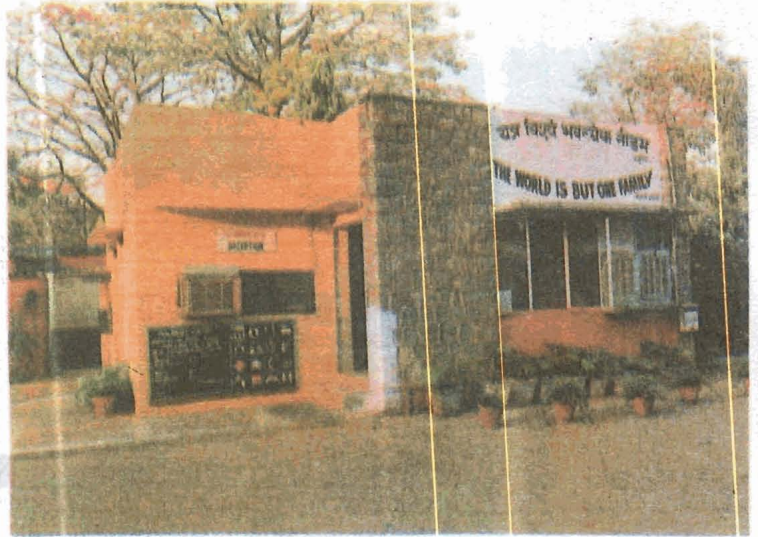


UNIT 4 TOURISM SYSTEM

Structure

- 4.0 Objectives
- 4.1 Introduction
- 4.2 Concepts
 - 4.2.1 People and Their Environment
 - 4.2.2 Pull and Push
- 4.3 Demand-led System
- 4.4 Supply Related Problems
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- 4.8 Answers to Check Your Progress Exercises



4.0 OBJECTIVES

After reading this Unit you will be able to :

- link the historical changes in tourism concepts as well as touristic activity through the identification of Demand-Supply determinants and constraints,
- identify the role of the linkages and system of Demand-Supply in terms of the tourist and the destination in the process of consumption of goods and services,
- critically examine the issue of Tourism Management in terms of the state, the entrepreneur, the tourist and the community, and
- understand the concept of tourism impacts.

4.1 INTRODUCTION

By Tourism System we mean that conceptual approach which helps to identify the dynamic elements of tourism. The boundaries of tourism are extremely flexible and can be confused with leisure and recreation activities.

This Unit goes on to explain the Tourism System in its totality. The demand and supply along with the pull and push factors in tourism are also discussed. The models offered by different experts have also been dealt with. Lastly, the Unit gives a brief description of tourism impacts.

