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**RESEARCH ARTICLE**

**ECONOMIC BENEFITS OF TOURISM TO THE HOST COMMUNITY –  
A STUDY WITH REFERENCE TO POOVAR TOURIST CENTRE,  
TRIVANDRUM, KERALA, INDIA**

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**ABSTRACT**

Poovar is a small village situated in the Trivandrum district on the coast of Kerala. This village is one of the few which mark the end of the territory of Kerala. This village lies very close to Vizihinam which is a natural harbor. Poovar also has an estuary, Neyyar River, which joins the sea. This village has been an ancient trading center of timber, spices, ivory and sandalwood. The beach is a quiet spot, hidden away from the usual hustle bustle of city life or even the usual tourist humdrum that marks many tourist spots. Due to its small size, there are lesser numbers of residents. Moreover, the remoteness of Poovar makes it a fabulous place for solace and solitude. The excellent resort in backwaters or cottages can give a spectacular experience with sunsets, sunrise and mesmerizing natural surroundings. The sun-kissed golden sands, the verdant coconut palms on both sides create a magical and memorable experience.

In this tourist village, within few years more than 50 shops are established and more than 100 employees are working in various shops. For the study we randomly selected 20 shops and 20 employees from various shops, which are directly or indirectly involved tourism, to analyses the benefits of hosts through the tourism at Poovar.

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**INTRODUCTION**

Tourism is becoming an important component of economic development programs around the world. Planners who have traditionally viewed economic development as “bricks and mortar” industrial development now consider tourism a viable strategy as traditional industries relocate for cheaper labor and resources (Jayasree, 2001). At the same time, residents in many areas are encountering tourism’s impacts and benefits for the first time. To gain support for tourism projects and initiatives, many planners now strive to understand how the public perceives the tourism industry. For planners with little exposure to the tourism industry other than being tourists themselves, the learning curve about this industry and resident attitudes toward tourism can prove daunting (Johnson, 2005).

The studies relating Kerala tourism are much less in number. The National Council for Applied Economic Research made one of the pioneering works in this area (G01, 1975). It made a cost-benefit analysis of investment in different classes of accommodation for tourists with special reference to the integrated Kovalam Beach Resort Project. 40 Government of Kerala (GOK, 1989) conducted a study to identify the crucial areas, which required special attention of the Department of Tourism for the planned promotion and provision of tourism related infrastructure in Kerala. Sudheer (1993) conducted a primary survey of tourists, specially asking them to make their preferences for major attraction factors and developed criteria for weighing the attractiveness of the destination area,

i.e., Kerala. Vijayakumar (1995) highlighted the importance of eco tourism and assessed the demand for the same in Kerala. This study, confined to foreign tourists, has succeeded in establishing empirically the fact that the natural beauty of Kerala, rather than the man-made one attracts the foreign tourists. Applying the technique of Delphi, he substantiated the claim of Kerala on its immense potential with respect to eco-tourism. Kamalakshy (1996) analysed the growth and pattern of hotel industry of Kerala with special reference to tourism and noted that the growth of hotel industry in any place was an index of the economic development of that region, especially industrial development in terms of tourist industry. She has identified significant centres in respect of hotel units, calculating mean centre size for the years 1985 and 1994. Kumar (1998) conducted a study on foreign tourists visiting Kerala to find out the influences of their demographic profiles on the selection of Kerala as a destination and found that the psychological factors have influenced their visit and spending pattern during their visit. 41 Government of Kerala (GOK, 1999) explained the concept of ecotourism, ecotourism resources, potential of ecotourism in Kerala and ecotourism policy guidelines of India. Government of Kerala appointed Tata Consultancy Services (TCS, 2000) to work out output, income and employment multiplier from tourism. TCS observed that though the output and employment multiplier were very large, income multiplier was not so large due to the large degree of leakage present in the state’s economy. Government of Kerala (GOK, 2001a) outlined the Tourism

