

Tourism Service in India: A Model for Identifying Niche Tourism Products in View of Foreign Tourists

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Abstract *The Indian Government, has been initiating to identifying, diversifying, developing and promoting the 'Niche tourism products', namely Cruise, Adventure, Medical, Wellness, Golf, Polo, Meetings Incentives Conferences & Exhibitions (MICE), Eco-tourism, Film Tourism, etc. (Annual Report-2018 p. 9) to overcome 'seasonality' challenges, to attract foreign tourists throughout the year with specific interest. This study investigated the relationship between Niche tourism products and foreign tourists visit. A total of 159 foreign responses were collected using close-ended questionnaire. The data was examined with the help of Confirmatory Factor Analysis (CFA) and Structural Equation Modelling (SEM). The key findings reveal all niche tourism products have the significant impact on foreign tourists visit, except Golf, Polo, Meeting Incentives Conference & Exhibition tourism. Further, the study focussed on the position of the Tourism sector in India. Besides, results, discussions, policy implications and suggestions are also discussed.*

Keywords: *Tourism Service, Niche Tourism Product, Foreign Tourist, Cruise Tourism, Yoga Tourism*

INTRODUCTION

Service sector accounts for about two-thirds of GDP in the developing economies (Lovelock et al., 2007 p. 23). Service sector is an important sector which is contributing a lot in the developing economies like Egypt, Malaysia, India, Mexico, etc. Among different service sectors, Tourism sector stands one of the largest single sources of foreign-exchange earnings for many countries (Stephenson, 1999 p. 28). Tourism & Travel sector registered around 10.2% to World GDP and 9.6% to total employment in all over the world (Travel & Tourism Economic Impact in the World 2017 p. 2). Thus, tourism sector is one of the imperative service sectors and has the high capacity to play a decisive role in development of the country. In view of this; countries in the world have been initiating the development of tourism products/destinations for the attraction of tourist's especially foreign tourists. India is a beautiful tourist destination and its glorious tradition and cultural legacy are closely related to the development of tourism sector in India. The royal tradition, culture and historical gravestones attract many

numbers of tourists from all over the Globe (Krishnamenan, 2013 p. 7).

TOURISM SERVICE IN INDIA

In India, travel & tourism sector is the third-largest sector in respect of foreign exchange earnings and contributed 9.4% to total GDP in 2017. Foreign Tourist Arrivals is 10.18 million in 2017 with a growth of 15.6% over previous year. Foreign Exchange Earnings through Tourism is Rs.1,80,379 crores in 2017 with a growth of 17% over previous year. India occupied 13th rank in the International tourism receipts. During the years, 2017-18, this sector provided employment to 81.1 million people which was 12.38% of total employment. Tourism sector attracted around US\$ 11.39 billion of FDI's during 2000-2018 (DIIP-2018). The Ministry of Tourism has been initiating the development of tourism sector in India and boosting the tourism by providing infrastructure, easing of visa rules, promising of quality standards in tourism operator's service, promoting

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the tourism in sustainable manner etc. As a part of tourism promotional activities, the Ministry of Tourism releases tourism campaigns in the national and International markets under the Incredible India brand line (Annual Report, 2018 p. 5). In India, foreign tourists flow was at high in the 'winter season' only i.e. during November and January. Indian Government has taken the initiative to attract foreign tourists throughout the year by identifying, 'Niche Tourism products'.

WHAT IS NICHE TOURISM?

Niche marketing is a substitute marketing technique for mass marketing (Kotler, 2004). Niche Tourism is a process of identification, developing and promoting the tourism product keeping in view of needs of particular tourist or specific segment. Robinson and Novelli (2005) defined niche tourism is an important plan and it is an opposition to mass tourism which emphasis on a specific segment. It signifies variety and ways of marking variation to build up a destination. It offers higher-quality services to the tourists and is a plan that boosts antagonism and business opportunities.

NICHE TOURISM PRODUCTS IN INDIA

Niche tourism is a form of specialty tourism and has emerged as a contradictory to mass tourism (Kaufmann, 2015). Niche tourism products identification is a powerful task to the tourism organisations. In India, The Ministry of Tourism has identified the below niche tourism products to attract a particular segment in the tourism market.

