

"Tourism and livelihood opportunities"



BMA
E-REVIEW

A Journal of
the Bombay
Management
Association

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Volume : 13

E-REVIEW: January 10

Dear Members,

Hope you found reading our last e-review interesting, which had an exhaustive, yet insightful and practical article written by Prof. Rupal Jain, Lecturer, Atharva Institute of Management Studies (Mumbai). She had listed 51 golden rules for self-motivation & success.

In this e-review, we bring an article written by Prof. Som Sekhar Bhattacharya and Prof. Barnabas. Prof. Bhattacharya is associated with NITIE and Prof. Barnabas is associated with Symbiosis Institute of Business Management at Bangalore. You may recall that in one of the earlier e-reviews we had published an article on tourism industry in India. These gentlemen demonstrate, with the example of tourism industry in Goa, how this industry has a potential to provide livelihood opportunities for people at the bottom of the pyramid.

Happy reading.

Best regards,



Abhijit Phadnis
Chairman, Editorial Board

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Poverty Alleviation- The role of Tourism in Goa

Introduction:

If one says that Goa is one of the most favored destinations of tourists in India and even in the world one would not be very far from truth. Goa has a population of about one and a half million but it attracts more than two million tourists. So, Goa has more tourist visitors than its own residents. Goa is situated in the western side of India between the high hills of Western Ghats and the blue waters of the Arabian Sea. In terms of terrestrial spread, it is nearly of 200 kms in length and about 50 kms in breadth. This small stretch of land mass is intersected by the four beautiful rivers of Thirakol, Chappora, Mandovi and Zuari located from north to south flowing from east to west. These rivers nestle a few islands like Diwar, Cherao and others some of which are bird sanctuaries. There are also waterfalls like the Doodhsagar (meaning milky ocean) and Havem. There are also national parks like Catigao, which have crocodile parks.

Goa has been a former colony of the Portuguese Empire and as a testimony to it stands the archeological remnants of Thirakol Fort, Aguada fort and many more. Complementing to the forts has been the distinct archeological flavor of Goan buildings which can be experienced by walking on the streets of Panaji (the present day capital city) and Old Goa (the Old Capital). The archeological beauty can also be appreciated in the not so well known villages of Goa. The two churches of Old Goa epitomize the distinct personality reflected by the Goan architectural landscape.

But Goa is most known for its basking bright sun shine shining on the silver, saline sand beaches quenched by the sea. There are a number of beautiful beaches spanning from the north to the south of Goa. In a local saying it is said that 'anywhere you go near the sea you would get a lovely beach nearby'. According to some estimates there are about 33 beaches that are visited by tourists. However, the more popular ones are Harmal, Morgem, Vagator, Anjuna, Baga, Calangoute, Siquernim, Miramar, Bogmalo, Colva, Palolim and Canacona (spread from north to south in that order).

Changing contours of Goa Tourism:

Goa has witnessed tectonic shifts in profile of tourists it has attracted over the years. In the mid 70s the *hippies* from Europe identified Goa a tourist destination. The virgin, secluded and calm beaches of Goa with its friendly fishermen offered a perfect destination for the hippies who looked for realistic and not stage-managed experience of Nature. The hippies dominated the Goan tourism landscape till the mid eighties. In the year 1985 twenty-four chartered tourist flights flew from Frankfurt destined for Goa (CII Report 2008). From then there has been a deluge of inflow of large scale European tourists from the UK, Germany, France, Russia and other countries. These chartered tourists came for organized trips managed by travel agents who also arranged for chartered flights and accommodation. This new set of tourists expected a fifteen days all in one 'packaged experience' totally different from the existential manners and demands of hippies. The Goan tourism related entrepreneurs adapted well to provide accommodation, food and other amenities to the chartered tourists.

