# An Analysis of Indian Hospitality Sector using ABCD Framework

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# ABSTRACT

**Purpose:** The travel industry significantly supports India's economic development. Furthermore, in a country as different in scenes and culture as ours, the main normal travel and the travel industry is as essential as it seems today. The Indian vacation and lodging sectors have emerged as two main development engines in India's administrative regions. Given the country's diverse biological makeup, varied landscapes, and several locations of consistently high quality, India's travel business has significant potential. Like many other countries, India relies heavily on the travel industry for foreign trade. The ABCD structure is a powerful method of industry analysis for comprehending both the benefits and drawbacks of the jobs in the travel industry and the factors that support and hinder the successful operation of the given firm.

**Design/Methodology/Approach:** This post focuses on the advantages, benefits, constraints, and disadvantages of the Indian tourism industry. Details about the Indian Pharmaceutical Sector are included in the material for the equivalent that is distributed. In addition to the ABCD Framework, other tools for industry analysis, like the PESTLE analysis, are used in the review based on material gathered from websites, diaries, articles, and online journals. Focused on industry-related items, took into account, evaluated, and compared various aspects of the lodging business

**Findings/Result:** The advantages of the travel industry to the economy and local people of the nation have been numerous and changed. The business appreciates many benefits, the primary among them being the inflow of FDI, alongside progress in the, generally speaking, country's G.D.P., which has added to its development. The fundamental hindrance of the business is its unfavourable effect on the biology and over-commercialization of the business.

**Originality/Value:** The ABCD model provides an overall view of the business and is used in this work to study the Indian tourism industry.

Paper Type: Research Case Study based on industry analysis.

**Keywords:** Indian Hospitality Industry, ABCD framework, PESTLE analysis, G.D.P. contribution, FDI.

### 1. INTRODUCTION :

India is a country that draws in unprecedented numbers and is viewed as one of the most remarkable explorer regions on the planet. These guests are drawn to its not unexpected greatness and social legacy. It also has complaints like the Taj Mahal, Golden Temple, Red Fort, etc. With such a ton to offer, it is nothing amazing that the development industry is one of the fundamental wellsprings of pay for the country. The development business in India has been viewed as a basic contraption to achieve money-related improvement for individuals in the country. India's development industry has filled dependably as of late. Likewise, the India Tourism industry gives businesses critical entrances to several regional social events. Far excess measures of lodgings, resorts, food joints and different solaces accessible for travellers in India [1]. No enormous treat Tourism is a basic new trade worker for India. The Department of Tourism, Ministry of Civil Aviation, Government of India is the summit body for the best new turn



of events and progress of the Indian development business. To push the development business in India, the public power has been doing various missions and plans. These unite Incredible India crusade nearby unique coordinated occasions, for example, the International Travel Mart, Destination India Exhibitions overall, and Indian Cultural Festivals Abroad to draw in new sightseers.

India is a beautiful country with an uncommon course of action to offer. It shocks no one that various unbelievable individuals visit India dependably. The nation offers different sights and sounds to appreciate, from the special metropolitan districts to the quiet, open country. Besides its collection of getaway destinations, India is known for yoga and assessment. From the snow-covered Himalayas to the tropical shores of Goa, from the typical presence of Assam to the best tea field of Kerala, there is a new thing at each edge of this country. Also, with enormous metropolitan organizations like Mumbai, Bangalore, Chandigarh, and Delhi being mainly related through the air, street, and rail networks from across the globe, it is not difficult to get around and research the most notable accomplishments in India.

Various techniques and methods are accessible for industry assessment. Major methods include Porter's Five Forces hypothesis for analyzing your competition, SWOC scanning, PESTLE examination, and others. The ABCD Analysis is one such analysis framework taken for the analyzing an issue from stakeholders' point of view. The ABCD structure [2] put forth for examination of a particular industry interlock with industry personnel to though implying a complete picture is difficult to perceive the benefits acquirable from the climate inside which they work yet also the requirements they should defeat to get benefits to make due throughout a lengthy time. The structure likewise connects with the assessment of the effect of the business' framework on the different accessories, to the degree that the advantages they choose and the obstacles they forge ahead. When this examination and structure is applied to the tourism business, it incorporates its benefits, supremacy, obstructions and wounds [3]. The quintessential trailblazer can be a world that merges the traditional and modern aspects of life through the clamouring old business areas hobnob with smart retail courts, and heavenly places of interest go with rich legacy lodgings outfox the two universes. Rush toward the mountains, take part in an ocean-side retreat or excursion through the magnificent Thar; India has choices in overflow for all [1, 3].

