

TABLE OF CONTENTS

PREFACE	4
ACKNOWLEDGEMENTS	6
EXECUTIVE SUMMARY	7
1 EFFECT OF CHANGE: TOURISM IMPACT ON KERALA.....	11
1.1 INCREASING TOURIST ARRIVALS	11
1.2 RISING INTERNATIONAL TOURIST RECEIPTS	13
1.3 TOURISM IS A MAJOR EMPLOYMENT DRIVER.....	13
1.4 ECONOMIC IMPACT OF TOURISM IS SIGNIFICANT.....	14
1.5 POSITIVE IMPACT ON CAPITAL INVESTMENT	15
1.6 CASE STUDY: ECONOMIC IMPACT OF A SINGLE PROJECT	16
2 THE CHANGE DYNAMICS: WHAT KERALA HAS DONE.....	17
2.1 SWAGAT.....	17
2.1.1 Facilitation.....	18
2.1.2 Memorable Experience	19
2.2 SOOCHNA.....	20
2.2.1 Marketing and Promotion.....	20
2.2.2 Information Dissemination.....	23
2.3 SUVIDHA.....	25
2.3.1 Accommodation and Stay.....	25
2.3.2 Facilities and Conveniences.....	29
2.4 SURAKSHA	30
2.4.1 Security of Tourists.....	30
2.4.2 Environmental Protection	32
2.5 SAHYOG	34
2.5.1 Coordination and Cooperation.....	34
2.5.2 Quality Assurance and Control	37
2.6 SANRACHNA	39
2.7 AWARDS FOR EFFORTS MADE.....	47
2.8 TOURIST FEEDBACK.....	48
3 CHANGE IMPERATIVE : LEARNING FROM KERALA.....	49
3.1 KEY LEARNINGS FROM KERALA.....	49
3.2 CREATING A 'DEVELOPMENT DYNAMIC'	51
ANNEXURE I: DETAILS OF THE PRIMARY SURVEY & FEEDBACK	53
ANNEXURE II: WTTC: KERALA DECLARATION.....	59
ANNEXURE III: CONSERVATION & PRESERVATION OF TOURISM ZONES.....	61
ANNEXURE IV: OBJECTIVES OF KERALA TOURISM VISION 2025	63
ANNEXURE V: HOUSEBOATS CERTIFICATION.....	65

ANNEXURE VI: CLASSIFICATION OF AYURVEDA CENTRES	67
ANNEXURE VII: CLASSIFIED HOUSEBOATS IN KERALA	68
ANNEXURE VIII: CLASSIFIED AYURVEDA CENTRES IN KERALA	69
ANNEXURE IX: STATEMENT OF POLICY INITIATIVES	70

TABLE OF EXHIBITS

Table 1: Kerala's results 'Effects of Change'	7
Table 2: The 'Six S' framework for analysis	8
Table 3: Visiting Kerala is a memorable experience.....	9
Table 4: Tourist Rating of Kerala on the 6 S	9
Table 5: Domestic and Foreign Tourist Arrivals into Kerala (1991-2003)	11
Table6: Foreign Tourist Arrivals (1991-2003)	12
Table7: Foreign Arrivals to Key Tourism States in India (in Millions)	12
Table8: International Tourism Receipts, India and Kerala.....	13
Table9: Employment Impact of Travel and Tourism	14
Table10: Economic Impact of Travel and Tourism	14
Table11: Tourism Impact on Capital Investment (2003).....	15
Table12: 6S of Tourism Development	17
Table13: Training Programmes for Tourism Services Personnel	18
Table14: Case Example: Tourism Quiz.....	19
Table15: Tourist Rating of Kerala Compared to Other Destinations Visited.....	19
Table16: Tourist Rating of Information Services	20
Table17: State Allocation for Tourism Marketing & Promotion (Rs. crore).....	20
Table18: Case Example – Road Shows	22
Table19: Acclaim for Kerala Tourism	23
Table20: Tourists' First Awareness of Kerala	24
Table21: Tourist Rating of Accommodation and Accommodation-related Facilities in Kerala.....	25
Table22: Tourist Rating of Overall Facilities in Kerala	25
Table23: Kerala's Classified Hotels & Room Capacity (2003).....	26
Table24: District-wise Classified Hotels (2003).....	26
Table25: Homestay Accommodation	27
Table26: Case Example - Grihasthali.....	28

Table27: Tour Operators/Travel Agents/Guides in Kerala.....	29
Table28: Tourist Rating of Local Tour Operators.....	30
Table29: Tourist Rating of Atmosphere of Security	31
Table30: Deployment of Tourist Police	31
Table31: Case Example: Orientation Programme for Tourist Police.....	31
Table32: Case Example – Insured Holidays	32
Table33: Case Example – Special Plans for Tourism Zones	33
Table34: Case Example – Revision of the Tourism Act	35
Table35: Case Example – Tourism Resorts (Kerala) Limited	35
Table36: Case Example – Southern Cooperation	36
Table37: Case Example – Partnership with WTTC	36
Table38: Training Courses Provided by KITTS	38
Table39: Training Programmes for Tourism Services Personnel	39
Table40: Details of Recognised Tourism Training/Management Institutions	39
Table41: State Plan Allocation for Tourism	40
Table42: Fund Deployment Within Tourism.....	40
Table43: Central Assistance to Kerala	41
Table44: Vision 2025, Kerala	42
Table45: Case Example – Protection of Backwaters	44
Table46: Case Example – Kerala Art Form, A World Intangible Heritage.....	45
Table47: Core Infrastructure Projects Being Taken Up	46
Table48: Details of access by air to Kerala	46
Table49: Awards Received.....	47
Table50: Tourist Rating of Kerala's Attractions.....	48
Table51: Components of a Development Dynamic	52

PREFACE

The immense potential of the tourism sector to act as a catharsis of economic and social development has been acknowledged in national and international forums. Almost all the states in India have placed tourism on a priority platform, making efforts to exploit the tourism resources and potential offered by the state.

Kerala has been significantly successful in its tourism efforts, in creating a key tourism platform for the state and positioning itself competitively in the international tourist market. In 2002, the state was able to augment its tourism earnings to Rs. 705.6 crore as against Rs. 535 crore in 2001, representing an increase of 31.8 per cent. In 2003, it recorded India's highest growth in international arrivals at 26.8 per cent. Acclaimed as India's only 'tourism superbrand', Kerala has been able to develop strengths in certain core areas of product development and infrastructure creation.

With almost all states in India struggling to establish a brand and seek a positioning in the domestic and international arena, it becomes important to make a case study of Kerala's success story and find the reasons that may lie behind this. The Department of Tourism, Ministry of Tourism and Culture has mandated CRISIL Infrastructure Advisory to 'identify various factors that influence the tourist to visit Kerala as a preferred destination' so that important lessons may be learnt and replicated in other states.

The Terms of Reference of the study are as follows.

1. To conduct an in-depth study to identify the various factors influencing the tourist to visit Kerala as a preferred destination
2. To develop, as an outcome of the study, a role model that can be replicated in other states also.
3. To undertake the study through a combination of field survey and analysis of the available data from secondary sources
4. To identify the factors/strategies/action plans etc. of the government specifically in respect of the following areas:
 - Product/destination development
 - Infrastructure development
 - Marketing strategies in India and abroad
 - Public private partnership
 - Impact on local economy
 - Incentives/Concessions provided by the state government
 - State government initiatives to contain the negative impact of tourism
 - Any other factor contributing to the overall development of tourism in the state.

This report has analysed all elements of the Kerala tourism sector, with a view to understanding the approach and strategy that has been adopted and the planning and policy that has preceded the significant development of tourism in the state.

The executive summary presents an overall view of the report and the main recommendations.

Chapter 1 examines the manner in which tourism development in Kerala over the past decade has impacted the economic and social development of the state, bringing about positive changes in its major economic indicators.

Chapter 2 presents a detailed overview of the tourism developments in Kerala in terms of key dimensions and identified parameters in each dimension. It essentially profiles the Kerala tourism sector, with a special emphasis on initiatives and efforts that have been successfully undertaken by the government/other stakeholders, and the manner in which this has translated into results on the ground. Specific case studies highlight the efforts and initiatives that merit special consideration.

A primary survey of domestic and international tourists was undertaken to obtain direct feedback on certain critical and 'soft' aspects of tourism. These have been highlighted at appropriate places in the report, while a detailed report on the survey has been presented as part of the annexure to the study.

Kerala has taken important and significant steps to align its tourism development with the demands of the international market and the global tourist. This effort has been multi-dimensional, covering both the 'hard' and 'soft' aspects of tourism development. It spans the creation of adequate infrastructure, simplification of procedures, an aggressive promotional campaign targeted at specific segments, and softer aspects that make a tourist feel wanted. Important lessons may be learnt from this effort and suitably replicated in the other states. This learning from Kerala has been summarized in Chapter 3 in the form of salient points.

The learning that emerges out of the Kerala study can also be built into a strategic framework that may be usefully adapted by other Indian states. This has also been outlined in Chapter 3.

ACKNOWLEDGEMENTS

At the outset, we would like to place on record our appreciation to *Shri. T Balakrishnan*, Secretary, Department Tourism, Government of Kerala for the time he took off from his busy schedule to share with us his invaluable experience and perceptions. He has enabled us to develop a complete understanding of the Kerala tourism scenario and the subtle aspects behind the successes in the sector.

We are equally thankful to the other key officials in Kerala Tourism, *Shri T.O. Suraj*, Director, Department of Tourism, *Shri. M.N. Gunavardhanan*, Managing Director, Kerala Tourism Development Corporation, *Shri. Mohan Kumar*, MD, Tourism Resorts (Kerala) Limited, and *Mr. Satheesh*, MD, Kerala Shipping & Navigation Corporation, for the time given for discussions and the insights provided.

The private sector perspective was provided by key players in the sector: *Mr. Jose Dominique*, MD of the Casino Group, one of the oldest and greatest contributors to product development in the state, *Mr. Salil Dutt*, General Manager of the Taj Group and CEO of Taj Kerala Limited, who has been with the Taj Group for over 33 years and could provide valuable understanding of the Group's role in Kerala, *Mr. Najeeb*, President of the Kerala Travel Mart Society and Chairman of the Great India Tour, and *Mr. Roy Mathew*, Director of Star Communications, the marketing agency heading Kerala's promotional efforts. We are thankful to them for sharing so clearly their understanding of tourism development in the state.

We would also like to place on record the support provided by Department of Tourism, Ministry of Tourism and Culture, Government of India in conceptualising and facilitating implementation of the case study.

A special word of appreciation to *Ms. Garima Agrawala* and her team from AC Nielsen ORG Marg for undertaking the primary survey and providing the results with great efficiency.