Since mid 1990s because of the economic boom in India there has been a resultant increase in the volume of middle class population as well as there has been a resultant increase in disposable income among the middle class. This middle class segment has started spending more on vacation and entertainment. This new trend resulted in a surge in the number of domestic tourists visiting Goa. The domestic tourists demanded from the tourism service providers for Indianized food and cuisines and cheaper accommodation and transportation facilities. Once again the Goan tourism service providers responded well. For example the Goan Shacks and Cruises that played Beatles and Goan folk music started playing Punjabi and Bollywood songs. In food salads and cheese menus have made way for Indian delicacies (D'souza and Barnabas, 2008). Though the basic attraction of Goa for the tourists remain the 'beach', the 'beach experience' that Goa offers has undergone considerable change. Entrepreneurs in Goa agree to the challenge they face in addressing these customer shifts while continuing to delight the customers.

Customer delight (Rust and Oliver 2000) occurs when the service experience exceed expectations. Delight could result from either or both the product experience or the service experience. Even in case of tourism this is true. On both these dimensions Goa as a tourist destination has historically been able to provide delightful experience for the customers. As far as the major attraction is concerned the beaches where gentle waves hit white sand, mountain stretches touching beach fronts, waterfalls forming rivers that empty into the sea and the ambience of the beachside villages deliver a delightful experience to nature loving tourists that frequent the Goan beaches. As far as the service is concerned the friendly locals, multilingual and well mannered frontline service providers in Goan hotels and shacks ensure delightful experience. Unique to Goa is the comprehensive rustic Goan ambience that the local residents provide to tourists. A tourist or a tourist family could share food and accommodation with the Goan family and have a live Goan experience in many Goan houses. In a nutshell, one can comment that in the initial years customer delight was just provided by nature but today it is provided both by nature as well as the human element at various touch points.

Another dynamic dimension of Goan tourism is the advent of the concept of sustainable tourism. The concept of sustainable tourism (UN report, 1999) points towards the fact that stakeholders not only create value and gain benefits for the present day but also contribute suitably to secure benefits for the future. In other words because Goan tourism primarily depends upon natural settings it is important to conserve the natural endowments that mother earth has bestowed on Goa. If because of short term interests there is overcrowding of tourists as well as faulty (or absence of) mechanisms to take care of the beaches, the rivers, the forests, and the flora and fauna then the very basis of attraction of tourists to Goa would be harmed and thus the tourism industry would not be sustained in future for the long run. After describing the changing contours of Goan tourism the next section talks about the various stakeholders involved in the tourism business and their respective contributions and gains.

Stakeholders Involved:

Any business any industry has certain stakeholders who are involved in the creation and delivery of value. Tourism industry has also got some stakeholders involved. Diagram 1 represents the stakeholders involved in goan tourism. The stakeholders are namely, tourists, the government (Goa state government), the local public and the migratory work force who get involved in the industry.