#### 2. REVIEW OF RELATED WORKS :

Different examinations have been completed to break down the Indian tourism industry regarding its development and explain its minimal expense advantage. Kumar V. (2020) [4] studied the Indian tourism Industry and how covid 19 has impacted the same. According to the author, tourism is one of the main pillars of the economy and helpful in generating revenue and a way to foreign investment and exchange. However, it is concerning that the investors associated with the tourism industry are the most affected due to the covid 19 pandemic. Ahmad Mir L (2014) [5] study states that the travel industry has been a significant impetus in the financial advancement of both provincial and metropolitan regions for the last many years, contributing in more ways than one and fortifying the interconnected cycles. According to H.J. Jithendran et al. (2000), [6] the objective of supportability situated in the travel industry improvement requires various H.R. advancement procedures focused on the travel industry faculty, having local area and the sightseers, and supported by ideas and practices of maintainability. Maintainability-based 'work culture', 'proficient morals' and functional practices are essential to travel industry management. Dzhandzhugazova, E. A., et al. (2016) [7] centre around application issues in the tourism and hospitality business, zeroing in on the job and significance of advancement, it is grouping, and the use of tangible showcasing apparatuses in creating imaginative promoting blends in the friendliness business. Increment. Boora, S. S., and Dhankar, S. (2017) [8] try to separate the status, work and meaning of FDI being developed and headway inside the Indian tourism industry as the motel and the lodging business organizations growing progression influence the economy of India, which is huge while seen by a monetary perspective. Seen as a multidisciplinary development including a couple of undertakings and drawing upon different capacities, the upsides of FDI are spread over a more remarkable piece of society diverged from those from various regions of the economy.

**Table 1:** Review of related works on ABCD Analysis.



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S. No.	Field of Research	Focus	Outcome	References
1	Factor & Elemental Analysis	Utilizing the ABCD Framework, factor and element analysis of nanotechnology as a green technology	Identification of the crucial constitutional components of nanotechnology as a green technology. The importance of nanotechnology as a green technology in resolving both fundamental and complex social problems is assessed and rated based on the ratings assigned to each critical component under each of the four categories.	Aithal, P. S., & Aithal, S. (2018). [9]
2	Task Shifting Analysis	An ideal option for the shortage of qualified healthcare workers, according to an ABCD analysis of task shifting	Four constructs are used to deduce the factors influencing each important concern related to task shifting, and the ABCD constructs enumerate 172 crucial constituent elements (C.C.E.) of these aspects.	Aithal, A., & Aithal, P. S. (2017). [10]
3	Analysis of the Indian pharmaceutical industry	Indian pharmaceutical industry analysis utilizing the ABCD framework	The low cost of production is one of the many benefits the industry enjoys, which opens doors for diversification and widening of the same. The industry's adverse environmental effects are by far its biggest drawback. Its main limitations are strict rules.	Shenoy, & Shailashri V. T. (2022). [11]
4	Generating Wealth at the Base of the Pyramid	Making Money at the Bottom of the Pyramid: A Study Using the ABCD Analysis Method.	The B.O.P. perspective's central tenet is the premise of reciprocal creating of worth, which maintains that the aspect will gain better worth & and how it creates better openings for the market.	Raj, K., & Aithal, P. S. (2018). [12]
5	Six Thinking Hats Technique	Investigated the Six Thinking Hats Technique as an instrument for Organizational direction and critical thinking.	Establishes connections between distinct mental processes used in methodical problem-solving and diverse factors. Alternately, by imagining each type of hat, the person focuses on the mentality associated with each colour, enabling the problem to be analyzed from various angles and frames of reference.	Aithal, et al. (2016). [13]
6	Operating concepts, business	Company's inward execution and outer opportunity	Cruciality to consider all aspects of a business model, whether it's establishing success methods,	Aithal, et al. (2016). [14]

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	systems, business models, and business strategies	investigation.	creating workable operational concepts, or developing a functional system.	
7	Quantitative Analysis	Impact of Organic Food Products on Purchase Intention	The weightage positioning of 98 vital basic constituent components under the review decides a high palatable level with benefits acquiring the most elevated score followed by benefits and inconveniences with unbiased weightage and requirements with no good level.	Mendon, S., & Aithal, P. S. (2022). [15]
8	Quantitative Analysis	Online food delivery services	Assess the determinant issues also, key credits influencing the variables according to partners' perspective and to track down the major influencing factor in regard to Online Food Conveyance Administrations.	Frederick, D. P., & Bhat, G. (2022). [16]

#### 2.1Research Gap :

Previous studies on ABCD investigation have identified several constituent parts that can be used to finish the investigation of various enterprises, associations, and action plans. There have not been any studies that have focused on the impact of the travel industry's operation and the nation as a whole using the ABCD Framework, even though a few studies have dissected and focused on the Indian travel industry using elective systems and examination.

