sampling frame) is prerequisite to selecting the representative sample (tourist households) from which to collect the desired information. The sampling frame should be up-to-date and free from errors of omission and duplication (which is particularly problematic).In developing countries like India, such sampling frame is neither readily available nor can it be easily prepared since developing new frames is an expensive proposition. The survey design adopted a three-stage stratification in which a readymade frame could be used at least for the first two stages, and a sampling frame developed in the last stage (discussed below). The same sample design was adopted for both rounds, with respect to coverage, stages of selection, stratification variables and sample size. In other words, primary data were collected from the same villages and urban blocks during both rounds. This was done in a view to keep costs low without any significant loss in precision.

NCAER's experience with socio-economic surveys in India has been that, more than the total sample size, it is the geographical spread over the country that is more important from the point of view of statistical efficiency of estimates. This applies perhaps even more so to tourism, whose distribution across the population is likely to show large degree of heterogeneity. Consequently, a notable feature of the survey design is that the sample of tourist households was selected from a wide cross-section of households in the country, covering both rural and urban areas, with the objective of enhancing the precision of the estimates. The rural sample for the survey were selected from a representative number of districts from across the country, while the urban sample covered a range from big metropolitan cities to small towns with populations below 5000. Appendix-I provides more details on selection of rural and urban samples.

While the first two stages of stratification in the survey used pre-existing sampling frames (see Appendix-I), the survey developed a sampling frame of tourist households at the third and last stage. This was done by undertaking a listing of all households in the selected sampling area, which were then stratified using nine

purposes of travel, from each of which households were then selected at random. Developing the sampling frame at the third – household selection – stage did add some costs to the survey, but it was deemed as highly desirable for two reasons related to the intrinsic nature of tourism. First, the distribution of various tourists is far from homogeneous across any population, particularly in rural areas of India, and therefore adoption of a sample design (through listing in this case) to select a representative sample is very crucial.

DEMOGRAPHIC PROFILE OF TOURIST HOUSEHOLDS

It has been estimated that there were about 196 million households in India in the year 2002: 141 million (72 per cent) in rural and 55 million (28 per cent) in urban areas. At the aggregate level, member(s) of about 44 per cent households(87 million) made atleast one domestic trip as a tourist during the reference period and as has been mentioned, such households are referred to as tourist households. Out of these 87 million tourist households, about 75 percent (65 million) are rural households.

Fig: Estimated household and tourist households
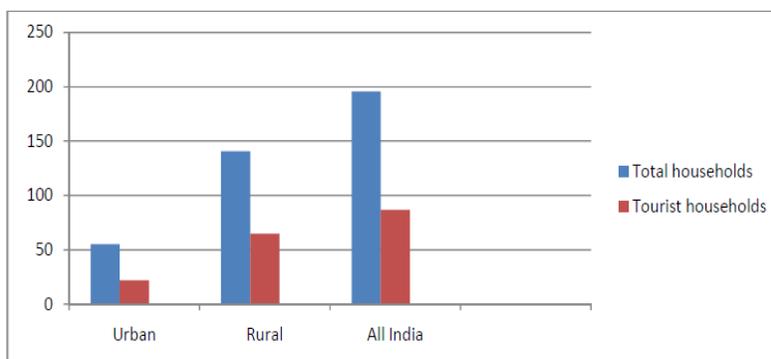
Urban : Total households 55.2; Tourist households 21.9
Rural : Total households 140.6; Tourist households 64.9
All India : Total households 195.7; Tourist households 86.8

The regional distribution of tourist households shows tourist households comprise more than 40 percent of total households across all regions* (except the esta). In fact, in the Central region, tourist households are almost half of total households.

A more tapered look at individual states might be useful here. In the current survey a total of 33 states have been covered and the top 20 states have been ranked based on two parameters: the percentage distribution of tourist households and density of tourist households in the respective states.* The top five states with respect to the former are Uttar Pradesh, Andhra Pradesh, Maharashtra, West Bengal and Tamil Nadu. Hence these states are important with respect to tourism expenditure. The

proportion of tourist households in these states ranges from 15 percent in Uttar Pradesh to about 7 percent for Tamil Nadu.

Fig : Regional distribution of estimated households and tourist households
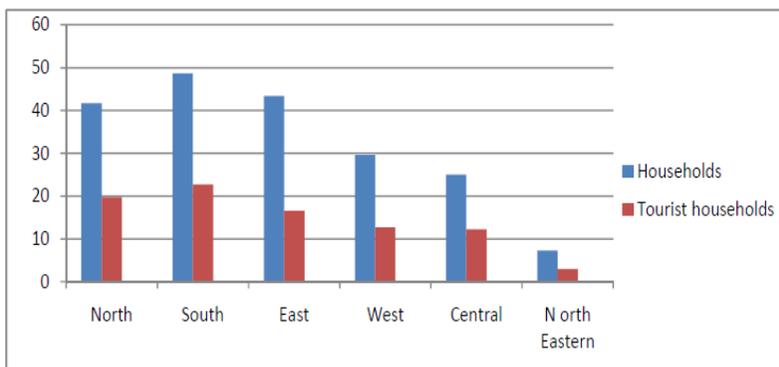
The density, which can be construed as the extent of tourism penetration in each stat, is the number of tourist households per 1000 households. The all India average density is 444 and it is interesting to note that 9 out the 20 states have densities above the national average. The top five states in descending order of density are Delhi (651), Rajasthan (556), Andhra Pradesh (498), Karnataka (494), and Uttar Pradesh (488). (Appendix –II) The demographic profile of tourist households is useful in understanding the socioeconomic factors governing domestic tourist behavior in India. The remaining part of this chapter is a presentation of the tourist household profile, which shall essentially answer the question – What are the characteristics of domestic, tourist households?

