

ENTREPRENEURIAL OPPORTUNITIES AND CHALLENGES OF TOURISM INDUSTRY IN MADURAI CITY - AN ANALYSIS

Dr.A.Muthupriya, Assistant Professor, Dr.Umayal Ramanathan College for Women, Karaikudi

Abstract:

In India, the tourism industry has the potential to grow at a high rate and ensure consequential development of infrastructure. It is blessed with the diversity in culture, natural beauty, architectural and historical sites, pilgrimages of all kinds and all religious which would make any country feel proud of it. In order to speed up the development of tourism in the country, some of the recent initiatives taken by the Indian government to boost tourism include grant of export house status to the tourism sector and incentives for promoting private investment in the form of income tax exemptions, interest subsidy and reduced import duty. The hotel and tourism related industry has been declared a high priority industry for foreign investment which entails automatic approval of direct investment up to 51 per cent of foreign equity and allowing 100 per cent non resident Indian investment and simplifying rules regarding the grant of approval to travel agents, tour operators, tourist operators and foreign tourists. India has launched e-tourist visa scheme (as Tourist on Arrival scheme) in November 2014. Government has introduced scheme only to 45 countries initially and later it will extend the scheme to 150 countries with an aim to increase the foreign tourist traffic, because tourism can stimulate other economic sectors through its backward and forward linkages and cross –sectional synergies with sectors like agriculture, horticulture, poultry, handicrafts, construction and so on. Tourism is an important catalyst in the socio economic development in the modern times, contributing in multiple ways and strengthen the interconnected process. It is a service industry and can have a significant effect on those countries with surplus labour-intensive, and require relatively small to large level of investment to prepare in tourism business.

Keywords: E-Tourism, Foreign investment, Historical sites, Private Investment, & Travel agents.

Introduction

Tourism is one of the largest flourishing foreign exchange making industries in the world. It provides a plenty of entrepreneurial opportunities directly and indirectly to millions of people. It is the only industry that deals with the government departments, travel agencies, tour operators, hotels, restaurants and many associated service industries. It is the fastest growing industries which generates income from tourist' spending on goods and services at various stages of travelling; therefore it is very important for the economic well being of many countries. At the beginning of this century, tourism was turning into a business. Service requirements of the tourist have created business in tourism such as loading, transport, foods and beverages, information, recreation, entertainment and so on. It has led to the creation of new habits and different behaviour and life styles as well as a different conception of time. Tourism brings people into close contact with each other. As sustainable tourism has an educational element it can foster understanding among people of different cultures and provide cultural exchange between hosts and guests. This increase the chances for people to develop mutual sympathy and thereby removing prejudice and ill feeling. In short, tourism acts as a benevolent messenger for peace in the world.

Tourism considered as a service industry, it increases wealth and employment opportunities in local area. The Travel and Tourism industry directly contributes about 3.6 per cent of the world's Gross Domestic Product (GDP) and indirectly contributes about 10.3 per cent to it. Being one of the biggest contributors to the global GDP, this tourism industry directly employs nearly 77 million of people worldwide, which comprises about 3 per cent of the world's total employment. The travel and tourism industry also contributes to indirect employment generation to the tune of 234 million which is 8.7 per cent of the total employment implying that one in every twelve jobs in the world is in the tourism industry. The industry also represents about 12 per cent of the total world exports. Tourism is a powerful economic development tool and create unique business opportunities for people from the range of skilled to unskilled and strengthens the local economies by it providing better infrastructure development like road, airports, telecommunications, water, power and transportation and so on for the local people.

Significance of the study:

Tourism is an important aspect in the developing world, it is a business providing entertainment for tourist. Tourism contributes significantly by its impact on economic, social, cultural and environmental area of a nation. It constitutes a significant portion of the global business and it will remain a giant driver

of economic development in the future also. It is an international business activity with much focus on fostering friendship and goodwill across the borders, along with trade and commerce. It is a composite industry with multiple processes and activities arising from the relationship of tourist with service providers, local community, local government and the environment. It is a multi fragmented industry that encompasses many industries under its broad umbrella, among them transportation, accommodation, food, attractions, entertainment and recreation are major constituents of the modern tourism business.

