

CHAPTER 1

INTRODUCTION

1.1 Importance of tourism

Tourism industry has made substantial contribution in terms of burgeoning foreign exchange earnings, employment generation for skilled and semiskilled, unleashing entrepreneurial opportunities concomitantly with preservation and conservation of resources and culture. Tourism is now, more than ever, recognized as a major economic contributor in many destinations Worldwide, adding value for foreign exchange and also as a support for export industries. Economic impacts associated with tourism arise as a result of the demand and supply relationship in the industry, the associated visitor and investment expenditure patterns that they stimulate and the structure of the economy. (Antigua and Barbuda Tourism Development Programme, 2003).

Tourism has become one of the fastest growing industries in recent years. It is widely recognized that the growth rate of tourism has exceeded those of the other industries (Page, 2011). Moreover tourism has been seen as the driving force for regional development. Successful tourism can increase tourist visitations to the destinations, income, employment and Government revenues.

Tourism expenditure represents an injection of 'new money' into a destination (Frechtling, 1987, Fletcher, 1994 and Archer and Cooper, 1995). The total economic impact of tourism is the sum of direct, indirect and induced effect within the region. Direct effects are production changes associated with immediate effect of changes in tourism expenditure. Indirect effects are the production changes resulting from various rounds of re-spending from hotels and other service providers and induced effects are changes in economic activity resulting from household spending of income earned directly or indirectly as a result of tourism spending.

Tourism has the potential to create employment. In 2015, the total contribution of travel and tourism to employment including jobs indirectly supported by the industry was 9.5 percent of total employment. (283,578,000 jobs) This is expected to rise by 2.5 percent (3,70,204,000 jobs) in 2026 (11 percent of total employment). (World Travel Tourism Council-2016). Those directly and indirectly employed will require more goods and services emanating from their higher income. All this will result in increasing the multiplier effect.

In developing economies, the role of tourism cannot be undermined as it is expected to play a key role in generation of employment and income opportunities, thus reducing regional imbalances created through forward and backward linkage effects on local industries or enterprises. Development is ushered in the economy through reduction of regional disparity as a result of proper utilization of human resources leading to overall development of economy and capital formation through the inflow of foreign exchange

1.2 Benefits of tourism

Until relatively recently, tourism was not considered to be a vehicle for economic development. The first Lome Conference for Africa, Caribbean and the Pacific countries, in 1975, rejected tourism as a sector to be supported in the developing process of less developed countries. The Second Lome Conference paid little attention to this, but by the third Lome Conference, in 1985, the change of attitude was noticeable. This paradigm shift in the recognition of tourism led to the upliftment of the status of tourism to that of an industry. The benefits attributed to tourism include income generation, employment generation, foreign exchange earnings, tax receipts and transaction multipliers.

Tourist product is composed of several elements: attractions, facilities, transport, entertainment, image, etc. The basic element is the attractions, which can be of very different types. The development based on these attractions offers the tourism sector some comparative advantages vis-a-vis other economic sectors. The first comparative advantage is directly related to natural attractions

(e.g. Sun, Beaches, mountains) and many cultural attractions (e.g. churches, castles, museums). These attractions are beneficial as attractions at limited cost and the danger of exhaustion is more or less non-existent. The second comparative advantage concerns the import content. There are grounds to believe that tourism on an average has lower import content than other basic economic sectors. This is due to the fact that the tourists are buying services that the local population can provide to a large extent (Theuna, 1975, and UNCTAD, 1975). The third advantage is the very high growth rate. Growth together with the good prospects and high income elasticity makes tourism a preferential sector for economic development. Fourthly, tourism has a stabilizing effect on exports. Mass tourism yields significant amount of foreign exchange which allow the country to import manufactured goods. The fifth comparative advantage is related to the labour-intensive nature of the sector. This high labour intensity is notable in the accommodation sector, the sub-contracting sector, services, etc.

Development of tourism on a large scale, based on mass tourism, creates external economies. Improvements in transportation networks, water quality and sanitation facilities which might have been prompted by the tourist industry also benefits other sectors of the economy. The other benefit is the generation of the entrepreneurial activity. According to Mathieson and Wall (1982), the extent to which the tourism sector can establish linkages with local entrepreneurs depends on:

- The types of suppliers and producers with which the industry's demands are linked,
- The ability of local suppliers to meet these demands and
- The historical development of tourism in the destination area.

