



TRAVEL & TOUR ENTREPRENEURS AND THE TOURISM IN THE A & N ISLANDS - A CORRELATION ANALYSIS

Ms. SAIDA BANU

Lecturer in Tourism, J N Govt. College,
Port Blair, A & N Islands

ABSTRACT

Andaman and Nicobar Islands are very rich in resources of which only a few of the resources have been exploited and plenty of resources are yet to be exploited. Both A & N Administration and Government of India have been announcing much number of incentives, subsidies etc., But still the Primary Sector and Secondary Sector do not increase their growth. So tourism is the only hope of these islands. Number of tourists has been increasing every year. The travel & Tour Entrepreneurs are doing the business of Travel Agency and Tour Operations. Some travel agents and tour operators are shining and some are closing their business. No Tourism means, No Business of the Tour Operations and Travel Agency. The growth of the Business of the Tour Operations and Travel Agency in terms of the number of the tour operators and travel agents fully depends on the growth of the tourism in terms of the number of the tourists both the domestic as well as the foreign arrived into these islands. Attempts are made to trace the growth of the Business of the Tour Operations and Travel Agency Hence tourism is the basis of the growth of the Business of the Tour Operations and Travel Agency. To find out the relationship between the Tourism Industry, Travel Agents, and Tour Operators, a correlation analysis has been done and the results are calculated. Based on the findings, detailed study and the identified problems, the suggestions are made for the better management and for the overall growth and development of the business of Travel Agency & Tour Operations in the Andaman and Nicobar Islands. If a Strategy for the Travel Agency & Tour Operations, is formulated with the New Structure and Office Manual in the light of the suggestions given, and the same is implemented very carefully, it is strongly believed that the Business of the Travel Agency & Tour Operations will be improved and the same will attract more tourists into these islands.

Introduction

Andaman and Nicobar Islands (A&N Islands), one of the nine union territories of India, is very rich in resources, particularly the Natural

Resources and of which only a few of the resources have been exploited and plenty of resources are yet to be exploited. Both A & N Administration and Government of India have been announcing much number of incentives, subsidies etc., But still the Primary Sector and Secondary Sector do not increase their production. So tourism is the only hope of these islands. Number of tourists has been increasing every year. The success or failure of the Tourism Industry in these islands fully depends on the efficiency of the management particularly in the sector where the tourists are taken care of. I.e by the travel & Tour Entrepreneurs doing the business of Travel Agency and Tour Operations. Actually, what they are doing, how they are doing and to which magnitude they are going etc., are not known to anybody. Some travel agents and tour operators are shining and some are closing their business. It is highly doubted that the reason for this only the style of management they have and the problems that are facing their business.

A & N Islands & Tourism

A&N Islands is situated in the Bay of Bengal and it is located between 6 degree and 14 degree of North latitude and 92 degree and 94 degree of East longitude. This is surrounded by Burma, Thailand, Malaysia, and Indonesia, constitutes the most isolated part of the Indian Union, stretching in a North-South direction, separated from the Mainland of India by vast stretches of sea.

As defined by Professor N. Rajavel in his book “Tourism in Andaman and Nicobar Islands”, Tourism particularly Andaman Tourism means, “the inflow of people on short term travel from the mainland of India and abroad into Andaman and Nicobar Islands, and into one island from the other islands and staying there atleast one night for without any earning motivation”.

So, by taking a view of the above definitions and the geographical location of these Islands, available transport facilities to these islands, “Tourism” for present study is the same as the Tourism as is defined by Professor N . Rajavel i.e the inflow of people on short term travel from the mainland of India and abroad, into one island from the other islands and staying there atleast one night for without any earning motivation. If the Tourism is properly planned in Andaman and Nicobar Islands, it has really a vital role to play in long run.

The Business

General Business means managing the business with men and materials. But Management of Business of the Travel Agents and the Business of the Tour Operators means managing the business unit i.e Business of the Travel Agents and the Business of the Tour Operators with the different types of men, women, boys and girls, scholars, researchers, with different types culture, creed, characteristics, nature and qualities, level of income etc., from various regions, religions, countries and expectations. The objective of the Business of the Travel Agents and the Business of the Tour Operators is to create a real tourism customer and to continuous income generating tourism. For that the Planning, Organising and Directing are to be systematically adopted by the management of the Business of the Travel Agents and the Business of the Tour Operators .