#### 2.2 Research Agenda :

- What would be the various principles of the ABCD analysis.
- To find out the advantages the Indian Tourism Industry emulates
- To find out the benefits associated with the business and economy of the Indian travel industry
- To evaluate and assess the challenges the Indian hospitality industry faces.
- To bring to light the disadvantages of the Indian globetrotting Industry.
- To apply the principles of the PESTLE analysis to the Indian tourism Industry.

#### **3. OBJECTIVES OF THE STUDY :**

- (1) To understand and deduce the various advantages of entering and venturing into the Indian travel and tourism industry.
- (2) To accentuate the numerous benefits that the Indian tourism sector provides for both investors and the country
- (3) To emphasize and draw attention to the difficulties facing the Indian tourism sector.
- (4) To particularize the disadvantages the Indian tourism Industry faces.

#### 4. **RESEARCH DESIGN** :

#### 4.1 Methodology of Data Collection:

The current review depends on the secondary data information distributed by different offices and associations. The information gathered from distributed gives an account of the travel industry; for



example, IBEF report on the Tourism area in India, on Hospitality in India, the Ministry of Tourism Report on the Tourism area, Service of Statistics and Implementing programmes, using the internet, books, magazines, newspapers, and other media, etc.

#### 4.2 Research Tools:

The chief instrument used to Concentrate on the India's travel industry is the Benefits, Advantages, Limitations and Burdens (ABCD) framework. Various gadgets of industry assessment used in the paper to perceive the four forms of ABCD model for the Travel industry business consolidate, Watchman's Five Powers speculation to focus on the resistance in the business, PESTLE examination to focus on powers inside the enormous scope environment, The ABCD examination is a predominant device of Industry assessment as it engages industry people to know the vast scope monetary components that can maintain or hinder their working while monetary patron can obtain an unequivocal understanding of the communicated business being alluded to and take reasonable steps in overabundance ready in this serious market

#### 5. ABCD ANALYSIS OF THE TOURISM INDUSTRY IN INDIA :

The ADCD examination, when applied to the Indian Tourism Industry, uncovers the accompanying benefits, advantages, limitations and disservices are emerging out of the activities of the business.

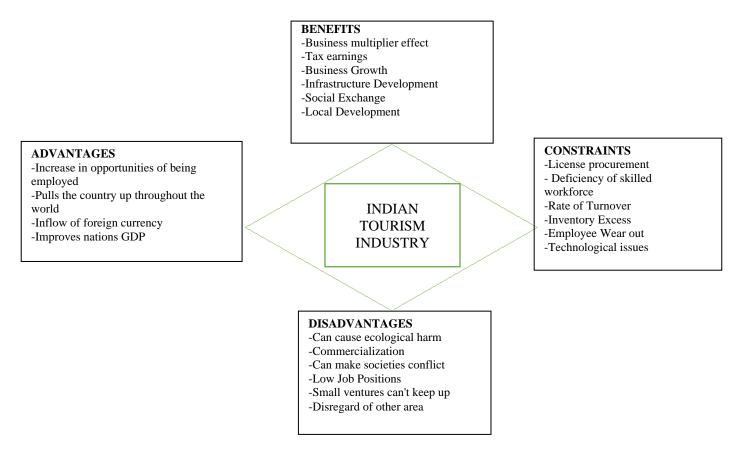


Fig. 1: ABCD Framework overview of Indian Tourism Sector

#### 5.1 Advantages:

**5.1.1 Generates opportunities for work and employment:** The travel industry in India today is a hotbed for different businesses, and work potential open doors, making it one of the most mind-blowing areas to elevate to work on the pace of work in the country. Direct positions connected with the travel industry incorporate local escorts, travel planners, visit administrators, and occasion organizers. Besides, backhanded positions related to the travel industry range from eatery labourers and directors to neighbourhood craftsmen and storekeepers.



Public Tourism Day advances consciousness of this critical monetary area and makes it workable for the everyday person to turn out to be profitably utilized. 2017-18 shows that the country's travel industry utilized north of eighty-one million individuals. That number represented more than 12% of the Indian populace and has just developed from that point forward.

**5.1.2 It puts India on the map globally:** Regarding assortment, India brings a ton to the table for worldwide voyagers. With the nation's scene spreading across six significant climatic subtypes, vacationers can pick from among the snow-clad mountains in the north, the tremendous fields of shores in the south, the dry abandons in the western areas, and the rich biological systems in the east. Fostering this area of the economy can consequently make India famous internationally since the nation brings a great deal to the table.

