SUSTAINING GROWTH IN TOURISM SECTOR: OPPORTUNITIES AND CHALLENGES

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The paper has broadly made an attempt to examine the growth and challenges faced by the tourism sector in Goa, a destination in India; during the last one decade. Of late, the number of tourists visiting the state is more than twice the population of the state. Empirical evidence also reveals an improvement in the growth of tourists’ arrival but with wide fluctuation over the years. However, there are emerging issues of concern including the saturation of the carrying capacity of the state and the scope to sustain the growth momentum in the long run. Given the low geographical area and stiff competition among the destination managers to woo quality tourists, the state needs to be fully aware of their expectations and accordingly design the tourism policy.

INTRODUCTION

India is one of the major tourist destinations in Asia and the Pacific region as it ranks 11th in the international tourists’ arrival and 6th in the international tourism receipts of the said region. Recently, the World Travel and Tourism Council (WTTC) has notified India as one of the fastest growing tourist economies in the world. For instance, the number of domestic tourists visited different states witnessed a consistent rising trend during the last one decade. It went up by about 50 million per year (from 236 million in 2001 to 740 million in 2010) in the above said period. Similarly, the number of foreign tourists arrived in the country went up by about 3 million in the last one decade (from 2.54 million to 5.58 million during 2001-2010) implying an average rise of 0.3 million per annum.

With the acceleration in the growth of tourists’ arrival across the countries, the contribution of this sector to National Income has gone up substantially over the years through the operation of both backward and forward linkages. As per the study undertaken by National Council of Applied Economic Research (NCAER), the estimated tourism value added in India will be 2.78 per cent of Gross Domestic Product (GDP) in terms of direct impact. Inclusion of indirect effects from tourism can raise tourism value added to 5.83 per cent of India’s GDP (Sukla: 2006). This large service sector also stimulates growth in employment of other sectors including agriculture and allied

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2 Few positive effects of tourism include improved standard of living on account of rise in incomes, allocation of relatively more resources for protection and conservation of natural resources, improvement in infrastructure facilities through increase in investment, development of handicrafts, increase in tax base and so on.
activities, transport and construction, and hotel industry. As per the estimates of Tourism Satellite Account (TSA), the share of tourism in total number of jobs is 4.59 per cent provided only direct effect is taken into consideration. Inclusion of indirect effects can increase the share of tourism in employment up to 8.27 per cent of total jobs in India (Sukla: 2006).\(^3\) Apart from growth in employment and output, tourism sector also enhances the foreign exchange reserve of the country. The foreign exchange earned from tourism in India went up from US $ 3,198 million in 2001 to US $ 14,193 million in 2010, indicating an increase in FOREX by about US $ 11,000 million in the last one decade.

Identifying the potential growth of this sector and its contribution to the economy with respect to employment and output, the destination managers across the states in India often compete with each other to attract more quality tourists. But it needs to kept in mind that tourism is ambivalent in nature. In the recent years the positive economic benefits have lessened on account of growing awareness and knowledge of the more intangible and indirect economic costs of tourism (UN ESCAP: 2001). There has been conflicting interest between the local population and tourism sector, persistence of unwanted social problems including drug abuse, pedophilia, natural death of both culture and tradition and so on and so forth.\(^4\) With the growth of terrorist attack and proliferation of sexual abuse, sustaining growth momentum in this volatile sector becomes a major challenge for the destination manager. Against this backdrop, the paper attempts to examine the performance of the tourism sector in one of the developed smallest states in India, i.e., Goa. There is apprehension that given the carrying capacity of the state (which is on the verge of saturation), it will extremely difficult to sustain the growth momentum in the tourism sector. This necessitates evaluation of challenges confronted by the state economy to attract the tourists. And this can be facilitated by a critical evaluation of the existing infrastructure and tourism products offered by the state.

**Methodology and Data base**

The study is primarily based on the secondary sources data provided by the department of tourism. This is supplemented by qualitative information gathered from primary sources especially through discussion with different stakeholders. In this context, it needs to be mentioned that the number of tourists coming to the state reported by the department of tourism need not necessarily reflect the true picture as this does not take into account the tourists who stay with their relatives and friends. Inclusion of the number of tourists staying with their relatives and friends can increase the total number of tourists by 15 to 30 per cent.