Growth

The Business of the Tour Operations (TO) and Travel Agency (TA) fully depends on the Tourism Industry. No Tourism means, No Business of the Tour Operations and Travel Agency. Hence the growth of the Business of the Tour Operations and Travel Agency in terms of the number of the tour operators and travel agents fully depends on the growth of the tourism in terms of the number of the tourists both the domestic as well as the foreign arrived into these islands. Attempts are made to trace the growth of the Business of the Tour Operations and Travel Agency in terms of its value in Rupees. But the owners of the Business of the Tour Operations and Travel Agency showed a lot of reluctant to give the actual value of the transactions and their real income. So it is decided to take only the number of travel agents and tour operators. Even for the collection of the data on the number of tour operators and travel agents, more number of attempts were made to find out the actual figure by going to the different islands of the study area and met the travel agents and tour operators who have started their Business of the TO and TA very long back in these islands.

Hence tourism is the basis of the growth of the Business of the Tour Operations and Travel Agency. To establish this fact a correlation analysis is carried our and the result is calculated. It is understood by all the sectors of the A &N Islands that the infant industry tourism is to be developed by giving all booster doses. Moreover the Govt. of India has declared that these islands as Industrially Backward Areas. The local government also

treating the Tourism as Industry in A&N islands by announcing concessions, subsidies etc.

Travel Agents & Tour Operators (TA & TO)

They are the Travel & Tour Entrepreneurs. Generally the tourist attractions, entry facilities, transport facilities, accommodations etc. are the essential factors of the tourism industry and particularly in A&N Islands. But all these factors are independent and hence they are to be Coordinated. So an intermediary agency is required to function as a co-coordinator who is termed as travel agents. Normally, they as TO have all transport facilities, information and guides etc. with them at different points in order to facilitate the tourists to reach the destination, place of interest etc. Their role in tourism industry is immense and they provide a number of attractive incentives to the tourists. They provide all sorts of facilities to the tourists. All such economic activities are depending upon the tourism and the tourism is depending upon the facilities.

As far as these islands are concerned, the travel agents are confined to the regional level. However, one or two agents have some connections with the Kolkatta/Chennai Agents who are also regional agents. There are number of travel agents or tour operators in these islands. As far as the services to the tourist, all the TA / TO precisely function the same way as the travel agent in the mainland.

Number Of TA & TO

Declaration of Tourism as Industry in these islands by giving all benefits such as concessions, subsidies, incentives etc, by the then Lt. Governor of A&N islands during the year 1987 was the main favourable reason for the growth of tourism particularly domestic tourism. Number of hotels, restaurants, tourism facilities, lodges, tour operators, travel agents, transport came into existence only after the declaration of tourism as industry. The following table shows the number of TO & TA year-wise.

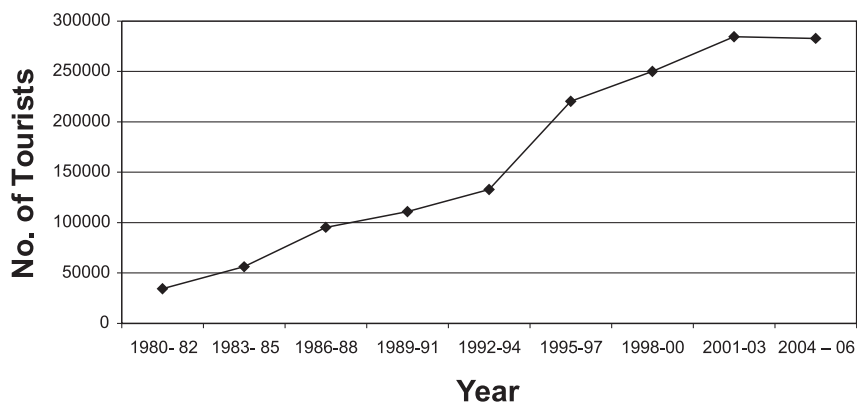
The above table shows that the number of travel agents and tour operators is increasing every year. The figure shown in the table is the total number of tour operators and travel agents in the block of the three years. To collect this data, effective steps were taken to meet many numbers of travel agents and tour operators in the various parts of the island. Now as on 31st December 2003, there are 198 tour operators and travel agents are effectively functioning in these islands. Though the actual number of travel

Table - 1
Growth of Travel Agents (TA) and Tour Operators(TO) in South Andaman Island