On the occasion of the 20th Anniversary of International Academy for the Study of Tourism, Frechiling and Smeral (2010) gave a broader significance to 'economic impact of tourism'. In their view, 'the economic impact of tourism' is a term that covers one of the following economic changes:

- Business receipts.
- Value added contribution to Gross domestic or regional product.
- Employment.
- Labour earnings.
- Other factor earnings (dividends, interest, rent, profits).
- Government tax revenue.
- Other Government revenue (e.g. user fees, fines, receipts of Government enterprises).
- Distribution of income.
- Government spending.
- Externalities and public goods.
- Multiplier effects on transactions, output, income, and employment
- New business formation.
- Business investment in plant and equipment.
- Price levels.
- Interest rates on borrowed funds and return on capital.
- Foreign exchange rates.
- Imports and exports and
- Balance of payments.

The impact created by visits of tourists may be direct or indirect. If a destination is very attractive in terms of its attributes, service quality, if it is located in an economically developed region and if the velocity of circulation of the tourist expenditure is higher, it is likely to have a direct and an intense economic impact on the destination. The consumption demand emanating from tourist expenditure also induces more employment and generates a multiplier effect on the economy.

1.3 Types of tourism

On the basis of purpose of visit, tourism can be classified into leisure, cultural, religious, family, health, sports, educational, business etc., From the demand perspective, alternative forms of tourism have been sought by seeking a change from traditional forms, with objectives of better interaction with local communities, education and interpretation of nature and local culture, enjoyment in natural settings etc.,. From the supply side, concept and applicability of sustainability had a major role to play in the evolution of nature based tourism, ecotourism, agro rural tourism, etc. Emerging and changing pattern of demand, availability of tourism resources- both tangible and intangible properties has led to the growth of certain forms like medical and rural tourism.

1.4 Ecotourism

1.4.1 Meaning of ecotourism

Ecotourism is a new concept in tourism, which was originally sparked off by the idea of making harmonious co-existence with nature. It is about the combination of conservation, community centered and sustainable travel. Any tourism program which is nature – based, ecologically sustainable, where education and interpretation is a major concept and where local people are benefitted can be called ecotourism. The International Ecotourism Society (TIES, 1990), in the US defines ecotourism as responsible travel to natural areas that conserves the environment and improves the well-being of the local people.

Ecotourism principles are intended to minimize the impact, build environmental and cultural awareness and respect by providing positive experiences for both visitors and hosts. It provides direct financial benefits for conservation, helps in empowerment of the local people and raise sensitivity to political, environmental and the social system of the host country.

The objectives of ecotourism are

- To provide enlightened experience of wilderness to visitors and local inhabitants;

- To impart nature education to different target groups: tourists, rural people, media persons etc;
- To provide park, sanctuary and park interpretation facilities for showing the relationship between nature and humans;
- To create employment opportunities for local people in transport, hotels, paying guest houses and lodge services and
- To subsidize alternate energy devices and improving educational and medical facilities.

As a whole ecotourism is intended to

- Conserve biological and cultural diversity by strengthening protected area management systems at public or private places to increase the value of stable ecosystems.
- Promote the sustainable use of biodiversity by generating income, jobs and business opportunities in ecotourism and related business network and
- Share the benefits of development equitably with local communities and indigenous people by seeking their consent and full participation in planning and management of the ecotourism business (Rajasenana, et.al, 2012)

1.4.2 Significance of ecotourism

Ecotourism has assumed a lot of significance in the contemporary context and it is one of the fastest growing segments of the tourism industry. Fillion et al. (1992) identified, through an analysis of inbound tourist motivations to different Worldwide destinations, that 40-60percent of all international tourists are nature tourists and that 20-40 percent are wildlife-related tourists. Ceballos-Lascuráin (1993) reports United Nations World Tourism Organisation (UNWTO) estimate that nature tourism generates 7 percent of all international travel expenditure. In 2004, ecotourism/nature tourism was growing globally three times faster than tourism industry as a whole (UNWTO, 2007). According to a study conducted by UNWTO in 2010, ecotourism is the fastest growing sector of the tourism industry,

expanding globally between 20 percent to 34 percent per year. It predicts that ecotourism will grow rapidly over the next two decades and global spending on ecotourism is expected to increase at a higher rate than the tourism industry as a whole. According to International Ecotourism Society, 2012, ecotourism would grow to 25 percent of the global travel market within 6 years and account for US\$ 470 billion revenue per year.