Unplanned tourist activities of the tourist can have detrimental effect on the trip and destination too. For people travelling from their own domicile the tourism related services are necessary such as pleasure and recreation, accommodation, food and beverages, transport facilities and so on. Thus, they are in a position to assistance from service providers for their fruitful and pleasant travel. These needs and wants of tourist provide business opportunities ranging from small scale business at local levels to multinational levels. Due to the services needed by the tourist at various stages, the tourism business opportunities also arise when fulfilling the tourist needs. From tourist entry in and exit from a destination create plenty of jobs and business opportunities in tourism allied sectors such as accommodation, food services, transport, recreation, entertainment and so on in worldwide.

The tourist service providers play a vital role in tourism, because a tourist feels comfortable when their visit becomes a successful and a happy one. The government gives incentives to the tourism entrepreneurs with an in intention to promote tourism because tourism can strength country's economy in multiple ways such as development, employment, poverty eradication, removing social discrimination and so on.

In India, the travel and tourism industry has become a predominant aspect to influence many sides of its economy. India being one of the most sought after designation in the world, it has great potential of the foreign exchange earning industry too. Among Indian states, Tamilnadu has got the first place for domestic and foreign tourist flow in the last year and tourists flow to Tamilnadu has been increasing by 21 percent every year.

Many studies have been conducted in the field of entrepreneurship and tourism sector at national and international level. But tourism entrepreneurship related studies are very limited; especially tourism entrepreneurship in southern cities is very rare. Therefore it is necessary to study the entrepreneurial opportunities and tourism industry in madurai. This study provides useful suggestions for those who desire to start their career in tourism business.

Scope of the study

The present study deals with both the tourist and tourism entrepreneurs as the tourists are an assets for tourism entrepreneurs. This study deals about the opportunities and challenges of tourism industry. For that reason, demographic profile of the tourists, the level of awareness of the tourist on the various places in and around madurai, satisfaction level of the tourists over the various services and facilities availability, tourists' perception towards the madurai tourism and the tourism service providers are analyzed. Moreover, the demographic profile of the tourism entrepreneurs and their business background, reasons of the establishment of the tourism business and its performance, qualities of entrepreneurs, problems and prospects of the entrepreneurs are analyzed.

Objectives of the study

- ✓ To know the purpose for which the tourist make visit to Madurai.
- ✓ To analyze the problems faced by the tourists while visiting Madurai.

Hypothesis of the study

- There is no significant difference among the responses provided by the respondents on the purposive of visit to madurai.
- There is no association between gender and level of satisfaction of respondents towards the services of the service providers.

Methodology

The present study is based on both the primary and secondary data. The primary data have been collected from the sample respondents of the study area. A structures interview schedule has been used to assess the opinion of the tourist and the tourism entrepreneurs. Travel agents, tour operators, hotel owners and restaurant owners are brought under tourism entrepreneurs for the study. The secondary data are collected from madurai tourist office records, Ministry of tourism website, Tamilnadu Tourism Development Corporation website, various books, journals, magazines, reports, records and so on.

Sample Size

The population of the study is finite and so, the researcher has collected data from 385 tourist and 206 tourism entrepreneurs. for data collection, disproportionate stratified random sampling technique has been used for tourist and the cluster sampling method has been used tourism entrepreneurs. It becomes a probabilistic sampling and paves the way for using both univariate and multivariate statistical techniques of both parametric and non parametric tests.

Analysis and Interpretation

PURPOSE OF VISIT TO MADURAI – KOLMOGOROV – SMIRNOV TEST

The travelers purpose of visit to a place may be related to pleasure and recreation, desire to meet friends and relatives, known about different people’s culture and their heritage, medical reason to visit holy places so on. Madurai has always been tourist spot with a divine purpose. Apart from the temples, it is mostly famous for its rich culture and heritage, monuments, shopping, entertainment and multi specialty hospitals. As madurai has been promoted basically as a pilgrimage and heritage destination, most of the tourists visit madurai for temples and for its lively and splendid festivals. There are 10 reasons are identified by the researcher. With a view to test the opinion of the respondents on their purpose of visit to madurai; the kolmogorov smirnov test.

This is a non-parametric test, it is used to find out the mean rank of each variables. Based on the mean rank it is identified that how the priority is given by the respondents about the purpose of visit. Here, the null hypotheses is that there is no significant difference among the responses provided by the respondents.

