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## Domestic Tourism In India: Trends And Factor Analysis

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### **Abstract:**

*The present study had been taken with two objectives: firstly to measure the trends in the Indian tourism industry and secondly, to analyze the factors responsible for the attraction of domestic tourist in the tricity of Chandigarh, Panchkula and Mohali. For this purpose study is divided into two sections. Section-I highlights the trends in tourism in India whereas section-II analyzes the factors which attract domestic tourism in India. For the study of trends in Indian tourism industry the data were taken from various publications of the state tourism departments and the Ministry of Tourism including the Tourism Statistics. The data were taken for the period of 17 years starting from 1991 to 2007. The data for the years 2008-10 were not available till the time of the study. The statistical technique like exponential trend analysis was made use of for the purpose of analysis of the data. For the study of factors affecting domestic tourism a survey of 100 respondents was conducted using a structured close ended questionnaire. Out of these 100 questionnaires only 57 valid responses were received. For the purpose of analysis of this data the statistical techniques like Parameter tests, Factor analysis and Correlation Analysis were used. A clear downfall in the growth rate of foreign tourist as well as domestic tourist was observed. On the basis of factor analysis it was found that the Natural and Physical Factors were the most important for the destination selection of the domestic tourists. Local Life Style stood at number two position that attracts tourists. It was recommended that the tourism department should focus on biodiversity conservation by protecting India's flora, fauna and avi-fauna. The capacity building of the local community, promotion of Homestays, training on Spas and local community lifestyle along with proper guide trainings should also be focused.*

**Key words:** Tourism industry, Trends in tourism, Factors affecting domestic tourism, Factor analysis

### **1.Introduction**

Travel and tourism is a vitally important part of the world economy today. It is the largest and fastest-growing sector, with more than 800 million people traveling every year and a strong predicated growth rate. The travel and tourism sector continues the momentum of the last few years and may contribute more than \$US 9.3 trillion to world economic activity by the beginning of 2012 – more than ten percent of total spending. In spite of the ups and downs of the economy, tourism is extremely resilient in the face of external factors (www.ehl.edu). According to the World Travel and Tourism Council (WTTC) tourism is now the world's largest industry generating 9.2 percent of the world's gross domestic product and employing around 235 million people worldwide (www.wttc.org). Tourism is, travel for predominantly recreational or leisure purposes or the provision of services to support this leisure travel (www.cicte.oas.org). Hall (1991) suggests that tourism is the temporary, short-term travel of non-residents to and from a destination. It may have a wide variety of impacts on the destination, the transit route and the source points of tourists (David, Susan and Ross,2002) . The United Nations classified three forms of tourism in 1994 in its Recommendations on Tourism Statistics, Domestic Tourism, Inbound Tourism and Outbound tourism. The UN also derived different categories of tourism by combining the three basic forms of tourism: Internal tourism, National tourism and International tourism (www.sidestore.com). The World Tourism Organization defines tourists as people who "travel to and stay in places outside their usual environment for more than twenty-four (24) hours and not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited". Tourism has become a popular global leisure activity (en.wikipedia.org/wiki/Tourism). For a variety of reasons, tourism continues to be an increasingly attractive alternative for improving the economies of small cities and towns. People travel more today than ever before. Along with an increase in the number of people moving from one place to another comes increased opportunities to serve the unique needs of the traveler. This provides an opportunity for communities to serve these needs and capture a share of traveler spending (Bill, Jim, Jim and David, 2011)

“Domestic tourism is an important engine for promoting national integration. And taking this cue, the Ministry of Tourism has been giving importance to the development of domestic tourism in the country,” said Sultan Ahmed, Union minister of state for tourism. He further added, “While the FTAs are subjected to various external factors that are beyond our control, the domestic travelers continue to be the mainstay of national tourism industry.” Domestic tourism continues to show encouraging trends with the availability of greater disposable income and affordable holiday packages due to a resilient economy that had weathered the spill-over of global financial crisis well (Travtalk, 2010).

Tourism is the largest service industry in India, with a contribution of 6.23 percent to the National GDP and 8.78 percent of the total employment in India. India witnesses' more than five million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India generated about US \$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4 percent annual growth rate. The Ministry of Tourism is the nodal agency for the development and promotion of tourism in India and maintains the 'Incredible India' campaign. According to the World Travel & Tourism Council, India will be the world's leading tourism hotspot, having the highest ten-year growth potential. The Travel and Tourism Competitiveness report 2007 ranked tourism in India 6<sup>th</sup> in terms of price competitiveness and 39<sup>th</sup> in terms of safety and security. As per the Travel & Tourism Competitiveness Report 2009 by World Economic Forum, India has been ranked the 14<sup>th</sup> for best tourist destination and for its natural resources, 24<sup>th</sup> for its cultural resources, as it has most of the World Heritage sites both natural and cultural, rich fauna & flora and strong creative industries in the country. In air transport network India has bagged 37<sup>th</sup> rank for itself. Indian tourism industry is ranked 5<sup>th</sup> in the long term (10 year) growth and is expected to be the second largest employer in the world by 2019. The Tenth Five Year Plan mentions that The Tenth Plan approach towards tourism signifies a distinct shift from the approach adopted in earlier Plans. Apart from acknowledging the well accepted advantages of developing tourism for the promotion of national integration, international understanding and earning foreign exchange, the Tenth Plan recognizes the vast employment generating potential of tourism and the role it can play in furthering the socio-economic objectives of the Plan. In order to create a supportive environment for the promotion of tourism, the New Tourism Policy, 2002, that is to be implemented during the Tenth Plan, will generate awareness about the benefits of tourism for the host population. It will mobilize state governments to use tourism as a means for achieving their socio-economic objectives, encourage the private sector to enhance investment in tourism and provide legislative and regulatory support for sustainable tourism and to protect the interests of the industry and the consumer. The policy envisages involving the rural sector in the promotion of rural, heritage, adventure and eco-tourism and will promote the development of competitive high quality products and destinations. Most importantly, it will remove the barriers to growth and resolve contradictions in policy to achieve inter - sectoral convergence of activities that help the growth of tourism (Tenth Five Year Plan, 2002-2007).