Table 1

Sr. No.	Niche Tourism Products
1	Cruise
2	Adventure
3	Medical
4	Wellness
5	Golf
6	Polo
7	Meetings Incentives Conferences & Exhibitions
8	Eco-tourism
9	Film Tourism
10	Yoga tourism

Source: Tourism Ministry Annual Report-2018

LITERATURE STUDY

Sert (2017) concluded that tourism marketers have to think small rather than big. Instead of attracting all tourists, it

was right to attract a particular group of tourists or segment which gives profitable results to the tourism organisers. Jaykumar and Leena (2014) concluded that the Government of India has to recognise the Wine Tourism as niche tourism. The study also suggested that an ideal scenario is to set up wine kiosks e.g. at airports, government conventions to spread proper information and also to subsidize wine pricing to improve sales. Gheorghe (2014) concluded that the niche tourism was not developed in well in Romania, compared to other Europe Union countries. The author further suggested that Romania has to develop the cruise, fishing, eco-tourism and bird watching tourism which can attract flowers tourist of niche tourism. Ursache (2013) concluded that niche tourism markets, like wellness, gastronomic, and cultural tourism provide tangential areas the opportunity to capitalize their comparative advantages associated with the natural environments, cultural heritage, the role of local food in strengthening personal identify, legitimacy and enhancing sustainable growth. Nwafor (2012) concluded that the South Africa Government has to develop medical tourism in the country. Niche tourism concept is suitable to develop Medical tourism. Further, the author has suggested that the tourism authorities obviously recognize the needs and expectations of the medical tourists if they want to implement successful niche marketing strategies. Godfrey and Clarke (2000) concluded that the development of specific modified products at a destination level is seen to be a way of attracting high-end, high-yield tourists through an extremely personalised 'niche' service i.e. wellness holidays. Novelli (2005) suggested that tourism organisation has to put the concentration on Niche tourism products development to attract the new segment. Ali-Knight (2011) concluded that niche tourism products offer the destination an opportunity to differentiate and reposition themselves to a more distinct, lucrative market. Patino and Medina (2016) concluded that the tourism organizers have to shift into new era by introducing niche tourism products. Niche tourism product has a great opportunity to attract the new tourist. Further, the authors also concluded that the World Tourism growth highly depended on the niche tourism market.

Most of the authors carried out many studies on niche tourism products. Some of the studies focused on the need and importance of niche tourism. From the comprehensive literature review, it is observed that very few studies at international and national scenario covered the examination of the relation between various niche tourism products and tourists' inflow. Moreover, no study conducted on the identification of the Niche tourism products keeping in view of foreign tourists in India. Therefore, the study proposed the hypothetical model to test the relation between observed independent variables (Niche tourism products) and foreign tourists visit as shown in Fig. 1. The study examined the relation between niche tourism products and foreign tourist

inflow with the help of five niche tourism products as shown in Fig. 1.

STATEMENT OF THE PROBLEM

The development of particular customized products at a destination level attracts high-end, high-yield tourists, through an extremely personalised 'Niche Service' (Godfrey & Clarke, 2000). Hence, identifying niche tourism products is an important factor to attract new tourists.

To overcome, 'seasonality' challenges, and attracting foreign tourists with specific interest, to ensure repeat visits in tourism sector and to promote India, as a 365 days destination, the Ministry of Tourism has taken the initiative of identifying, diversifying, developing and promoting Niche tourism products of the country like Cruise, Adventure, Medical, Wellness, Golf, Polo, Meetings Incentives Conferences & Exhibitions (MICE), Eco-tourism, Film Tourism, etc. (Annual Report-2018 p. 9). Therefore, the present study is an attempt to identify the Niche tourism products which is preferred by the foreign tourists to travel into India and communicate the results to the concern department for the development and promotion of Niche tourism products.

OBJECTIVES OF THE STUDY

- To present an overview of the tourism service sector in India.
- To identify the Indian Niche tourism products keeping in view of foreign tourists.

SCOPE OF THE STUDY

The present study is restricted to present the overview of the tourism service in India. Further, it is extended to identify the Niche tourism products for the attraction of foreign tourists into India.