Due to the endeavours associated with advancing the travel industry through the festival of National Tourism Day, India was positioned 34th in the World Economic Forum's Travel and Tourism Competitiveness Report from 2019. Accomplishments, for example, get the world to see the developing possibilities of the Indian travel industry, subsequently adding to the monetary turn of events [17]

**5.1.3 It increases the inflow of foreign currency:** Owing to our country's rich heritage and different cultures, the Indian travel business offers various parts of real value for travellers from countries across the globe. The travel business in India has been created to consolidate different classes, the most popular among which are the social tourism business, clinical travel business, sports movement business, and heritage hospitality business. Overall, explorers find this assortment entrancing, making India one of the most preferred travel complaints.

With a transient climb in new travellers, India will participate in the inflow of new money. This, hence, looks great for the financial region since it contributes indirectly to the area's general development, particularly if the new cash gushing is more grounded than the Indian rupee.

**5.1.4 It improves the country's G.D.P.:** Total national output (G.D.P.) is a critical proportion of the country's financial development. It is the absolute worth of labour and products given in the country during the financial year. The travel industry is a piece of India's administration area, and by accomplishing the targets behind the festival of National Tourism Day, the travel industry gets a lift, which, thus, works on the nation's G.D.P. A lift in the Gross Domestic Product can be accomplished by advancing the global travel industry, yet in addition, by empowering voyagers inside the actual nation. Added to the fact that the GDP increase due to tourism whill showcast exactly how the nation is becoming more and more self reliant and climbing the ladder to being an economic success. This in turn will strengthen the relations with other nations as well as the fiscal development of our nation. Thus the end result being the increrase and better the standard of living of the citizens of the country , thereby attacracting more investors and more development bringing India in par with some of the most well known and powerful countries and natinalities around the globe. Furthermore, with a rising level of the Indian populace awakening to the delight of voyaging, homegrown traveller appearances are likewise on the ascent, adding to an expansion in the G.D.P. [18].



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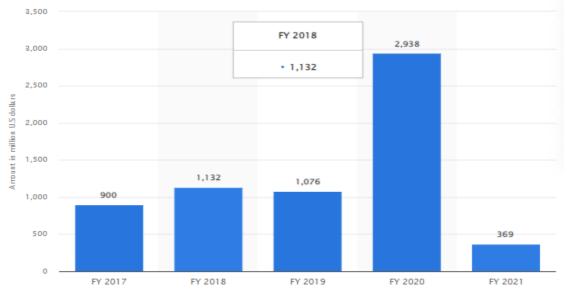


Fig. 2: Amount of foreign direct investment equity inflows for the hotel and tourism sector in India from financial year 2017 to 2021 [19]

Source: Statistca

#### **5.2 Benefits:**

**5.2.1 Business age:** Although much money has already been invested in several business areas concerning tourism, it significantly develops culture and brings together ethnicities from all over the area. This, in turn, creates vast levels of importance and growth as it opens doors to business to many businesses and provides employment to local individuals as well. In this process, the majority of people benefit a lot.

**5.2.2 Solidarity**: Tourism supports binding and brings together people of different backgrounds, ethnicities and traditions. A variety of backgrounds also helps to open up new aspects and ways of doing things. It facilitates and helps to understand the nation's history, heritage and culture. It also helps develop social relationships between individuals and people from all types of societies and backgrounds across the globe [24].

**5.2.3 Monetary Importance**: Tourism is one of the most persuasive kinds of industry on the planet. As indicated by —Lickorish and Kershawl of the American Chamber of Commerce, —There are three different ways fundamentally of expanding the riches and business exercises of a nation, and they are horticulture improvement, modern turn of events and the travel industry advancement of the country. Tourism occupies a significant chunk of economic development as a whole. Tourists want to know and explore new and ancient lands that India lacks.