Last but not the least, we would like to thank all industry participants with whom we interacted during the field study, including travel agents, tour operators, and hotels, for their perceptions and feedback.

EXECUTIVE SUMMARY

Kerala is a role model in tourism development in India

'God's Own Country' has managed to capture the attention of the international tourism market in no uncertain manner. Kerala's tourism brand is listed among the top 100 brands of India and has been accorded the highly coveted 'Super Brand' status. Kerala is cited as one of the 50 destinations of a lifetime by *National Geographic Traveller*, and is also a 'partner state' to the World Tourism and Travel Council.

While initiatives in tourism date back to the late 1980s, it was only since 1995 that focussed efforts in tourism development were launched by the state government. A comprehensive tourism policy was announced in 1995, this was followed by several tourism planning and developmental initiatives. Therefore we have analysed Kerala's performance from this point of take off.

From 1995 onwards the state has taken significant strides and the results today highlight its impact. The following section highlights Kerala's results (*'Effects of Change'*) in the period between 1994 and 2002:

Table 1: Kerala's results 'Effects of Change'

- A 357 per cent increase in its domestic tourist arrivals, from 1.284 million in 1994 to 5.871 in 2003 that earned for the state the 'Award for Excellence in Tourism' from the Government of India for four years between 1999 and 2003.
- A 25.7 per cent increase in its foreign tourist arrivals, and a rise in its share of Indian's international visitors, from 5.5 per cent in 1994 to 10.98 per cent in 2003
- A 747 per cent increase in its tourism receipts, from Rs.116 crore in 1994 (1.63 per cent of India's receipts) to Rs.983 crore in 2003 (4.97 per cent of India's receipts)
- An increase in the average duration of stay of an international traveller to Kerala from a mere 1.5 days to 14.1 days¹

More importantly, the state has created tourism products purely out of its natural and traditional strengths that successfully meet international quality expectations and compete with international destinations in marketing. Today, Kerala's 'backwaters' and 'ayurveda' are globally identified and uniquely positioned.

Kerala as a destination is spoken of in international travel magazines like the *National Geographic*, *Conde' Nast Traveller*, *Geo Saison* and *Newsweek*. Besides, Kerala has been acclaimed as 'one of the 10 Paradises found' by the *National Geographic Traveller*.

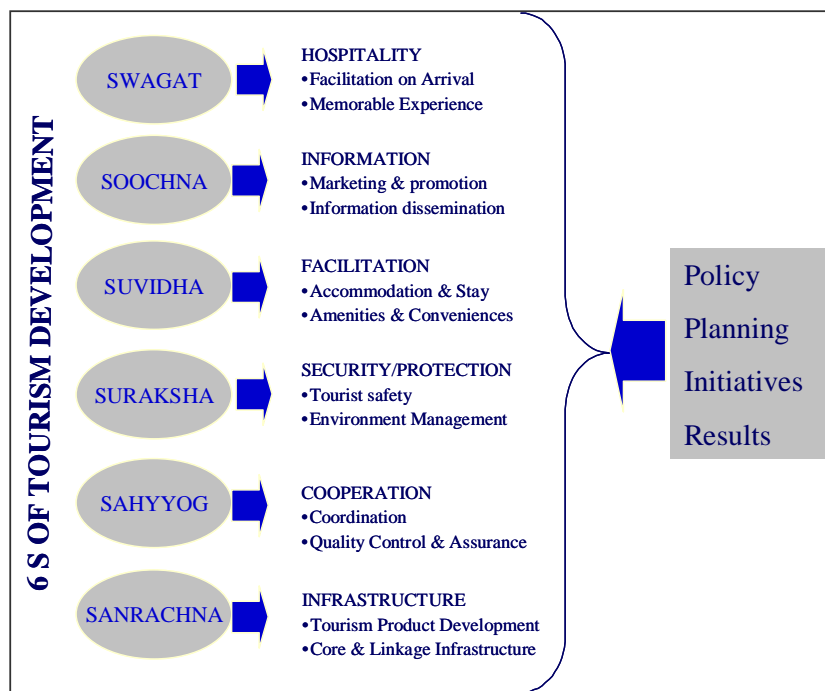
¹ Source: TCS survey titled 'Economic benefits of Tourism Sector in Kerala'

Analytical framework for assessing Kerala’s tourism initiatives

To understand the secret of Kerala’s success, we examined the state’s policy, planning and developmental initiatives, and these were then mapped to the results on the ground. (*‘The Change Dynamics’*).

We have analysed these developmental initiatives and their impact, through the ‘Six S’ framework of India’s National Tourism Policy that comprehensively captures all various dimensions of tourism initiatives as has been shown in .

Table 2: The ‘Six S’ framework for analysis



The entire analysis was undertaken through a combination of desk research and field surveys. Various stakeholders were interviewed during the course of the study and a detailed questionnaire survey was undertaken to gauge both domestic and international tourist perceptions.

What Kerala has done?

The analysis reveals that the state has taken conscious strategic measures in all the six areas highlighted as important for tourism development. Kerala’s success, on the ground, is reflected in the feedback and rating received from domestic and foreign tourists during the primary survey on key hospitality aspects.

Visiting Kerala is a truly memorable experience. This was emphatically endorsed by all the tourists that were surveyed.

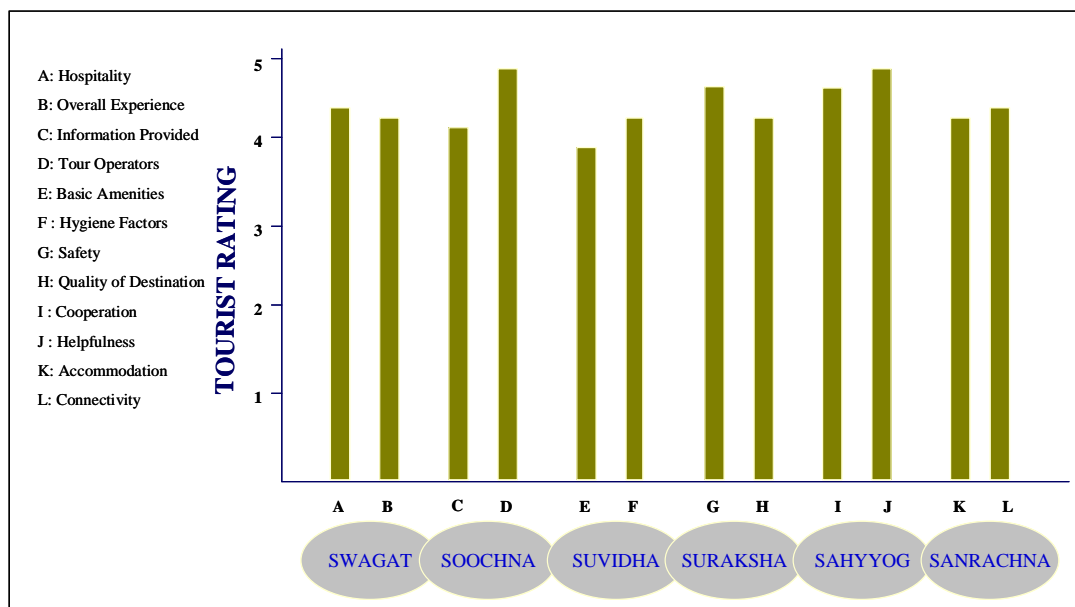
Table 3: Visiting Kerala is a memorable experience

- All domestic and international tourists surveyed said that they wanted to revisit Kerala.
- All tourists want to recommend Kerala to their friends and relatives.

Source: CRISIL - AC Nielsen ORG-MARG Survey, 2004

Kerala has also received high ratings from both domestic and international tourists on all of the six parameters of evaluation. The following provides a snapshot of the results.

Table 4: Tourist Rating of Kerala on the 6 S



The rating was on a 5-point scale, with 1 denoting ‘not satisfactory’ and 5 denoting ‘The rating was on a 5-point scale, with 1 denoting ‘not satisfactory’ and 5 denoting ‘excellent’

Source: CRISIL - AC Nielsen ORG-MARG Survey, 2004

Key learnings from Kerala

The analysis reveals that Kerala has built on its strengths; it has forged partnerships and engineered positive approaches necessary to achieve a quantum growth in the tourism sector. Critical among these has been the state’s success in bringing in private sector participation, in bringing together the various stakeholders on a developmental platform, in encouraging committed professionals and bureaucrats who have been with the state for a decade or more and in achieving a clear positioning for Kerala on all international platforms.

Kerala highlights significant learnings for any state interested in tourism development. These (*'The Change Imperatives'*) are summarised below:

- Build tourism on core and naturally available resources
- Create an distinct brand image for tourism
- Compete internationally not locally
- Learn from mistakes made elsewhere to avoid traps of development
- Professional administration and strong political support to ensure stability of the tourism development programme
- Social development and citizen responsiveness to tourists are essential components of tourism development
- Let the professionals lead
- Give the private sector the space it requires to grow
- Package the product to align with international trends
- Protect the product to ensure sustainable development
- Continue to work on the disadvantages and weakness
- Take tourism seriously – 'making tourism everybody's business'

From the above lessons, it is clear that Kerala has successfully focused on five critically important and interrelated areas for strategic intervention, emphasizing on the first three to begin with and then spreading the focus to the other two areas:

- **Policy:** supporting a transparent and inclusive policy process, promoting fair and open competition, strengthening institutional capacity to implement and enforce policies, drawing international support to augment expertise
- **Product Development:** leveraging core strengths, creating new products, building USP, focusing on sustainable development to offer products of international quality, creating enabling investment environment, stimulating demand, promoting partnerships to ensure the flow of funds into the tourism sector
- **Marketing:** building a brand, emphasizing quality assurances, providing demand-driven information, competing at a global level, collaborating on international and regional platforms to create a highly visible platform for the state.
- **Infrastructure:** focusing on the core and linkage infrastructure and investing in strategically focused capacity to support development priorities
- **Tourism Services:** building a critical mass of tourism workers, increasing technical skills, strengthening community entrepreneurial skills, augmenting managerial capacity to build a service sector sensitive to tourists and tourism

While gains may be achieved through interventions in any one of the areas, the real benefits to the state have stemmed from a holistic approach, thus offering a strategic framework that may be used as a tool by any state to prioritise tourism development initiatives and maximize their long-term impact.

Where strategic interventions covering these areas are properly conceived and implemented, they have the potential, through their interaction, to create a virtuous development circle, a 'development dynamic'.

1 EFFECT OF CHANGE: TOURISM IMPACT ON KERALA

Described as 'a late-comer to tourism' by World Travel and Tourism Council (WTTC) in its report, Kerala is perhaps in the best position to demonstrate how the right steps in the right direction, where tourism is concerned, can positively and decisively impact the economic and social profile of a state.

