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SUSTAINABLE TOURISM IN INDIA – CHALLENGES AND WAY FORWARD

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**Birla Institute of Management Technology
PHD Chamber of Commerce**

FOCUS GROUP REPORT



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PHD CHAMBER
OF COMMERCE AND INDUSTRY

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FOCUS GROUP AIM

Birla Institute of Management Technology (BIMTECH) and the PHD Chamber of Commerce and Industry (PHDCCI) jointly organized a virtual focus group discussion with highly eminent policymakers, industry leaders, tour operators, and academics in the domain of the tourism and sustainable tourism sector. The purpose of this session was to map the growth in the sustainable tourism sector in India, identify the need-gap, and constraints, and receive expert opinions on policy issues from the field of sustainable tourism and its impact on society and the national economy of India.

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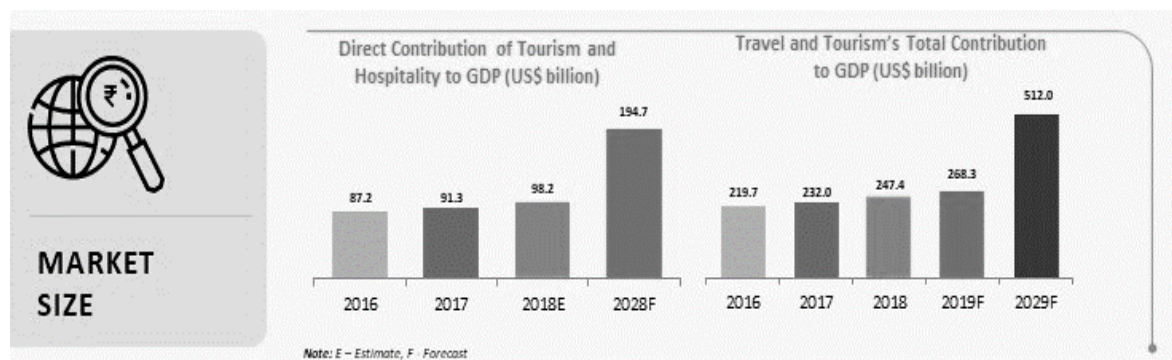


INTRODUCTION

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth in the services sector in India. The tourism industry in the country has great significance considering the rich cultural and historical heritage, variety in ecology, terrains, and places of natural beauty spread across the country.

Tourism is a big economy vertical and also a large employer besides being a significant source of forex for the country. In FY20, 39 million jobs were created in the tourism sector in India; this accounted for 8.0% of the total employment in the country. The number is expected to rise to 53 million jobs by 2028.

According to WTTC, India ranked 10th among 185 countries in terms of travel & tourism's total contribution to GDP in 2019. In 2019, the contribution of travel & tourism to GDP was 6.8% of the total economy, INR 13,68,100 crores (US\$ 194.30 billion).



This year the Tourism Industry in India is forecasted to book a revenue loss to the tune of Rs 1.25 trillion owing to the shutdown of hotels, suspension of railway, road, and flight operations since the onset, and rampant spread of the virus infection.

This makes a better case for Sustainable Tourism Industry in the country not only for international tourism space but also for domestic tourism.

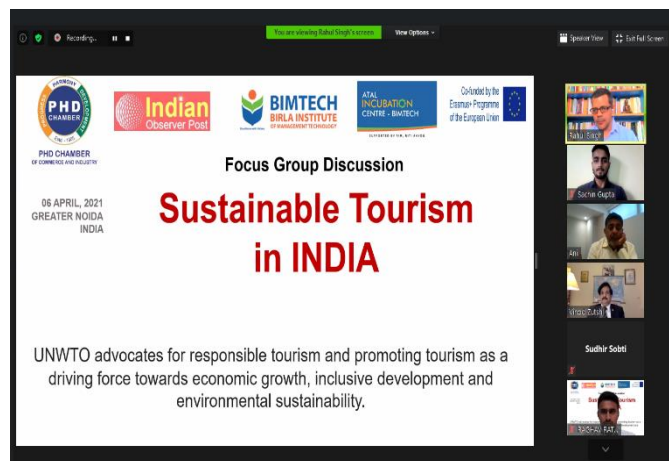
The increment of tourism has given both positive outputs, such as generating employment opportunities, income, and rural and urban development, and many negative outputs. Important aspects of the negative side of tourism include pollution, cultural disruption, and new values and belief systems. This will

The lack of professional approaches in tourism at the regional level, awareness about best practices, capacity for promoting sustainable tourism, and a lack of trained and qualified human resources also present a significant issue.