**5.2.4 The travel industry Multiplier**. As the vacationer stays with the location, he burns through cash on food, housing, buying neighbourhood things, and so on; the money a traveller spends is not depleted in a solitary stroke. It keeps flowing in the economy at a plunging rate in some cases before it at last vanishes because some of it is sent out external to the country for the import of labour and products at some point before it finally vanishes. The multiplier cycle is conceivable due to the way that Limited's utilization is another man's pay. Consequently, when a vacationer spends, say, Rs. 1,000/ - on food, amusement and different exercises, this becomes for F and B division, the diversion office and whatever other division gave the item or administrations. The cash does not get impeded here due to the way that cash is considered a fluid resource. These separate offices then, at that point, spend this cash on different wares. Of course, this utilization by the divisions becomes pay for a few others. Accordingly, the multiplier cycle proceeds and streams down into the country's economy

**5.2.5 Foreign Currency**: It is a source of bringing in foreign money through the money spent by international tourists. Sources of confidential and public pay: Tourism generates cash for both public and private sectors of government through fees such as deals, administration fees, and so forth, which are referred to as government revenue and used to fund public services. Additionally, most travellers purchase craftsmanship, expressiveness, and similar items because they attract travellers, and this



practice is known as private pay.

**5.2.6 Earnings from tax.** : The legislatures of practically all nations have consistently shown interest in the monetary profits through the travel industry. The implantation of travellers acquiring into an economy as neighbourhood pay makes it open to paying different charges. Contingent on the expense and monetary arrangements administer gets manageable pay from vacationer businesses, and immediate and aberrant charges are demanded on various types of pay and financial exercises

**5.2.7 Business Opportunities:** This is another influential sector is the tourism industry. It produces work that opens doors. It employs the labour supply's incompetent, marginally talented, and gifted workers. In the tourism industry, people are expected to perform the roles of guide, load man, etc.

**5.2.8 Infrastructural Development**: Another essential benefit of the travel business is upgrading the nation's infrastructure. Even if a country may credit and exploit a venture produced on its framework by the private sector or public authority (depending on the circumstance and the public authority's plan), other businesses also contest the benefit. For instance, streets, water supply, airports, and other public amenities serve the travel industry and all other sectors of the economy. Improving the foundation entails creating a new framework and expanding the existing framework to handle the issue of the moment. When a new foundation is laid, and an existing framework is created, new administrations and conveniences are acquired, giving the nearby residents better than ever-administrations and conveniences they had not even thought of [25].

**5.2.9 Social Exchange**: Tourism is a significant inspiration for the advancement of culture and spreads the social upsides of the host country to the guests, who, thus, when they return, talk and examine with others. The culture of a nation incorporates different things, for example, way of life, music, dance, food, design, artistry and numerous other things. The travel industry helps spread every one of these to different areas. India is one country with an ancient and rich legacy and culture and is presumably the leading country with enhanced culture. Appropriately arranged, it may be the country's greatest travel industry resource. Subsequently, the way of life in better places can be known and traded through the travel industry. Neighbourhood individuals can gain proficiency with their language, quality, expertise, culture and so on, as well as the other way around.

**5.2.10 Local Development**: Regional advancement is one more vital part of the effect of the travel industry. The more the locale or region is visited by that vacationer (both homegrown and global), the more the region or district should be created, and in this manner, advancement must be in all fields and areas, be it verifiable spots, lodgings, cookout spots, streets or air terminals, rail route associations and climate, and so on. Such consumption is of unique importance in negligible regions, which are generally secluded, monetarily immature and have joblessness issues.

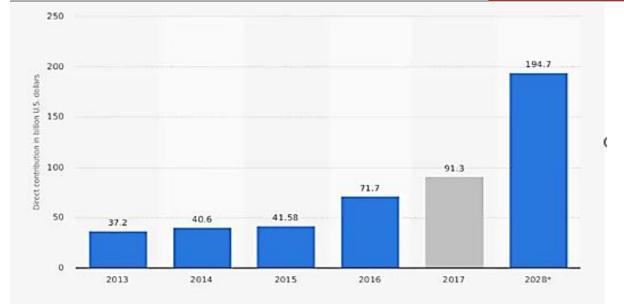
**5.2.11 Image Advancement of Nation**: Tourism helps build the picture of the country; obviously, a similar picture will be persisted in what we project. For example, a vacationer coming to India might convey a composite picture of excellent and terrible in the wake of visiting the country. The exact spots and landmarks, and so on, structure a decent picture while simultaneously how they are kept up with their methodology streets (which, on the off chance that is ineffectively kept up with), the lacking transportation offices, unfortunate convenience offices, and so on could project a terrible picture. The deep-rooted culture, religion, and legacy might extend a decent picture, while the voracious clerics and transient and promotes at such places will project a negative picture. Every year many individuals travel to unfamiliar nations, and their visit manages the cost of chances to see one another.

**5.2.12 Medical Advancement**: Sightseers from everywhere have been swarming India to benefit from financially savvy yet predominant quality medical care concerning surgeries and general clinical considerations. A few clinical foundations in the country take care of unfamiliar patients and grant top-quality medical services for a portion of what it would have cost in countries like U.S.A. and U.K. The city of Chennai draws in around fourth five per cent of clinical travellers from far-off nations.