LIMITATION OF THE STUDY

The study is limited to identify the preferable Niche tourism products keeping in view of foreign tourists only.

METHODOLOGY AND MEASUREMENT

The study used here is the primary and secondary data. Primary data is collected from the foreign tourists/travel

agents who have visited the 'Wold Cultural Summit' organized by National Institute of Tourism and Hospitality Management (NITHM) in the month of January 2019 and Kite Festival organized by Telangana Tourism Department, Hyderabad using a self administered questionnaire. The study adopted the 'Purposive sampling technique' to select the simple and the total sample size is 159 respondents. The most suitable test for examining the reliability and consistency is Cronbach's alpha reliability coefficient and item to total correlation. The reliability test result of the instrument at the pilot study stage of this study secure Cronbach alpha value as 0.725 with 16 items which indicates acceptable reliability and consistency as it is above the threshold value of 0.60 (Nunnally, 1978). The Secondary data is collected from Ministry of Tourism Annual Report-2017-18.

The present study categorised entire 10 niche tourism products which are identified by the Indian government into five dimensions with sub-variables (see Table 2). The proposed model of the research frame wok is shown in Fig. 1. This framework shows the hypothesized relation between identified dimensions.

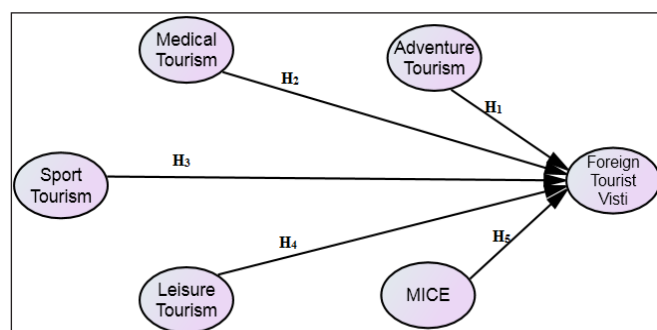


Fig. 1: Proposed Research Model of the Study

Based on the above innovative model, the researcher is formulated the following alternative hypothesis.

Hypotheses

- *H₁: Adventure niche tourism product has a positive impact on foreign tourists visit.*
- *H₂: Medical niche tourism product has a positive impact on foreign tourists visit.*
- *H₃: Sport niche tourism product has a positive impact on foreign tourists visit.*
- *H₄: Leisure niche tourism product has a positive impact on foreign tourists visit.*
- *H₅: MICE niche tourism product has a positive impact on foreign tourists visit.*

Table 2

Dimensions	Sub-Variable
Adventure Tourism	AT1. I enjoy the visiting of Adventure destinations
	AT 2. I prefer to travel the Adventure destinations in India
	AT 3. Adventure tourism attracts more foreign travellers
Medical Tourism	MT1. I feel India is a best destination for Medical tourism
	MT2. I feel India is a best destination for Wellness tourism
	MT3. I Prefer to travel India for Yoga
	MT4 I travel to India for Medical treatment
Spots Tourism	ST1 I feel India is a best destination for Golf tourism
	ST2 I feel India is a best destination for Polo tourism
	ST3 I Prefer to travel India for Sports
Leisure Tourism	LT1 I prefer to visit Cruise destinations in India
	LT 2 I prefer to visit Eco-tourist destinations in India
	LT3 I feel India is a best destination for Film tourism
Meetings Incentives Conferences & Exhibitions (MICE) Tourism	MIC1. I feel India is a best destination for conducting Meetings
	MIC2. I feel India is a best destination for conducting Conferences
	MIC3. I feel India is a best destination for conducting Exhibitions

Source: Based on questionnaire execution

CONFORMATORY FACTOR ANALYSIS

Confirmatory factor analysis by means of liner structural equation model (SEM) was utilized to analyse the factors structure of the questionnaire as it is suggested by Doef and Maes (1999). The main point in using SEM is to find out the extent to which the model is ‘fit’ or effectively represents the sample data (Byrne, 2000). Confirmatory analysis for the assessment of validity of the survey instruments was analyzed with the help of AMOS version 20. The model fit indices results and suggested values are shown in below Table 3.