Vision 2025 and noted the action plan to achieve a ten percent increase in earnings from tourism with seven percent growth in foreign and nine percent growth in domestic tourist arrivals and hoped to create 10,000 job opportunities every year. It proposed to promote and market Kerala tourism products at the national and international levels thereby making the state a premier global tourist destination. James (2001) worked out the economic impact of tourism in Idukki district on motor transport sector, small-scale industries, business establishments and spices trade. A retrospective look at the above studies reveals that these studies have ventured on emerging concepts of tourism products, eco-tourism, recreational fisheries, satiation of visitors, overall impacts of tourism, etc. and no effort seems to have been made to study the economic and environmental impacts of coastal tourism in Kerala or its sustainability. Kerala, a state situated on a tropical Malabar Coast of Southern India, is one of the most popular tourist destinations in the country. Kerala is one of the ten paradises of world by the National Geographic Traveler. Kerala is famous especially for its ecotourism initiatives. Its unique culture and traditions, coupled with its varied demography, has made Kerala one of the most popular tourist destinations in the World. Growing at a rate of 13.31% the tourism industry is a major contributor to the state economy (Jurowski et al 1997)

Poovar is a small village situated in the Trivandrum district on the coast of Kerala. This village is one of the few which mark the end of the territory of Kerala. This village lies very close to Vizhinjam which is a natural harbor. Poovar also has an estuary, Neyyar River, which joins the sea. This village has been an ancient trading center of timber, spices, ivory and sandalwood. The beach is a quiet spot, hidden away from the usual hustle bustle of city life or even the usual tourist humdrum that marks many tourist spots. Due to its small size, there are lesser numbers of residents. Moreover, the remoteness of Poovar makes it a fabulous place for solace and solitude (Joppe, 1996).

Like other tourist centers in Kerala, Poovar is also a good location for the tourist. It provides all the facilities such as boating services, resorts, home stay facility, etc. So many local people and outsiders are providing services to the tourists. Being a small location, it is not getting wide reputation and so many people are unknown about the tourist center at Poovar. So the study has been done to enlighten the public to get a general awareness about the tourist facilities and it is primarily meant to evaluate the economic benefit of the host community of the center during different seasons.

**MATERIAL AND METHODS**

In this project we adopt both primary and secondary data is used for the study. Primary data were collected from various institution’s owners and employees through interview schedule. Secondary data were collected from internet, various publication of Government of Kerala, data published in various journals and various book published by various writers. More than 50 shops are established and more than 100 employees are working in various shops. For the study we randomly selected 20 shops and 20 employees from various shops, which are directly or indirectly involved tourism and which provide various goods and service to the tourists. All the data were tabulated and analyses with the help of statistical tools. Simple statistical tools like

percentage, average were also used. Diagrams and graphs were also used for easy understanding.

**RESULT AND DISCUSSION**

The term analysis means mathematical classification of the data, which are collected for the study. For the purpose of analysis individual item are studied and their relationship with other related items are established. This is done to obtain a better understanding of the study and provide necessary suggestion for improvement.

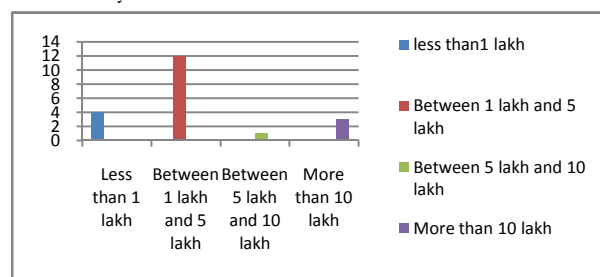
Table and figure 1 shows that 20percentage of the investors have invested in their shops, less than one lakh rupees, 60 percentage of investors invested between one lakh and five lakh, 5 percentage invested five to ten lakh and 15 percentage of investor invest more than ten lakh.

**1. Amount of Investment (Investor)**

**Table No. 1** Classification of respondents on the basis of their investment

Sl. No.	Amount	Number of Respondent	Percentage
1	Less than 1 lakh	4	20
2	Between 1 lakh and 5 lakh	12	60
3	Between 5 lakh and 10 lakh	1	5
4	More than 10 lakh	3	15
	<b>Total</b>	<b>20</b>	<b>100</b>

Source: Primary Data



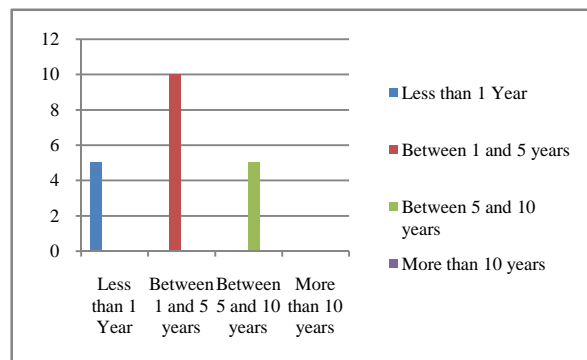
**Figure .1**

**2. Business Experience (Period)**

**Table No.2** Classification of investors on the basis of their experience

Sl. No.	In Year	Number of Respondent	Percentage
1	Less than 1 Year	5	25
2	Between 1 and 5 years	10	50
3	Between 5 and 10 years	5	25
4	More than 10 years	0	0
	<b>Total</b>	<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 2**