PURPOSE OF VISIT TO MADURAI - KOLMOGOROV – SMIRNOV TEST

Variables	N	Mean	Std	Absolute	+ve	-ve	KS z	Sig 0.05 2tail
Holiday	385	3.94	1.179	0.232	0.183	-0.232	4.562	0.000
Religious	385	3.92	1.435	0.320	0.226	-0.320	6.274	0.000
Festivals	385	2.78	1.158	0.240	0.179	-0.240	4.710	0.000
Friends/Relatives	385	2.53	1.396	0.246	0.246	-0.179	4.822	0.000
Education	385	1.93	1.482	0.402	0.402	-0.265	7.895	0.000
Business	385	1.8	1.319	0.444	0.444	-0.273	8.714	0.000

Pleasure	385	3.87	1.406	0.324	0.211	-0.324	6.353	0.000
Shopping	385	2.23	1.059	0.257	0.239	-0.257	5.044	0.000
Conference	385	2.02	1.650	0.448	0.448	-0.269	8.785	0.000
Medical	385	2.63	1.779	0.353	0.353	-0.241	6.923	0.00

Source: Primary Data

The table shows that the P value is less than 0.05; hence the null hypothesis is rejected at five percent significant level. Therefore, it is concluded that there is significant difference among the mean ranks assigned by the respondents towards purpose of visit to madurai. Based on the mean rank, it is found that respondents have decided to spend their holiday at madurai as the first followed by religious purpose as the second reason for coming to madurai and pleasure being third position. Likewise each variable stands in a position based on the mean rank.

PROBLEMS FACED BY THE TOURIST WHILE VISITING MADURAI

Tourists face some problems during their travel or visit. Once the tourists leave their home naturally they may face problems. A person who visits a tourist destination, desires to relax and enjoy during level. But during travel, sometimes a tourist may have bitter experience. The table shows an overview of tourists problems such as lack of diversity of attractions, only a few destinations, high prices, unfriendly tourism culture, lack of cultural and recreation programmes, limited shopping facilities and so on. In order to assess the intensity of the problem faced by the respondents the Mann-Whitney “U” test has been utilized.

It is a non-parametric test which is used to determine whether two independent samples have been drawn from population with same distribution. This test is also known as “U”. This helps to determine whether the two samples male and female have come from identical population. If it is true that the samples have come from the same population, it is reasonable to assume that the means of ranks assigned to the values of two samples are more or less the same.

Calculation of “U” statistic is used to test the difference between the rank sums

$$U = n_1n_2 + \frac{n_1(n_1+1)}{2} - R_1$$

Here the null hypothesis is that there is no relationship between the gender and the problems faced by the respondents.

PROBLEMS FACED BY THE TOURISTS DURING THE VISIT TO MADURAI

Particulars	Grouping Variables	N	Mean Rank	U Value	Z	Significant value at 0.05	Result
Lack of diversity of attractions	Male	247	2.2.66	14657.5	-2.438	.015	Significant
	Female	138	175.71				
	Total	385					
Only a few destinations have potential to attract	Male	247	216.67	11196.5	-5.841	.000	Significant
	Female	138	150.63				
	Total	385					
Lack of advertisement publicity on tourist destination	Male	247	193.26	16978.5	-.064	.949	Not Significant
	Female	138	192.53				
	Total	385					
Prices are generally too high	Male	247	195.59	16402.5	-.650	.516	Not Significant
	Female	138	188.36				
	Total	385					
Unfriendly tourism culture	Male	247	192.06	16810.5	-.239	.811	Not Significant
	Female	138	194.68				
	Total	385					
Lack of cultural and recreation programmes	Male	247	196.62	16150.0	-.911	.362	Not Significant
	Female	138	186.53				
	Total	385					
Limited shopping facilities	Male	247	197.79	15859.5	-1.170	.242	Not Significant
	Female	138	184.42				
	Total	385					
Over crowded in tourist places	Male	247	186.97	15554.5	-1.498	.134	Not Significant
	Female	138	203.79				