For the major part of the 20th century, Kerala largely ignored its tourism potential, taking for granted the breathtaking beauty of its natural resources, while states like Goa and Rajasthan marched ahead dominating the tourism pie. However, in the last decade of the century, the state awoke to the possibility of using tourism as an economic lever. From 1990 onwards, there were tentative efforts to bring Kerala's traditional dance forms and traditional medicine to the forefront, but no formal efforts to launch the tourism sector.

In 1995 the state announced, for the first time, its stand towards tourism taking, as the WTTC put it, 'the first major step for tourism development'. The same year saw the inflow of domestic tourists to Kerala increase by a phenomenal 204 per cent from 1.28 million to 3.9 million, and the inflow of foreign tourists by 36.7 per cent from 0.1 million to 0.14 million. Then in 2000, in the first Travel Mart held in the state, Kerala cast its global spell through three short words – 'God's Own Country'. The slogan that captured the international market.

From the turn of the millennium, Kerala has marched on its way forward, with various tourism indicators demonstrating a steady rise over the years. In the following sections, we present an overview of the '*Effect of Change*', the manner in which expanding the tourism sector has impacted Kerala's economy, contributing to its growing wealth and increasing jobs.

1.1 INCREASING TOURIST ARRIVALS

Fastest growing tourism region

In the ten years to 2001, domestic tourist arrivals in Kerala increased at an average annual rate of more than 18 per cent, while foreign tourist arrivals rose by 12 per cent per annum, as shown in . Kerala has been the one of the world's 'fastest-growing tourism regions', with growth rates well above the world average⁴.

Table 5: Domestic and Foreign Tourist Arrivals into Kerala (1991-2003)

Years	Domestic Tourist (in Millions)	% change	Foreign Tourist (in Millions)	% change
1991	0.949	na	0.069	na
1992	0.994	4.8%	0.091	30.8%
1993	1.027	3.3%	0.095	5.0%
1994	1.284	25.0%	0.105	9.8%
1995	3.916	204.9%	0.143	36.7%
1996	4.403	12.4%	0.177	23.7%

⁴ Source: WTTC Report on Kerala

⁵ Source: WTTC Report on Kerala

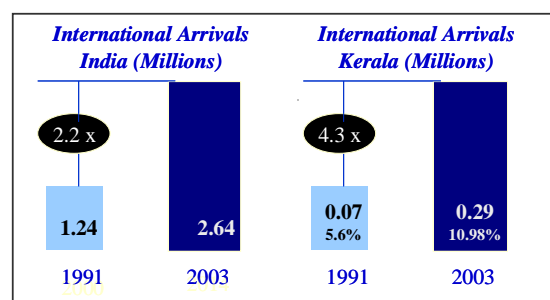
Years	Domestic Tourist (in Millions)	% change	Foreign Tourist (in Millions)	% change
1997	4.953	12.5%	0.182	3.2%
1998	4.482	-9.5%	0.190	4.1%
1999	4.888	9.1%	0.202	6.4%
2000	5.013	2.6%	0.210	3.8%
2001	5.240	4.5%	0.209	-0.5%
2002	5.568	6.3%	0.233	11.4%
2003	5.871	5.44%	0.295	26.6%

Source: Department of Tourism, Government of Kerala

Strong growth in international tourist arrivals

Table6: Foreign Tourist Arrivals (1991-2003)

It is significant to note that international arrivals to Kerala quadrupled, from a mere 69,000 in 1991 to 2,94,621 in 2003. During the same period, India witnessed only a doubling of the foreign tourist arrivals from 1.23 million in 1991 to 2.64 million in 2003. Thus, Kerala was able to capture an increasing percentage of the national pie, its share of India's foreign arrivals growing from 5.6 per cent in 1991 to 10.98 per cent in 2002.



Source: Department of Tourism, Kerala

It must be highlighted that while India saw a 6.6 per cent decline in international arrivals during 2002, following the September 11 disaster; Kerala actually had an 11.4 per cent increase in foreign arrivals. Thus highlighting that it was able to create for itself, in the international market, an image that was distinct from India's and so protect itself from the fluctuations that affected the country. This brought out the robustness of Kerala's international tourist flow. It will be seen in the sections that follow, that this was a conscious strategy adopted by Kerala.

If we benchmark the foreign tourist arrivals into Kerala with the other key tourism states – Himachal Pradesh, Rajasthan, Goa, Delhi/Agra – between the years 2000-2001 and 2001-2002, the difference is clearly visible (See Table7). HP and Goa had modest increases, whereas Rajasthan and Delhi actually witnessed a dip in international arrivals. During the same period, Kerala's increase was an impressive 11.48 per cent.

Table7: Foreign Arrivals to Key Tourism States in India (in Millions)

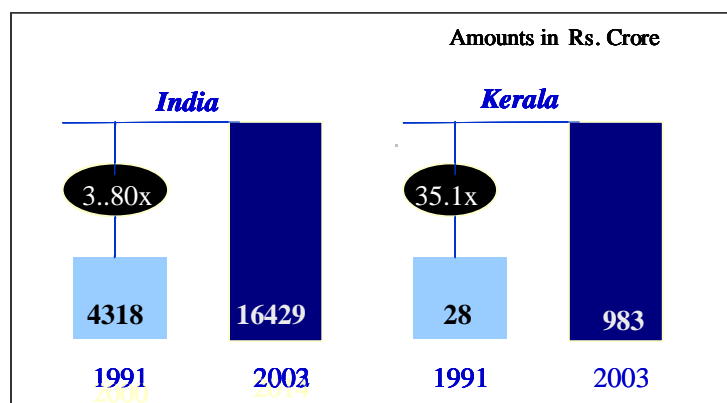
Years	2000-2001	2001-02	Increase
Himachal Pradesh	0.135	0.144	6.67%
Kerala	0.209	0.233	11.48%
Goa	0.26	0.272	4.62%
Rajasthan	0.608	0.428	-29.61%
Delhi/Agra	0.83	0.543	-34.58%

1.2 RISING INTERNATIONAL TOURIST RECEIPTS

Twenty five times increase in international tourist receipts between 1991-2002

During the period 1991 to 2002, Kerala's international tourist receipts have increased by twenty-five times. The growth is far higher in comparison to all India tourist receipts that grew three-times during the same period. The following exhibit provides the details.

Table8: International Tourism Receipts, India and Kerala



Source: Dept of Statistics, Govt of Kerala/India Tourism Statistics, Ministry of Tourism

Substantive increase in average international tourist receipts by Kerala

Another key point to be noted is the substantive jump in average international tourist receipt for Kerala. For Kerala it has increased from about Rs.4,058 per international tourist in 1991 to Rs.33,332 in 2003. The realisations are significantly higher when compared to the all India average of Rs.25,494 in 2002. Given the tourism products on offer in Kerala, it is a high potential to significantly increase its average international tourist realisations even further.

1.3 TOURISM IS A MAJOR EMPLOYMENT DRIVER

As a human resource intensive industry, tourism's greatest impact is on the generation of employment. Such employment generation may cover areas of direct interaction with the tourists, such as persons employed in hotels, airlines, tour operators, restaurants, retail, leisure and entertainment. However, the employment impact spreads over a larger area of the economy, covering jobs associated with the input industries such as suppliers, government agencies and manufacturers of supplied commodities. Hence, the direct and cascading effect of tourism on employment generation is significant.

Tourism is a major driver for income generation and employment creation in Kerala

Kerala has never been industry-intensive, and the vast migration from the state to the Middle East during the mid-'70s and '80s show the lack of employment opportunities in the state. The growth of

tourism in the state is expected to change this, with more and more people being employed in the tourism related sectors.

Table9 shows the WTTC's current and projected impact of the travel and tourism industry on employment at an industry and economy level, at a global level, for India and for Kerala.

Table9: Employment Impact of Travel and Tourism

Particulars	2003			2013		
	'000 Jobs	Share	Y-on-Y Growth ⁷	'000 Jobs	Share	CAGR Growth ⁸
World						
T & T Industry Employment	67441.1	2.6	0.1	83893.6	2.8	2.2
T & T Economy Employment	194562	7.6	1.5	247205	8.4	2.4
India						
T & T Industry Employment	11093.1	2.7	1	12659.9	2.7	1.3
T & T Economy Employment	23839.8	5.8	1.3	27684.9	6	1.5
Kerala						
T & T Industry Employment	378.6	3	15.1	1135.7	7.7	11.6
T & T Economy Employment	788.6	6.2	13.8	2221.4	15	10.9

Source: WTTC Report

Clearly, travel and tourism at both the industry and economy level is expected to be a major contributor for future employment growth in Kerala, well above the Indian and international average. Over the next 10 years, Kerala's travel industry is expected to create 757,100 new jobs, while the broader impact of the travel economy will create 1.4 million new jobs.

1.4 ECONOMIC IMPACT OF TOURISM IS SIGNIFICANT

The impact of the increasing tourism demand on the GDP is significant, with a multiplier effect that simultaneously affects several aspects of the economy. Table10 details the projected demand for tourism and its consequent impact on the GDP at an industry and economy level, for the world, for India and for Kerala. It is evident that above-average growth potential that tourism has, would make it a priority sector for focused development.

Table10: Economic Impact of Travel and Tourism

Particulars	2003			2013		
	Value	Share	Y-on-Y Growth ⁹	Value	Share	CAGR Growth ¹⁰
World (US\$ mn)						
T & T Demand	4544240	---	2.9	8939730	---	4.6

⁷ 2003, Real Growth adjusted for inflation

⁸ 2003-2013, Annualized Real Growth adjusted for inflation

⁹ 2003, Real Growth adjusted for inflation

¹⁰ 2003-2013, Annualized Real Growth adjusted for inflation

Particulars	2003			2013		
	Value	Share	Y-on-Y Growth ⁹	Value	Share	CAGR Growth ¹⁰
T & T Industry GDP	1280350	3.7	1.1	2279200	3.8	3.6
T & T Economy GDP	3526850	10.2	2.0	6461360	10.8	3.9
India (Rs bn)						
T & T Demand	1519.7	---	7.4	6736.3	---	8.8
T & T Industry GDP	529.4	2.0	6.1	2153.4	2.2	7.9
T & T Economy GDP	1274.6	4.8	6.5	5180.2	5.3	7.9
Kerala (Rs bn)						
T & T Demand	102.2	---	12.2	563.9	---	11.4
T & T Industry GDP	39.3	3.7	13.0	216.5	5.2	11.4
T & T Economy GDP	81.8	7.7	11.6	423.5	10.2	10.7

Source: WTTC (Kerala) Report

The growth in the travel and tourism demand for Kerala, at 12.2 per cent, is higher than the growth witnessed for India (7.4 per cent) and the world (2.9 per cent), clearly indicating the vibrancy of the sector and its growth potential. This is directly reflected by the sectors' impact on GDP, which again is higher for Kerala than for the country as a whole. Going forward, the economic activity of travel and tourism is expected to grow by 4.6 per cent per annum worldwide, while it would post an average annualized gain of 8.8 per cent for India between 2003 and 2013. During the same period, the growth in real terms for Kerala is expected to be 11.4 per cent.