Diagram -1, Involved Stakeholders

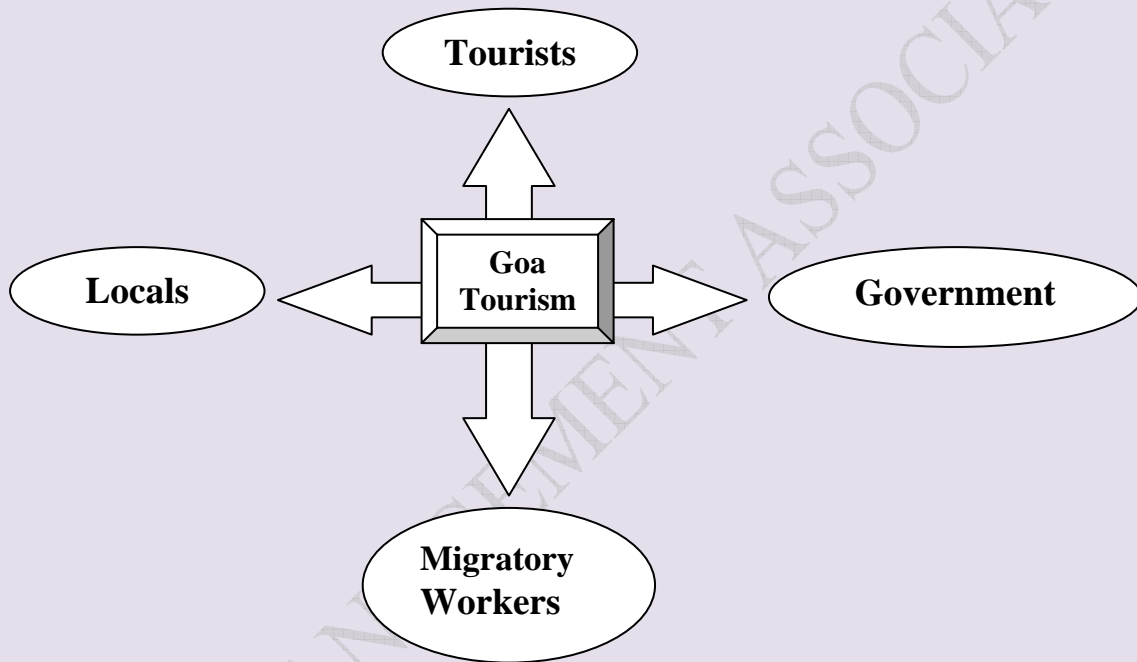
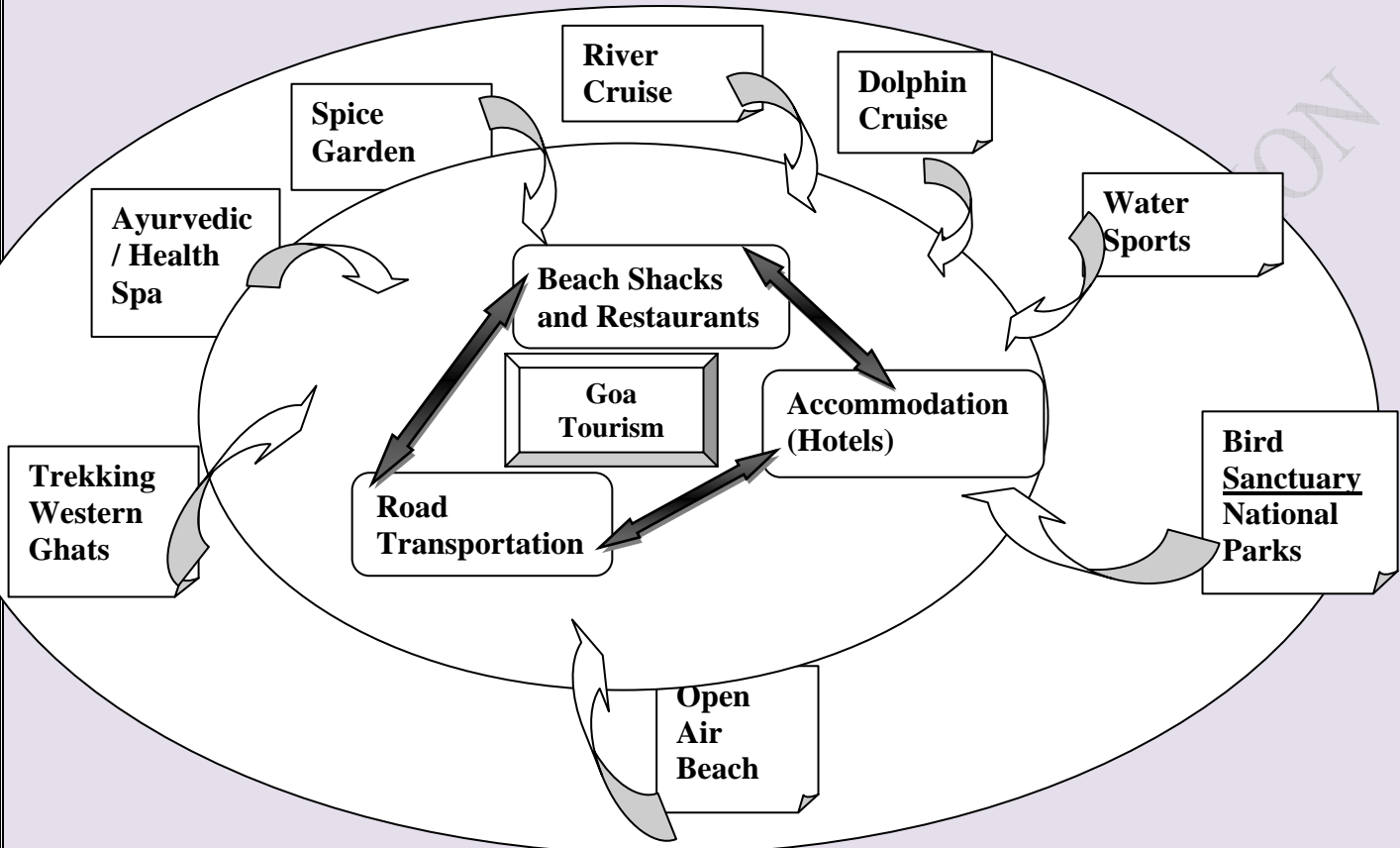