Overall, the period of study covers 30 years from 1981 to 2010. But to assess the challenges confronted by the economy, the paper has highlighted major issues noticed in the last one decade. For performance analysis of the key indicators, appropriate mathematical and graphical tools have been used.

**Organization of the study**

The paper is organized as follows. Section I deals with an overview of the state economy followed by analysis of growth and composition of tourists during the last three decades (1981-2010). In section II, an attempt is made to identify the proximate reasons for

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\(^3\) These estimates do not include same day tourism.

\(^4\) Some other adverse impact of tourism includes seasonal unemployment, increase in cost of living, increase in taxes, diversification of agricultural land for high priced projects leading to rise in land price and decline in agricultural output, and excessive dependence on this sector to maintain a stable growth of the economy.
growth of tourists. The penultimate section deals with the issues of immediate concern followed by concluding remarks in section IV.

**Section I**

**Growth of Tourism Sector**

Goa is one of the smallest states in India in both area and population.\(^5\) Contrary to this, the state is one of the richest states in the country in per capita income. And the state has succeeded in maintaining high growth rate in recent years. For instance, in 2009-10, the state has recorded 8.82 per cent annual growth at constant prices. This is much higher than the growth rate recorded for the country as a whole. This is possible primarily on account of growth of tertiary sector. This sector has contributed 45 to 51 per cent of the gross state domestic product during 2004-05 to 2009-10. And the remaining is contributed by secondary and primary sector together having respective share of 38 and 11 per cent. In this context, it needs to be mentioned that Goa is rich in mineral resources including iron ore, manganese, ferro-manganese, bauxite and silica sand.

A peep into the history reveals that the state was ruled by Portugal for about 450 years and hence, it was thought of as a Portuguese outpost, an ‘island of western civilization’ in an Indian sea (Newman: 1984). In 1961 it was liberated from Portuguese rule and remained part of the Union territory of Goa, Daman and Diu till May 1987. The state is well known for its beautiful beaches, churches and temples. It’s beautiful natural scenery, large English speaking people, cuisine and warm weather attracts tourists from different parts of the world.

**Composition and Growth of Tourists**

Goa has been one of the favorite tourist destinations for both the domestic and international tourists. This is evident from a substantial improvement in tourists’ arrival in Goa during the last three decades. From Table 1 it is evident that on an average the number of total tourists’ arrived in the state had almost doubled in ten years during 1981-83 to 1991-93. The number of tourists visited the state went up from 0.482 million during 1981-83 to 0.9 million during 1991-93; a rise by 0.42 million in a decade implying an annual average increase by 41,000. Similarly, the average number of tourists visited the state went up from 0.9 million to 1.42 million during 1991-93 to 2000-02 – a rise by 0.52 million in the said period. The growth momentum got accelerated in the last one decade as the number of tourists went up from 0.145 million to 2.5 million from 2000-02 to 2008-10. From this above analysis it can be inferred that the average increase in tourists’ arrival hovers around 0.05 million per annum during the 1990s and 0.11 million per annum in the last one decade. This implies a substantial improvement in the number of tourists during the last one decade as compared to the 1980s and the 1990s. Of late, the tourists arrived in the state (2.64 million in 2010P) outweighs the population of the state (about 1.458 million in 2011) with a high margin.\(^6\)

The phenomenal rise in the number of tourists is observed along with a wide fluctuation in its annual growth rate during the last one decade. It seems the annual growth of both the domestic and foreign tourists’ moves in tandem since the mid-1990s (chart 1). From table 1 it is evident that during 2001-04 the annual growth of tourists remains between 16 to 28 per cent. But a turnaround was observed in 2004-05 and 2007-

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\(^5\) The geographical area of the state is 3,702 square kilometer. As per Census 2001, 1.35 million people live in the state and this hovers around 1.7 million in 2009-10. As per advance estimates, the per capita income of the state is Rs 1.16, 287 in 2009-10 at constant prices (base: 2004-05).

\(^6\) As per Registrar General’s Census of India, the population of Goa in 2011 is 1457723 (males: 740711 and females: 717012).
08 as the annual growth rate became (-) 6 per cent and (-) 8.7 per cent respectively. This reflects the extent of volatility of this sector. In other words, it suggests the role of socio-economic factors in determining the growth of this sector (chart 1). Usually, the tourists keep track of the behavior of the macroeconomic fundamentals, geographical factors including heavy rain/flood and other non-economic factors including sex and drug abuse. This justifies the need to adopt sound macroeconomic policies and leave no scope for any unwanted event to crop up.