## 2.Review Of Literature

D'Silva and D'Silva (2008) surveyed 340 respondents in Goa and found that important holiday destinations, outdoor activities, natural beauty, culture and tradition, diversity, historic sites, places of worship, beautiful cities and places, rural life are some of the factors influencing domestic tourism. The researchers concluded that Indian tourism industry could generate higher returns by reallocating their relationship investments. Bui & Jolliffe (2011) surveyed 230 Vietnamese domestic travelers. Results highlighted the significant roles of the employer sponsoring the trip, family, travel promotion, and favorable weather in determining travel, in addition to their motivations to seek time for leisure and recreation. The study detected a perception gap between the tourist's demand and the travel agent's supply. The behavior of Vietnamese domestic travelers reflects the characteristics of a transition economy and reveals certain aspects which are also peculiar to other Asian countries. Yap. (2010) investigated the affect of changes in economic conditions on domestic tourism demand in Australia. The researcher employed both Johansen's cointegration and panel data analyses to examine whether changes in household income and domestic travel prices can influence the demand. The empirical results of the cointegration analysis revealed that the long-run income coefficients were negative, implying that an increase in domestic household income would depress interstate and intrastate tourism demand in Australia. Moreover, there was evidence that changes in domestic travel prices would influence interstate tourism demand in both the short- and long-run. Ranjanthran and Mohammed (2010) surveyed 200 domestic tourists to examine the tourism products preferred by domestic tourist, their perception and level of satisfaction and whether they would return and recommend Penang Island tourism products to others. The results showed that tourism image is a direct antecedent of perceived quality, satisfaction and tourist behavior, perceived quality has a positive influence on satisfaction determines the domestic tourists' behavior. Mishra, Rout and Mohapatra (used popular time series models for the period spanning from 1978 to 2009 to provide the evidence of long-run unidirectional causality from tourism activities to economic growth of the country. The findings of this study confirms the tourism-led growth hypothesis maintained earlier for other countries that tourism has a positive impact on the economic activity and hence, the GDP growth of India. The study also validates the stable long-run relationship between tourist activities and GDP growth rate.

## 3.Objectives

The present study was carried with the following objectives:

- To analyze the trends in Indian tourism industry.
- To examine the factors affecting the choice of tourist destination among Indians as domestic tourist.

## 4.Database And Research Methodology

The present study is divided into two sections for the purpose of analysis. Section-I highlights the trends in tourism in India whereas section-II analyses the factors which attract domestic tourism in India. For the study of trends in Indian tourism industry the data were taken from various publications of the state tourism departments and the Ministry of Tourism including the Tourism Statistics for the period of 17 years starting from 1991 to 2007. The data for the years 2008-10 were not available till the time of the study. The statistical technique Exponential Trend Analysis was made use of. For the study of factors affecting domestic tourism a survey of 100 respondents was conducted using a structured close ended questionnaire. Out of these 100 questionnaires only 57 valid responses were received. For the purpose of analysis of data the statistical techniques like parameter tests, Factor analysis and Correlation Analysis were used.

## 5. Analysis And Findings

### 5.1. Section –I : Trend Analysis

Table no.2 and figure no.1 show the trends in tourism of both domestic and foreign tourists in India. A rising trend is observed in both types. The rise in domestic tourists in number terms is more than the foreign tourist. As evident from table and figure domestic tourist are on increasing side in all the years except a bit downfall was observed in the year 2001 as compared to 2000.

As observed from the exponential annual growth rates there have been a variation in all the years in case of both domestic and foreign tourist (figure-2). It is clear that the foreign tourist is rising as compared to the domestic tourist. There was downfall in the growth rate of foreign tourist in the year 2001 and 2002. But a significant increase has been observed in foreign tourist in the year 2003. Though the number has been increasing but the growth has been decreasing. Similarly in case of domestic tourist a lot of variations can be observed from figure-2. It was increasing in the year 1992, 1993, 1997, 1999, 2000, 2004. In all other years a downward trend is clear. Though the exponential regression curve in case of number of domestic tourist is on the higher side but the annual growth curve is on the downside. Keeping into consideration the trend in the domestic tourism the present paper also attempts to study the factors which attract domestic tourist. The results of factor analysis are presented in the next section

### 5.2. Section: II Factors Affecting Domestic Tourism

This section analysis the factors that attract domestic tourism. Table-4 shows the number of respondents from the Tricity. And table 5 shows the demographic profile of the respondents.