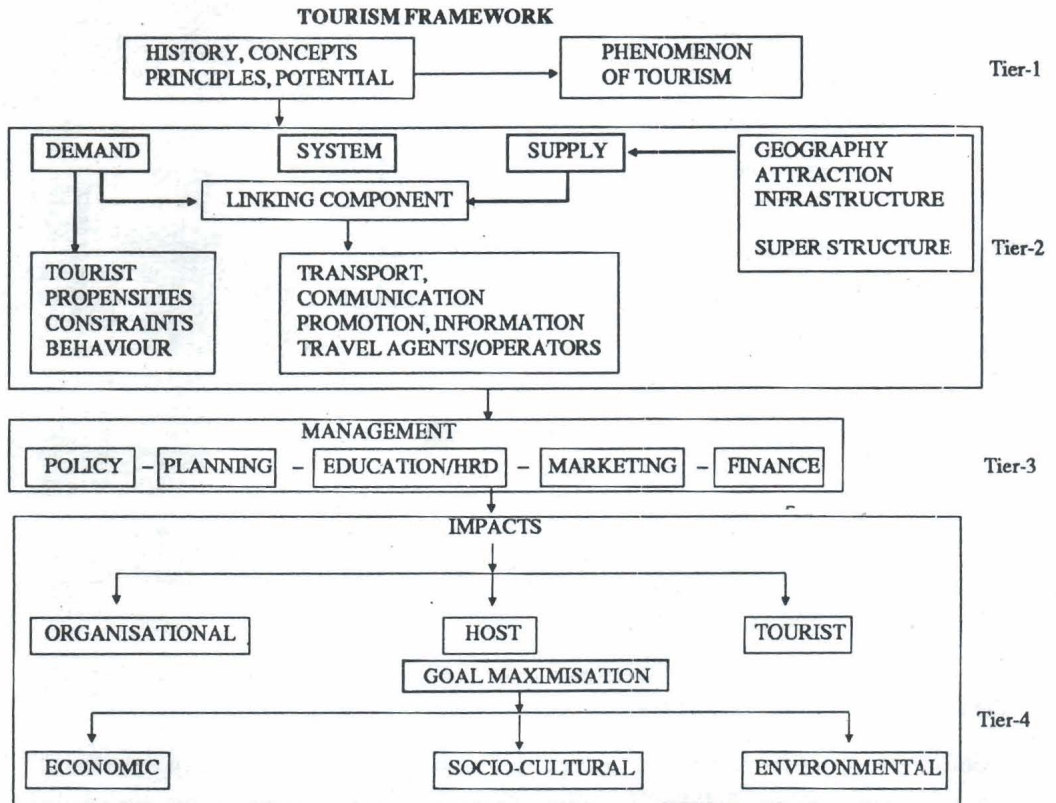
4.2 CONCEPTS

Tourism is being systematically viewed as a framework in which the theory and practice link up with each other to address the satisfaction of all those concerned with the functioning of the system.

The dynamic element of the Tourism System is its historical potential for development and resulting benefits. However, the system operates within a global economic environment along with national priorities. These are often not understood in a common perspective. The different perceptions can act as constraints on the developmental potential of a destination. Today, the tourism debate centres on the dynamic of the Tourism Phenomenon where perceptions of the receivers are somewhat different to that of the tourists. The consumers are not always sensitive to the host, nor are they of major importance to the host. Often we have seen people in our bazaars or other public places say "the foreigner is nobody's friend", or that "they are very free with our hospitality

but very careful with their dollars". Similarly, many a times tourists abuse symbols of local pride and standards of local services. Tourists generally assume that they are being cheated because they know that bazaars run on bargaining.

Tourism System has a four-tier framework shown below:

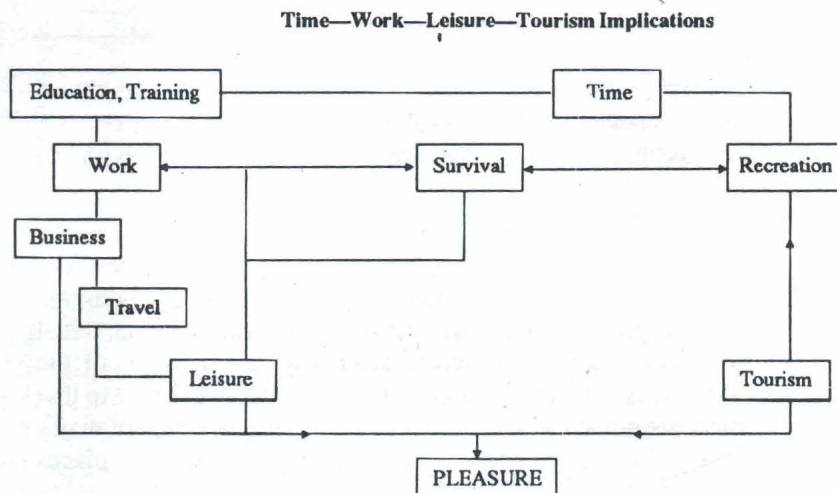


How far does the phenomenon of tourism balance between the expectations of the tourist and the resident population depends on the :

- interaction between the support system of the resident and the tourist, and
- perceptions of both groups regarding their right to have access to tourist oriented products as well as resident oriented products.

This means that the Tourism System must estimate the carrying capacity so that slogans to promote destinations will not have to exclaim "Get there before it disappears".

The system therefore has to be "managed" so that everybody's expectations are capable of being realised. How the system is managed will indicate the nature of the impacts of tourism on the industry, the host population and the tourist. The broader goals will be the economic, social and cultural changes that the managers of tourism (the state and the private sector) have envisaged along with the expectations of the residents of the area where tourism is actually located.