1.4.3 Characteristics of ecotourism

The Institute for Ecological Tourism (2003), California has suggested the following characteristics of eco tourism:

- It must promote positive environmental ethics- fostering preferred behavior among the participants.
- It must not degrade the resource
- It must concentrate on intrinsic rather than extrinsic values. Facilities and services may facilitate the encounter with the intrinsic resource; they never become attractions in their own right, nor do they distract from the natural attraction itself.
- It is bio centric, rather than homocentric in philosophy. Eco tourists enter the environment accepting it on its terms, not expecting it to change or be modified for their convenience.
- It must benefit the wildlife and environment and
- It is a first-hand experience with the natural environment.

According to TIES (2015), ecotourism activities should

- Minimize impact
- Build environmental and cultural awareness and respect.
- Provide positive experiences for both visitors and hosts.
- Provide direct financial benefits for conservation.
- Provide financial benefits and empowerment for local people and
- Raise sensitivity to host country's political, environmental and social climate.

1.5 Ecotourism in Kerala

Kerala is known for its ecotourism destinations due to rich flora, fauna and Kerala has incorporated sustainability, conservation and preservation of nature and biodiversity in its State policies. The potential ecotourism spots identified in the forests of Kerala are:

- Thiruvananthapuram- Neyyar, Peppara, Ponmudi, Arippa.
- Kollam- Thenmala, Kolathupuzha, Achan kovil.
- Pathanamthitta- Konni, Pamba, Kochupamba.
- Alapuzha- Gandhismrithivanam.
- Kottayam- Kumarakam.
- Iduki- Thekaddy(Periyar Tiger Reserve), Munnar,Rajamala,Chinnar.
- Ernakulam- Thattekad Birds Sanctuary, Mangalavanam.
- Trissur- Athirapally,Peechi.
- Palakkad- Malampuzha, Valayar, Parambikulam, Nelliyanbathi, Silent Valley.
- Malappuram- Nilambur, Nedumkayam.
- Kozhikkode- Kakkayam, Chaliyam.
- Waynad- Thilpetty, Muthanga, Thirunlli.
- Kannur- Pythamala,Kottiyoor.
- Kasargode- Ranipuram.

1.6 Periyar Tiger Reserve

Periyar Tiger Reserve, Thekkady is one of the primary ecotourism destinations in Kerala. It is known as Periyar National Park since 1981 and its ecotourism development project is well known since 1996. Periyar Tiger Reserve is often cited as one of the best managed tourism destination in South India and is known for its local community-forest department mutual collaboration (Nareen et al., 2005). According to Saji and Narayan (2012) from the ecological

perspective, Periyar Tiger Reserve is viewed by many as a critical test of the State's ability to preserve a fragile ecosystem in which nature and human live together so intensely. Periyar Tiger Reserve has received the award for Excellence in Environmental Concern in 2000 and Periyar Tiger Reserve has also been accepted as the Conservation Model by Tiger Task Foundation in 2005

As an ecotourism destination with immense scope for growth, Thekkady is the most sought after destination due to its locational advantage, situated in the border areas of Tamil Nadu and Kerala, offering easy accessibility to both the States and is enroute to other destinations like Munnar, Gavi etc.

What makes Thekkady a unique destination on the tourism map are its climate, landscape and possibility of watching wildlife closely on the lakeshore while taking a boat cruise. The prime attraction of tourists visiting Thekkady is a boat cruise in the Periyar lake. This lake is artificially formed, due to the submergence of low-lying forest areas, following the construction of the Mullapperiyar Dam in 1895. It offers a variety of opportunities to cater to the needs of various classes of tourists.

Tourism has become an important management issue ever since the area was declared a Tiger Reserve in 1978 (tenth of its kind in India) and there has been tremendous increase in the number of tourists visiting the park year after year. The day visitors from 2005-2010 in Periyar Tiger Reserve had increased from 425.22 thousand in 2005 to 480.4 thousand in 2010 (Official Records, District Tourism Promotion Council, Department of Tourism, Government of Kerala, Trivandrum). The revenue earnings has increased from Rs. 4,247,723 lakhs to Rs. 11,565,257 crores in 2010-11. (www.periyarfoundation.com).