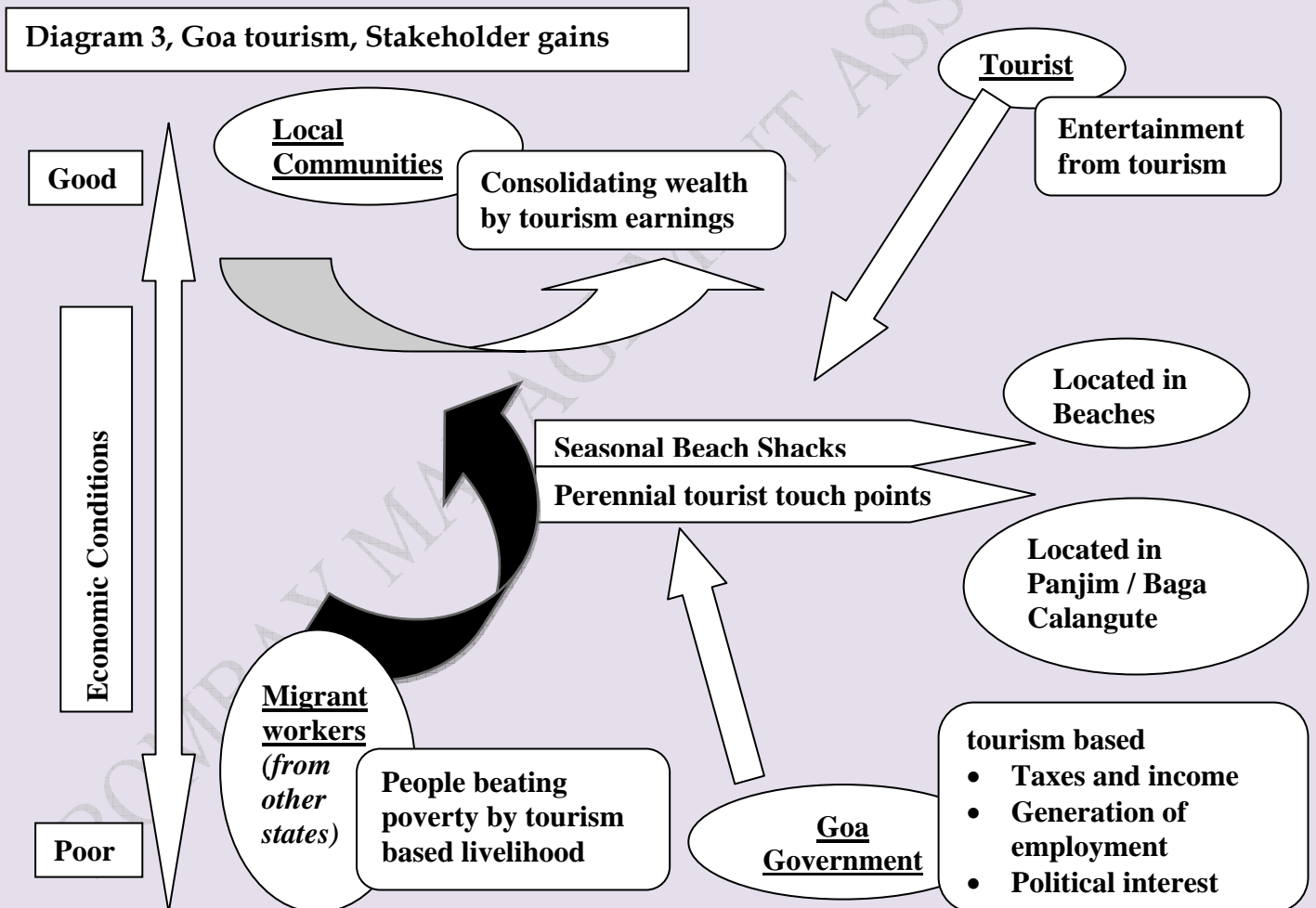
Diagram 2, provides a helicopter view of Goan Tourism.