Work is understood to be a necessity for survival just as recreation and leisure are necessary for coping with routine life. Yet, time is finite and often institutionally determined or determined by the process of satisfying both private and public needs. The location of tourism within these complex relationships is both a matter of social development and custom, which are then reflected in the working of the system.

4.2.1 People and Their Environment

The following issues emerge within a Tourism System in relation to the people and their environment.

- 1) **Finite Resources**—both time and money determine opportunity and are generally not unlimited.
- 2) **Action**—the potential for discretion in the use of time and money exists and yet obligations act as constraints.
- 3) **Facilitation**—is an aid to discretionary action but within the possibilities offered by travel/journey components and support services.
- 4) **Results**—both pleasure and utility are desired in all life-world situations, including tourism.
- 5) **Beneficiaries**—both host and guest, since the process of tourism demands the participation of both groups for its success even in the most controlled and contrived touristic sites and events.

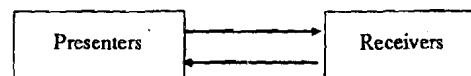
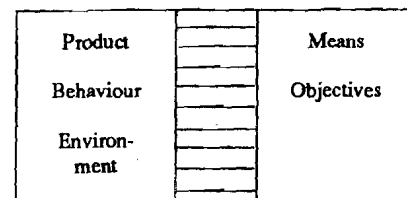
Each of these issues create problems which have to be resolved and taken care off.

4.2.2 Pull and Push

The resolution of these problems is achieved through what are called the 'pull' and 'push' factors in the Tourism System.

Tourism Exchange

SUPPLY		DEMAND	
1. Carrying Capacity	2. Resources	3. Technology	4. Labour
5. Capital	6. Policy	1. Freedom to Travel	2. Information
		3. Propensity	4. Constraint
		5. Distribution Channels	6. Transport
		7. Security	
PULL		PUSH	
HOSTS		GUESTS	
Governments	Employees	Business	NGO'S
Special Interest Groups	Presenters	Intermediaries	Groups
		Individuals	
		Receivers	



The Tourism System influences governments, industry, business and even the households of common people. That is why tourism is no longer ignored by policy makers or in the economic and social policy debates. In this connection it is important to understand the present global Tourism System. In the last two decades, tourism has been contributing 6% of world output, one in 15 jobs and 7% of capital investment. The WTO asserts that tourism is at the leading edge of the service sector and that the future of the industry is bright. It can double its contribution to world output, increase jobs by 33% and capital investment can jump by 80%. The centre of gravity of tourism is also shifting from Europe to the Pacific Region which will account for more than 35% of travel by the year 2000 (as per WTO forecasts). Tourism will continue to globalise, privatise and consolidate in the last decade of this century. However, this decade has been declared the "value decade", where :

- input costs are rising,
- revenues are low due to competition, and
- travellers are demanding value for money.

This means that loyalty for a destination will be undermined by bargain hunting. As quality goes down, the compatibility of tourism with human and physical environments is being questioned. In fact, there is a questioning of the very values on which tourism has developed in the modern era, with worldwide anti-tourism networks.

Within this global perspective, the liberal economic policy announced by India has renewed interest in India as a destination, an interest that goes just beyond the 'mystique'. The success of any destination does not depend only on the richness of the tourist product, but on the effectiveness of the Tourism System which determines the packaging and marketing of the product. An example of this new approach is the creation of a new appeal. Today, Golf Tourism is a prime draw for the world's highest spending travellers. China, which is making a major bid for a premier position in World Tourism, has chosen golf as one of its major systemic interventions. The Chinese are planning 400 new golf courses in the next 15 years. Thailand which had no golf courses 15 years ago now has 50 of international standards. India has a very old golfing tradition and many of its clubs are more than a hundred years old. However, they are said to be below international standards and if India is to get a share of this significant market, at least 50 new courses have to be developed. Yet, two projects, one near Bangalore and the other at Begul (Goa) have already activated people in these villages to demonstrate against such development. But despite such demonstrations elements of the Tourism System demand that such development will take place if India is to increase its share in the market.