The reliability test was conducted with the help of Cronbach's Alpha, a coefficient of reliability (or consistency), using SPSS 17.0 version. Cronbach's alpha is a measure of internal consistency. A reliability coefficient of .70 or higher is considered "acceptable" in most social science research situations (SPSS Help). Table-6 shows that the value of Cronbach's Alpha is .831. This suggests that the data is reliable and have relatively high internal consistency.

Table 7,8,9,10 show the results of correlation between all factors under consideration along with the level of significance. The situation can be better explained with the help of KMO and Bartlett's Test.

Basically the Kaiser-Meyer-Olkin measures the size of the partial correlations among variables. Whereas, Bartlett's test of sphericity tests the appropriateness of the factor analysis. The value of KMO should be greater than 0.5 for a satisfactory factor. Table 11 shows the results of KMO is .842 suggesting that the level of factors as satisfactory giving a signal to proceed ahead. From the same table the Bartlett's test of sphericity can be seen as significant. From this it is concluded that the strength of the relationship among variables is strong. It is a good idea to precede a factor analysis for the data.

Table-12 shows the communalities before and after extraction. The communality is the amount of variance each variable in the analysis shares with other variables. Total 5 factors were extracted before and after rotation. Before rotation the first factor explained the maximum variation of 47.91% and after rotation it explains 22.31% variation in total. So, This factor is very important. In both the cases all the five factors explain total variation to the extent of 75%. Table-13 shows the results of the components included in each factor. Here we have included the variables with the value over .450 to be the part of the particular factor. Grouping of factors is shown in table14.

Table 14 shows the factors that have been extracted using factor analysis and by rotation of the factors. The first and the most important factor which explains 22.32% variation after rotation can be named as Natural and Physical Factors. Local Life Style stands at number 2 position that attract tourist followed by the Expenditure factor. 4<sup>th</sup> important factor is the recreation facilities and last factor attracting tourism is accommodation.

## 6. Recommendations & Conclusion

Based on the present trend and factor analysis it is concluded that there was a downfall in the growth rate of domestic tourist as well as foreign tourist. On the basis of factor analysis it is clear that the Natural and Physical Factors are the most important for the destination selection of the domestic tourists. Tourism department should focus on biodiversity conservation by protecting India's flora, fauna and avi-fauna. This will, besides attracting the tourists also help in environment protection which is the need of the hour. Local Life Style stands at number two position that attracts tourists. Thus capacity building of the local community, promotion of Home-stays, training on Spas and local community lifestyle along with proper guide trainings should also be focused. Cost of holiday or the expenditure incurred is the third important consideration of domestic tourists. Therefore tourism department with the help of private tourists operators should frame value for money tourist packages. Tourism circuit development will also support in this direction. Fourth important factor is the recreation facilities and last factor attracting tourism is accommodation. The domestic tourist should also be kept updated with the current developments, events and festivals of different tourist destinations. It should be noted that domestic tourist prefers to visit a popular destination. Thus appropriate marketing strategies should be implemented at both the state & central level along with private players to promote domestic tourism.

| Tricity    | Respondents under survey | Actual responses received |
|------------|--------------------------|---------------------------|
| Chandigarh | 40                       | 28                        |
| Punchkula  | 30                       | 15                        |
| Mohali     | 30                       | 14                        |
| TOTAL      | 100                      | 57                        |

Table 1: Respondents

| TOURIST VISITS IN INDIA |           |          |           |
|-------------------------|-----------|----------|-----------|
| Year                    | Domestic  | Foreign  | Total     |
| 1991                    | 66670303  | 3146652  | 69816955  |
| 1992                    | 81455861  | 3095160  | 84551021  |
| 1993                    | 105811696 | 3541727  | 109353423 |
| 1994                    | 127118655 | 4030216  | 131148871 |
| 1995                    | 136643600 | 4641279  | 141284879 |
| 1996                    | 140119672 | 5030342  | 145150014 |
| 1997                    | 159877208 | 5500419  | 165377627 |
| 1998                    | 168196000 | 5539704  | 173735704 |
| 1999                    | 190671034 | 5832015  | 196503049 |
| 2000                    | 220106911 | 5893542  | 226000453 |
| 2001                    | 236469599 | 5436261  | 241905860 |
| 2002                    | 269598028 | 5157518  | 274755546 |
| 2003                    | 309038335 | 6708479  | 315746814 |
| 2004                    | 366267522 | 8360278  | 374627800 |
| 2005                    | 391948589 | 9949676  | 401898265 |
| 2006                    | 462310177 | 11747914 | 474058091 |
| 2007                    | 526564364 | 13230839 | 539795203 |