1.5 POSITIVE IMPACT ON CAPITAL INVESTMENT

The impact of tourism growth on capital investment through the construction and manufacturing industry is most direct, with the industry responding to increased tourism demand through increased investment in construction – accommodation, tourism products and leisure components – all translating to an escalation in capital investment. In 2002, capital investment in Kerala's tourism economy was Rs.1,552 crore, constituting 7.8 per cent of the total investment in the state. As per estimates provided by the WTTC report, the capital investment in 2003 was Rs. 1,810 crore and is expected to grow to Rs.7510 crore by the year 2013. Table11 shows the capital investment into the tourism sector at a Kerala and India level.

Table11: Tourism Impact on Capital Investment (2003)

Particulars	2003		2013	
	Capital Investment Value (Rs bn)	% of Total Investment	Capital Investment Value	% of Total Investment
India	412.9	7.0	1616.7	7.4
Kerala	18.1	7.8	75.1	8.3

Source: WTTC (Kerala) Report

It can be seen from the analysis presented above that, over the last seven years, the travel and tourism industry has been dynamic in Kerala, demonstrating its positive effect on all aspects of the state's economy. Kerala's active tourism efforts started as late as 1995 and gained momentum in 2000. Taking this into consideration, the significant impact on important indicators, as revealed above, shows that the positive effects of an escalation in tourism activity are quickly felt across the economy. It also indicates that the effects are synergistic, each aspect positively affecting the other to create a virtuous developmental circle.

1.6 CASE STUDY: ECONOMIC IMPACT OF A SINGLE PROJECT

The 'Coconut Lagoon' was one of the earliest projects to be implemented in Kumarakom in the Kottayam district, undertaken by one of the oldest promoter groups in Kerala, the local Casino Group. At the time of implementation, the surrounding community was largely rural, dependant on their farms and on fishing for livelihood. The community was poor and many local farmers were on the verge of selling their farms and moving out.

The project was implemented at a cost of around Rs.3.50 crore, almost entirely utilizing local resources, including materials and labour from the local community, which implied that the major component of the project cost flowed into the village as income, creating trade and employment opportunities for the people.

After implementation, the 50-room Coconut Lagoon Resort directly employed around 90 people, all from the local community. The indirect benefit of the project extended much further, touching the lives of many in the local village.

The Coconut Lagoon was essentially an ecotourism/rural tourism project based on active experience of nature and culture by the tourist. Community participation was an essential aspect of this experience. The tourists who stayed in the Coconut Lagoon resort were taken to visit the local spice farms. Tourists would pay the farmer around Rs.50 a day for a day's experience and would also buy products from the farm. The farmer, who would receive at least around 20 tourists a day, would earn around Rs 1,000 which he would invest in his farm, thus upgrading productivity.

The real impact of the project can be gauged by the fact that one of the farmers gradually improved his livelihood to such an extent that he built two small cottages and today rents them to tourists as guesthouses. His 'home-stay' resort is called 'Philipkutty's Farm'.

In addition to local farmers, the fishermen also benefited because their boats and services were used for cruises and boat-rides on the backwater lagoons. Employment was created for local guides and taxi operators too.

Today, 10 years since the implementation of the Coconut Lagoon project, Kumarakom is one of the hottest destinations, with around two heritage hotels and three-star hotels, a combined room capacity of more than 200, in addition to four 'home-stays', the bed and breakfast homes of the local farmers. The whole of Kumarakom is involved either directly or indirectly in the tourism activity of the region.

The economic impact is reflected in the real estate value escalation. This has shown a 50-times escalation in value over a 12-year period. In 1992, the cost of 10 acres of land was Rs. 10 lakh that increased to Rs.50 Lakh per acre in 2004.

2 THE CHANGE DYNAMICS: WHAT KERALA HAS DONE

The 1995 Tourism Policy of Kerala stated as its main aim “*to serve as a guiding force to make maximum use of Kerala’s tourism potential and also to make it an ideal instrument of social and economic growth*”. The policy aimed at fulfilling the state’s tourism potential through the four-fold approach of enhancing investment into the sector, developing the tourism products, deploying human resources more efficiently and emphasising effective marketing of the state. As underlined by WTTC in its Kerala report, “The 1995 tourism policy remains the basis for much of the state’s progress over the last eight years, whether in terms of infrastructure and product development or tourism performance.”

The National Tourism Policy of India, 2002, has underlined the ‘6 S’ of tourism development, the six key result areas of swagat (hospitality), soochna (information), suvidha (facilitation), suraksha (security/protection), sahyog (cooperation) and sanrachna (infrastructure development) These six areas comprise both ‘hard’ and ‘soft’ elements of tourism, and encompass all positive initiatives and measures.

The methodology for evaluating Kerala initiatives has been a combination of a secondary study of all relevant material available, personal interaction with the select players in the government and the industry, as well as a primary survey of domestic and international tourists. Details of the primary survey are presented in ANNEXURE I. This approach has enabled us to develop a comprehensive understanding of the change initiatives in the state

Table12: 6S of Tourism Development

SWAGAT	HOSPITALITY
	•Facilitation on Arrival
	•Memorable Experience
SOOCHNA	INFORMATION
	•Marketing & promotion
	•Information dissemination
SUVIDHA	FACILITATION
	•Accommodation & Stay
	•Amenities & Conveniences
SURAKSHA	SECURITY/PROTECTION
	•Tourist safety
	•Risk Management/Mitigation
	•Environment Management
SAHYOG	COOPERATION
	•Coordination
	•Quality Control & Assurance
SANRACHNA	INFRASTRUCTURE
	•Core Infrastructure
	•Tourism Product Development
	•Linkage Infrastructure

Source: CRISIL Analysis

This section aims to set forth and analyse dynamics of change in Kerala through the ‘on the ground’ results in these key areas, which would serve to underline the efforts, initiatives and measures that have been undertaken over the years by the Government of Kerala. In each of these six areas, at least two key dimensions have been identified and assessed.

2.1 SWAGAT

Swagat literally means ‘welcome’ in Sanskrit. It can, in the tourism terminology, be accepted to encompass aspects of hospitality such as service, cordiality, generous reception, kindness, consideration and warmth. Much of what is connoted by ‘swagat’ is the abstract and ‘soft’ element of tourism. Hence, this section presents the two important dimensions of ‘swagat’, one the practical aspects covering facilitation, and the other the ‘memorable experience’ that the tourist takes back with him/her as positive memories of the trip.

2.1.1 Facilitation

Kerala has understood that hospitality and a positive tourism experience is the responsibility of every person in the state. The state has taken care in many ways to ensure tourist facilitation and a positive experience:

Timely information

Facilitation-cum-information services are provided to the tourist through *tourist information centres (TIC)* that have been established at all important locations. The state has 17 TICs covering the following major locations:

- The airport entry points at Thiruvananthapuram (domestic and international), Cochin and Kozhikode
- Railway station at Thiruvananthapuram, Varkala, Pathanamthitta, Wayanad and Kozhikode
- Boat jetty at Cochin and Alapuzha,
- Central bus station at Thiruvananthapuram
- Guest houses at Cochin, Kasargode and Varkala
- Tourist locations at Idukki, Park View and Kovalam
- Cities in other states including Chennai, Mumbai, New Delhi and Panaji

The TICs have trained and qualified staff, recruited from the Kerala Institute of Travel and Tourism Studies (KITTS). All TICs, in addition to all travel and destination related information, have conveniences and facilities such as toilets, communication and related services.

Friendliness and Positive Involvement of People

Awareness of the importance of tourism among the public is achieved through the concept of '*tourism clubs*' that are formed in schools and colleges. Thus far, 2,000 such tourism clubs have been formed with the active involvement of the Kerala Institute of Travel and Tourism Studies. Each club has its separate bye-laws, a teacher coordinator and a student coordinator specially trained by KITTS on aspects concerning sensitivity and positive attitude to tourists. Active interaction between tourists and club members is encouraged.

Training of People who have Direct Interface with Tourists

People who directly interface with tourists – including taxi drivers, airport ground staff, home-stay owners, front office staff, masseurs, guides, and tourist police – are regularly trained by the Kerala Institute of Travel and Tourism Studies to create a positive mindset and create a visitor-friendly attitude. The training is imparted through programmes that are specially conducted for each of the target groups. Table 13 shows the orientation programme conducted for tourism personnel involved in direct tourist interface.

Table 13: Training Programmes for Tourism Services Personnel

Name of the Course	Duration
Orientation Programme for Homestay Owners	1 day
Training Programme for Guest House Managers	1 day
Training Programme for Tourist Police	3 days
Training Programme for Tourist Taxi Drivers	2 days
Orientation Programme for Teachers/Coordinators of Tourism Clubs	2 days
Guide Training Programme for Lakshwadweep	14 days
Guide Training Programme for Tourism Staff	2 months
Training Programme for Student Facilitators	15 days

Source: KITTS

Overall social development

With the highest literacy rate in the country, seven universities and 186 colleges, Kerala exhibits high social development and has relentlessly followed a policy of equal rights and education. The *National Geographic Traveller* describes the state as the 'Mount Everest of social development'. This high level of social development underlies the overall acceptance and awareness of the importance of tourism as a 'bread and butter' industry and a warm embracing of incoming visitors.

Table14: Case Example: Tourism Quiz

Tourism Quiz

An innovative approach to creating tourism awareness among the people was achieved through the Tourism Quiz, which was conducted for the first time among the tourism club members in 2003. KITTS organized this competition, on behalf of the Department of Tourism, at three levels – unit, district and state level. The unit-level programmes were organized by the teacher coordinators of the tourism clubs in consultation with the District Tourism Promotion Councils (DTPCs), in the form of a written quiz. The unit-level winners were called for a district-level quiz, with the district-level programmes organized by the DTPCs in association with KITTS. The state-level quiz, Tourism Quiz 2003, was organized by KITTS in association with the Department of Tourism at the main hall of the heritage KITTS building in the capital city of Thiruvananthapuram. The function was attended by the senior tourism officials and the prize-winners were given impressive prizes. The tourism quiz created a lot of interest among the participating colleges, highlighting the awareness about the subject and at the same time spreading important knowledge and information.