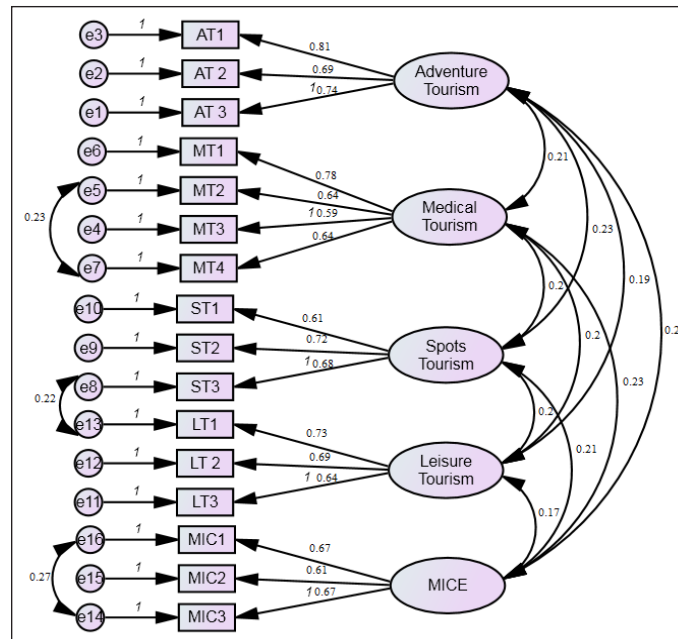
To perform combined Confirmatory Factor Analysis (CFA) on all the measuring factors, the study used the AMOS software. The CFA which is executed with the help of AMOS software is presented in Fig. 2. The Confirmatory Factor Analysis is measured on the basis of fit measures suggested by diverse scholars (Byrne, 2010; Hair et al., 2010; Kline, 2011). The CFA measurement model significant results were shown in above Table 3. It provides the information that there are no offending estimates and the significant results of the fit indices also support the CFA measurement model.

Table 3: Model Fit Indices of the Combined Confirmatory Factors

Fit Indices	Results	Suggested Value
Chi-square/DF	2.127	<5.00
Goodness of Fit Index (GFI)	0.899	>0.90
Tucker Lewis Index (TLI)	0.911	>0.90
Comparative Fit Index (CFI)	0.901	>0.90
Root Mean Square Error of Approximation (RMSEA)	0.071	<0.08
Nor mated Fit Index (NFI)	0.876	>0.90
Incremental Fit Index (IFI)	0.923	>0.90
Variables before CFA	16	
Variables after CFA	16	

Source: Primary data

The chi-square/degree of freedom (χ^2/df) value of 2.127, which is within the maximum point of 5.0, the measurement model is attested to be fit. Moreover, the baseline fit indices are also greater than the 0.90 cut-off point, i.e., CFI = 0.901, GFI = 0.899, IFI = 0.923 and TLI = 0.911 which indicate a good fit with the measurement model. Finally, RMSEA value of 0.071 is below the cut-off value of 0.08, which also indicates a good fit of the measurement model.



Source: Primary data.

Fig. 2: Combined Confirmatory Factor Analysis

STRUCTURAL EQUATION MODEL

Structural equation modelling is used to examine the suitability of the proposed hypothetical model. This Structural Equation Model estimates assess whether the data fit to theoretical model. The SEM was tested with the help of Analysis of Moment Structures (AMOS) software

as it is suggested by Anderson and Gerbing (1988). The structural equation model is most helpful when measuring the relationship between variables as well as verifying the compatibility of the model used (Peter, 2011).