The system then introduces push factors that ensure that the problem of land use will be effectively resolved by employment and evaluating a job in tourism services as of more value than in self-employment in any traditional sector. This evaluation in the name of progress and development has critiques as well as supporters.

Check Your Progress 1

- 1) What do you understand by the four-tier framework in Tourism ?

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- 2) Why cannot Tourism be ignored by policy makers ?

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3) On what factors depends the success of a destination ?

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4.3 DEMAND—LED SYSTEM

Because demand for tourism can be postponed or can often remain at the level of wish fulfilment, the needs and objectives of the tourists are often given exclusive importance by policy makers. One can say that product behaviour and use of resources, technology, labour and capital on the supply side are often utilised poorly. When the environment for the Tourism System is Demand led, tourism tends to be outward oriented, looking more to the satisfaction of the tourist rather than the resident. For example, Indian tourism has, by and large, ignored the 62.3 million domestic tourists. This is because in the global framework of tourism success what counts is the share of the world tourist market. With Europe as our historical priority, in a demand led situation, we are concerned, for example, that Belgian tourists find it expensive to visit India because they have to fly via Paris. The absence of direct flights to India is a constraint. Hence the system demands that if tourism demand is to be satisfied, then India must follow an “open skies” policy.

The Indian tourist product, though rightly famed for its richness and remarkability, is found wanting in terms of infrastructural strength and diversity. Since Third World destinations are seen as destinations only, the standards of the infrastructure and superstructure are evaluated in European terms. Third World Governments also see Domestic Tourism as a subsidy oriented development and the growth of out bound tourism as an activity which must be kept in check. The fact that in 1992, we had more outbound than inbound tourists is seen as a failure of our tourism policy. In fact, all countries tend to see only the international perspective in tourism because of the foreign exchange component and marginalise all other aspects. Factors that shape demand for tourism are therefore examined in the international context like :

- 1) **Leisure time**—holidays, vacations, retirement age, shrinking work, weekend.
- 2) **Life Cycle Stage**—time and money available to finance tourism.
- 3) **Increased mobility**—cost and accessibility to air and automobile transport.
- 4) **Work patterns**—flexibility of time.
- 5) **Affluence**—increased real incomes
- 6) **Women in the work force**
- 7) **Attitudes to marriage**
- 8) **Increased amenities** to simplify home chores.
- 9) **Trend towards smaller families, higher education and higher life expectancy.**
- 10) **Increasing urbanisation and migration.**

To encourage the full potential of these factors it is expected that destinations should :

- have increased **accessibility** by scheduled, charter and domestic air services,
- **promote** market exchange rate (devaluation) and control inflation,
- **re-orient** the business cycle,
- **relax** visa controls, encourage tourism education and language skills,
- **use** technology (like airconditioning) to counter climate,
- **ensure** safe health conditions and control pollution (international standards of hygiene), and
- **resolve** political disputes to ensure stability so that tourists feel secure.

Many of these aspects undermine the integrity of nations and the security of the local people as many destinations are now reporting tourism related crimes. Whereas suggestions for tourist police are forthcoming, ways of controlling drug and sex abuse or disturbing the peace and offending local people by dress and behavioural attitudes has never been assessed as a constraint, nor are any measures suggested for redressal of tourist generated tensions. The tourist is always seen as the victim and the resident as an aggressor.

At present the hospitality model creates real benefits for the consumer without protecting the destination, which is really a non-renewable resource.

4.4 SUPPLY RELATED PROBLEMS

India gets a lot of exposure but very little big business. For example foreign tourist arrivals in India constitute only 0.4% of total foreign tourists movement at an international level. Back-packers have always found India an attractive offer because a few dollars plus the generosity of the people combine to go a long way. What we want are the high spenders because within the global economy we require foreign exchange earnings to operate a free market system since tourism services have perhaps created desires that go beyond our material needs. For example, gourmet foods are not necessary to keep us alive and yet they become an essential part of the tourists' wants. The "style, feel and ambiance" leaves no physical trace but must be manufactured and sold. In tourism supply, the most important relationship in modern society is not between man and man (the hospitality of pleasant societies) but between man and his products. The cultural gap between one society and another has become identified with its material aspects like language, music, dance, visual arts and literature, even festivals. This is what we mean when we say our culture has been "commercialised".