Social Status

The classification of tourist households by social group indicates that at the all India level, the 'General' category households were 43 percent of total domestic tourist households, while schedule Castes/Schedule Tribes (SC/ST) and Other backward Classes (OBC) formed one fourth and one third of the total respectively. The urban – rural classification indicates that rural areas have a higher percentage of SC/ST and OBC tourist households as compared to urban areas.

SC/ST - 16.1, OBC – 30.6, Others – 53.4   SC/ST – 26.4 OBC – 34.0, Others – 39.6
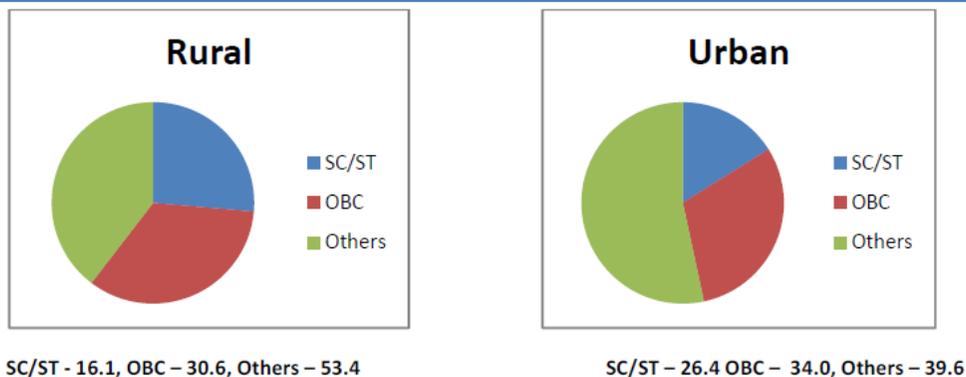
Fig :Distribution of tourist households by social status

Occupation

At the all India level as much as 40 percent of tourist households are engaged in agriculture related activities (cultivators and agricultural wage earners) as their primary occupation. While, over half of the rural tourist households depend on agricultural income (cultivators and agricultural wage earners), 63 percent of urban tourist households depend on salaried jobs and businesses. At the all India level 28 percent of tourist households pursue a secondary occupation.

Household Income

The concept of household income – strictly defined - is often misunderstood by survey respondents. Instead of stating income as net of production expenses, the common tendency is to refer to it as net of all expenses, including consumption expenses. Despite best efforts to get realistic levels of net income, the probability of some amount of understatement of income cannot altogether be ruled out. Subject to this limitation, the estimates of income should be viewed as broad indicators of proceeds that are earned. At the aggregate level, the average annual income of tourist households was about Rs 64,199 (Rs 55,780 for rural tourist households and Rs 89,191 for urban tourist households). The annual income of households from all sources has been classified into four groups The below given table reveals that low-income households forma sizeable part of total travelling households at the all-India level. About 19 percent and 29 percent of tourist households belong to the least and low –income categories respectively, together recording 48 percent of total tourist households. The share of such households in rural areas was much higher (55 percent) as compared to their urban counterpart (27 percent). The fact that low income households are a majority has important policy implications. It would suggest that building of tourism infrastructure , its upgradation and provision of related facilities must also target this section of the tourists. This would affect, for instance the relative focus on building of say low cost hotel accommodation and *dharmashalas* as opposed to expensive luxury hotel accommodation.

Table : Distribution of tourist households by income (at 2002 prices)

(Percent)

Income Class	Urban	Rural	All India
Least income	7.1	23.2	19.2
Low income	19.9	32.1	29.1
Middle income	63.0	41.5	46.7
High income	10.0	3.2	4.9
Total	100.0	100.0	100.0
Average household income (Rs./annum)	89,191	55,780	64,199
Average per capita income (Rs./annum)	16,828	9,786	11,363

At the all-India level, middle income households constitutes about 46.7 percent of the total tourist household. While about 63 percent of the urban tourist households belong to this category, the share for rural areas was only 41.5 percent. The high-income groups have a 4.9 percent representation among the tourist households of the country.

A total of 243 million same-day trips for tourism is estimated from the survey results for the month of December 2002, of which 176 million were by rural households. As noted already, this component of the survey was undertaken on a pilot basis and these estimates are therefore better viewed as indicative.

The largest share of same-day trips was for social purposes followed by the category "others" and by RP. The relatively high share of the residual category (others) indicates that the questionnaire design for tourism may not have translated well into capturing same day tourism. The relative share of different purposes of travel is similar and uniform across both rural and urban areas.

The average expenditure on a same day trip for all purposes taken together was Rs 119 in urban areas and Rs 78 in rural areas. This implies a total expenditure of almost Rs 21.7 billion (or Rs 2100 crores) on tourist same day trips, of which almost 63 percent is accounted for by rural trips.