Chart 1: Growth of Domestic & International Tourists: 1981-82 to 2009-10
(in per cent)

Chart 2: Pattern of Tourists’ Arrival in Different Months in 2006
The variation in tourists’ arrival is not only noticed over the years but also across months. Empirical evidence reveals that the tourists visiting the state across months in a year follows a somewhat ‘U-shaped’ curve. This is mostly applicable for foreign tourists as evident from chart 2. The number of tourists visiting the state follows a steady decline during the first half of the year and experience a rising trend in the second half of the year especially during August to December. In this context, it needs to be mentioned that the pattern of tourists’ arrival in a year can be classified into ‘peak’ and ‘non-peak’ season. The peak season (tourist season) begins in late September and continues till early March. During this period weather is dry and pleasant. The period ranging from March/April to July/August is described as non-peak season primarily because of hot summer and heavy rain. During the monsoon period the states looks more beautiful with greenery sprouting all around but the flip side is full blast of monsoon with sudden downpours and tropical thunderstorms. Therefore, major tourism activity is noticed during November and December. However, to ensure flow of tourists’ arrival across seasons, efforts have been made by the destination manager to organize events during the non-peak season.

**Composition of Domestic and International Tourists**

An analysis of the percentage share of domestic tourists vis-à-vis the foreign tourists reveals a proportionately higher share of the former in the total. The share of domestic tourists hovers around 85 per cent of the total during the last one decade though it was close to 90 per cent in the 1980s and around 80 per cent in the late 1990s (Table 1). This suggests that the growth in tourism sector is driven by the domestic tourists assuming the pattern of expenditure and number of days spent by the tourists remains more or less the same. Based on a sample survey of 300 respondents conducted during October-November 2007, it is estimated that a large proportion of domestic tourists flock to the state belong to Maharashtra state as it is having the highest share of 36 per cent of the total. About 85 per cent of the total domestic tourists are from 4 states, i.e., Maharashtra (36 per cent), Karnataka (17 per cent), Delhi (12 per cent) and Kerala (11 per cent). The remaining 15 per cent of the total domestic tourists belong to Punjab (6 per cent), Gujarat (6 per cent) and West Bengal (3 per cent). In this aspect, proximity to the destination, connectivity by air, per capita income of the people, and states with metro and/or big cities can be taken into consideration. For instance, Maharashtra, Kerala and Karnataka are border states of Goa and the tourists can chose any mode of travel to the destination. Often hectic life in the metros compel them to visit a tourist spots. This is facilitated by high per capita income and provision of leave travel concession.
As regards foreign tourists, there has been an almost consistent absolute rise in the last 3 decades. The number of foreign tourists coming to Goa was around 30,000 in the early 1980s and this remained between 2-3 lakh in the 1990s with a further rise to around 4 lakh in the recent years (Chart 3). Accordingly, the share of foreign tourists in the total went up from less than 10 per cent of the total in the early 1980s to 20 per cent in the late 1990s. However, in the last one decade the percentage share of foreign tourists is hovering around 15 per cent of the total. The increase in share of foreign tourists is noticed along with the fluctuation in its annual growth (table 1). For instance, a substantial erosion in the growth (-8.7 per cent) of foreign tourists was noticed in 2007-08 (Chart 1). This can be primarily attributed to the global financial crisis.
### Table 1: Pattern and Growth of Tourists’ Arrival in Goa: 1981-2010