The commercialisation of culture removes the world of leisure from the world of work. This removal and then concentration of leisure in vacation's, amusements, games etc., creates the normless holiday environment. (No rules, no dress code, no behavioural codes, no future). In such a situation, it becomes a very difficult problem to provide the facilities that the high spending tourist wants. The foreign tourist who insists on European food, coffee and soft drinks with his meals, hot running water (36 gallons per person, per day), airconditioning, air services etc., will ignore a destination that does not provide these facilities within which the holiday activity has to be pursued. Since the major economic, social, technological and cultural components of demand are located in the metropolitan countries, it is not surprising that tourism all over the world is created on their image. However, the tourist is also a victim of the sophisticated promotion of a tourist product by creating an image of the destination that creates a new kind of demand.

Tourism image can be looked at as a:

- personal process which helps us to determine what type of holiday to take, and
- particular strategy of a tour operator or a travel agent.

This is what can be called destination "mythology" through which a tourist is ensured by an unreal picture of a foreign destination. The mythology is based on what may be termed the "bliss formula". For example, Thomas Cook and Kuoni (tour operators) promoted Kenya and Gambia with almost identical use of the bliss formula: sun drenched wast, exciting dense jungles and great rivers, pulsating tribal drums and dances, scenes from a Tarzan epic, sun bathing and exploring all from the comfort of a western hotel.

There has been a change in the approach to understanding the nature of tourism in a more qualitative manner. Today, there are many types of tourists who are neither 'superficial in twists' nor 'modern pilgrims'.

Valene Smith has created seven typologies :

- 1) **Explorer**—few in number, looking for discovery and involvements.
- 2) **Elite**—individually created visits to exotic places.
- 3) **Off-beat**—wanting to get away from the crowds.

- 4) **Unusual**—seeking physical danger or isolation.
- 5) **Incipient mass**—single or small groups using some shade services.
- 6) **Mass**—package tour market desiring tourist enclaves.
- 7) **Charter**—mass travel to destinations which have standardised western facilities.

The host feels the impact of each of these categories to a different degree.

Erik Cohen has created a typology based on the meaning tourism has for the tourist, rather than the impact it has on the host or the opportunity each type provides to the travel trade :

- 1) **Recreational**—to relieve the stress of work
- 2) **Diversionsary**—escape from boredom and routine
- 3) **Experimental**—a modern pilgrim looking for authenticity in other societies, because it has been lost in ones own society.
- 4) **Experimental**—to experiment with alternate life styles.
- 5) **Existential**—finding a new spiritual centre as a result of a touristic experience.

These generalisations help us to clarify both what tourism does for us and how to judge what kind of tourism is acceptable to us. There is enough evidence to suggest that the aspirations of Western tourists do not match the priorities of many Third World governments or the aspirations of the host people. In order to maximise income these priorities can be :

- i) creating mass tourism enclaves (for example, beach resorts in Goa),
- ii) turning the trade to a small up-market component (incentive tours),
- iii) encouraging mass tourism with maximum visitor host contact,
- iv) to have a mix of all the three models.

How we realise our priorities is however determined by powerful external factors, like the decision making process and competition. Motivation (attitudes, values, needs) is one factor that influences decision-making. Yet, it is not a simple concept as there are four motivational categories :

- physical,
- cultural,
- personal status, and
- prestige.

Secondly, decision making is often not rational because information is never complete or is tailor made.

Mathieson and Wall have provided a 5 stage model relating to decision making :

- 1) **Desire**—the initial period when a need to travel is felt.
- 2) **Information**—books are collected; friends, travel agents are visited and cost/time/ evaluation and alternatives are weighed.
- 3) **Decision**—choice of destination, mode of transport, accommodation and activities.
- 4) **Preparations**—tickets, bookings, money, documents, clothing and journey.
- 5) **Satisfaction and Evaluation**—before, during and after the trip and likely to influence future decisions.