Diagram 2, Helicopter View of Goan Tourism



The beach shacks and the restaurants form the front end touch point of the delightful beach tourism experience. The tourists bathe and play in the sea and relax on the shack beds, reading their favorite novels, enjoying Goan food and the best of the Sun. The second pillar of tourism industry is the extensive network of organized hotels, guest houses and even residential home accommodation provided to the tourists' at various places. The provisioning of accommodation for the tourists needn't be argued. The taxis and other local conveyance providers form the third pillar of the tourism industry. They help the tourist move from the airport, railway stations and bus stands to the various tourist destinations as well as between tourist spots. As is with accommodation, the importance and relevance of conveyance services needs no emphasis. The three services of Beach Shacks and Restaurants, Accommodation (Hotels) and Road Transportation, form as the constituents of the inner circle activities of diagram 2. The inner circle of activities represent the basic, core defining attributes of Goan tourism in the sense that if any of the three is taken away, the tourism value creation would be negatively impacted. In other words value creation (the tourist experience) wouldn't be complete if any of the three is subtracted. The outer circle activities in diagram 2, represents the peripheral, auxiliary activities which add on value to the core activities (represented in the inner circle). The peripheral activities are River Cruise, Dolphin Cruise, Water Sports, Trekking in the Western Ghats,

Ayurvedic / Health Spa, Bird Sanctuary/ National Parks. If a service from the peripheral set of activities is subtracted then the value creation would not be significantly harmed. The presence of Water sports facilities help to attract more tourists or the youth and adventurous minded but the absence of water sports facilities doesn't stop one from visiting and experiencing the beach. Similar could be the case with open air beach parties. Needless to point out that the presence of the conceptualized outer set of activities help to attract more tourist (reflecting quantity in volume terms) with increased willingness to pay (reflecting quantity of price premium revenue per tourist). Thus the peripheral tourist activities are important for more and better revenue. The other point which needs to be stressed is that both the primary and the peripheral tourist activities employ a workforce. This economically touches a large section of the locals and the migrated workforce. Enhanced revenue from these different sets of tourist activities help in increased earnings (both fixed and variable in nature) for the locals. Diagram 3 provides the various stakeholder contribution and gains from the tourism industry.



As in the case of stakeholders in any industry the four stakeholders mentioned here contribute towards the value creation for superior tourism experience and gain certain benefits for themselves. Table -1 explains the same.

Table -1- Goa tourism , Stakeholder contribution and gains

S.N o	Stakeholder	Contribution	Benefits
1	The Local Communities	<p>They participate in the tourism industry in two manners.</p> <ul style="list-style-type: none"> • Some of the local community members own various tourist services provisioning assets like beach shacks, restaurants, cars/ bikes for rentals, residential hotels. • Some locals work in the various streams in the industry as labourers. They serve food and drinks in shacks and restaurants, drive the taxis, and work as life guards and in other various ways. <p>The Local Communities thus help to create and deliver the various relevant services.</p>	<p>The local owners earn profit from the ownership of business assets (the services it provides). The workforce earns salary from the job in the industry.</p>
2	Goa state Government and local Panchayats	<p>Goa government helps to develop and augment the tourism infrastructure (like hard infrastructure of development of roads and soft infrastructure of maintaining law and order and other such functions)</p> <p>Goa government also does administrative functions like to give license to shack owners.</p>	<p>The government earns revenue though taxes they levy on the business. Tourism is an important source of revenue for the government.</p> <p>Secondly, the government has to provide employment to the citizens of the state which again has an economic and a political dimension. Tourism is a very dominant and vital source of employment generation in the state.</p>
3	Migrant workers (from other states)	<p>They participate in the tourism industry as workers doing the unskilled and at best the semi skilled jobs. The migrant workers work as cooks, stewards in shacks, attendants in hotels, driver of rental cars and in many other similar functions.</p>	<p>They earn the wages from working in the various functionaries of the industry.</p>
4	Tourists	<p>Tourist pay for the services they enjoy at different touch points in the tourism experience.</p>	<p>They live the experience of Goa and keep with them the happy memoirs to be virtually enjoyed once they leave Goa and motivate them to revisit in future.</p>