There is also an urgent need to focus on a policy structural framework for sustainable tourism in India even though the government is trying its best to promote it. There are central government plans and state-level specific plans too, it is critical to synergize the systems and stakeholders for the optimized outcome and a branded positioning.

It is a task that requires a high level of quality and ethical action in terms of human resources, structure, and a long-term symbolic vision. To ensure sustainability and the survival of cultural and environmental elements, structures and actions in tourism must be driven towards a more sustainable approach.

The joint focus group was held on April 6th, 2021, and was conducted by the Birla Institute of Management Technology as part of the joint project on Sustainable Tourism in collaboration with the PHD Chamber of Commerce.



The discussion was designed to provide a platform to discuss the topics of sustainable tourism within the Indian context, identify the need-gap within the sector, and derive expert opinions on policy issues as well as possible future implementations to enhance sustainability within the tourism sector in India.

To understand the practical aspects of the industry and specific issues in the sustainable tourism domain, the following questions were presented for discussion:

- Status-quo mapping of the sustainable tourism industry and analysis of the status of sustainable tourism efforts in India.
- Map the gaps and challenges in the industry verticals
- Suggestions and way forward to position Sustainable Tourism as a brand and high-growth industry

CENTER OF EXCELLENCE IN SUSTAINABLE TOURISM

CESTour is a three-year research project forming part of the Erasmus+ Capacity Building in Higher Education initiative. It aims to build the concept of sustainable tourism on a regional and national level in India and other countries like Sri Lanka and Nepal. The European partner countries are covered by one university each which is FH Joanneum from Austria, IULM University in Italy, and the University of Alicante in Spain. India is represented by BIMTECH, which is the leading partner for Work-Package one, Nirma University, and the Institute of Public Enterprise. From Sri Lanka, Sabaragamuwa and Uva Wellassa will be involved. Nepal is covered by Tribhuvan University as a leading partner and the Global College International.

Throughout the project, opportunities will be presented to generate action plans to protect the natural environment, continue generational income from tourism, improve fairness income distribution, and improve the cooperation of Higher Education Institutions with enterprises and corporations. Through CESTour, educational quality and awareness in the tourism sector will be increased. The project targets students, faculty members, and teachers as well as institutions working in tourism and travel associations, and governmental agencies involved in tourism.

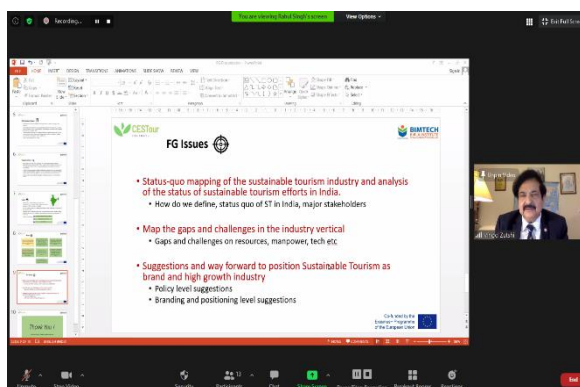
The goal of CESTour is to analyze the current status of the tourism industry and to identify ongoing efforts in the field. Experts will be formed in capacity building on sustainable tourism through attractive training creation and implementation. The participants act as multipliers for the knowledge gained through this capacity-building training. Technical development, implementation, and operation of centers of excellence for sustainable tourism. In addition to that, co-operations of the HEIs and companies, among all partner institutions, is an important goal of the project.

FOCUS GROUP DISCUSSIONS

To understand the practical aspects of the industry and specific issues in the sustainable tourism domain, the research proposed to organize a Focus Group discussion of Experts and leaders in the domain. The objective of the FG is

- Status-quo mapping of the sustainable tourism industry and analysis of the status of sustainable tourism efforts in India.
- Map the gaps and challenges in the industry verticals
- Suggestions and way forward to position Sustainable Tourism as a brand and high-growth industry

The inputs of the Focus Group by the experts will form the basis of the national reports on 'Status Quo and Way Forward for Sustainable Tourism'. The report will serve as a reference for the entire development and implementation of the project. It builds the basis for projecting the industry presenting the status report, and as training and material development and activities to be conducted during the operation of centers of excellence.