**5.2.13 Culture Bewilderment:** Due to the nation's well-known rich cultural heritage and mysticism, tourists flock to India to experience it for themselves. One of the rapidly expanding tourist sectors in India is ecotourism. Ecotourism includes the sustained preservation of a naturally endowed site or region. The ecological development of all tourist-friendly areas depends increasingly on this [26].



Source: Statistica



**Fig. 3:** A direct contribution of travel and tourism to G.D.P. in India from 2012 to 2018, with an estimate for 2028 [23]

#### 5.3 Challenges:

**5.3.1 License Procurement**: Indian lodgings must apply for different licenses through rigorous scrutiny by government agencies. An impending property could require moving and approaching more than forty organizations and agencies to secure a minimum of hundred licenses according to the state where it is arranged. This activity tends to be lengthy and complicated and, as a result, postpones the task by a year, which is exceptionally dismal when contrasted with moderate nations like U.S.A where few licenses are needed from a few government organizations. This sort of equivocalness emerging from deferred processes requires the administration of India to make the whole interaction fast, straightforward and straightforward [17].

**5.3.2 Deficiency of skilled Workforce**: The lack of a skilled workforce is a significant challenge faced in the hospitality Industry. A recent study shows that most employees who join the hospitality industry are either fresher or did not manage to get through in other competing sectors. This negatively impacts the firm's image in question, reducing its clientele.

**5.3.3 Rate of Turnover** : The hospitality industry faces one of the highest turnover rates in the nation. Unexperienced employees join and gain the knowledge and skill they lack and, after some time, seek employment else ware and may also be absorbed by competing industries and firms for better benefits and salaries, this, in turn, creates a significant impact on the company or organization in question as it is an extremely time consuming and costly affair [18].

**5.3.4 Inventory Excess**: Due to competition, covid 19 and many other contributing factors, the rooms at many of the most prestigious inns and lodgings around the nation are empty as the match-up of the stay needed did not match the walking of the traveller. Hotels and lodgings in significant cities around the country face huge losses as profit margins, and operating expenses do not match the changing times [19].

**5.3.5 Competition**: The tourism industry is dynamic and heavily invested. The industry faces a huge network of competition daily as new forms of lodgings are emerging daily, custom tailoring to their clients' needs. With a growing new type of innovative services and systems, the customer moves towards the organization that seems to offer the best value for money within a particular framework of segment [20].

**5.3.6 Safety Issues**: Tourists, domestic or international, often seem to get ripped off and persecuted whenever and wherever they travel. Tourists often get scared to travel and go places out of fear of being mugged and threatened, and due to lack of safety, they are scared to visit new places and destinations, which hampers the tourism industry heavily.

**5.3.7 Employee Wear out:** The hospitality and tourism industries demand highly individualized services, and technology cannot take the role of human service workers. This is a result of the high



burnout rate, which is among hotel employees. The reasons for exhaustion have indeed been found to consist of emotional exhaustion, stigmatizing customers and a lack of personal satisfaction

**5.3.8 Lack of better Infrastructure**: Facilities offered in terms of development are of unremarkable quality and should be redesigned as the neighbourliness industry is supposed to expand the unfamiliar trade assortment. There is a need to incorporate a homegrown and unfamiliar travel industry. Inappropriate synchronization between the sorts of transport and correspondence squanders the time, cash and energy of vacationers superfluously. In this manner, a purchaser-driven approach and better overabundance to the foundation should be worked upon for the acknowledgement of the Indian travel Industry [21].

**5.3.9 Rising Costs of Inflation**: India's lodging industry is declining rapidly as a financially savvy objective due to the heightening costs of lodgings. The significant property expense in the nation frequently deters financial backers from placing cash into developing new lodgings. Additionally, there is no legitimization of expenses as states charge various rates. Different costs make a great deal of trouble for the business are utilities (power, fuel, water, substantial garbage removal, and so forth), finance, charges, web-based entertainment, and innovation

**5.3.10 Technological issues**: Lack of proper software facilities to help better customize and improve the tourist's experience rarely exists or is deficient. The Indian tourism industry can advance much more in its performance and output by adopting simple and easy each savvy instalments to help improve the overall process, but due to cultural and cost differences and a phobia of cheap and promising technology, are miles away from pulling in such helpful methodologies for doing the same. Then there is the issue of the customer's safety and privacy, where even the best lodgings and hotel industries in the country were hacked, and the data was corrupted on multiple occasions [22].