It is very difficult for a destination developer to intervene in decision making except at the first stage. In case it is done, such an intervention is often at a very high cost. Many Third World countries do not have the means to enter the competition on equal terms. In such a situation the state intervenes to set the parameters of development and before one can see the impact of policy a certain approach in the race for tourism is institutionalised. Therefore, all destinations do not have the same historical experience nor do they have the same role in global tourism development. A simple time scale model will show us how the relationship between the industry, the host population and the tourist changes with development.

Time Phasing

- 1) **Discovery**—when a new destination begins to attract attention.
- 2) **Local response**—when national entrepreneurs respond to new income generating opportunities or policies that direct investment to a particular field.
- 3) **Institutionalisation**—when the industry is taken over by large foreign companies.

This is the experience of Indonesia which is being promoted as a model for Asian countries. This view considers only inbound tourism as a policy success and outbound tourism as a failure of tourism policy because it does not view outbound tourism as an income generating activity. Experience however proves the opposite and there are several national entrepreneurs who would like to capitalise on the outbound market. There is nothing to recommend the Maldives experience, where luxury resorts came up in 40 small islands in the wake of a new airport which could handle wide-bodied aircraft. There was a relatively minor involvement of the local people in this development. Erik Cohn suggests that much depends on the history of tourism in a particular destination. Where tourism grows originally and the industry begins in a small way it is likely to follow the three stage model. On the other hand where tourism is introduced from the outside, there is institutionalisation in the beginning itself. Here a reverse pattern develops with groups in the host country attempting to regain control to deinstitutionalise tourism. Alternatively, Third World chains can emerge, like the Oberoi, which penetrate the global system from the peripheral supply elements.

The worldwide expectations fall into five categories :

- 1) **Attractions**—natural, man-made and cultural or ethnic
- 2) **Transport**—easy access, particularly to world air routes
- 3) **Accommodation**—the commercial sector, the supplementary sector and the informal private sector.
- 4) **Support Services**—shops, banks, medical aid and other resident oriented products.
- 5) **Infrastructure**—roads, railways, airports, electricity, sewage disposal and whatever is required to provide support services and facilities.

Even where these facilities are provided, would be tourists are attracted by **low costs, safety, security and stability**. Therefore all destinations have to promote these positive elements. However, about one-eighth of the total travel market is attracted by budget destinations even where the country adapts to market trends in providing the essential supply elements.

In recent years we have seen "Visit.....Year" organised in several Asian countries, as a one time attempt to attract larger numbers. Malaysia, which had a successful year when we did not, achieved it at a high cost by paying-off agents and operators around the world to bring tourists to their country. In the following year, numbers were down again and Malaysia is once again advertising a "Visit Malaysia Year" to raise its tourist arrivals.

You might wonder why a destination would go to such lengths to attract the international tourists and that brings us to the mythology of impacts.

Check Your Progress 2

- 1) Why do all countries tend to see the international perspective only in tourism ?
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ordered the scrapping of dual tariffs much to the concern of the beleaguered hotel industry. (You will read in detail about the economic impact in Unit 34).

The **social impact** of tourism is equally complex. Whilst the international understanding and goodwill ideology wants tourism to be promoted at any cost, the social effects are not exactly invisible. Sex tourism, drug peddling and bride buying have become closely inter-linked, particularly in Third World countries with some form of tourists. Thailand, Nepal, Sri Lanka and India have clearly seen the negative impact of such tourists.

In certain cases the curio trade has encouraged the vandalism of our architectural heritage and art objects. This has happened despite the legal structure prohibiting such commerce. Even trade in banned items like Rhino horns and tiger claws and ivory have encouraged the continuation of poaching. However, many wildlife tourists are considered to be a preserving factor by the travel trade. There is also the practise of illegal trade in hard currency. Such activities turn a section of the local population into pimps, touts and blackmarketeers. Sometimes tourists may provide the market for such activities.

Finally, there is the demonstration effect. This is in terms of translating all codes and behaviour of tourists as "modern" or "progressive". Their dress and manners are adopted by those who are either in close contact with the tourist or young people who live in tourist destinations.