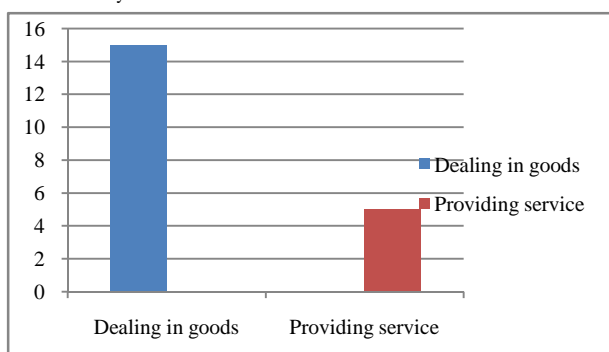
Table and figure.2 shows in their business experience of investors 25 percentage of investors have only the experience of less than one year. 50 percentage of investors have the experience between one year and five years, 25 percentage of investors have five to ten years' experience and no one is having experience of more than 10 years. Table and figure 3 shows 75 percentage of respondent engaged in business (dealing in good) and balance of 25 percentage have engaged in providing service.

3. **Category of Business**

**Table No. 3** Classification on the basis of type of business

Sl. No.	Category	Number of Respondent	Percentage
1	Dealing in goods	15	75
2	Providing service	5	25
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 3**

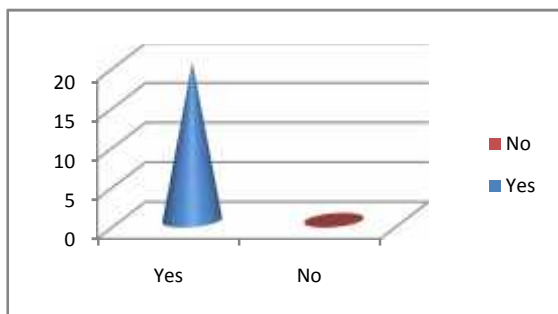
Table and figure.4 shows that seasonal fluctuation affects the business of all the respondents.

4. **Business is affected seasonally or not.**

**Table No. 4** seasonal fluctuation affects the business

Sl. No.	Business is affected Seasonally	Number of Respondent	Percentage
1	Yes	20	100
2	No	0	0
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 4**

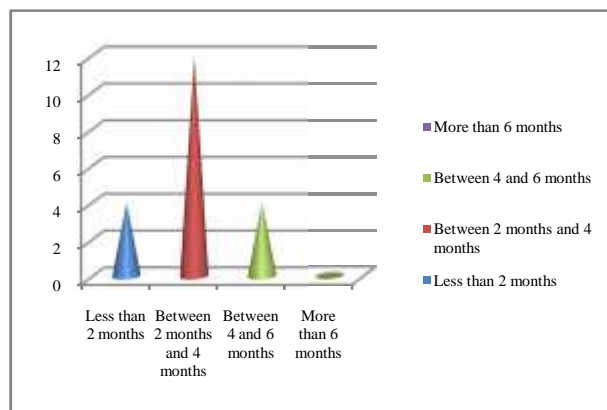
All types of business are highly benefitted during season. Table and figure 5 shows that seasonal variation, 20 percentage of business affected less than 2 months of season, 60 percentage of business is affected between 2 months and 4 months, 20 percentage have between 4 and 6 months and no one is having the season of more than 6 months.

5. **Affected Period of Season**

**Table No. 5** Classification of respondents according to the affected period of season

Sl. No.	Period	Number of Respondent	Percentage
1	Less than 2 months	4	20
2	Between 2 months and 4 months	12	60
3	Between 4 and 6 months	4	20
4	More than 6 months	0	0
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data