#### **5.4 Disadvantages:**

**5.4.1 Can cause ecological harm** - The travel sector suffers from several drawbacks, including the effects on the climate. Visitors who are trying to find an image of an open door often cause damage while there. The result is that travellers are frequently responsible for deforestation and excessive usage of shared resources. Eliminating ecosystems might lead to the extinction of threatened species, which might have a negative impact on biodiversity.

**5.4.2 Commercialization** - Nations are expanding fast, filling up everywhere, and risk becoming quite crowded. This has led to adjustments in people's attitudes and behaviours, notably the growth of corporate greed. This new form of free business directly impacts how the travel sector is run. A typical example is the growing preponderance of pricey souvenirs sold by local escorts near popular tourist destinations.

**5.4.3 Can make societies conflict** - Because of the concept behind the tourism business, it is a big problem that many countries deal with. It creates tension between societies and might destroy current networks. People may not always be aware of your way of life, so respecting local traditions and customs is essential.

**5.4.4 Low Job Positions** This is a region that offers entry-level jobs. These jobs typically exist as bartenders, waitresses, and cleaners. However, these are frequently temporary jobs that do not offer many opportunities for advancement [27].

**5.4.5** Seasonality - One of the most obvious of the travel industry's many flaws is the concept that it only exists occasionally. The travel sector often experiences its peak times in the middle of the year, when people go from other places to unwind in a warmer climate. In any case, this pattern is flipped in different places. Despite this, the slow season typically results in decreased financial activity.

**5.4.6 Small ventures cannot keep up** - The tourism sector in agricultural countries is occasionally controlled by large foreign companies, which means that locals who depend on the pay from the travel industry must find other jobs to make money. This may result in unemployment and harm the economy. **5.4.7 Disregard of other areas** - Other essential areas may be neglected if the travel sector is overly dependent. If the tourism industry takes a hit because of political unrest, war, a global pandemic, catastrophic occurrences, etc., this could be problematic for the economy [28].

#### 6. PESTLE ANALYSIS OF THE INDIAN HOSPITALITY AND TOURISM INDUSTRY :

**6.1 Political:** The accommodation industry in our country is often governed by the travel sector and, as



a result, by national public authority regulations. Additionally, due to this justification, a government will incur higher costs from the lodging industry the more accommodating it is to legislation governing the travel industry. Because of local and nationwide collision of politics, the lodging industry suffers tremendously.

Many governments continue to take actions that are advantageous to the hotel business. However, a recent development that has posed a threat to this sector is militant psychological attacks at posh hotels. The world's legislatures ought to take things like these into mind right away. In any case, the development of the industry is aided by open lines of communication and a welcoming political climate [29].

**6.2 Economical:** Any significant shift in the economy greatly impacts the inn sector. Luxurious inns make up a significant portion of this market. Economic ups and downs and other financial consequences significantly impact people's ability to afford opulent lodging. However, they also help budget hotels become more popular, which helps this industry's unique verticals grow.

Another monetary factor that affects an unfamiliar traveller's ability to use accommodation services is unfamiliar trading rates. On the other hand, more people can travel and use the accommodation industry because the scale of global use is increasing. Agricultural nations should grow their lodging business to attract more foreign travellers and expand their economies [30].

**6.3** Social: The passing of time has shown regions of strength for travel. Virtual entertainment platforms, where people may exchange their experiences and increase peer pressure to travel, have also been energizing in this regard. This extra measure, combined with expanding consumption capacities, ensures that a broader target audience engages in tourism. This tendency will also eventually fill, increasing the demand for lodging.

Also, accommodations ensure that they are better equipped to meet guests' needs and are becoming more tolerant of different racial and ethnic groups. Though legal and official, many states maintain that such segregation is highly frowned upon and prohibited. In order to ensure that the people visiting can stay for broader and more extravagant holidays, several inns and lodgings are maintaining similar restrictions [31].

**6.4 Technological:** Over the decades, inns and lodgings have become increasingly tech-savvy. Today, most hotel chains and lodgings offer high-resolution security camera footage to ensure things do not go out of hand. The mechanical conveniences in today's high-tech hotels are Internet and wifi facilities, lifts and elevators, online booking facilities, virtual experiences, and many others.

The rate at which reservations are being made online and through the web, either directly through the hotel's website or third-party sources, has grown threefold. Now unfamiliar can easily book the inn they want to stay in whenever and wherever they desire with a click of a button. It is also possible that they provide live blogs and feeds through social media. The time guests post audits and other such reviews can cause hotels to up their game and become more cautious and provide better administration, which also ensures the elimination of bias [32].