Source: Interaction with KITTS

2.1.2 Memorable Experience

The memorable experience the tourist carries back with him/her flows from the positive experience the tourist has had. The following sections present the direct feedback received through direct interaction with the domestic and foreign tourists on their departure from Kerala, on the dimensions that form 'travel memories'.

The primary survey conducted among the international and domestic tourists has revealed the following details on the feeling of wellness, welcome and acceptance. **100 per cent of tourists surveyed have said that they would love to come back to Kerala and would recommend it to friends.**

Rating Kerala Experience

Table15 shows the rating domestic and foreign travellers have given on a 5-point scale, with 1 denoting 'not satisfactory' and 5 denoting 'excellent'.

Table15: Tourist Rating of Kerala Compared to Other Destinations Visited

Detail	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Type of Destination	4.15	4.04	4.24
Quality of Services	4.30	4.22	4.37
Hospitality	4.40	4.24	4.52
Transportation	4.19	4.16	4.21
Tourist Amenities	4.20	3.99	4.36
Overall Experience	4.30	4.15	4.41

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

It is clear that Kerala has scored high on almost all parameters, compared to other destinations visited by the same tourists. This would include international destinations too, when we take the international scores into consideration.

2.2 SOOCHNA

Tourism activity encompasses the world, spanning countries, cultures and languages. Effective communication through efficient information networks forms a vital input. Soochna, which in Hindi literally means 'conveying of information', would in tourism parlance refer to the efficacious communication of information, both in terms of selling the product and in terms of facilitating travel. Accordingly, the following section covers the two dimensions of 'marketing and promotion' and 'information dissemination'.

The Exhibit below shows the rating domestic and foreign travellers have given to the overall information facilities and quality of information provided on a 5-point scale, with '1' denoting 'not satisfactory' and '5' denoting 'excellent'.

Table16: Tourist Rating of Information Services

Detail	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Facilities	3.96	3.91	3.99
Information Provided	4.13	4.06	4.19

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

2.2.1 Marketing and Promotion

Kerala's striking achievement in tourism has been its effectiveness in selling the state abroad. This has been done through focused marketing and promotion efforts. The key highlights of Kerala's marketing strategy have been:

- The state's focus on target international markets, Europe for example
- Initiating focused marketing efforts directed at the media and tour operators in select markets
- Direct interaction with the key international players on home ground

The Kerala Travel Mart wherein the state hosts tour operators and media from select international market, and buyers and sellers directly interact to close deals and packages highlights this aspect.

The details of the above strategy are given below:

Fund allocation for promotional activities

Kerala has considered marketing as a crucial part of promotion and has duly allocated sufficient budgets to this activity. Following exhibit presents the state fund allocation for marketing.

Table17: State Allocation for Tourism Marketing & Promotion (Rs. crore)

Detail	2003-04	2004-05
Tourism budgetary allocation	74.52	79.60
Allocation for marketing	10.00	12.00
As percentage of tourism budget	13.42%	15.07%

Source: Department of Tourism, Kerala

Promotional Agencies

The state has appointed the following professional promotional agencies to manage its marketing efforts:

- Stark Communications, based in the state, which leads the marketing initiatives acting as the communications consultant to the state
- Crayons, based at Delhi, which manages vernacular advertisements
- Grey World wide, based at Bangalore, which manages internet-based marketing on the Web
- Invis Multimedia, which manages the multimedia-based promotional and presentation materials and digital content creation, in addition to web designing

The Department of Tourism is closely involved with these agencies, coordinating the efforts to ensure a constant alignment between the strategy and marketing objectives.

Building the Kerala Brand

Kerala has relentlessly marketed itself as a quality brand to the rest of the world. Beginning with its immensely successful brand slogan 'God's own country', the state has continued to make rigorous efforts to build and sustain its image in the world tourism market. Some of the key aspects of this brand building have been captured below:

- ***Quality promotional materials***
The promotional materials are in the form of CDs, videos, presentations, brochures of the highest quality, technology and style. The state has produced a kit of seven brochures called 'Life in a New Light' and a series of CDs called 'Expressions', covering all its major products and aspects.
- ***Advertising focus on source markets***
To enable value for money spent on promotion, the state has focused its advertising efforts on key source markets and identified tourist segments. Accordingly, the focus has largely been on tour operator magazines, especially in UK, Germany and France.
- ***Participation in international fairs***
Kerala tourism participates in all the major international events related to its identified source markets. Some of the key international fairs the state has participated in the year 2003 are the following:
 - International Tourism's Bourse (ITB) 2003, Berlin
 - Arabian Travel Mart (ATM), 2003, Dubai
 - PATA Travel Mart 2003, Singapore
 - World Travel Mart (WTM) 2003, London
 - OTDYKH Leisure 2003, Moscow
 - China International Travel Mart (CITM) 2003, Kuming
- ***Road shows***
To widen the tourism base and showcase the state to new select markets, Kerala tourism conducts several road-shows at hitherto unexplored markets in addition to the existing traditional ones. The state has conducted road shows at the following national and international locations:
 - Domestic markets: Jaipur, Nagpur, Agra, Ahmedabad, Delhi, Pune, Hyderabad, Goa, Chandigarh, Bangalore, Mumbai, Chennai, Kolkata
 - International Markets: Colombo, London, Berlin, France, Dubai, Singapore

Table18: Case Example – Road Shows**Road-Shows**

The road-shows are organized at five-star hotels. The programme generally comprises a press conference followed by trade meets. Meetings with corporate heads and HR are also organized as part of the show. At such road shows, in addition to the government, other tourism stakeholders from the state, such as key tour operators and resort owners, also participate.

The Kerala Road Show, organized at Windsor Manor in Bangalore, went beyond the regular press conferences and trade meets. The show included a fortnight-long Food Festival of Kerala, along with a photo exhibition of the state, where the promotional materials of the state were in full display. The road show also had lucky dips, with free holidays offered by the host resorts and hotels.

Source: CRISIL Interactions

▶ **Understanding with other players**

Under an MOU that has been signed between Kerala Tourism and Indian Airlines, the airlines is promoting new tourism packages to the state. A 'Festival of Kerala Cuisine' was celebrated by Indian Airlines, during which period all Indian Airlines flights across India served Kerala cuisine. This festival was highlighted in an IA brochure.

Creating International Platforms

In addition to formal marketing and promotional efforts, Kerala tourism has explored all avenues to place the state on an international and global platform. Some of the initiatives are as follows:

▶ **Kerala Travel Mart (KTM)**

Formed as a society in 2000 with all players as members (tour operators, travel agents, airlines, hotels), the KTM is an occasion where 'buyers' (international tour operators and the media) are 'hosted'. It is an international forum for tourism buyers and tourism sellers (resort owners and the state) to meet in dynamic sessions where destinations are discussed and packages finalized. The 2000 KTM hosted 450 buyers; the 2004 KTM, to be held in October, is expected to host over 750 buyers from all over the world, who are to be wooed by over 230 sellers.

The Kerala Travel Mart, which has been enormously successful the last two times it has been held in the state, offers an opportunity for resorts, tour operators, houseboats and ayurvedic centres, among others, to showcase their products and services, and for the state to showcase its brand.

▶ **India International Boat Show (IIBS)**

The IIBS held in Kochi is an international event that will go a long way to position Kerala as an international cruise destination and integrate its brand in India's emerging yachting market. The IIBS brings together on a single platform, the entire boating, marine and aqua-tourism industry from around the globe. IIBS 2003 was the first of its kind in the country, and attracted around 60 exhibitors from across Europe, America and Asia, with prestigious participants and brand names. Estimated business to the tune of US\$ 20 million was generated at this show – a phenomenal achievement.

International brands at IIBS 2003

- Regal Boats
- Gulf Craft
- Beneteau
- Azimut
- Benetti
- Bombardier
- Zodiac
- Polaris
- Bayliner

‣ **'Swarnam' Kerala Gold Fest**

The first Kerala Gold Festival was held in 2003 and branded as 'Swarnam 2003'. Organized by Kerala Tourism, in association with the World Gold Council (WGC) and the All-Kerala Gold and Silver Merchants Association (AKGSMA), the festival is planned to last for a month, and will involve all gold and silver merchants. Events that showcase the history and traditions of gold in Kerala, exhibitions of gold jewellery and designs, interactive sessions with gold workers, and cultural programmes, will be the highlight of special events in the state's five major cities. The Gold Festival is intended to position Kerala as the gold capital of the country. Turkey, which is a major tourist destination, earns approximately Rs.2,500 crore from gold jewellery sold to tourists. Kerala intends to leverage its expertise in gold to exploit this potential.

Table19: Acclaim for Kerala Tourism

National/International Acclaim for Kerala
‣ <i>'Mecca of the oldest and holistic health system'</i> - Geo Saison, February 2002
‣ <i>'The Quest for the Herbal Holiday'</i> – Newsweek, July 2002
‣ <i>'Exotic Fragrance of Kerala'</i> - Conde' Nast Traveller, March 2002
‣ <i>'The dreamy lagoons, curving waterways, damp paddy fields, swaying greenery and singularly beautiful people of Kerala'</i> – Cover story, Weekend Financial Times, January 2001
‣ <i>'Kerala's inquiring sophistication and state of enlightenment.'</i> - National Geographic, April 2001
‣ <i>'One of the 50 destinations of a lifetime'; 'Paradise Found - one of the 10 in the world'</i> - National Geographic Traveler, October 1999
‣ <i>'India's Shangrila'</i> - India Today, August 2002
‣ <i>'One of India's most global non-corporate brands'</i> - Business Today, August 2002
‣ <i>'Afoot and afloat, Kerala is worth the journey'</i> - Time Magazine, April 2002
‣ <i>'Among the 100 top brands in India'</i> - Super Brand India Limited
‣ <i>'One of the 100 great trips for the 21st century'</i> - 'Travel and Leisure'
‣ <i>'One of the ten hot spots for the millennium'</i> - 'Emirates In-flight Magazine'
‣ <i>'One of the ten love nests in India'</i> - 'Cosmopolitan'
‣ <i>'One of the six destinations of the millennium'</i> - 'Khaleej Times'

Source: Department of Tourism, Kerala

2.2.2 Information Dissemination

In addition to marketing and promotion, core information dissemination also forms an important part of creating awareness about Kerala tourism and the products offered. Key efforts in this direction have been detailed below.

Attractive and Dynamic Website

Kerala Tourism has been using IT and its various applications in tourism promotion. The state's official website, launched on 24th December, 1988, has won critical and popular acclaim as a premier tourism website. Recognised by *PC World India* as "one of the 10 best Indian sites", it provides extensive information on Kerala and tourism in the state. **The site receives nearly 1.5 million hits and 2.50 lakh page views per month.** The target audience of the site are tourists – both national and international.