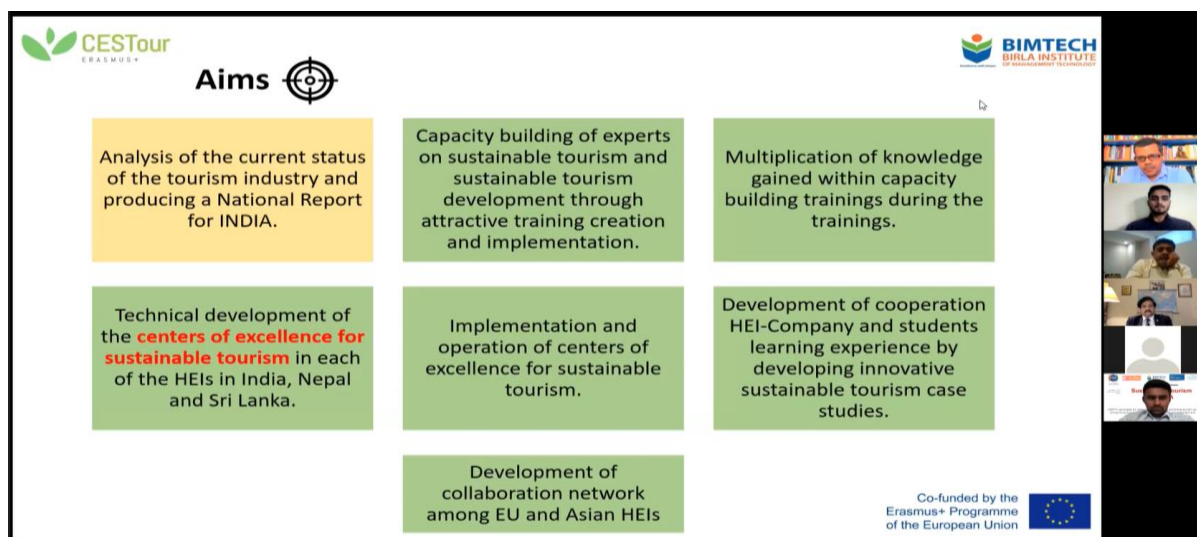


The first phase of research is to understand the status quo of the sustainable tourism sector and the challenges the industry faces. However, academic literature offers little information on recent developments and practices. Therefore, connecting with experienced experts in the industry is essential to the success of the program.

DESIGN OF THE FOCUS GROUP

The focus group discussion engagement was for about 120 minutes with experts. The session presented the following flow –

- Presentation of purpose and data privacy submissions
- Presentation of the theme of research
- Discuss the topic



The main thematic areas, for reference, are the following:

Discussion 1: Conceptual

The conceptual and market context within which sustainable tourism is defined, developed in India, and reacts to three dominant paradigms: economic development, a community vision, and a sustainability vision.

Discussion 2: SWOT (Strength, Weakness, Opportunity, and Threat)

SWOT analysis to identify actors of the market, organizations, customers, and community, the value of tourism (economically, socially, politically, culturally, environmentally)

Discussion 3: Stakeholders

Who are the major stakeholders, their responsibility, and how we can measure their influence and impact on the sustainable tourism ecosystem?

Discussion 4: Gaps and challenges

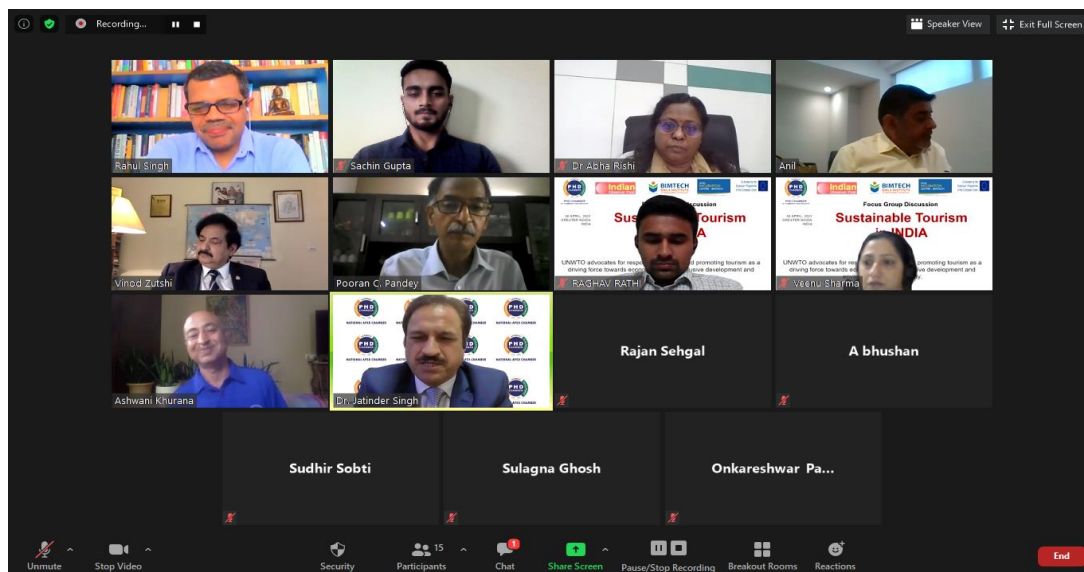
Need Gap assessment - Identifies the Factors - including the supporting mechanisms (policies, strategies, and approaches) as well as the major challenges. What are common challenges faced when putting forward sustainable tourism initiatives?