<table>
<thead>
<tr>
<th>Year Growth</th>
<th>Domestic Annual Growth (’000)</th>
<th>Foreign Annual Growth (’000)</th>
<th>Total Tourists (’000)</th>
<th>Domestic Share of Total Tourists (%)</th>
<th>Foreign Share of Total Tourists (%)</th>
<th>Annual Growth Tourists of Total (’000)</th>
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<tr>
<td>1981</td>
<td>410</td>
<td>29</td>
<td>439</td>
<td>93.3</td>
<td>6.7</td>
<td>9</td>
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<td>449</td>
<td>28</td>
<td>477</td>
<td>94.1</td>
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<td>12</td>
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<tr>
<td>1985</td>
<td>683</td>
<td>93</td>
<td>775</td>
<td>88</td>
<td>12.3</td>
<td>14</td>
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<tr>
<td>1990</td>
<td>777</td>
<td>104</td>
<td>881</td>
<td>88.2</td>
<td>11.8</td>
<td>0.8</td>
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<tr>
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<td>757</td>
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<td>9.4</td>
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<td>1.2</td>
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<td>1191</td>
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<td>77.6</td>
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<td>2.6</td>
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<td>77</td>
<td>23</td>
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<tr>
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<td>1380</td>
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<td>14.7</td>
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<td>272</td>
<td>1597</td>
<td>83</td>
<td>17</td>
<td>18.3</td>
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<tr>
<td>2003</td>
<td>1725</td>
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<td>2039</td>
<td>84.6</td>
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<td>30.2</td>
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<td>2449</td>
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<td>20.9</td>
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<td>85.4</td>
<td>14.6</td>
<td>-5.8</td>
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<tr>
<td>2006</td>
<td>2099</td>
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<td>2479</td>
<td>84.7</td>
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<td>6.8</td>
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<td>2007</td>
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<td>388</td>
<td>2597</td>
<td>85.1</td>
<td>14.9</td>
<td>5.2</td>
</tr>
<tr>
<td>2008</td>
<td>2020</td>
<td>351</td>
<td>2371</td>
<td>85.2</td>
<td>14.8</td>
<td>-8.6</td>
</tr>
<tr>
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<td>2127</td>
<td>376</td>
<td>2503</td>
<td>85.0</td>
<td>15.0</td>
<td>5.3</td>
</tr>
<tr>
<td>2010(P)</td>
<td>2201</td>
<td>441</td>
<td>2642</td>
<td>83.3</td>
<td>16.7</td>
<td>3.5</td>
</tr>
</tbody>
</table>

**Notes:**
(i) Annual growth has been estimated based on the figures of previous year and current year.
(ii) Total tourists visiting the state may not necessarily reflect the true picture as the available figures do not take into account data loss of 15 to 30 per cent of the total tourists who stay with the relatives and friends/paying guest.


It is interesting to learn that Goa has succeeded in attracting tourists from around 30 countries in the world. An analysis of the composition of foreign tourists in 2010 shows a relatively large proportion (35 per cent) from the United Kingdom followed by Russia.
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(13.06 per cent), Germany (7.22 per cent) and Finland (5.74 per cent). In other words, around 50 per cent of the total international tourists come from two countries (UK and Russia) and around 75 per cent of the totals are from 9 countries including France, Switzerland, Sweden, U.S.A and Australia (Chart 4). However, over the years the percentage share of U.K economy in the total has come down. For instance, the percentage share of the tourists from the U.K in total foreign tourists was close to 60 per cent in 1996 but after a decade (in 2006) it has come down to around 40 per cent with a further decline to a 35 per cent in 2010. However, over the years there has been an increase in the number tourists from other European countries. The increasing number of tourists from the U.K can be due to the initiative taken by the stakeholders to woo the tourists. A number of charter flights operate between Goa and the U.K and thereby facilitates tourists’ travel. As part of the promotional activities of the government, the state govt. representatives put up a stall in the tourism meet organized in the U.K. Besides, the tourists would like to get away from the cold winters to enjoy the pleasant warmed climate in Goa. Absence of a language barrier and the Goan cuisine also attract tourists to the State.

Section II

What drives growth in Tourism Sector?

India’s tourism sector is experiencing robust growth, primarily driven by the growing Indian middle class, growth in high spending foreign tourists, and coordinated efforts made by both the Union and state governments to promote tourism sector through ‘Incredible India’ campaign. Growth of urbanization, change in life style, increase in ownership of cars (which is making domestic tourism more attractive), provision of Leave Travel Concession (LTC) and development of transport system with developed alternative modes of transport to tourist centers also contribute to the growth of this sector. Goa is not an exception in this direction.

But why do tourists include Goa on their priority list? To answer the question, there is a need to look into the evolution of tourism sector, factors contributed to the growth of this sector with a focus on key differentiators especially the tourism products offered by the

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7 In comparison to the national average, the share of English speaking people in the total population is higher in Goa.
8 This is not shown in the graph.
state. The growth of tourism sector depends on growth of the economy, tourism products offered by the destination manager, provision of different modes of travel, basic infrastructure, climate, tariff structure in the hotel industry, availability of rooms in different categories of hotels, safety and security, and behavior of the local community. The present section is devoted to address some of these issues.