Key contents of the Website

- Ayurveda
- Cuisine of Kerala
- Boat Races
- "Plan Your Trip"
- Festival Calendar
- Shopping Options
- Picture Gallery
- Music Gallery
- Video Gallery
- Destination Gallery
- Performing and Ritual Arts
- Visitor Queries

Kerala received the National Award for Excellence in 2001 for the 'Most innovative use of IT'. The Kerala Tourism website was upgraded in 2002 into a Java-based dynamic one, allowing interactive pages for better viewing. This also received an award for the 'Best Maintained Tourism Website/Portal'.

The GIS map of Kerala is also incorporated into the site. This allows the browsers direct access to information on a desired location/place. The various sections featured in the section include exhaustive details of tourist attractions, accommodation facilities, travel tips, calendar of events, shopping options, festivals, and all the necessary information for a potential visitor. The site includes a monthly newsletter, which has more than 50,000 subscribers, a message board, picture and video galleries and screen savers, which have received wide acclaim and appreciation from the viewers. This site is multi-lingual and information is available in German and French, with regular updates.

Well-planned Tourism Information Centres

Kerala Tourism has around 17 tourist information centres (TIC) at entry points like airports, railway stations, bus stations and key destinations like Kovalam and Varkala. The TICs are manned by personnel who are trained at the Kerala Travel and Tourism Institute, one of the premier tourism management institutes run by the state. The information centres are fully equipped with all information pertaining to the state and also perform facilitatory services on demand. In addition to the TICs within the state, Kerala also maintains information centres at key metros including Kolkatta, Delhi, Mumbai Chennai and the tourist state of Goa.

One-to-one Interactions with International Tour Operators

Random information dissemination is not preferred in Kerala. The state is extremely focused in where, how and to whom it gives information. It is understood that the marketing agencies of the state maintain personal and direct interaction and on-going relationship with international tour operators, integrating the relationships built during international and domestic trade shows and travel marts. It is a key strategy of the state that information dissemination is focused and specifically targets the selected market and segment.

Quality Fairs and Festivals

Information and awareness on the products, culture and heritage of Kerala is also spread through fairs and festivals, most of which are linked to Kerala's key religious, historical and cultural events. Kathakali, Kerala's celebrated dance form, Kalaripayattu, Kerala's martial art form, the boat race of Alleppy, the elephant march of Thrissur, and the Onam festival are mediums for communicating Kerala's culture and heritage to the national and international communities.

As per the primary survey, the following exhibit shows the sources of the tourists' 'first awareness' about Kerala. It clearly emerges that a good feedback about the experience in Kerala from friends/relatives forms the most important 'first awareness' for most domestic and foreign tourists. Hence, there is a 'positive word of mouth' endorsement of Kerala tourism.

Table20: Tourists' First Awareness of Kerala

Detail	TOTAL	DOMESTIC	INTERNATIONAL
Base	197	92	105
	%	%	%
Friends	57	78	40
Internet	5	1	9
Books/Magazines	24	5	38
Television	4	5	3
Travel Agent	9	9	9

Detail	TOTAL	DOMESTIC	INTERNATIONAL
Self	3	4	2
Relative/Family	2	2	0
Other	2	0	1

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

2.3 SUVIDHA

Holiday tourists, as well as business travellers, look for a comfortable stay and all conveniences during travel. Suvidha, which in Hindi means 'ease' or 'facility', in the tourism vocabulary expands to include aspects such as accommodation during stay as well as conveniences and amenities at places the tourist visits. The manner in which Kerala has addressed the 'Suvidha' dimension has been covered in the following sections through two parameters, 'accommodation and stay' and 'facilities and conveniences' provided to the incoming visitors.

Table21 and Table22 show the tourist rating of the accommodation/accommodation-related facilities and other conveniences in Kerala. The rating is based on a 5-point scale, with '1' denoting 'not satisfactory' and '5' denoting 'excellent'.

Table21: Tourist Rating of Accommodation and Accommodation-related Facilities in Kerala

Detail	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Overall Hospitality	4.28	4.24	4.32
Quality of Service	4.33	4.24	4.39
Food	4.20	4.04	4.33
Ambience	4.03	3.96	4.09
Location	4.27	4.08	4.42
Comfort	4.31	4.32	4.31
Value for Money	4.47	4.34	4.58

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

Table22: Tourist Rating of Overall Facilities in Kerala

Detail	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Basic Amenities	3.91	3.80	4.00
Accessibility	4.05	3.85	4.21
Availability of Transport	4.23	4.10	4.34
Staff Attitude	4.26	4.17	4.33
Information	4.43	4.34	4.50
Food Facility	4.15	4.05	4.22
Hygiene Factors	4.06	4.09	4.05
Overall Experience	4.21	4.11	4.29

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

2.3.1 Accommodation and Stay

Kerala's greatest innovation in tourism has been the range and quality of accommodation provided to the tourists. Highlights of this aspect have been detailed below:

Coverage of Hotels and Accommodation Facilities

Table23 shows the coverage of hotel accommodation in Kerala:

Table23: Kerala's Classified Hotels & Room Capacity (2003)

Accommodation	Number	Rooms
5 Star deluxe	2	246
5 Star	5	373
4 Star	9	456
3 Star	66	2,275
2 Star	40	1,109
1 Star	11	268
Heritage Resorts	9	234
Total	142	4961

Source: Department of Tourism (Kerala)

District-wise availability of accommodation is shown in Table24:

Table24: District-wise Classified Hotels (2003)

District	Category	No	Rooms
Allapuzha	3 Star	3	111
	2 Star	2	40
	Approved Rest	4	
	Heritage	1	12
Ernakulam	5 Star Deluxe	2	246
	5 Star	2	175
	4 Star	3	149
	3 Star	16	684
	2 Star	7	315
	1 Star	1	10
	Approved Restaurants	7	
	Heritage	2	29
Idukki	5 Star	1	67
	4 Star	1	32
	3 Star	6	164
	2 Star	4	74
	1 Star	1	23
	Approved Restaurant	1	
	Heritage	1	6
Kannur	3 Star	4	133
	2 Star	1	24
	1 Star	1	33
	Approved Restaurant	1	
Kasargode	3 Star	1	20
Kollam	3 Star	4	96
	2 Star	2	58
	Approved Restaurants	3	
Kottayam	4 Star	1	36
	3 Star	3	120
	2 Star	6	101
	1 Star	1	28
	Approved Restaurant	1	
	Heritage	2	100

District	Category	No	Rooms
Kozhikode	5 Star	1	74
	4 Star	1	52
	3 Star	6	283
	2 Star	3	103
	1 Star	2	48
Mallapuram	2 Star	4	89
	1 Star	1	14
	Approved Restaurants	2	
Palakkad	3 Star	6	156
	1 Star	1	26
	Approved Restaurants	2	
Pathanamthitta	2 Star	1	21
Thiruvananthapuram	5 Star	1	57
	4 Star	3	187
	3 Star	9	312
	2 Star	4	114
	1 Star	2	57
	Approved Restaurants	4	
	Heritage	2	80
Thrissur	3 Star	8	288
	2 Star	4	142
	Approved Restaurants	3	
	Heritage	1	7
Wyanad	2 Star	2	28
	1 Star	1	29

Source: Department of Tourism (Kerala)

Homestays – A Unique Concept in Accommodation

In addition to classified and formal hotels, Kerala has popularized the concept of individual 'bed and breakfast' homes called 'homestays', where homes are converted into tourist houses duly providing all facilities and conveniences. This has enabled the state to provide quick accommodation in places where demand exists but formal hotels may take time to come up. They also provide the tourist a live experience of Kerala's heritage and culture. Table25 shows the district-wise availability of such 'homestay' tourist houses:

Table25: Homestay Accommodation

District	Homestays
Allapuzha	13
Idukki	7
Kasaragode	-
Kottayam	30
Mallapuram	-
Pathanamthitta	1
Thrissur	-
Ernakulam	13
Kannur	-
Kollam	5
Kozhikode	4
Palakkad	2
Thiruvananthapuram	5
Wayanad	-

Source: Department of Tourism (Kerala)

Table 26: Case Example - Grihasthali

‘Grihasthali’: A Unique Initiative for Heritage Homes

To help preserve the richness of the culture, the tourism ministry began a two-pronged development project leveraging the countryside where sprawling homes exist. Some of these are on the point of ruins, and hence, the government decided to turn these heritage homes into tourist attractions.

This gave rise to the concept of ‘Grihasthali’ a scheme whereby these homesteads would be converted into excellent, luxurious accommodations for the tourists. The Department of Tourism has designed an exclusive package of incentives and financial assistance to approved projects. Grihasthali also envisages registration of those properties where owners would not like to convert their building themselves but are interested in identifying a potential partner/buyer for the property. The financial assistance is arranged by the department in collaboration with the Kerala Financial Corporation and other nationalized banks.

Any building which is over 50 years old and bears characteristics of the traditional Kerala architecture would qualify to be considered under this scheme. Once the project has been appraised by an expert committee as per specified procedure, the property would be considered a Grihasthali and would be eligible for the following financial assistance/incentives:

- › Subsidy for the preparation of the project report up to 25 per cent of the expenditure, subject to a maximum of Rs. 10,000.
- › Investment subsidy up to 25 per cent of the investment for renovation subject to a maximum of Rs. 5 lakh.
- › Financial assistance for the project through loans from financial institutions like the Kerala State Financial Corporation and Nationalised Banks.

Source: Department of Tourism (Kerala)

Special Aspects of Accommodation in Kerala

Certain aspects of accommodation in Kerala are distinct, and emerge from the policy consciously followed by the state. These have been highlighted below:

▪ ***Accommodation as an ‘Experience’***

In most destinations of Kerala, accommodation is synonymous with the ‘experience’ and not just with the provision of convenient rooms with star facilities. Accommodation may be being afloat on houseboats moving across the backwaters, being treated for complete rejuvenation under an ayurvedic package, or staying in cottages in the Coconut Lagoon. In all cases, the accommodation is related to the ‘experience’ provided and goes beyond the room and facilities provided. Often, lack of conventional facilities and conveniences (TV in the room, morning newspaper, AC) are projected as the greatest assets of the accommodation provided, adding to the ‘holistic’ experience of the stay.

▪ ***Bold Pricing for Quality Experience***

Kerala has consciously followed a policy of boldly pricing of its accommodation high, duly matching the price with quality. The reason behind this has been to relate pricing to the ‘experience’ rather than to the conventional facilities provided. Across Kerala, most of the hotels and resorts are priced in dollars, with the pricing related to accommodation in Europe and Asia, rather than to the rest of India. Many of the homestay accommodations in Kumarakom are priced at around US\$ 150 per day, which translates to around Rs.7,000 per day.