Discussion 5: Suggestions and Way Forward

Some constructive suggestions in policy, practices, and positioning, what are the other Way Forward initiatives and practices?

PARTICIPANTS

The discussion was moderated by *Prof. Rahul Singh*, Professor at BIMTECH and National Lead of the research jointly with *Dr. Jatinder Singh*, Assistant Secretary General, PHDCCI New Delhi.

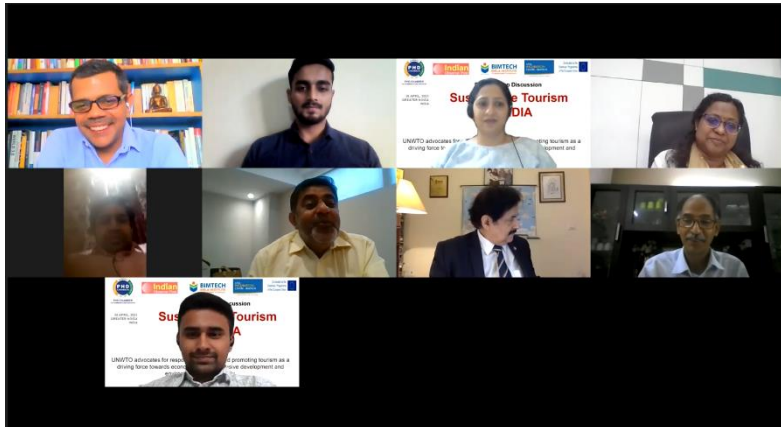


The panel experts included *Mr. Vinod Zutshi*, Former Secretary- Tourism, Government of India; *Mr. Anil Parashar*, Chairman- Tourism Committee, PHDCCI and President Interglobe Technology Quotient; *Mr. Rajan Sehgal*, Co-Chairman- Tourism Committee, PHDCCI and Chairman, TAAI-NR (Travel Agents Association of India), President, IGTA; *Mr. Nasir Zaidi*, Partner, Pacific Travels; *Mr. Ashwani Khurana*, President, Karma Lakelands; *Ms. Sulagna Ghosh*, Deputy Secretary, PHDCCI, *Mr. P C Pandey*, Board of Trustees, UN World Food Programme Trust and Resident Representative, Climate Scorecard, USA; *Mr. Sudhit Sobti*, Jt. Secretary- North Zone, Delhi Tourism; *Mr. Amlan Bhushan*, CEO, Bhushan Consulting; *Mr. Onkareshwar Pandey*, Editor in Chief, Indian Observer Post; *Dr. Abha Rishi*, Associate Professor BIMTECH and CEO Atal Incubation Centre; and *Dr. Veenu Sharma*, Assistant Professor BIMTECH.

DISCUSSION OUTCOMES

The discussion was opened with a brief introduction of the topic at hand by the moderator, Prof. Rahul Singh, who set the panel into motion by presenting the key question of the discussion. The first points are raised by Dr. Zutshi who speaks in detail about India's ongoing relationship with sustainable tourism. Dr. Zutshi observed how sustainability within the tourism sector has always been a part of the National Development Strategy and 'sustainability' was even the guiding force behind India's 2002 National Tourism Policy.

The experts believe that implementation is a bigger challenge than the formation of the plans and policies for sustainability in tourism.



Since 2002, the national tourism policy has been driven by the guiding force of sustainability but it has not been well executed at the grassroots. India has not been able to emerge as a preserved tourist destination and a mindset for robust initiatives has been missing till now but there are

possibilities that the government will soon introduce a nationwide plan which will make sustainable tourism a key part of national development. The promotion of eco-friendly transport has been one of the major steps in the last five years but it still demands a lot more to be done.