Table 2



Figure 1

| Descriptive Statistics – Tourist in India (1991 – 2007) |             |              |                |                 |
|---|-------------|--------------|----------------|-----------------|
|   | Minimum     | Maximum      | Mean           | Std. Deviation  |
| <b>Domestic</b>   | 66670303.00 | 526564364.00 | 232874562.0000 | 136096426.65398 |
| <b>Foreign</b>  | 3095160.00  | 13230839.00  | 6284824.7647   | 2920134.88500   |
| <b>Total</b>  | 69816955.00 | 539795203.00 | 239159386.7647 | 138916694.14153 |

Table 3

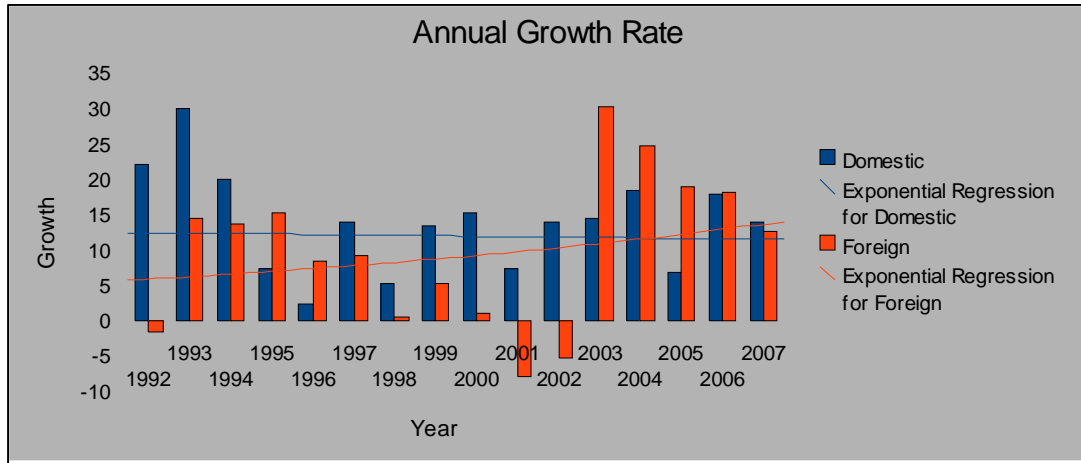


Figure 2

| City       | No. of Respondents | % of Respondents |
|------------|--------------------|------------------|
| Chandigarh | 28                 | 49.12            |
| Panchkula  | 15                 | 26.31            |
| Mohali     | 14                 | 24.56            |

Table 4: No. Of Respondents

| Demographic           | Number | Percentage |
|-----------------------|--------|------------|
| <b>GENDER</b>         |        |            |
| Male                  | 31     | 54.4       |
| Female                | 26     | 45.6       |
| <b>AGE</b>            |        |            |
| 18-32                 | 44     | 77.19      |
| 33-47                 | 13     | 22.8       |
| 48-62                 | 0      | 0          |
| <b>EDUCATION</b>      |        |            |
| Undergraduate         | 1      | 1.75       |
| Graduate              | 25     | 43.86      |
| Post Graduate         | 31     | 54.38      |
| <b>OCCUPATION</b>     |        |            |
| Service               | 32     | 56.14      |
| Business              | 4      | 7.01       |
| Govt                  | 0      | 0          |
| Student               | 21     | 36.84      |
| <b>MARITAL STATUS</b> |        |            |
| Single                | 35     | 61.4       |
| Married               | 22     | 38.6       |

|                     | Number | Percentage |
|---------------------|--------|------------|
| <b>INCOME</b>       |        |            |
| Rs. 3 to Rs. 5 lacs | 17     | 29.82      |
| Rs. 5 to Rs. 7 lacs | 9      | 15.79      |
| Rs. 7 to Rs. 9 lacs | 5      | 8.77       |
| Rs. 9 to Rs.11 lacs | 5      | 8.77       |

Table 5: Demographic Profile Of Respondents

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .831             | 37         |