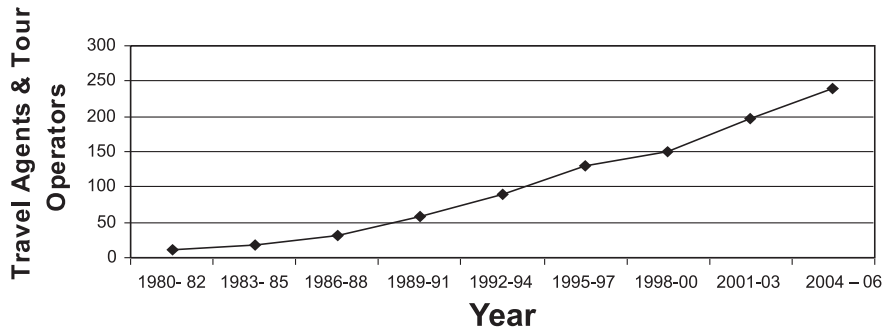
| Year | No. of TA & TO | Growth % |
|----------|----------------|----------|
| 1980- 82 | 12 | - |
| 1983- 85 | 19 | 58.3 |
| 1986-88 | 31 | 63.1 |
| 1989-91 | 59 | 90.3 |
| 1992-94 | 89 | 50.8 |
| 1995-97 | 129 | 44.9 |
| 1998-00 | 149 | 15.5 |
| 2001-03 | 198 | 32.9 |
| 2004- 06 | 239 | 20.7 |

Source: Primary Data 2006

Growth of Tourism (No. of Tourists Arrived)



Growth of Tourism (Travel Agents & Tour Operators)



agents and tour operators is increasing every once in three years, but the growth rate is falling down. The block years 1983-85, 1886-88, and the 1989-91 the growth has been recorded as 58.3%, 63.1% and 90.3% respectively. But from the next block year onwards, the growth rate shows a decreasing trend.

Correlation Analysis

To test the existence and the magnitude of the relationship between the tourism and the travel agents and tour operators, a correlation analysis has been done. The trend in growth of tourism in the A&N islands is discussed under the following headings namely, 1. Domestic Tourism, 2. Foreign Tourism, 3. Total Tourism. This is compared with the growth of the number of tour operators and travel agents. As a micro level analysis, the correlation between the domestic tourism & Travel Agents and Tour Operators., The correlation between the Foreign Tourism & Travel Agents and Tour Operators., the correlation between the total tourism & Travel Agents and Tour Operators has been calculated.

Table - 2

Correlation Between Domestic Tourism and Travel Agents & Tour Operators

| Year | Domestic Tourists | Growth % | No. of TA & TO | Growth % |
|----------|-------------------|----------|----------------|----------|
| 1980- 82 | 29779 | - | 12 | - |
| 1983- 85 | 50311 | 68.9 | 19 | 58.3 |
| 1986-88 | 87122 | 73.2 | 31 | 63.1 |
| 1989-91 | 99228 | 13.9 | 59 | 90.3 |
| 1992-94 | 121554 | 22.5 | 89 | 50.8 |
| 1995-97 | 206006 | 69.5 | 129 | 44.9 |
| 1998-00 | 233612 | 13.4 | 149 | 15.5 |
| 2001-03 | 270394 | 15.8 | 198 | 32.9 |
| 2004-06 | 271442* | NC | 239 | 20.7 |

Source: Compiled from Table

* Only upto 1.1.2006 NC - Not Calculated since it is upto 1,1.06

Correlation Value Between No. Domestic Tourists & No. of Travel Agents and Tour Operators 0. 986256**Table - 3**

Correlation Between Foreign Tourism and Travel Agents & Tour Operators

| Year | Domestic Tourists | Growth % | No. of TA & TO | Growth % |
|----------|-------------------|----------|----------------|----------|
| 1980- 82 | 4368 | - | 12 | - |
| 1983- 85 | 6233 | 42.7 | 19 | 58.3 |
| 1986-88 | 7539 | 20.9 | 31 | 63.1 |
| 1989-91 | 4337 | 46.4 | 59 | 90.3 |
| 1992-94 | 4853 | 4.6 | 89 | 50.8 |
| 1995-97 | 14369 | 21.2 | 129 | 44.9 |
| 1998-00 | 15634 | 8.8 | 149 | 15.5 |
| 2001-03 | 14237 | 8.9 | 198 | 32.9 |
| 2004-06 | 11719* | NC | 239 | 20.7 |