Goa is considered as one of the major tourist destinations partly because of the provision of ample scope for fun in this destination. The state is well known for its sun, sand and surf. The state is blessed with scenic beauty, abundant greenery, attractive beaches, rivers, hills, numerous waterways, monuments and waterfalls which attracts the tourists to the state (CII: 2008). A predominant 43 per cent of its land area is forest cover and hence the surrounding environment is close to the nature which in itself is an important tourist attraction.

A peep into the history reveals that major growth of tourism sector was noticed during the 1980s. The Tourism Development Corporation was set up in 1982 to provide infrastructure and promote tourism. The initiatives taken by tourism department were supplemented by growth of domestic and international flights to Goa.

The aviation sector in the country is one the most dynamic and fastest growing sectors in the world. A somewhat similar trend is noticed in Goa. The only airport in Goa, popularly known as Dabolim International Airport, is under the control of Indian Navy. This caters to the Domestic and the international Charter flights operating to Goa during the season as well as the commercial flights operating throughout the year. Of late, it handles about one-eighth of the tourist traffic of Mumbai. In passengers’ satisfaction index, the airport has been considered as one of the best airports in the country. The airport is ISO 9001-2000 certified.

There has been substantial improvement in growth of passenger movements at Dabolim airport. The number of passengers traveled by air went up by about 3 times (from 7 lakhs to 22 lakhs) in a decade (1996-97 to 2006-07) with further rise in the recent years. It is during 2003-07 when passenger’s growth witnessed a substantial improvement—a rise from 8.5 lakh to 22.13 lakh. This is noticed partly because of growth of civil aircraft movement—a rise from about 7,000 in 2001 to 20,157 in 2006-07 (Chart 5).

![Chart 5: Flight Movements in Dabolim Airport (Goa)](image)

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9 The airport has been awarded 78 points in January-June 2007.
As regards foreign tourists are concerned, the tourism sector got a boost in 1985-86 when German Airline Condor operated 24 flights and brought 3,568 passengers directly from Frankfurt. But during the 1990s, there was tremendous growth in Charter flights - a rise by about ten times (from 41 to 405 during 1990-91 to 1999-2000). It is interesting to learn that a substantial increase in the number of charter flights was noticed during the last 6 years (2004-05 to 2010-11) as it remains between 600-700. On account of increase in charter flights, the number of passengers arrived in Goa is 1.37 lakh in 2009-10 implying more than 50 per cent foreign tourists travelled by charter flights.

One of the crude indicators that is often used to measure the growth of an economy and tourism sector is the growth of per capita income. The per capita income at factor cost constant prices witnessed a consistent rising trend during the last 6 years as it went up from Rs 88,424 in 2004-05 to Rs 1, 16, 287 in 2009-10(A). The annual growth of per capita income varies between 4.5 per cent to 9.2 per cent during the said period barring 2006-08. The decline in growth of SDP to 2.2 per cent during 2006-08 was partly on account of global financial crisis.

The destination also provides different tourism products including health care tourism, water sports, adventure, nature and wildlife tourism, recreation and leisure tourism, pilgrimage tourism and so on so forth. On account of long waiting period for medical checkup and expensive medical treatment, tourists from different parts of the globe prefer to visit Goa.

To accommodate more tourists, a reasonable quantum of infrastructure in terms of hotel beds of all grades from 5 star deluxe to sleeper paying guest accommodation has been built up. The number of hotels in Goa hovers around 2,500 including 83 star hotels (having provision of 6,100 rooms). In addition, paying guest houses provide 22,500 rooms with provision of 42,145 beds. No doubt, with the growth in tourists’ arrival, this capacity is reaching a point of saturation but can be increased substantially to accommodate a larger tourist activity.

The promotional activities including ‘Go Goa 365 days’ campaign and organization of various events (International Film fare and Carnival festival) across seasons to showcase tourism products offered by the state also contributed to the growth of this sector. In the context, recently organized Goa International Tourism Mart (GITM) deserves special mention. The theme of the event was ‘Unearth the Hidden Treasure of Goa’. This event was designed to showcase Goa beyond its beaches and take tourists to the hinterland, its cuisine, culture, adventure and other such aspects.

Added to this, people are hospitable to tourists and not hostile to them. Special Goan cuisine also attracts tourists from different parts of the country.