Table 6: Reliability Statistics

|                            |                 | Correlation |          |          |          |          | Level of Significance |          |          |          |          |
|----------------------------|-----------------|-------------|----------|----------|----------|----------|-----------------------|----------|----------|----------|----------|
|                            |                 | VAR00001    | VAR00002 | VAR00003 | VAR00004 | VAR00005 | VAR00001              | VAR00002 | VAR00003 | VAR00004 | VAR00005 |
| <b>Correlation</b>         | <b>VAR00001</b> | 1.000       | .462     | .343     | .286     | .346     |                       | .000     | .005     | .015     | .004     |
|                            | <b>VAR00002</b> | .462        | 1.000    | .502     | .549     | .336     | .000                  |          | .000     | .000     | .005     |
|                            | <b>VAR00003</b> | .343        | .502     | 1.000    | .632     | .492     | .005                  | .000     |          | .000     | .000     |
|                            | <b>VAR00004</b> | .286        | .549     | .632     | 1.000    | .371     | .015                  | .000     | .000     |          | .002     |
|                            | <b>VAR00005</b> | .346        | .336     | .492     | .371     | 1.000    | .004                  | .005     | .000     | .002     |          |
|                            | <b>VAR00006</b> | .250        | .250     | .240     | .080     | .237     | .031                  | .031     | .036     | .277     | .038     |
|                            | <b>VAR00007</b> | .092        | .311     | .221     | .241     | .205     | .248                  | .009     | .049     | .035     | .063     |
|                            | <b>VAR00008</b> | .363        | .438     | .289     | .119     | .284     | .003                  | .000     | .015     | .188     | .016     |
|                            | <b>VAR00009</b> | .354        | .285     | .345     | .366     | .246     | .003                  | .016     | .004     | .003     | .032     |
|                            | <b>VAR00010</b> | .471        | .267     | .571     | .391     | .499     | .000                  | .022     | .000     | .001     | .000     |
|                            | <b>VAR00011</b> | .176        | .222     | .408     | .256     | .240     | .095                  | .048     | .001     | .027     | .036     |
|                            | <b>VAR00012</b> | .091        | .340     | .390     | .419     | .331     | .251                  | .005     | .001     | .001     | .006     |
|                            | <b>VAR00013</b> | .342        | .513     | .514     | .389     | .568     | .005                  | .000     | .000     | .001     | .000     |
|                            | <b>VAR00014</b> | .244        | .594     | .657     | .545     | .286     | .034                  | .000     | .000     | .000     | .015     |
|                            | <b>VAR00015</b> | .467        | .299     | .529     | .354     | .466     | .000                  | .012     | .000     | .003     | .000     |
|                            | <b>VAR00016</b> | .481        | .399     | .472     | .418     | .294     | .000                  | .001     | .000     | .001     | .013     |
|                            | <b>VAR00017</b> | .593        | .363     | .413     | .253     | .404     | .000                  | .003     | .001     | .029     | .001     |
|                            | <b>VAR00018</b> | .375        | .327     | .653     | .440     | .500     | .002                  | .006     | .000     | .000     | .000     |
|                            | <b>VAR00019</b> | .496        | .603     | .501     | .324     | .537     | .000                  | .000     | .000     | .007     | .000     |
| a. Determinant = 1.25E-007 |                 |             |          |          |          |          |                       |          |          |          |          |

Table 7: Correlation Matrix<sup>d</sup>

|                            |          | Correlation |           |           |           |           | Level of Significance |           |           |           |           |
|----------------------------|----------|-------------|-----------|-----------|-----------|-----------|-----------------------|-----------|-----------|-----------|-----------|
|                            |          | VAR 00006   | VAR 00007 | VAR 00008 | VAR 00009 | VAR 00010 | VAR 00006             | VAR 00007 | VAR 00008 | VAR 00009 | VAR 00010 |
| Correlation                | VAR00001 | .250        | .092      | .363      | .354      | .471      | .031                  | .248      | .003      | .003      | .000      |
|                            | VAR00002 | .250        | .311      | .438      | .285      | .267      | .031                  | .009      | .000      | .016      | .022      |
|                            | VAR00003 | .240        | .221      | .289      | .345      | .571      | .036                  | .049      | .015      | .004      | .000      |
|                            | VAR00004 | .080        | .241      | .119      | .366      | .391      | .277                  | .035      | .188      | .003      | .001      |
|                            | VAR00005 | .237        | .205      | .284      | .246      | .499      | .038                  | .063      | .016      | .032      | .000      |
|                            | VAR00006 | 1.000       | .144      | .315      | .203      | .242      |                       | .142      | .008      | .065      | .035      |
|                            | VAR00007 | .144        | 1.000     | .350      | .558      | .275      | .142                  |           | .004      | .000      | .019      |
|                            | VAR00008 | .315        | .350      | 1.000     | .554      | .540      | .008                  | .004      |           | .000      | .000      |
|                            | VAR00009 | .203        | .558      | .554      | 1.000     | .601      | .065                  | .000      | .000      |           | .000      |
|                            | VAR00010 | .242        | .275      | .540      | .601      | 1.000     | .035                  | .019      | .000      | .000      |           |
|                            | VAR00011 | .313        | .401      | .456      | .675      | .578      | .009                  | .001      | .000      | .000      | .000      |
|                            | VAR00012 | .321        | .398      | .291      | .542      | .458      | .007                  | .001      | .014      | .000      | .000      |
|                            | VAR00013 | .304        | .374      | .555      | .413      | .516      | .011                  | .002      | .000      | .001      | .000      |
|                            | VAR00014 | .330        | .461      | .426      | .397      | .440      | .006                  | .000      | .000      | .001      | .000      |
|                            | VAR00015 | .361        | .373      | .577      | .653      | .706      | .003                  | .002      | .000      | .000      | .000      |
|                            | VAR00016 | .195        | .416      | .395      | .806      | .558      | .074                  | .001      | .001      | .000      | .000      |
|                            | VAR00017 | .484        | .433      | .579      | .606      | .582      | .000                  | .000      | .000      | .000      | .000      |
|                            | VAR00018 | .242        | .533      | .457      | .574      | .724      | .035                  | .000      | .000      | .000      | .000      |
|                            | VAR00019 | .393        | .416      | .547      | .354      | .544      | .001                  | .001      | .000      | .003      | .000      |
| a. Determinant = 1.25E-007 |          |             |           |           |           |           |                       |           |           |           |           |