**6.5 Legal:** The lodging industry is highly relied upon and dependent on the legal environment of a country. Most countries now have separation laws stacked up, benefitting the tourism sector and, consequently, the hotel industry. In order to boost their economies, many states are also providing charge derivations to the accommodation industry. Accommodations in first-world countries like Europe, America, and others value government services more than other places do.

There are different regulations that all lodgings must meet. Among others, they contain guidelines for well-being and safety. Hotels are also getting more stringent about demanding identification before allowing visitors to use their amenities. This is considered modest, given the growth in bad behaviour and psychological warfare globally.

**6.6 Environmental:** Countries with severe weather patterns have trouble expanding their lodging enterprises. Besides needing the technology to mitigate such environmental effects, these inns have also shown a drawback on interest and attitude from travellers unwilling to put up with such conditions. Such numbers have increased in certain places due to the growing climate emergency.



Inns are under a lot of pressure from legislators and environmental groups to ensure a minimal carbon footprint. This industry tends to be the source of significant natural concerns because it uses such a large amount of disposable items. In order to combat the environmental crisis, various hotel networks worldwide are switching to more biodegradable items. The hotel industry and many lodgings are becoming more and more eco-friendly while keeping in mind the same [33].

#### 7. FINDINGS :

- The Indian tourism Industry has come a long way since its inception and has grown at an exponential level. There are various advantages associated with the industry. They include India getting world recognition and importance as India ranks as one of the top ten best countries for leisure travel. This also creates amazing opportunities and opens many doors for employment throughout the country, especially in areas known and associated with tourism like Goa. There is also the inflow of foreign currency and other aspects, thereby generating better GDP for the economy as a whole.
- It is widely acknowledged that the tourist and hospitality sector, which encompasses travel and hospitality services like hotels and restaurants, is a development agent, a catalyst for socio-economic growth, and a significant source of foreign exchange gains in many nations. It has a considerable potential to encourage the expansion of various large-scale businesses, from the most specialized to the unskilled. It can be crucial in accomplishing our country's goal of equal growth.
- The Indian tourism sector is at a pivotal point. The sector has had a noticeable impact due to initiatives implemented by the federal and state governments as well as aggressive steps in skill development, marketing and advertising trade exhibitions and campaigns. Additional advancements in the industry will position it as a key pathway for creating jobs, filling the infrastructural gap, and addressing the drop in exports. This would entail addressing issues in the industry that were a hindrance to the success of this sector.

• The hospitality sector faces intense competition from businesses like AirBnb, Vrbo, etc. Understanding the PESTLE analysis is crucial for a travel agency to develop and succeed in that particular market. By doing this, lodging and travel companies can develop their companies to new heights while avoiding failures and other issues that could limit the industry's growth indefinitely.

#### 8. CONCLUSION :

The influence of the Coronavirus in 2020 only slightly harmed the enormous growth that the hospitality industry had been experiencing in India over a previous couple of years. Considered a dawn industry, it shows an enormous potential for later complex development. The accommodation area is among the most beneficial, representing over 8% of the nation's labour force and an expected 15 million positions over the most recent couple of years. It is one of the top areas drawing in FDI or Unfamiliar Direct Interest in the country. People are progressively going on staycations, long end-of-the-week excursions, and get-togethers like weddings. This has brought about business development in the cordiality area. Furthermore, better street foundations the nation over, particularly vacation spots like slope districts, have given a vital lift to street travel.

#### 9. RECOMMENDATIONS :

- Greater cleanliness: Although we have magnificent monuments representing our culture and tradition, we must make tourist destinations cleaner for visitors from other countries to appreciate the magnificent structures. Tourists are less enthusiastic when the setting is chaotic and littered. They hardly ever urge others to return. Reduced pollution is also necessary. The location must appear energizing. There is a severe penalty for writing on monuments.
- Infrastructure: This is necessary for easier travel for visitors, including better road connectivity, transportation, and communication. Tourist destinations need to offer better services. It is essential to have better restrooms, dining areas, rest areas, and water amenities. We need to clean up the area and make it more appealing.
- New locations: India is home to several stunning, undiscovered tourist destinations. The Indian administrations have not used Andaman and Lakshadweep, northeastern India (Meghalaya, Nagaland, etc.), Ladakh, or many other popular tourist locations. We can adequately develop them and promote them on global networks.



• Government Support: It can be a great source of income generation and employment creation with numerous other benefits if the government provides better tourism and hospitality facilities for foreign and domestic tourists. This will boost the image of a particular place and have further benefits. This, in turn, will also give competition to private-sector tourism, forcing them to offer better services and prices

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