Section III

Issues of Concern

It is often argued that tourism can provide employment benefits through the multiplier effect, contribute to foreign exchange reserves and enable percolation of economic benefits to least developed areas (Routledge: 2000). Keeping some of the above said objectives in mind, efforts have been made to promote tourism sector in the country especially in Goa during the last couple of decades. But many developing countries have expressed apprehension about the benefit of the tourism sector especially the non-economic effects including loss of autonomy (Diamond: 1977). For instance, promotion of mass tourism can have ‘corrupting’ influence on the resident population. Over concentrated building and congestion in favoured locations can destroy the beauty of the destination.
Undoubtedly, there has been a phenomenal growth in tourism sector in Goa during the last one decade. But this does not necessarily make the state complacent about its achievement and guarantee future growth as this depends on a number of factors including the type of tourist the destination manager is willing to attract, spending pattern of the tourists, number of tourism products offered, tariff structure in the hotel industry, pricing policy adopted for offering different tourism products including healthcare, provision of quality airport, improvement in quality of roads and so on and so forth. In other words, a proportionately large proportion of the budget tourists in the entire floating population cannot generate the amount of revenue required to meet the expenditure needs of the govt. This is gaining importance as the economy is likely to depend on this sector much more in the near future primarily because of slow growth in agriculture, saturation of the carrying capacity and expected diminishing role of the mining sector in both revenue generation and employment growth. If the goal is to attract quality tourists especially the high end tourists then efforts need to be made to understand what they expect from the destination manager. Accordingly, the destination manager needs to design the tourism policy with a focus on provision of basic infrastructure, tourism products, provision of ample scope to spend money, safety and security, and freedom to enjoy and relax in the sea beach. For instance, in Thailand especially in Pattaya, the local tour operators ensure that tourists get an opportunity to enjoy parasailing followed by underwater sea walk and banana boat. They take the tourists from one place to another after completion of the event and motivate them to consume the product. For this, the tourists need to spend a hefty amount. However, the tourist suffering from water phobia can go for shopping and contribute to the GDP of the country.

Basic Infrastructure

Growth of tourism sector necessitates provision of quality infrastructure on par with some of the tourist destinations in the developed countries. This can be tourist (say transportation) in nature and vary with the type of tourism envisaged. Again, the requirements for tourism infrastructure need not be uniform across places but needs to be purpose specific and meet the requirement of both the tourists and local people. In this context, the destination manager needs to focus on roads and highways, water supply, sewage, drainage, power supply and so on and so forth.

It is obvious that tourists expect the transportation system to be comfortable, fast and reliable. And this can facilitate covering maximum number of tourist destinations in a short time span with assurance of safe and comfortable travel. Any scope for bad experience can have severe ramifications especially in the long run as the tourists may not turn up like any other ordinary commuter.

On account of massive inflow of tourists in the recent past, the existing poorly maintained narrow roads have been congested. This poses a major constraint for the tourists to enjoy the beauty of the state by moving to different tourist attractions in a short time span.

As regards international airport, there is ample scope to improve the quality of existing infrastructure. The international tourists and, to some extent, the domestic tourists get an impression about the state economy once they arrive at the airport. Accepting that ‘first impression lasts long’, the state cannot afford to ignore the quality of existing infrastructure at the airport as the economy is likely to be driven by the tourism sector.

On account of massive growth in tourist traffic during the last few years, the existing facilities have almost got saturated. In this context, provision of adequate number of check-in counters, conveyor facility, and expansion of the existing facilities to cope-up with the traffic demand for the next one decade need urgent attention. In fact, the pressing need for airport infrastructure necessitated launching of modernization and Greenfield projects. In 2006, Airport Authority of India (AAI) decided to modernize 35 non-metro
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airports including Dabolim airport in Goa. This is in addition to proposed second airport in North Goa (MOPA airport). The airport will be built on Public-Private partnership and build-own-operate transfer basis (BOOT). As of now, the land acquisition is underway; private developer is yet to be selected. This is reported to have received Central Govt. approval although it contravenes the norm that there shall not be two airports within 250 km of each other. Therefore, it is essential to implement the plans approved for Dabolim airport till the second airport is in operation.

The tourists visiting the state should have the choice to opt for either public transport or private transport to arrive at the destination from the airport. But absence of different modes of public transport system compelled majority of them to travel by Taxi especially in the night. In the absence of both choice of transport and provision of accommodation facility adjacent to the airport, the passengers are compelled to pay exorbitant fares to the taxi owners.