One point to be noted is that the locals of Goa are not poor. Actually the state ranking in terms of per capita income is higher than the Indian national average. Goa is one of the most prosperous states of India. The tourist business in Goa primarily helps the locals to consolidate their existing wealth by the earnings from tourism. For the locals migrating from other states in India the situation is different as they earn their fixed wages and the variables (tips from the customers), it helps them to move out of poverty. The next section of the article discusses the various avenues of employment specially related revolving around the beach shacks.

Beaches - Avenues of Livelihood:

Certain beach clusters like the Baga-Calngaute has intense tourist related economic activities which supplement the main tourism industry like dental care tourism, ayurvedic and massage tourism, taxi services, water sports and a chain of food outlets, restaurants and bars serving goan delicacies and other cuisines. Needless to say that these industries employ a large section of work force in Goa as most of it is labor intensive. But the major activity in tourism is the three pronged activities of accommodating the tourists and providing for food and transportation for a better beach tourist experience which is the core defining feature of Goan tourism.

Beach shacks are seasonal restaurants on the beaches of Goa. During November-May season around 500 shacks cater food and drinks to tourists along the prominent beaches of Goa. They are located close to the high tide on public space (Kazi, 2000). Since the Coastal Regulatory Zone (CRZ) norms permit only temporary structures on the beaches they are built of bamboo, wood and leaves. Tourists named them “shacks” because of their “shanty” appearance. Setting up a shack would need an initial investment of Rupees Two to Three hundred thousand. An average sized shack would have around 10 tables with a total seating capacity of around 40 customers, a corner bar counter which also doubles up as billing counter. Besides, each shack maintains five to ten beach beds with umbrellas. Food is served at the beach beds as well.

As per the regulations existing in Goa right to open and operate shacks is licensed on an annual basis. The license practice came to existence after the influx of chartered tourists when too many shacks mushroomed on the beaches. However, the traditional shack owners even today object to this practice as they very often end up not getting a license and end up buying the rights from some others who got the license but did not have the skills or expertise in running the shacks. Before the current system of licenses getting allotted on the basis of lots, the local politicians were alleged to be favoring their party supporters by allocating licenses to run shacks. However, the policy of considering only residents of a particular local village for allocating shack licenses for beaches in that village ensures greater local participation in tourism activities and supports self sustenance of the village. This practice, therefore, ensures a source of livelihood for the locals and thus has economic implications.

Usually the shack owner’ whole family is drawn into the business. A shack on an average employs ten people (all men) to cook and service food. The back end job of purchases is usually done by the shack-owner himself/herself. The employees are usually high school educated migrant youth from north Indian states. Traditionally the goan youth have considered below their dignity to work in a beach shacks. However, working on beach shacks could be sufficiently rewarding for the skill and effort. On an average a shack employee earns Rupees 300/ day and enjoys a share of the tips given by customers (which could be as high as the daily fixed earning).

Since food and accommodation expenses are provided in the shack itself the salary is saved for taking care of dependent families back home.

Local fisher folk used to supply their catch directly to the shacks in the past. The shack owners today assess that the fish is cheaper if bought from the local market. However, shacks remain important buyers for the local fishermen. This also provides the fishermen a source of livelihood.

There are other kinds of indigenous economic activities involving locals on the beach side. A group of beach side vendors known as "Lamaanis" dealing in handicraft shawls and ornaments is one of them. Lamaanis are mainly ladies and kids from the neighboring villages who move along the beach and sell items to relaxing tourists especially the ones on the beach beds. They generally sell towels, ear-rings, chains, scarves, beach clothing etc. Besides, the local village youth also find earnings from associating with services such as water sport, tattooing, massaging and others. Thus the various tourist activities ensure the self sustenance of Goan villages.