The Project at Periyar has two basic objectives: to manage protected areas and to get local people involved in it. To implement the project initially, local communities living off the forest were organized into eco-development committees (EDCs). The basic objectives for the EDCs were to reduce the negative impact of local people on the sanctuary and to involve encroachers in conservation, instead of exploitation. This was done by addressing the economic

needs of those living in and around the park by finding viable and innovative livelihood alternatives for them. The project has so far benefited about 40,000 people of 5,540 families. Some of the ecotourism activities at Periyar include nature walk, clouds walk, green walk, border trekking, bamboo rafting, bamboo groove, jungle inn, bullock cart discoveries, jungle scout, Periyar Tiger Trail etc.,

1.7 Need for the study

Tourism is a vibrant industry known for its considerable contribution to the economy and evaluation of tourist satisfaction is specific in the case of ecotourism destinations as eco tourists are different from mass tourists. Eco tourism experience is an integral part of eco tourism which is not explored at all especially in the Indian context.

The recommendation intention or revisitation intention of tourists is a major component in enhancing the economic contribution from a particular destination, as repeated visitation of tourist or the recommendation of the tourist who has already visited a destination will have a positive influence on the pull motivation and push motivation which will attract even first time visitors to the destination. Therefore, ecotourism experience and its link with future behavioral intention needs to be evaluated (Beerli and Martin, 2004 and Yoon and Uysal, 2005).

Though the link between satisfaction and resultant behavioural intention is explored in the context of tourism, its appropriateness in popular eco tourist destinations like Periyar Tiger Reserve is not established. Hence an analysis of the factors influencing repeat visitation intention/ recommendation intention of ecotourist destination namely Periyar Tiger Reserve is required to understand the underlying determinant of future behavioral intention which is believed to affect the earnings from the destination.

1.8 Research Gap

A critical analysis of existing literature on ecotourism, revealed that there were only limited studies on ecotourism experience in peak and lean season and the importance of ecotourism experience in contributing to ecotourist satisfaction

or future behavioural intention. Further, in India the existing studies on Periyar Tiger Reserve have tried to analyse ecotourism activities, visitor satisfaction and community participation in Periyar Tiger Reserve. But there had been lack of research attempt focusing on, ecotourism experience, ecotourist satisfaction and future behavioural intention with reference to Periyar Tiger Reserve.

In this context the current study on '**An Analysis of Eco tourism experience and Future behavioural intention with specific reference to Periyar Tiger Reserve in Kerala**' was formulated with the following **objectives**:

- To study the difference in components of ecotourism experience in peak and lean seasons at Periyar Tiger Reserve.
- Identify the dimensions of eco tourism experience as perceived by eco tourists
- To identify the dimensions of future behavioral intention
- To test the relationship between ecotourism experience and ecotourist satisfaction
- To study ecotourism experience and future behavioral intention of tourists visiting Periyar Tiger Reserve.
- To study the relationship between ecotourism experience, ecotourist satisfaction and future behavioral intention of tourists visiting Periyar Tiger Reserve and
- To identify the problems of ecotourists in peak and lean season in Periyar Tiger Reserve

1.9 Scope of the study

Economic contribution of tourism may be enhanced through better destination planning and development strategies which could be evolved on the basis of effective feedback mechanism through evaluation of satisfaction levels from visitors who have visited the destination and attempts may be made to evaluate the possibilities of revisitation. Thus this study has contributed to the field of knowledge

pertaining to antecedent role of ecotourism components (dimensions identified in this study) in developing satisfaction in the Indian context.

One of the significant contributions made in this study was the development of a statistically reliable and valid scale to measure ecotourism experience in an Indian ecotourism destination namely Periyar – Thekkady. This may be of immense help to academicians or researchers working in this domain.

The current study also would provide indepth understanding about different components which help in developing ecotourism experience and the linkage of this experience to future behavioural intention.

The research further, would provide valuable inputs for the managers to understand the nature of ecotourism experience and the method of measuring an abstract concept; ecotourism paradigm. This knowledge will help both the destination planners and marketers in a substantial way as it will empower them to evaluate the requirements of the ecotourists effectively through ecotourism experience paradigm which could be used for making strategic, operational and innovative decisions for provision of quality experience to ecotourists.

1.10 Limitations of the study

- The study considered tangible, intangible, demographic and psychological attributes. But changes in these dimensions among different tourists across countries are not analysed.
- The model might have less relevance to other forms of tourism since ecotourism experience is a variable which is of relevance to only ecotourism destination.
- Dimensions of ecotourism experience might vary depending on the type of ecotourist and the study has not attempted to evaluate the ecotourism experience of different type of ecotourists due to time and financial constraints and
- Availability of very limited quality references on ecotourism experience led to adoption of exploratory research and hence the study is subject to the limitations of exploratory research.