But perhaps the greatest impact is the cultural erosion that takes place in functional tradition that turns into a pop tradition by transforming the content of a culture into its symbols or ethnic markers. These are generally visual and relate to origin, names, architecture, landscape and people in their daily lives and in their rituals.

These ethnic stereotypes are created by many travel agents through their brochures. In the process of marketing images of exotic places and people, the brochures draw upon a small set of ethnic markers to provide a conceptual framework through which the tourist "learns" while abroad. The ethnic reconstruction then becomes the index of authenticity and the ethnic stereotype becomes confirmed in the eyes of the tourist because it is easily recognised.

Perhaps this is considered a harmless exercise by many, but the danger line is crossed when change and progress are arrested; when a stereotype is challenged by local people who no longer want to remain objects for the tourist gaze.

Today, the focus of tourism is an exotic cultural figure as the key attractions. Tourists go to see folk costumes in daily use, shop for handicrafts in **bazaars** and **melas**, learn some useful words, look for typical features, or relate to local colour (e.g. Moghul and Rajasthani dress in service encounters). Many writers have considered the tourist approach to ethnicity as kinder than that of the conqueror, the anthropologist, the missionary or the coloniser, because it is said to want to preserve, to restore and recreate ethnic attributes. This is perhaps why we organised very constructed views of our ethnicity through the Festival of India in different parts of the world. (See Unit 21 of TS-2.) This is ethnicity constructed for the entertainment of others. The money earned from this is not necessarily transferred to the site for it goes into the pockets of others. In many cases for the performer the only pay-off is the applause.

Such ethnicity is touristic and is weakened by being exploited. It is an expression of the very contradictory nature of international tourism on the one hand and the common identification of the tourist culture which is understood as Western culture, on the other hand. This leads to artificial or real preservation of local ethnic groups and attractions so that they may be consumed as touristic experiences. For the people themselves, who have been transformed into "things", the change that has occurred now has economic and political implications. Tourism policy makers, professionals and researchers have to take these implications into account for the systematic and healthy development of tourism.

Check Your Progress 3

1) What impact does the curio trade have on culture ?

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2) What is the focus of today's tourism ?

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4.6 LET US SUM UP

The Tourism System is, therefore, working out of the Tourism Phenomenon within the constraints of a Demand-Supply situation which is often problematic given the function of market forces. As a result, many have viewed the problematic as a management function and have advised the shift to planned tourism within a policy framework. Others have called this approach as pseudo-change. Critiques of planned tourism and tourism policy advocate a system that considers the problems of tourism impacts which should determine the constraints of tourism development. Alternative systems suggest that the very values of the Tourism System beget its problems and therefore tourism should not be demand led but supply led. Tourism exchanges are often power exchanges and to invest control of tourism, its negative forms should be resisted. This will lead to a healthy development of tourism, doing away with its mismanagement that leads to negative forms.

4.7 KEYWORDS

Back Packers : low budget tourists; low spender tourists.

Devaluation: reducing a currency to a lower fixed value in relation to another currency.

Multiplier Effect: more than proportionate increase in relation to investment.

4.8 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) The four tier framework takes into account tourism phenomenon, demand and supply aspects, management and impacts along with goal maximisation. All these form part of the Tourism System. See Sec. 4.2.
- 2) Because of its impacts in various fields like employment, foreign exchange earnings etc. the policy makers cannot ignore tourism.
- 3) The success of a destination, howsoever attractive it may be depends on the effectiveness of the Tourist System. See Sub-sec. 4.2.2.

Check Your Progress 2

- 1) This is because in the global framework of tourism success what counts is the share in World Tourism market. See Sec. 4.3.
- 2) Mention factors like 5 star accommodation, easy accessibility, airconditioned coaches, devaluation, relax visa controls etc. See Sec. 4.3.

- 3) You are under no controls or obligations but act as you wish.
- 4) Discuss the five points of Cohen mentioned in Sec 4.4.

Check Your Progress 3

- 1) It has been found that in some cases this leads to vandalism of arts and architecture as imitations also appear. See Sec. 4.5.
- 2) An exotic cultural figure is the key attraction for tourism of today. See Sec. 4.5.