Table 8: Correlation Matrix<sup>a</sup>

|            |           | Correlation |           |           |           |           | Level of Significance |           |           |           |           |
|------------|-----------|-------------|-----------|-----------|-----------|-----------|-----------------------|-----------|-----------|-----------|-----------|
|            |           | VAR00 011   | VAR00 012 | VAR00 013 | VAR00 014 | VAR00 015 | VAR00 011             | VAR00 012 | VAR00 013 | VAR00 014 | VAR00 015 |
| Correlatin | VAR0 0001 | .176        | .091      | .342      | .244      | .467      | .095                  | .251      | .005      | .034      | .000      |
|            | VAR0 0002 | .222        | .340      | .513      | .594      | .299      | .048                  | .005      | .000      | .000      | .012      |
|            | VAR0 0003 | .408        | .390      | .514      | .657      | .529      | .001                  | .001      | .000      | .000      | .000      |
|            | VAR0 0004 | .256        | .419      | .389      | .545      | .354      | .027                  | .001      | .001      | .000      | .003      |
|            | VAR0 0005 | .240        | .331      | .568      | .286      | .466      | .036                  | .006      | .000      | .015      | .000      |
|            | VAR0 0006 | .313        | .321      | .304      | .330      | .361      | .009                  | .007      | .011      | .006      | .003      |
|            | VAR0 0007 | .401        | .398      | .374      | .461      | .373      | .001                  | .001      | .002      | .000      | .002      |
|            | VAR0 0008 | .456        | .291      | .555      | .426      | .577      | .000                  | .014      | .000      | .000      | .000      |
|            | VAR0 0009 | .675        | .542      | .413      | .397      | .653      | .000                  | .000      | .001      | .001      | .000      |
|            | VAR0 0010 | .578        | .458      | .516      | .440      | .706      | .000                  | .000      | .000      | .000      | .000      |
|            | VAR0 0011 | 1.000       | .709      | .472      | .472      | .571      |                       | .000      | .000      | .000      | .000      |
|            | VAR0 0012 | .709        | 1.000     | .523      | .511      | .440      | .000                  |           | .000      | .000      | .000      |
|            | VAR0 0013 | .472        | .523      | 1.000     | .536      | .563      | .000                  | .000      |           | .000      | .000      |
|            | VAR0 0014 | .472        | .511      | .536      | 1.000     | .579      | .000                  | .000      | .000      |           | .000      |
|            | VAR0 0015 | .571        | .440      | .563      | .579      | 1.000     | .000                  | .000      | .000      | .000      |           |
|            | VAR0 0016 | .670        | .539      | .384      | .511      | .705      | .000                  | .000      | .002      | .000      | .000      |
|            | VAR0 0017 | .402        | .319      | .589      | .416      | .757      | .001                  | .008      | .000      | .001      | .000      |

|                            |          |      |      |      |      |      |      |      |      |      |      |
|----------------------------|----------|------|------|------|------|------|------|------|------|------|------|
|                            | VAR00018 | .610 | .614 | .686 | .636 | .678 | .000 | .000 | .000 | .000 | .000 |
|                            | VAR00019 | .332 | .463 | .620 | .629 | .585 | .006 | .000 | .000 | .000 | .000 |
| a. Determinant = 1.25E-007 |          |      |      |      |      |      |      |      |      |      |      |

Table 9: Correlation Matrix<sup>d</sup>

|             |          | Correlation |          |          |          | Level of Significance |          |          |          |
|-------------|----------|-------------|----------|----------|----------|-----------------------|----------|----------|----------|
|             |          | VAR00016    | VAR00017 | VAR00018 | VAR00019 | VAR00016              | VAR00017 | VAR00018 | VAR00019 |
| Correlation | VAR00001 | .481        | .593     | .375     | .496     | .000                  | .000     | .002     | .000     |
|             | VAR00002 | .399        | .363     | .327     | .603     | .001                  | .003     | .006     | .000     |
|             | VAR00003 | .472        | .413     | .653     | .501     | .000                  | .001     | .000     | .000     |
|             | VAR00004 | .418        | .253     | .440     | .324     | .001                  | .029     | .000     | .007     |
|             | VAR00005 | .294        | .404     | .500     | .537     | .013                  | .001     | .000     | .000     |
|             | VAR00006 | .195        | .484     | .242     | .393     | .074                  | .000     | .035     | .001     |
|             | VAR00007 | .416        | .433     | .533     | .416     | .001                  | .000     | .000     | .001     |
|             | VAR00008 | .395        | .579     | .457     | .547     | .001                  | .000     | .000     | .000     |
|             | VAR00009 | .806        | .606     | .574     | .354     | .000                  | .000     | .000     | .003     |
|             | VAR00010 | .558        | .582     | .724     | .544     | .000                  | .000     | .000     | .000     |
|             | VAR00011 | .670        | .402     | .610     | .332     | .000                  | .001     | .000     | .006     |
|             | VAR00012 | .539        | .319     | .614     | .463     | .000                  | .008     | .000     | .000     |
|             | VAR00013 | .384        | .589     | .686     | .620     | .002                  | .000     | .000     | .000     |
|             | VAR00014 | .511        | .416     | .636     | .629     | .000                  | .001     | .000     | .000     |
|             | VAR00015 | .705        | .757     | .678     | .585     | .000                  | .000     | .000     | .000     |
|             | VAR00016 | 1.000       | .561     | .586     | .422     |                       | .000     | .000     | .001     |
|             | VAR00017 | .561        | 1.000    | .633     | .531     | .000                  |          | .000     | .000     |
|             | VAR00018 | .586        | .633     | 1.000    | .615     | .000                  | .000     |          | .000     |
|             | VAR00019 | .422        | .531     | .615     | 1.000    | .001                  | .000     | .000     |          |