▪ ***Innovation in Accommodation***

Across Kerala we find different types of accommodation that offer a unique stay experience, allowing the visitor to relate closely with nature. Moving away from the brick and motor concept of large modern hotels, Kerala offers tree houses, houseboats, traditional Kerala cottages, floating cottages, rooms with attached swimming pools, cottages opening into lakes. Each attempt is to provide a unique exposure to the surrounding beauty and variety offered by nature.

2.3.2 Facilities and Conveniences

Facilities for tourists mainly relate to aspects such as basic conveniences at independent tourist locations and tourism spots, other conveniences like the presence of tour operators, and guides, that facilitate the tourists' visit and add to the ease of travel. Kerala's approach to this has been detailed below.

Facilities at Tourist Locations

Kerala has consciously addressed the need to provide basic conveniences and facilities at all major tourism locations. The major sites in Kerala where daytime tourists visit are the beaches, pilgrim centres such as temples and churches, backwaters and lakes, the sanctuaries and wildlife parks. All the major identified tourist locations are provided with tourist amenities such as toilets, shops, parking facilities, approved guides, and tourism police for complaints. 'Pay & Use' toilets have been constructed at public places in most districts of Kerala.

It may also be highlighted that tourism in Kerala is largely synonymous with accommodation in hotels, resorts, and cottages., which offer a tourist all facilities and conveniences. The major tourism products of the state – ayurveda, backwaters, wildlife and ecotourism – are closely related to the tourists' stay at the location. As such, the question of emphasis on tourist conveniences and facilities at independent locations – monuments, historical locations, archaeological sites, picnic spots – does not emerge as a large concern in Kerala, unlike in other states where monuments and independent tourism locations form a greater focus for tourism.

Tour Operators/ Travel Agents/Guides

A network of IATO-approved as well as other tour operators, function in each district of the state. Tour guides also operate at prominent locations, both formally and informally. The government organizes training for such guides and operators through the Kerala Institute for Travel and Tourism Studies. Table27 highlights the tour operators/travel agents/guides functioning in the state:

Table27: Tour Operators/Travel Agents/Guides in Kerala

District	Tour Operators/ Travel Agents	Guides**
Allapuzha	20	-
Idukki	7	-
Kasaragode	2	-
Kottayam	3	-
Mallapuram	4	-
Pathanamthitta	2	-
Thrissur	4	1
Ernakulam	52	7
Kannur	11	-
Kollam	5	-
Kozhikode	17	-
Palakkad	4	-

District	Tour Operators/ Travel Agents	Guides**
Thiruvananthapuram	50	6
Wayanad	1	1

Source: Department of Tourism (Kerala)

** While local guides are available all over Kerala, the number is not known. The above figures are of Kerala Tourism approved/trained guides.

Table28 shows the domestic and foreign tourists rating of the tour operators. The rating is on a 5-point scale, with '1' denoting 'not satisfactory' and '5' denoting 'excellent'

Table28: Tourist Rating of Local Tour Operators

Detail	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Communication	4.32	4.23	4.38
Knowledge & Information	4.40	4.28	4.50
Cooperation	4.47	4.29	4.61
Facilities Provided	4.45	4.38	4.50
Helpfulness	4.58	4.38	4.74
Friendliness	4.64	4.46	4.79
Courteousness	4.66	4.42	4.83

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

2.4 SURAKSHA

The tourism sector is highly sensitive to aspects concerning safety and security of tourists. The September 11 attack on the WTC and the Bali bombing, leading to a spiralling downward trend in international arrivals across the globe, underlines this critical aspect. Tourists, especially foreign tourists, perceive themselves as vulnerable in a foreign land and carefully look at this dimension while deciding their travel plans.

Suraksha, which literally means 'security' or 'protection' in Hindi, translates to this significant tourism dimension. The following analysis also interprets 'suraksha' to mean 'environmental protection', which forms a critical requirement for ensuring sustainable development of tourism in a state.

Accordingly, the following sections cover Kerala's response to this dimension through two parameters, 'safety and security' and 'environmental protection'.

2.4.1 Security of Tourists

Kerala has accorded topmost concern to ensuring the security of their visitors, both foreign and domestic. This effort is perhaps reflected in the fact that while 2002 saw tourist arrivals dip for India following the 9-11 disaster, Kerala's tourism arrivals saw an increase. We highlight below the efforts that the state has deliberately made towards increasing the sense of tourist safety and security.

Tourist rating

Table29 shows the domestic and foreign tourist rating of Kerala on the parameter of 'safety' and feeling of security, on a 5-point scale, with '1' denoting 'not satisfactory' and '5' denoting 'excellent'.

Table29: Tourist Rating of Atmosphere of Security

Feature Rated	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Safety	4.41	4.47	4.36

Source: CRISIL - AC Nielsen ORG-MARG Primary Survey, 2004

Trained 'Tourism Police'

An exclusive group of trained individuals, assigned to the task of providing a feeling of security to foreign and domestic travellers, is considered as an imperative for promoting tourism. The Department of Tourism, together with the local police department, have ensured deployment of officers and personnel to serve as tourist police. They are generally of the rank of head constables in the regular police, to whom training would be imparted before being posted at various tourist destinations.

Tourist polices have been deployed in 23 locations across 12 districts in the state. As on September 2003, there were 180 personnel, of whom 30 were of the rank of head constables, covering beaches, waterways, temples, and other areas of tourist interest. Table30 shows the deployment of tourist police according to the type of location:

Table30: Deployment of Tourist Police

Location/Type	Name	No of Personnel
Beach	Koalam, Varkala, Vizhinjam, Ernakulam Fort, Kappad	54
Backwaters	Veli, Alappuzha Jetty, Kumarakom, Marine Drive, Ernakulam Jetty	42
Airport	Tiruvananthapuram, Cochin International Airport, Mallapuram, Highlands	18
Highlands	Ponmudi, Munnar, Thekkady, Athirapalli, Malampuzha, Pookudu	42
Historical / Pilgrim	Padmanabhaswamy Temple, Thiruvananthapuram Museum, Kannur Fort, Bekal Fort	24
Total		180

Source: Tourist Police Survey Report, KITTS

Table31: Case Example: Orientation Programme for Tourist Police

Orientation Programme for Tourist Police
<p>The main objectives of deploying tourist police are:</p> <ul style="list-style-type: none"> › To provide security to tourists with regard to petty crimes and offences › To promote tourism › To associate with other authorities and agencies. <p>Selected tourist police personnel are given a three-day orientation programme at the Kerala Institute of Tourism and Travel Studies (KITTS). The training includes:</p> <ul style="list-style-type: none"> › Introduction to tourism, impacts and benefits › Expectation of tourists and the role of tourist police › Attractions in Kerala › Transactional analysis › Etiquette and manners, › Effective communication › Basic French and German

Source: Tourist Police Survey Report, KITTS

Trained Coast Guards

Kerala was the first state to introduce coast guards on its beaches. Key tourist beaches in Kerala have trained 'coast guards' who oversee the tourist activity on the beach and take due protective measures as and when required. The coast guards closely monitor the condition of the sea and put out red flags at those points of the coast where swimming/going close to the water is dangerous. They also have the power to restrain people from approaching the sea at these dangerous points. Where required the coast guard works in close cooperation with the tourism police appointed to maintain safety and discipline on the beaches.

Table32: Case Example – Insured Holidays

Insured Holidays: A Novel Concept in Risk Management
<p>Kerala Tourism Development Corporation (KTDC) has introduced for the first time in India the concept of insured holidays. Under this all the premium holiday packages of KTDC will be insured, guaranteeing a totally relaxed and stress-free holiday by freeing a tourist of all apprehensions that precede a holiday.</p> <p>When a tourist chooses from KTDC's exclusive packages or on staying consecutively for three nights or more in any of KTDC's premium properties, the tourist will automatically become insured for a sum of Rs.2 lakh during the specified period. The insurance scheme will cover:</p> <ul style="list-style-type: none"> • Loss of passport and baggage • Cost of alternate travel expenses in the event of accident and damage to vehicle • Personal liability subject to a limit of Rs. 1 lakh • Medical expenses for injury caused by accident • Medical expenses for: (initial 72 hrs), acute gastro-enteritis, stroke, heart attack • Death, Permanent Total Disability and Permanent Partial Disability

Source: KTDC

2.4.2 Environmental Protection

Kerala's tourism sector is entirely dependant on its natural resources – beaches, backwaters, sanctuaries, lagoons, and forests – for its sustenance and continued growth. Under these circumstances, environmental protection and prevention of degradation towards sustainable tourism development has been perceived as critical by the state.

It is understood that, today, positive environmental efforts are being made by voluntary organizations and NGOs in the state. Measures have also been taken by the state through its 'green palm' certification of houseboats for positive environmental approaches.

However, perceiving that sterner measures are demanded into the future, the state has proposed severe environmental measures as part of its Vision 2025. The details are given below:

Stress on sustainable development of tourism centres

A key action agenda under the Vision 2025 is to pursue sustainable tourism development, with a focus on conservation and preservation of heritage. Under this, Kerala proposes to work towards a long-term plan of assessing the 'carrying capacity' of all the tourist centres to regulate developments and establish systems and procedures to enforce sustainable tourism development, including conservation, preservation and benefit sharing with local communities/people.

In the immediate term the state proposes to:

- Enact the Tourism Conservation, Preservation and Trade Act to guide and regulate tourism growth and development;
- Identify special tourism zones and enforce the Act to regulate developments and to conserve heritage;
- Encourage industry associations to impose regulations on the industry on their own for preventing unethical or illegal activity;
- Take up studies on carrying capacity assessment for all the major destinations;
- Involve the community in the planning, awareness building and benefits sharing from the tourism projects and implementation stages of all the projects;
- Make environmental impact assessment for all the major projects a pre-requisite for sanction;

Carrying capacity studies of fragile tourist destinations such as Kumarakom and Munnar have been taken up through the Centre for Earth Science Studies. The destination-level master plans for Kovalam, Munnar, Kumarakom, Fort Kochi and Kannur are being prepared to streamline the development of destinations in a planned way.

Comprehensive Act towards conservation and preservation of special tourism zones

Government of Kerala will soon approve an Act for the conservation and preservation of special tourism zones (details in Annexure). The highlights of the Act are as follows:

- Government would have the right to notify certain areas as 'special tourism zones'
- Detailed guidelines will be prepared for the conservation and preservation of the special tourism zone:
- Any development/activity in the STZ will be carried out only according to the guidelines
- A special 'Tourism Conservation and Preservation Committee' will be formed for each STZ for the preparation, implementation and monitoring of the guidelines
- The Committee shall consist of the Secretary (Tourism), Secretary (Local Self-Government), Director (Department of Tourism), Chief Town Planner, District Town Planner of the area, head of the local government, and Secretary of the Municipal Corporation/Municipal Council/Gram Panchayats within whose jurisdiction the zone falls.