Source: Compiled from Table

* Only upto 1.1.2006 NC - Not Calculated since it is only upto 1,1.06

Correlation Value Between No. Foreign Tourists & No. of Travel Agents and Tour Operators 0. 836929

Table - 4
Correlation Between Total Tourism and
Travel Agents & Tour Operators

| Year | Domestic Tourists | Growth % | No. of TA & TO | Growth % |
|----------|-------------------|----------|----------------|----------|
| 1980- 82 | 34147 | - | 12 | - |
| 1983- 85 | 56544 | 65.6 | 19 | 58.3 |
| 1986-88 | 94661 | 67.4 | 31 | 63.1 |
| 1989-91 | 110565 | 16.8 | 59 | 90.3 |
| 1992-94 | 133407 | 20.7 | 89 | 50.8 |
| 1995-97 | 220375 | 65.2 | 129 | 44.9 |
| 1998-00 | 249246 | 13.1 | 149 | 15.5 |
| 2001-03 | 284631 | 14.2 | 198 | 32.9 |
| 2004-06 | 283161* | NC | 239 | 20.7 |

* Only upto 1.1.2006 NC - Not Calculated since it is only upto 1,1.06

Correlation Value Between No. Total Tourists & No. of Travel Agents and Tour Operators 0. 986052

So the Co-efficient of Correlation is as follows:

- I. Correlation Value Between No. Total Tourists & No. of Travel Agents and Tour Operators 0. 986052
- II. Correlation Value Between No. Foreign Tourists & No. of Travel Agents and Tour Operators 0. 836929
- III. Correlation Value Between No. Domestic Tourists & No. of Travel Agents and Tour Operators 0. 986256

It is very clear from the above values that When comparing with the Foreign Tourism, the domestic tourism is being highly correlated with the number of Travel Agents and Tour Operators in these islands. The number of travel agents and tour operators establish their business of travel agency and tour operations based on the tourism development in the study area.

Suggestions

Based on the above findings, detailed study and the identified problems, the following suggestions are made for the better management and for the overall growth and development of the business of Travel Agency & Tour Operations in the South Andaman Islands of the Andaman and Nicobar Islands.

- By taking the findings of this research work, the present department must immediately take steps to provide the necessary infrastructural facilities to the intending tourists.
- The present tourism department must immediately issue a circular to all the tourism related traders and entrepreneurs including the auto and taxi to register their names with the department.
- The road tax and the license to the commercial vehicles should not be issued without the copy certificate of registered with the tourism department. A minimum qualification is to be fixed for the drivers who are going to engage their vehicle for the tourism purpose. The minimum qualification for the same is recommended as a Pass in atleast 10th Standard.
- Atleast once in a six months, the owners of the vehicles which are put for the tourism purposes, the drivers, the hotel owners, the tour and travel agents, boat operators, the related tourism officers etc. are to be given a orientation programme at various levels.
- The Local Administration must bring all the business units of Travel Agency and Tour Operations under the compulsory Registration with the Tourism Department through a Licensing System.
- The Andaman and Nicobar Administration shall prescribe a minimum qualification to open the business of Travel Agency and Tour Operations. It is recommended that the minimum qualification is a Degree preferably in Tourism.
- Provision of sufficient space for car parking, for the use of office are to be made compulsory in every travel agency and tour operation business. While granting license to the business of travel agency and tour operations, the concerned authority

must ensure that the units are duly compiled with the required space and other formalities.

- The Tourism Department must call for the periodical meeting with the business units of the travel agency and tour operations and discuss their present problems and through the single window procedure, the problems are to be solved.

Conclusion

Tourism is the only scope of these Islands since the other sectors do not record much growth and development due to various reasons. The success of the Tourism Business fully depends on the quality of the services provided by the entrepreneurs related to the tourism, tourism department and effective role of the Travel Agents and Tour Operators. The study shows that there is a positive correlation between the growth of tourism and the growth of Travel Agents and Tour Operators. Once the impediments in the path of the Management of Travel Agency & Tour Operations and the Tourism Industry in Andaman and Nicobar Islands is removed and if a Strategy for the Travel Agency & Tour Operations, is formulated with the New Structure and Office Manual in the light of the suggestions given above, and the same is implemented very carefully, it is strongly believed that the Business of the Travel Agency & Tour Operations will be improved and the same will attract more tourists into these islands.

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