Table 10: Correlation Matrix<sup>d</sup>

|   |                           |         |
|---|---------------------------|---------|
| <b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b> |                           | .842    |
| <b>Bartlett's Test of Sphericity</b>                    | <b>Approx. Chi-Square</b> | 776.173 |
|   | df                        | 171     |
|   | Sig.                      | .000    |

Table 11: KMO And Bartlett's Test



|          | Total Variance Explained |            |                      |               |              |                                     |               |              |                                   |               |              |
|----------|--------------------------|------------|----------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
|          | Communalities            |            | Initial Eigen values |               |              | Extraction Sums of Squared Loadings |               |              | Rotation Sums of Squared Loadings |               |              |
|          | Initial                  | Extraction | Total                | % of Variance | Cumulative % | Total                               | % of Variance | Cumulative % | Total                             | % of Variance | Cumulative % |
| VAR00001 | 1.000                    | .811       | 9.104                | 47.918        | 47.918       | 9.104                               | 47.918        | 47.918       | 4.239                             | 22.311        | 22.311       |
| VAR00002 | 1.000                    | .856       | 1.632                | 8.590         | 56.508       | 1.632                               | 8.590         | 56.508       | 2.755                             | 14.499        | 36.811       |
| VAR00003 | 1.000                    | .755       | 1.446                | 7.611         | 64.120       | 1.446                               | 7.611         | 64.120       | 2.711                             | 14.270        | 51.080       |
| VAR00004 | 1.000                    | .790       | 1.110                | 5.843         | 69.963       | 1.110                               | 5.843         | 69.963       | 2.338                             | 12.306        | 63.387       |
| VAR00005 | 1.000                    | .688       | 1.005                | 5.287         | 75.251       | 1.005                               | 5.287         | 75.251       | 2.254                             | 11.864        | 75.251       |
| VAR00006 | 1.000                    | .544       | .858                 | 4.516         | 79.767       |                                     |               |              |                                   |               |              |
| VAR00007 | 1.000                    | .599       | .655                 | 3.448         | 83.215       |                                     |               |              |                                   |               |              |
| VAR00008 | 1.000                    | .652       | .631                 | 3.321         | 86.536       |                                     |               |              |                                   |               |              |
| VAR00009 | 1.000                    | .874       | .487                 | 2.564         | 89.100       |                                     |               |              |                                   |               |              |
| VAR00010 | 1.000                    | .782       | .415                 | 2.185         | 91.285       |                                     |               |              |                                   |               |              |
| VAR00011 | 1.000                    | .785       | .372                 | 1.960         | 93.245       |                                     |               |              |                                   |               |              |
| VAR00012 | 1.000                    | .752       | .324                 | 1.707         | 94.952       |                                     |               |              |                                   |               |              |
| VAR00013 | 1.000                    | .696       | .210                 | 1.107         | 96.058       |                                     |               |              |                                   |               |              |
| VAR00014 | 1.000                    | .756       | .170                 | .896          | 96.954       |                                     |               |              |                                   |               |              |
| VAR00015 | 1.000                    | .786       | .160                 | .840          | 97.795       |                                     |               |              |                                   |               |              |
| VAR00016 | 1.000                    | .833       | .145                 | .764          | 98.559       |                                     |               |              |                                   |               |              |
| VAR00017 | 1.000                    | .794       | .108                 | .566          | 99.126       |                                     |               |              |                                   |               |              |
| VAR00018 | 1.000                    | .791       | .096                 | .503          | 99.629       |                                     |               |              |                                   |               |              |
| VAR00019 | 1.000                    | .754       | .071                 | .371          | 100.000      |                                     |               |              |                                   |               |              |

Extraction Method: Principal Component Analysis.