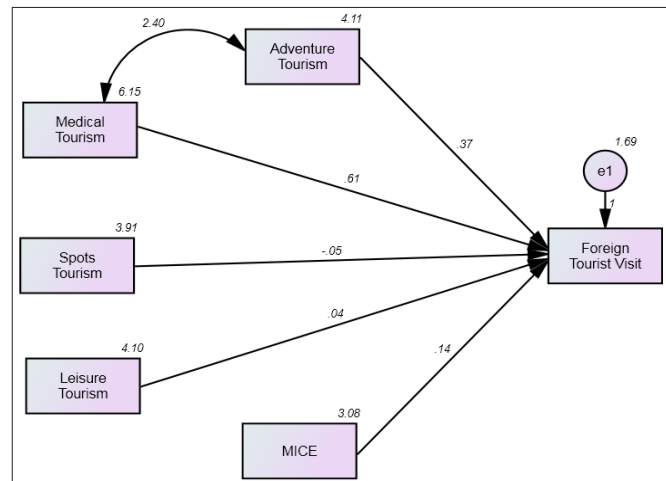
In the study, after developing the CFA at a first level the structural path model was prepared to estimate the structural relationship between the factors. Fig. 3 shows the structural path model tested with the help of AMOS software and its estimates are shown in Table 4. The structural path model was measured based on the following indices: Goodness of Fit Index (GFI), Adjusted Goodness of Fit Index (AGFI), the chi-square test, the comparative fit index (CFI), Normated Fit Index (NFI), Incremental Fit Index (IFI), Tucker Lewis index (TLI), and the Root mean square error of approximation (RMSEA) as per the suggestions of many scholars (Byrne, 2010; Hair et al., 2010; Kline, 2011). In addition, the path coefficients were also examined both for statistical significance ($p < 0.05$) and practical significance ($\beta > 0.20$). The results of this structural model yielded acceptably high goodness-of-fit indices. This indicated that the hypothesized model fits the observed data well.

According to the result derived, a Chi-square statistic with the ‘p’ value of 0.805 indicates that this model is under the goodness of fit since the ‘p’ value is greater than 0.05. The Normed chi-square value (CMIN/DF) for the current hypothesized model is 4.328, which is well below the value of 5.0. According to Gerbing and Anderson (1992), in order accept a model the value of RMSEA should be 0.8 or lower, the value of CFI should be 0.9 or higher and the value, NFI should be 0.9 or higher. In this research, the estimation of GFI value .989 is more than 0.9 and the other values CFI, AGFI, IFI are also more than the recommended value i.e. 0.9 (see Table 5). And the value of RMSEA falls within the recommended value i.e. < 0.08 (see Table 4). The RMSEA of 0.00 indicates a good absolute fit of the mode 1.

Table 4: Structural Path Model Fit Indices

Fit Indices	Results	Suggested Value
Chi-square (CMIN)	4.328	
P value	0.805	‘P’ value>0.05
Chi squarer (CMIN)/DF	0.592	<5.00
Comparative Fit Index (CFI)	1.000	>0.90
Goodness of Fit Index (GFI)	.989	>0.90
Adjusted Goodness of Fit Index (AGFI)	.975	>0.90
Normated Fit Index (NFI)	.978	>0.90
Incremental Fit Index (IFI)	1.016	>0.90
Tucker Lewis Index (TLI)	1.027	>0.90
Root mean square error of approximation (RMESA)	0.000	<0.08

Source: Primary data



Source: Primary data

Fig. 3: Structural Frameworks for Path Analysis

Based on the hypothesized model, the path between adventure tourism to foreign tourists visit, medical tourism to foreign tourists visit and path between leisure tourism to foreign tourist visit shows significant results. Table 5 shows the estimates and it indicates that three dimensions namely adventure, medical and leisure tourism has a significant impact foreign tourist visit whereas sports tourism and Meetings Incentives Conferences & Exhibitions tourism are not statically significant. Therefore, the path values (i.e. AT to FTV, MT to FTV) are supporting the significance of H1 and H2. Similarly, H4 i.e. LT to FTV is also statistically significant with the standardised regression estimate .145, standard error .059, critical value 2.453 and level of significance $p < 0.05$ (.014) which also support the structural path.

Table 5: Estimates of Structural Path

Impact	Estimate	S.E.	C.R.	P	Label
FTV <--- AT	.374	.058	6.431	***	Positive Impact
FTV <--- MT	.607	.048	12.770	***	Positive Impact
FTV <--- LT	.145	.059	2.453	.014	Positive Impact
FTV <--- MIC	.036	.051	.711	.477	No Impact
FTV <--- ST	-.053	.052	-1.016	.309	No Impact

Source: Primary data

The above hypothesized path model (Fig. 3) shows a significant impact among the identified dimensions and full fill all the fit indices. But, two the dimensions are not statically significant. The structural path between sports tourism to foreign tourist visit (ST to FTV) and Meetings Incentives Conferences & Exhibitions (MICE) Tourism to

foreign tourist visit (MICE to FTV) not supported the path. Hence, it is identified that the following products can be considered as Niche tourism products for the attraction of foreign tourists through the year.