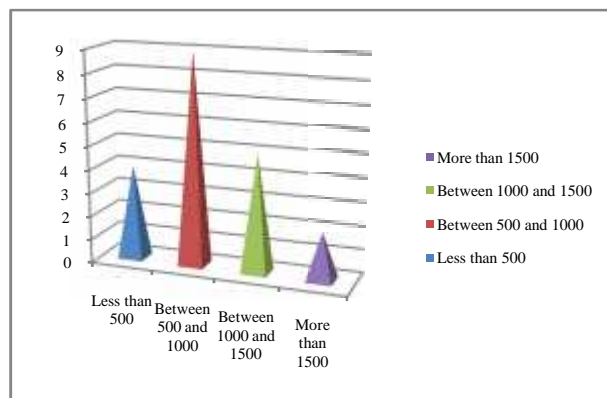
**Figure 5**

6. **Average Monthly Visitors/Customers During Season**

**Table No. 6** Classification according to the customers during season

Sl. No.	Number of visitors	Number of respondent	Percentage
1	Less than 500	4	20
2	Between 500 and 1000	9	45
3	Between 1000 and 1500	5	25
4	More than 1500	2	10
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 6**

Table and figure6 shows average monthly visitors during the season. 20 percentage of shops have less than 500 visitors, 45 percentage shops have customers 500 to 1000customers during season, 25 percentage have 1000 to1500 customers and 10 percentage have more than 1500 customers. Tableand figure 7 shows, average monthly visitors during the off season. 20

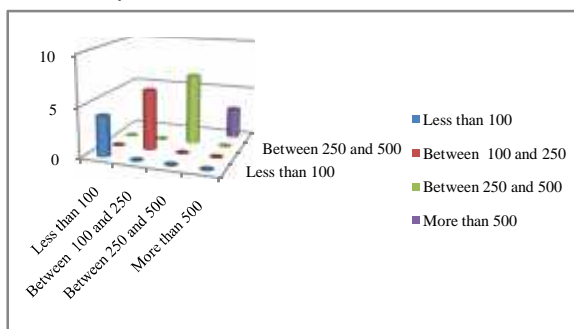
percentage of shops have less than 100 visitors, 30 percentage shops have 100 to 250 customers, 35 percentage have 250 to 500 and 15 percentage have more than 500.

**7. Average Monthly Visitors/Customers During Off Season**

**Table No. 7** Classification according to the customers during season

Sl. No.	Number of visitors (off season)	Number of respondent	Percentage
1	Less than 100	4	20
2	Between 100 and 250	6	30
3	Between 250 and 500	7	35
4	More than 500	3	15
	<b>Total</b>	<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 7**

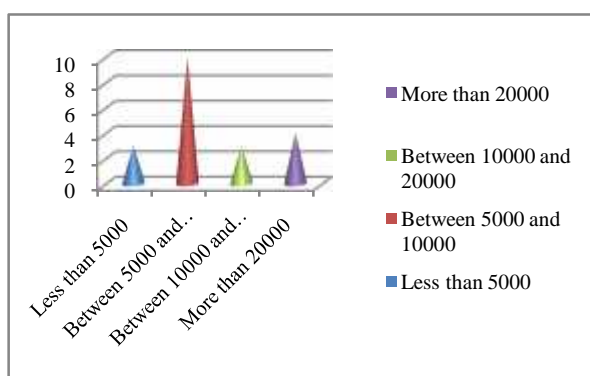
Table and figure 8 shows amount of profit during season. 15 percentage of investors earn less than 5000 per month, 50 percentage of investors earn between 5000 and 10000, 15 percentage earn 10000 to 20000 and 20 percentage earn more than 20000 per month. Table and figure 9 shows amount of profit during off season. 25 percentage of investors earn less than 3000 per month during off season. 30 percentage earn between 3000 and 5000, 25 percentage gets 5000 to 10000 and 20 percentage more than 10000.

**8. Monthly Profit From The Business During Season**

**Table No. 8** Classification according to the Profitability during season

Sl. No.	Amount of profit	Number of respondent	Percentage
1	Less than 5000	3	15
2	Between 5000 and 10000	10	50
3	Between 10000 and 20000	3	15
4	More than 20000	4	20
	<b>Total</b>	<b>20</b>	<b>100</b>

Source: Primary Data



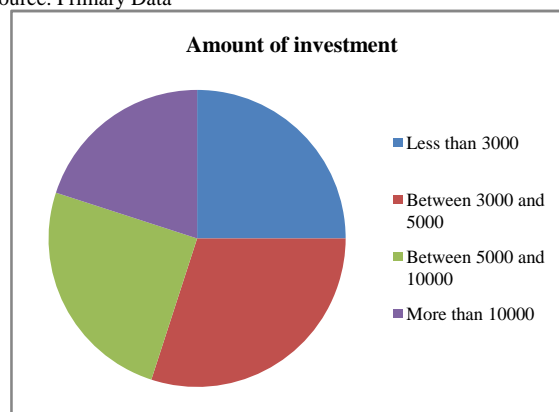
**Figure 8**

**9. Monthly Profit From The Business During Off Season**

**Table No. 9** Classification according to the Profitability during off season

Sl. No.	Amount of profit	Number of respondent	Percentage
1	Less than 3000	5	25
2	Between 3000 and 5000	6	30
3	Between 5000 and 10000	5	25
4	More than 10000	4	20
	<b>Total</b>	<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 9**