Socio-economic and Environmental Issues

Adoption of aggressive approach to attract tourists can boomerang the state economy. This is precisely because tourist development can necessitate marginalization of the needs of the local population (Routledge: 2000). The local population can lose control over their land and sea and may not benefit a lot from tourist trade. Added to this, growth of this sector brings increased levels of crime, drug abuse among local communities and manipulation of cultural traditions.

As regards Goa, there are instances of drug abuse, prostitution and sexual activity with the children. To combat it, the state has enacted special laws against child sex abuse (Goa Children Act 2003) with fine and jail terms. But to abolish it from the grass root level there is an urgent need for effective implementation of the law.\(^\text{10}\)

The tourism sector in nexus with the politicians has explored the scope of making more Goan’s hinterland available to the foreign tourists (Frederick: 1997). In this context, conversion of agricultural land in calanguate (a popularly known fishing village) and growth of real estate can be taken into account.

There are also instances of drugs sold at rave and trance parties organized in the north Goa beach belt comprising of Anjuna, Vagator, Baga, Calangute, Morjim and Ashvem beaches. For instance, the Anit-Narcotics cell of Goa police arrested a person, seized charas and LSD tablets worth Rs 1.5 lakh from Anjuna in October 2007 (The Navahind Times, Oct 25, 2007). In spite of police crackdown these problems continued to be unabated.

The persistence of negative externalities of tourism, namely, drug addiction, flesh trade, rape and murder has raised apprehension about law and order situation in the state. This issue of safety and security of the tourists became an important issue with the rape and murder of a British teenager ‘Scarlette Eden Keeling’ in March 2008.

Section IV

Concluding Remarks

To sum up, the performance of the tourism sector during the last one decade is quite promising. Kudos to the stakeholders for maintain the brand image by showcasing the product in different parts of the world. Given the tourist friendly English speaking people of Goa, there is ample scope to improve the growth of this sector. It is high time the state

\(^{10}\) The person convicted has to pay Rs 100,000 with imprisonment for one to three years for sexual assault and incest. One has to pay Rs 200,000 with seven to 10 years jail in case of grave sexual assault.
needs to understand the need and expectations of the tourists and accordingly offer the tourism products that cater to their needs. This is critical as the preferred consumption basket need not be the same for budget tourists and high-end tourists. This is also true for domestic and foreign tourists. And this necessitates diversification of tourism products and improvement in both the quality of the existing products and services offered. In this context, a shift from beach tourism to promotion of adventure tourism, water sports and health care tourism deserve due attention. Apart from offering different tourism products, efforts have to be made to ensure longer stay and frequent visit of the tourists. For this purpose, the state needs to explore the possibility of introducing quality bus services in the state. Added to this, the state needs to offer avenues to spend money especially by setting up shopping malls and shopping complex in various cities.

Empirical evidence reveals relatively higher growth in tourists’ arrival in the last one decade as compared to the previous decades. But this does not put the state in the comfort zone as volatility and slowdown in growth momentum are looming large. This becomes critical as the growth of economy is primarily driven by the tourism sector. In other words, given the low geographical area and poor quality basic infrastructure, sustaining growth momentum in the long run will be a major challenge for the destination managers. This becomes more important when the focus is on ‘eco-tourism’, i.e, the travelers themselves have a special responsibility in sustaining the places they visit. And this justifies the need to take a decision about the type of tourists the state is willing to attract (budget tourist or high end tourists and domestic or foreign tourists). If the state is keen to attract quality tourist then there is a need to evaluate the quality of basic infrastructure. Given the only airport in the state, an attempt to sustain growth momentum necessitates improvement in the existing facilities as the latter is totally saturated on account of growth of tourist traffic. In addition, the provision of multi-mode transport system facility to connect the airport can be emphasized so as to attract the tourists. The improvement in the quality of infrastructure requires huge investment which the state government alone cannot fulfill. With the growth of capital expenditure there can be rise in fiscal deficit. This can pose a constraint in achieving the fiscal deficit target stipulated by the Fiscal Responsibility Act. Therefore, it is rational to go for Public-Private Partnership to develop the infrastructure. This needs to be achieved along with effective reduction in the incidence of prostitution, pedophilia and drug addiction.
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References