- Adventure Tourism
- Medical Tourism:
 - Wellness Tourism
 - Yoga Tourism
- Leisure Tourism:
 - Cruise Tourism
 - Eco-Tourism
 - Film Tourism

DISCUSSION AND IMPLICATION

Theoretical Contributions of the Study

Results of the present study provide 'three' theoretical contributions as given below.

Formulation of Theory: This study contributed "Niche Tourism Products Theory keeping in view of foreign tourists" by revealing the optimistic role of niche tourism products and foreign tourists flow.

Novel Approach: 'Niche tourism products preferred by foreign tourist' approach is relatively new in the context of Indian tourism market. To the author's knowledge, no research was conducted on the niche tourism products in India by examining the relation with Niche tourism products (identified by the Indian Government) and foreign tourist preference. The present study identified a holistic approach which helps to the tourism organisations to formulate Niche tourism strategy'.

Contribution to Literature: The present study on 'niche tourism products for the attraction of foreign tourist throughout the year' is a novel addition to the foreign tourist behaviour literature and Indian tourism literature.

Findings, Conclusions and Suggestions

The empirical findings revealed a significant positive relation between leisure tourism (i.e. eco-tourism, cruise tourism, film tourism) and foreign tourists' visit (H_4). This result is consistent with previous study (Oana Raluca Gheorghe, 2014) which concluded that eco-tourism and cruise tourism can be treated as Niche products in Romania. Therefore, it is concluded that cruise, film, and Eco-tourisms can be identified as Niche tourism products. India's huge coastline and Inland waterways have the potential to attract foreign tourists. Hence, it is suggested that the Ministry of Tourism

has to recognise cruise, film and eco-tourism as Niche tourism products and can concentrate on the development of such destinations all over the country.

The results of the present study supporting the previous finding (Mara Ursache, 2013) that wellness tourism provide the opportunity to capitalize the new tourists. According to the results, there is significance impact between medical tourism and foreign tourist visit (H_2). India's ancient treatments like Yoga, Ayurvedic etc. have the potential to attract the foreign tourists. Hence, it is suggested that the Ministry of Tourism has to recognise them as Niche tourism products and concentrate on the development of such destinations.

The result of the present study also reveals that, adventure tourism has significant relation with foreign tourists visit (H_1). This result is supporting with previous study (Acorn Tourism Development Consultant-2008) which concluded that Caribbean Government has to recognise and develop the adventure tourism as niche product. Himalayas, Rishikesh, Sikkim, Manali etc, well-known destinations all over the Globe for adventure tourism in India. Therefore, it is suggested that the Ministry of Tourism has to recognise adventure tourism as Niche tourism products and concentrate on the development of such destinations.

Managerial and Policy Implication

Ministry of Tourism has taken the initiative of identifying, diversifying, developing and promoting niche tourism products of the country namely Cruise, Adventure, Medical, Wellness, Golf, Polo, Meetings Incentives Conferences & Exhibitions (MICE), Eco-tourism, Film Tourism, etc. (Annual Report-2018 p. 9) to overcome 'seasonality' challenges, to attract foreign tourists with specific interest. The key results revealed that relationship between foreign tourist visit is significantly and positively related with Adventure Tourism ($\beta = 0.37$, $p < 0.05$), Wellness Tourism, Yoga Tourism ($\beta = 0.60$, $p < 0.05$), Cruise Tourism, Eco-Tourism, and Film Tourism ($\beta = 0.14$, $p < 0.05$). Sport and MICE tourism have no significant relation with foreign tourist visit. Therefore, the Ministry of Tourism has to formulate separate policy to develop the above niche tourism products for the attraction of foreign tourists throughout the year which strengthens the foreign exchange earnings in the country.

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