The next section deliberates on the beginning that Goan tourism has made in alleviating. This discussion essentially revolves around the migrant workers in Goa.

Poverty Alleviation- The Beginning

Initially migrant workers from neighboring states like Karnataka and Andhra Pradesh came to Goa. They earned sufficiently for their livelihood. The major employment opportunities they found were surprisingly in domestic help related work. But some of them got employed in the tourism domain as well. Ever since Goa found a place in Indian railway map because of Konkan railway youth started migrating to Goa from far away socio-economically backward states like Uttar Pradesh, Bihar, West Bengal and Chatisgharh. The average earnings a daily wage earner makes is less than hundred rupees (around two dollars) a day in the above mentioned states. In Goa these workers could earn as high as about 300 rupees (six dollars) a day (as a part of the fixed wage as well as through variables like tips, commissions and other soft forms of incentives). The seasonal form of the employment provides the migrant workers to visit their home states during the off-season from June-September and do another job there for supplementing the livelihood and vice-versa. Needless to point out that this visit back home also helps them to catch up with their relatives and their family related chores. As tourists are in a mood to spend the rewards for service personnel in the forms of tips and gifts from the tourists are usually higher. This generosity results in unexpected savings for front end service personnel in shacks, restaurants and hotels boosting up their earnings substantially.

As most of these migrant laborers are young and often school drop outs they also find opportunity for developing skills especially familiarity with foreign languages like English, Spanish and Portuguese. Besides this multilingual skill they also learn etiquette and good manners by serving customers from multiple cultural backgrounds and nationalities. This personality development increases their employability in future. Thus the benefits to the migrant workers are not just economic in nature but also have noteworthy social connotations. Some say working in this sector has provided them with a holistic development.

It is important to figure out how these migrant workers from distant states reach Goa. Generally one worker first reach Goa and finds an employment. Over a period of time this worker unearths the demand for a workforce like him across various functionaries related to the tourism industry.

This worker then gets back to his root and by word of mouth reaches a set of potential workers. This word of mouth in other words snow balls and help create a pool of people who are interested to migrate to Goa and work.

When a group of workers from the same place land up in Goa they generally stay together and share expenses for food by cooking for all of them themselves and by sharing rooms for stay. This provides economies of scope and brings down the cost of living and thus jacking up the proportion of savings with respect to the earnings. It is important to also mention that because of the rapid socio-economic development there is lot of development in real estate space and in many cases working in construction site during off season also becomes possible. Goan economy is dependent on tourism to a considerable extent and the local economy's progress reflects itself in the standard of living of the locals. The residents in turn spend on house construction and maintenance offering further opportunities for construction workers and home maids who again are migrants from the nearby states.

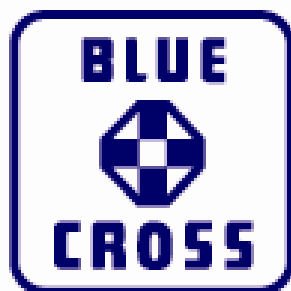
A interesting point to note is that migrants are not interested in settling in Goa as it has heavy cost implications. Thus migrant workers are interested to remit their earnings back home. This is similar to what the migrants Goans did across the Arabian Sea from the Middle East to India. The remittance from the Middle East and revenues from local tourism infuse growth in Goa which then percolates to the hinterlands of India through the migrant laborers employed in tourism and construction in Goa. Thus poverty alleviation is happening in terms of better earnings by the migrants in Goa and increased remittance to less developed regions of India.

Conclusion:

This article outlined the various tourist attractions in Goa and also discussed the changing scenarios in Goan tourism. The concepts of customer delight and sustainable tourism were touched upon. This article also discussed the various stakeholders involved in the tourism industry and figured out their contributions towards the industry as well as the benefits they garnered. The paper also conceptualized the set of activities driving the tourism industry. But it provides a detailed account of a particular activity of beach shacks. The special focus was to figure out how such tourism activities were providing livelihood opportunities and thus bettering the economic conditions of some of the labourer participants. Future researchers would need to undertake detailed studies based on primary as well as secondary sources to better comprehend the situation. Such insights would also provide inputs for the government (an important stakeholder of the industry) to deliver the socio-economic good to the needy communities.

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