Table 12

|  | Component |      |      |      |      |
|--|-----------|------|------|------|------|
|  | Factor1   | 2    | 3    | 4    | 5    |
| VAR00001   |           |      |      |      | .832 |
| VAR00002   |           |      | .831 |      |      |
| VAR00003   |           | .622 |      |      |      |
| VAR00004   |           |      | .725 |      |      |
| VAR00005   |           | .752 |      |      |      |
| VAR00006   |           |      |      | .712 |      |
| VAR00007   | .605      |      |      |      |      |
| VAR00008   |           |      |      | .578 |      |
| VAR00009   | .832      |      |      |      |      |
| VAR00010   |           | .607 |      |      |      |
| VAR00011   | .823      |      |      |      |      |
| VAR00012   | .671      |      |      |      |      |
| VAR00013   |           |      |      | .499 |      |
| VAR00014   |           |      | .667 |      |      |
| VAR00015   | .540      |      |      |      |      |
| VAR00016   | .731      |      |      |      |      |
| VAR00017   |           |      |      |      | .595 |
| VAR00018   | .572      |      |      |      |      |
| VAR00019   |           |      |      | .576 |      |
| Extraction Method: Principal Component Analysis. |           |      |      |      |      |
| a. Rotation converged in 9 iterations.           |           |      |      |      |      |

Table 13: Rotated Component Matrix<sup>a</sup>

| Factor   | Group Name                   | Variables                           | Variation |
|----------|------------------------------|-------------------------------------|-----------|
| Factor-1 | Natural and Physical Factors | Destination Popularity              | .605      |
|          |                              | Climate                             | .832      |
|          |                              | Hills                               | .823      |
|          |                              | Historical Attractions              | .671      |
|          |                              | Personal Safety                     | .540      |
|          |                              | Natural Attraction                  | .731      |
|          |                              | Quality of Infrastructure           | .572      |
| Factor 2 | Local Life Style             | Local Community Lifestyle           | .622      |
|          |                              | Meditation, Yoga & Spas             | .752      |
|          |                              | Friendly People                     | .607      |
| Factor 3 | Expenditure                  | Adventure Activities                | .831      |
|          |                              | Wildlife & Bird Watching            | .725      |
|          |                              | Cost of Holiday                     | .667      |
| Factor 4 | Recreation                   | Distance of Travel                  | .712      |
|          |                              | Night life & Entertainment          | .578      |
|          |                              | Beaches & Water Sports              | .499      |
|          |                              | Event / Festival at the destination | .576      |
| Factor 5 | Accommodation                | Eco-friendly Resort / Hotel         | .832      |
|          |                              | Hygiene & Cleanliness               | .595      |

Table 14: Grouping Of Factors

| <b>VARIABLE</b> | <b>DESCRIPTION</b>  |
|-----------------|---|
| Variable 1      | Eco-friendly Resort / Hotel                                       |
| Variable 2      | Adventure Activities (Trekking, Parasailing, Bunjee Jumping, etc) |
| Variable 3      | Local Community Lifestyle   |
| Variable 4      | Wildlife & Bird Watching  |
| Variable 5      | Meditation, Yoga & Spas   |
| Variable 6      | Distance of Travel  |
| Variable 7      | Destination Popularity  |
| Variable 8      | Night life & entertainment  |
| Variable 9      | Climate   |
| Variable 10     | Interesting & friendly people                                     |
| Variable 11     | Hills   |
| Variable 12     | Interesting Historical destinations                               |
| Variable 13     | Beaches & Water sports  |
| Variable 14     | Cost of holiday / Value for money                                 |
| Variable 15     | Personal Safety   |
| Variable 16     | Natural Attraction  |
| Variable 17     | Hygiene & Cleanliness   |
| Variable 18     | Quality of Infrastructure   |
| Variable 19     | Event / Festival at the destination                               |

Annexure-I

Annexure II: Questionnaire

Q1 Gender Male  Female

Q2 Age (in years) 18-32  33-47  48-62

Q3 Education Under-Graduate  Graduate  Post-Graduate

Q4 Occupation Service  Business  Government Job  Student

Q5 Marital Status Single  Married

Q6 Individual Annual Income (in Rs. lakhs) 3 to 5  5 to 7  7 to 9  9 to 10

Q7 City you belong to Chandigarh  PUNCHKULA  Mohali

Q8 What is the importance of the following Destination based features for you, while selecting the destination?

|  | Very Important | Important | Indifferent | Not important | Not at all important |
|--|----------------|-----------|-------------|---------------|----------------------|
| Ecofriendly-Resort / Hotel   |                |           |             |               |                      |
| Adventure Activities (Trekking, parasailing, bunjee jumping, canoeing, kayaking, river raffting,etc) |                |           |             |               |                      |
| Local community lifestyle  |                |           |             |               |                      |
| Wildlife & Bird Watching   |                |           |             |               |                      |
| Meditation, Yoga & Spas  |                |           |             |               |                      |
| Distance of travel   |                |           |             |               |                      |
| Destination Popularity   |                |           |             |               |                      |
| Night life, sightseeing & entertainment  |                |           |             |               |                      |
| Climate  |                |           |             |               |                      |
| Interesting & friendly people  |                |           |             |               |                      |
| Hills  |                |           |             |               |                      |
| Historical attractions   |                |           |             |               |                      |
| Beaches & Water sports   |                |           |             |               |                      |
| Cost of Holiday / Value for money  |                |           |             |               |                      |
| Personal safety & security   |                |           |             |               |                      |
| Scenery & natural attraction   |                |           |             |               |                      |
| Standard hygiene & cleanliness   |                |           |             |               |                      |
| Quality of infrastructure  |                |           |             |               |                      |
| Event / Festival at the destination  |                |           |             |               |                      |

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