	Total	385					
Poor maintenance and management of tourist	Male	247	185.49	15189.0	-1.926	.054	Not Significant
	Female	138	206.43				
	Total	385					
Insufficient packing facilities	Male	247	195.19	16502.0	-.644	.519	Not Significant
	Female	138	189.08				
	Total	385					
Insufficient of tourist guide	Male	247	182.96	14563.5	-2.512	.012	Significant
	Female	138	210.97				
	Total	385					
Poor public utility service	Male	247	190.43	16408.0	-.660	.569	Not significant
	Female	138	197.60				
	Total	385					
Lack of safety and security environment	Male	247	195.75	16364.5	-.678	.498	Not Significant
	Female	138	188.08				
	Total	385					
Poor attitude of secondary service supporters	Male	247	193.85	16833.0	-.205	.837	Not Significant
	Female	138	191.48				
	Total	385					
Brochures/Information are not available in regional languages	Male	247	181.45	14191.0	-3.152	.002	Significant
	Female	138	213.67				
	Total	385					
Tollgate fees	Male	247	190.96	16539.0	-.580	.562	Not Significant
	Female	138	196.65				
	Total	385					
Prohibition of cameras	Male	247	198.02	15804.0	-1.293	.196	Not Significant
	Female	138	184.02				
	Total	385					
Generally unhealthy conditions	Male	247	194.15	16759.0	-.282	.778	Not Significant
	Female	138	190.94				
	Total	385					

The table shows the outcome of the analysis. It is noted that out of 18 factors, the null hypothesis is rejected for four variables namely lack of diversity of attractions, only a few destinations have the potential to attract, insufficient tourist guide and brochures / Information are not available in regional languages. The calculated value for these four is less than the “P” value of 0.05. For the remaining variables, the null hypothesis is accepted, the calculated value for these 14 variables is more than “P” value. So it is concluded that both the male and female respondents have faced problems like lack of diversity of attractions, only a few destinations have the potential to attract, insufficient tourist guide and unavailability of brochures.

Findings of the study:

- The kolmogorov – smirnov test is used to identify the respondents purpose of visit to madurai. 'P' value is less than the significant value of 0.05 and null hypothesis is accepted for the remaining fourteen variables, because P value is more than the significant value of 0.0. However, it is concluded that irrespective of male and female all the respondents have face problems.
- Through the Mann-Whitney ‘U’ test it is proved that the null hypothesis is rejected for four variables. Since P value is less than the significant value of 0.05 and null hypothesis is accepted for the remaining fourteen variables, because P value is more than the significant value of 0.05. However, it is concluded that irrespective of male and female all the respondents have face problems.

Suggestions

For Restaurants

- ✓ There is no proper parking area in front of many of the restaurants. So they should try to provide parking facilities and it could increase the tourists arrival to promote their business.
- ✓ Restaurants could make tie up with lodges and provide food services for them in the form of door delivery and it can allocate exclusive places for nativity foods in their manu card.

For travel Agents

- ✓ Travel agents may focus on aged pilgrims as there is no temple circuit tour arrangement available at madurai.

- ✓ Travel agents can update their knowledge about latest technologies such as developing their own mobile applications for their services.

For Government

- ✓ Government may provide tax relaxation for off season period which can motivate tourism entrepreneurs.
- ✓ The government has to create awareness on the unfamiliar tourist spots like keelakuilkudi, Arittapatti, Kongar puliangulam and so on.
- ✓ Prohibition of shooting photos can be removed at temples.
- ✓ Sign boards and route boards can be exhibited at various tourist places, junctions such as railway junction, airport terminals, bus stand, recreation centres and so on.

Conclusion:

The needs and wants of the tourist lead to create ample business opportunities in the field of tourism and hospitality; especially it provides business opportunities for small and medium scale entrepreneurs and the result of tourism the local community also gets benefits and civic pride through proper infrastructure facilities, transportation, communication, new creation and leisure amenities. Hence it assist to promote and encourage preservation and conservation of the cultural heritages, traditional customs, festivals, cultural fine arts, Handicrafts products, and natural resources. In order to achieve fast development the government has to take necessary steps to motivate the entrepreneurs as well as foreign tourist to visit our country. When the government due importance to tourism industry, the profit will be manifold. The suggestions given in this study will help the government and entrepreneurs to resolve their problems and find out the new opportunities to prosper and flourish in the tourism industry.

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