In recent years, there has been significant growth in the contribution of the tourism industry towards economic and social development, especially in developing nations like India where it confers over 7% of GDP annually. The European Union, other international bodies, and governments have also been actively identifying and implementing interventions in sustainable tourism.

Despite the continuous efforts from the bodies at national and international levels, there are several challenges and disparities at the stakeholders' end whether it is Policy, Demand, or Supply-side. This creates a threat to the overall implementation of the plans and policies which further creates a demand to perform an analysis to understand the gaps and develop priorities.

As tourism remains one of the key determinants for the country's further growth and development, the need for it to be promoted as a major part of the research that could yield more awareness and responsibility among citizens grows. For a concrete action plan to be created toward a sustainable future in India, the available resources need to be put together to identify the loose ends first and foremost.

Mr. Anil Parashar, in his opening remarks, quoted that tourism contributes over 7% to the Indian GDP annually and plays a key role in income generation, livelihood, and national development. He mentioned that tourism has not been considered a sector of professional education. Thus, efforts being made in the direction of sustainable tourism require more attention in terms of both policy and practice for a long-term impact.

It was noted that India is not seen as a highly targeted tourism destination. Due to the rising concerns around sustainable tourism within global tourist communities, safe and responsible tourism with prioritization of the right blend of marketing is necessary going forward. In this vein, the examples of some successful cases of Switzerland's tourism policy were also discussed to develop the infrastructure as well as capacity building. And it was also shared that how Kerala continues to stay ahead as a leader by

implementing sustainable measures in the key touch points of a tourist, other regions in the country need to quickly gear up with their vision and efforts as well.

Training and capacity building needs to be at the forefront to ensure that stakeholders at each level are updated with the recent trends and focus on long-term competitiveness. One major aspect which contributes to this gap is that tourism is not treated as a major part of the study in India which makes it difficult for the stakeholders to identify the key issues and ways to deal with them. This further leads to exploitation and irresponsible consumption of the natural resources available within the country.

Dr. Zutshi mentioned that the time has now come to transform our tourist destinations into world-class physical experiences, making India one of the most sought destinations for sustainable and responsible tourism.

RECOMMENDATIONS

Near the end of the session, the discussion turned to what steps could be taken in the future to advance towards our goal of achieving sustainability in the tourism sector. It was laid out that the way forward for India required all the stakeholders including the government, trade associations, academicians, and the community to come together and join hands in the phase of planning and implementation.

Sustaining the environment, social & cultural behavior of mankind, and the tourism economy defined the need for promoting sustainable tourism in the nation. Key issues faced by the industry such as overconsumption, footfall above optimal level, poor environmental sustainability, fractured supply chain, unawareness of community, demand-supply shrink in COVID with numerous others also need to be addressed by creating shock absorbers, contingency plans to face compliance and disruptions in execution.

Annual sustainability report for all 3 stars and above hotels, setting a benchmark for carrying capacity, optimally utilizing electricity and water, increasing accessibility to hotels, flights, and technology, focusing on branding and promotion of destinations, and alignment of all the stakeholders in the customer journey were some other key suggestions made by the panel of experts in the discussion.

Tourism is, at the end of the day, social activity, and therefore with responsible behavior in all spheres of life, a good policy framework, supporting the tourism industry and, of course, the lessons learned from the Covid19 pandemic, India will certainly achieve the parameters of sustainable tourism and SDGs framed by the United Nation.

Tourism development and management are facing various sustainability-related challenges for policy-makers and planners. A wider societal transformation is required to bring a desirable change

- Stakeholder participation and empowerment are important elements for supporting change in current practices and for enhancing the ability of communities to manage and respond to both planned changes and too unpredictable circumstances.



- Preserving the three pillars of sustainability-economic, social, and environmental in their original form, and making them accessible to domestic and international travelers, together with safeguarding the economic interest and heritage of local communities.
- Governance of tourism, from promotion to governance, from the generation of data to the generation of shared knowledge to facilitate management and moving from managing tourists to managing visitors.

India is also a top contributor to tourism at a global level which makes it even more important for it to set a benchmark. The discussion led to some valuable inputs in regards to the current and prospects, one of which is through making domestic tourism sustainable, India can achieve great heights at a global stratum. Annual sustainability report for all 3 stars and above hotels, setting a benchmark for carrying capacity, optimally utilizing electricity and water, increasing accessibility to hotels, flights, and technology, focusing on branding and promotion of destinations, and alignment of all the stakeholders in the customer journey were some other key suggestions made by the panel of experts in the discussion.