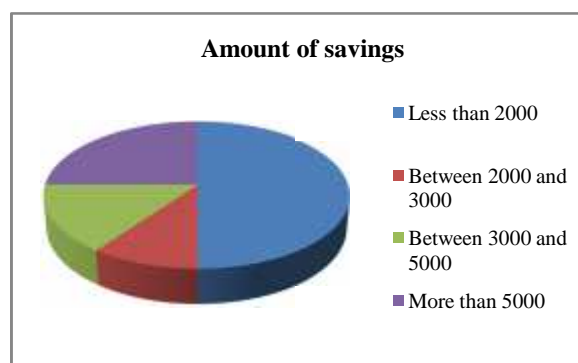
This shows during off season also they are getting good amount of profit. Table and figure 10 shows that monthly savings of investors. 50 percentage of investors save less than 2000 rupees, 10 percentage save between 2000 and 3000, 15 percentage save 3000 to 5000 and 25 percentage save more than 5000 during season.

**10. Monthly Savings During Season**

**Table No. 10** Classification according to the savings during season

Sl. No.	Amount of savings	Number of respondent	Percentage
1	Less than 2000	10	50
2	Between 2000 and 3000	2	10
3	Between 3000 and 5000	3	15
4	More than 5000	5	25
	<b>Total</b>	<b>20</b>	<b>100</b>

Source: Primary Data



**Figure 10**

Table and figure 11 shows that length of service of employees. 45 percentage of employees have less than 1 year experience, 50 percentage of employees have between 1 year

and 5 year, 5 percentage have between 5 and 10 year and no employee works there for more than 10 years. Table and figure 12 shows that monthly remuneration of employees during season.

11. Length of Service (Employees)

Table No.11 Classification of employees according to their length of service

Sl. No.	Period	Number of respondent	Percentage
1	Less than 1 year	9	45
2	Between 1 and 5 year	10	50
3	Between 5 and 10 year	1	5
4	More than 10 year	0	0
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data

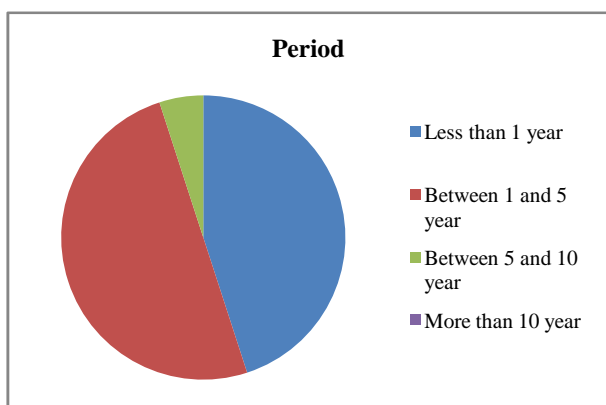


Figure 11

12. Monthly Remuneration (Employees)

Table No. 12 Monthly Remuneration of Employees during Season

Sl. No.	Amount of remuneration (season)	Number of respondent	Percentage
1	Less than 3000	0	0
2	Between 3000 and 5000	1	5
3	Between 5000 and 10000	12	60
4	More than 10000	7	35
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data

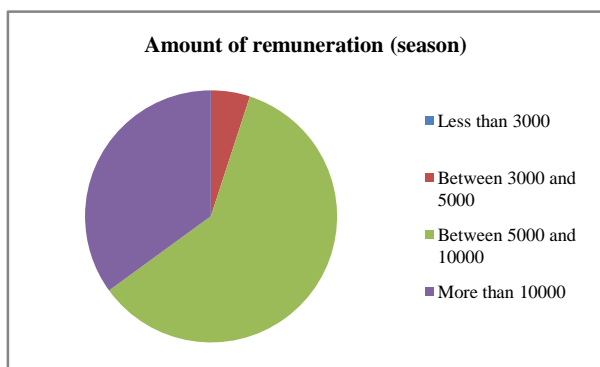


Figure 12

No employee earns amount of less than 3000, 5 percentage gets between 3000 and 5000, 60 percentage gets between 5000 and 10000 and 35 percentage earns more than 10000 as remuneration during season. Table and figure 13 shows that monthly remuneration of employees during off season. No employee gets an amount of less than 2000, 15 percentage of employees have earn between 2000 and 3000, 15 percentage have between 3000 and 5000 and 70 percentage gets more than 5000 rupees as remuneration during off season.

14. Monthly Remuneration (Employees)

Table No. 13 Monthly Remuneration of Employees during Season

Sl. No.	Amount of remuneration (off season)	Number of respondent	Percentage
1	Less than 2000	0	0
2	Between 2000 and 3000	3	15
3	Between 3000 and 5000	3	15
4	More than 5000	14	70
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data

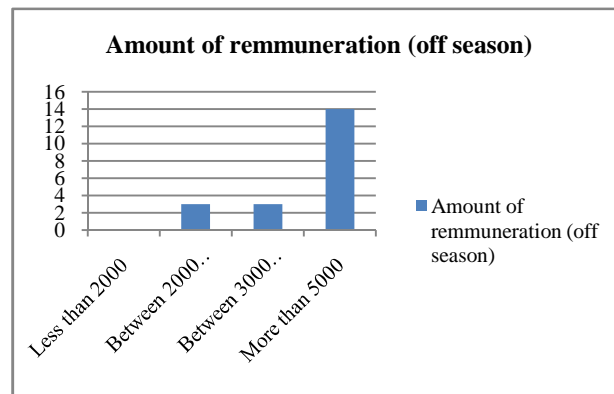


Figure 3.13

Table and figure 14 shows that monthly expenditure of employees. 5 percentage of employees have expenditure is between 1000 and 2000, 25 percentage of employees spent between 2000 and 4000 and balance of 70 percentage have expenditure more than 4000 rupees per month.

13. Monthly Expenditure (Employees)

Table No. 14 Monthly Expenditure of Employees

Sl. No.	Amount of Expenditure	Number of respondent	Percentage
1	Less than 1000	0	0
2	Between 1000 and 2000	1	5
3	Between 2000 and 4000	5	25
4	More than 4000	14	70
<b>Total</b>		<b>20</b>	<b>100</b>

Source: Primary Data

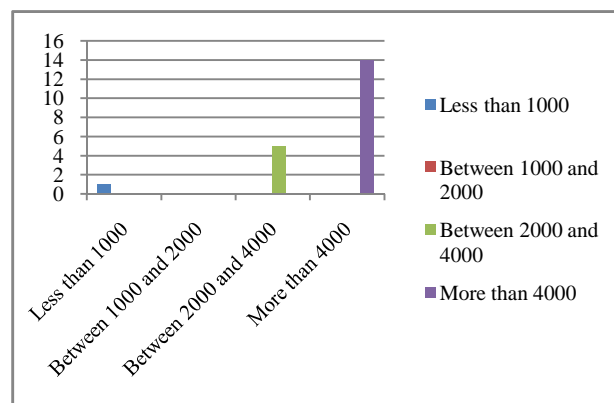


Figure 14

Among the 20 shops about 60 percentage had invested in their business between one and five lakhs. More than 50 percentage of investors have the experience of between one and five years. 75% of investors have preferred profit making business. All business units were affected the seasonal variations. The majority of the firms are having seasons

varying a period between two and four months. Seasonal variation does not affect the income of the employees considerably. Saving habit of the businessmen is very low and more than 50 percentage of investors save less than Rs. 2000 only per month. 70 percentage of employees have spent more than Rs. 4000 for their expenditure. This is the major portion of their income. So they are unable to save for the future. Financial crisis is the important problem of that sector.

## **CONCLUSION**

Tourism is one of the main incomes generating way of our nation. So development and improvement of tourism is very important in different ways such as promotional activities awareness programs, etc. We can see more spots in rural areas, therefore, the development of tourism started from rural areas. Poovar is one of the backward tourist spot in Kerala. This place includes more than one tourist villages, beaches and backwaters. But the improvement and development of this region is very low compared to other tourist spots. So, various promotional activities can be implemented with the help of local self Govt. and coastal communities residing there for their economic benefits. More programs like carnivals may be helpful to promote Poovar into a high standard tourism destination. In our study we came into a conclusion that the host community is not highly benefited due to above mentioned drawbacks and it can be developed in to a good destination like Kovalam.

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