Table33: Case Example – Special Plans for Tourism Zones

<i>Special Tourism Development Plans for Identified Tourism Zones</i>
<p>Special Tourism Development Plans shall detail the manner in which the STZ land shall be used, whether by development therein or by conservation or such other matters as are likely to have substantial influence on the development of the area. Every such plan shall include the following elements necessary for promotion, growth and balanced development of the area, namely:-</p> <ol style="list-style-type: none"> 1. Policy in relation to the land use plan and allocation of land for tourism purposes; 2. Policy in relation to the built environment including architectural control and form; and 3. Strategies towards conserving and strengthening existing natural systems and enhancing the visual quality of the region.

Source: Department of Tourism, Kerala

Launching of Samskriti

Kerala launched Samskriti, a multi-dimensional project to ensure a cleaner, healthier and hygienic environment, with special emphasis on tourism, in November 2001. This programme is being implemented with IHMCT as the nodal agency.

2.5 SAHYOG

Development of the tourism sector in the state calls for cooperation and coordination between various departments of the government, between officials of the state and the districts, between the public and private sector, between states and regions. Sahyog, which literally means 'support' or 'cooperation' in Hindi, when applied to the tourism platform can be interpreted to imply a range of multi-level coordination that goes into developing tourism. This includes coordination of quality-related aspects necessary to ensure that provision of tourism services translates to positive hospitality on the ground. Accordingly, the parameters covered would relate to 'coordination and cooperation' and 'quality assurance and control' and cover the manner in which Kerala has addressed these dimensions.

2.5.1 Coordination and Cooperation

Tourism development in Kerala has been a coordinated effort, with active cooperation at several levels. Key aspects of this coordinated approach are highlighted below.

Active Role of District-level Institutions

Through far-flung decentralization, Kerala has fully involved its district level institutions in tourism development. The District Tourism Promotion Councils, with the district collector as Chairman, are actively involved in the tourism activity of their region, especially in matters related to sustainable tourism development, environment control and visitor management, local-level infrastructure and promotional projects. All DTPCs have been reconstituted and professionalized to take up new responsibilities. A special officer of the IAS cadre has been appointed by the government to look into the functioning of DTPCs and work on a reforms packages. The proposed Act for tourism conservation and preservation envisages the presence of the district-level officers in the environment committee with responsibility for the preparation of sustainable tourism development plans for their regions. It is also envisaged that these councils will have the freedom to launch their own development schemes by mobilising funds with local support.

Active Cooperation between Departments

Tourism forms an important agenda in the sub-plan of most departments in Kerala, where cooperation between state departments in matters relating to tourism is significant. In particular, we may highlight the role the Kerala Shipping & Inland Navigation Corporation is playing in the arena of water-linked tourism. The Corporation operates the luxury cruise boat 'Sagar Rani' and is planning to explore various tourism-related activities linking the waterways of Kerala.

Cooperation between the state and private sector in tourism development

The Secretary for Kerala Tourism described the tourism strategy of the state as a "private sector-led growth strategy". This precisely describes one of the vital features of tourism development in Kerala, the highlights of which are detailed below:

- ***Active involvement in decision making***

From the time the Kerala Government recognized the importance of tourism by declaring it as an industry in the mid-1980s to the announcement of the first tourism policy in 1995 and thereafter, the government has closely embraced the private sector in all its planning and decisionmaking efforts. The involvement of the private sector is ensured through its presence in all committees and decision-making bodies.

Table34: Case Example – Revision of the Tourism Act

Recently, the proposed Tourism Act, which was a comprehensive Act outlining several control measures on the trade, was amended by the Government of Kerala after due consultation with the private sector, which advised against too much control as being adverse for tourism development. Accordingly, in due deference to the opinions expressed, the Act has now been revised to focus on environmental and heritage protection areas.

Source: CRISIL Interactions

- **Participation on all platforms**

All tourism platforms in the state – whether policy, promotion, marketing, or product development – witness private sector presence in tandem with the government. The private sector participates equally and visibly on all government-led platforms, whether in delegations to overseas trade fairs and festivals, hosting of promotional events, road shows, or trade meets. The Kerala Travel Mart is a society formed of all the private sector stakeholders. When the event is held, every member contributes to the show, with the government taking care of the publicity and marketing aspects. Airlines provide free travel, hotels provide accommodation and the resort owners, tour operators, and buyers are also actively involved.

- **Mutual respect and role clarity**

The Government of Kerala “allows the professionals to lead the way”, respecting the expertise brought in by the private sector. The government plays a predominantly “facilitatory and catalytic role”, focusing on policy and promotion, while the private sector is dominantly involved in product development and positioning. It is understood that over the past five years, the private sector investment in the tourism sector is more than Rs. 5,000 crore, reflecting the positive environment, confidence and trust created by the government.

- **Successful JV initiatives**

Kerala Tourism has forged JV relationships with the private sector at key tourism destinations.

Table35: Case Example – Tourism Resorts (Kerala) Limited

Tourism Resorts Kerala Limited: The JV Initiative

The Kerala Tourism Development Corporation has floated a subsidiary called ‘Tourism Resorts Kerala Limited’ (TRKL) especially to forge joint venture relationships with the private sector. TRKL has four projects with the Taj Group, under the ‘Taj Kerala Limited’ banner operating hotels at Cochin, Thekkady, Kumarakom and Munnar. Recently, TRKL has also forged partnership with the Oberoi Group under a joint venture arrangement called ‘Oberoi Kerala Limited’. TRKL plans to expand its activity with other players in the private sector. The proposed Marina project at Cochin will be a JV between a Malaysian group, Trans Resource Corporation Limited and TRKL.

Source: CRISIL Interactions

Cooperation with other states/regions

Kerala has initiated positive regional cooperation measures with south Indian states. This includes joint promotional strategies by various southern states in the international market to promote South India as an important destination. The initiative to create a ‘brand image’ to package south as a tourist destination would include having an apex body, the South India Tourism Promotion Council, and introducing a ‘heritage train’ that would connect the major destinations. The efforts would include

having a more liberalized aviation approach to land more foreign planes in the southern cities, and single road permits to ensure smooth transit of vehicles between the states.

Table36: Case Example – Southern Cooperation

South Indian Tourism Ministers' Conference
<p>Kerala Tourism organised a South Indian Tourism Minister's Conference in January 2002, where Tourism Ministers, Secretaries and Directors of Tourism and Managing Directors of State Tourism Corporations of all the south Indian states participated. The Deputy High Commissioner of Sri Lanka also participated as a special invitee. The conference discussed various issues of inter-state concerns and issues to be taken up with the Government of India for the promotion of tourism in the southern part of the country. The issues discussed include development of inter-state circuits/SAARC circuits, inter-state transport taxes and taxes in hotel sector, introduction of south Indian rail circuits, setting up of a South Indian Tourism Infrastructure Fund (SITI-FUND), inter-state border roads, joint product development, joint human resource development programme, joint promotion and marketing and joint cruise circuits.</p>

Source: Department of Tourism, Kerala

Initiatives for overseas cooperation

Kerala has initiated certain key measures for international cooperation, which have resulted in significant gains to the state in terms of international recognition and positioning.

- ***Partner state to WTTC***

The World Travel and Tourism Council is a global forum for travel and tourism, with its activities directed towards assisting travel and tourism to flourish globally in a sustainable manner, benefiting all stakeholders. Kerala is the first state in India, and indeed the world, to become the 'partner state' to the WTTC.

Table37: Case Example – Partnership with WTTC

WTTC-Kerala Declaration
<p>The Kerala Declaration, (detailed in ANNEXURE II:) ensured for Kerala the support of the international body towards:</p> <ul style="list-style-type: none"> - Providing support to devise a marketing brand for the state, promoting it as a high-quality destination - Developing supportive infrastructure to sustain tourism - Removing barriers, stimulating tourism growth and assisting liberalization - Promoting a responsible industry that is the employer of choice and is welcomed by host communities - Engendering an economically, culturally and environmentally sustainable industry - Making the most of emerging technologies and communications

Source: Department of Tourism, Kerala

- ***Tourism working group with Singapore***

Singapore and Kerala have formed a joint working group to identify tourism investment opportunities in the state. The working group would assess the tourism industry and suggest ways to make Kerala an attractive destination for tourists from Singapore. A joint mission organized between the Cochin Chamber of Commerce and Industry and International Enterprise (Singapore) visited Kerala to explore the leisure industry in the state and the investment opportunities available.

- ***Active relationship with PATA***

Kerala tourism shares an active and ongoing relationship with the Pacific Asia Travel Association (PATA), an association of all regional stakeholders. This has enabled the state to

integrate its international positioning and participate actively on international tourism forums and meets. The Secretary, Kerala Tourism, has been on the executive committee of PATA for many years, working towards the promotion of the industry. Such international exposure has enabled the state to align its focus, thinking and priorities with international players, helping it to place Kerala on a global tourism platform.

- ***Bilateral development cooperation agreement with Germany***
Under the bilateral cooperation agreement with Germany, Kerala has proposed financial and technical assistance from the Federal Republic of Germany for the following projects:
 - Tourism market development - US \$ 5,000,000
 - Development of backwaters of Kerala - US \$ 40,000,000
 - Development of Munnar-Kodaikanal Road - US \$16,000,000
 - Solid and liquid waste management systems in major tourist centres in Kerala - US \$ 20,000,000
 - Human resource development in tourism - US \$ 5,800,000

2.5.2 Quality Assurance and Control

The 'software' of tourism encompassing the entire array of tourism services, tour operators, travel agents, tourist guides and tourist information officers form an important aspect of tourism development. Kerala tourism has focused on human resources as the 'hospitality face' of the host country, to ensure proper quality control of these services through certifications and regular training. The measures initiated towards coordinating quality assurance has been detailed below.

Certifications for tourism products and services

Kerala tourism has put in place certifications for its key tourism products – houseboats, ayurveda and hotels – to ensure that the tourist receives products that are acceptable, uniform and adhering to certain basic standards.

- ***'Gold Star' and 'Silver Star' Certifications for Houseboats***
Considering the sustainability of this unique tourism product and the fragile backwater environment, Kerala Tourism has thought it important to bring out an approval scheme by the department. This covers the quality of the houseboats – materials used for their construction, facilities offered by them, the quality of furniture, services, and the safety and security measures. The classification scheme of houseboats contains eight essential conditions and 10 optional conditions (detailed in ANNEXURE V:). Houseboats which satisfy all the essential conditions and at least five of the optional conditions are awarded the 'Gold Star' certification, while others satisfying the essential conditions are given a 'Silver Star' classification.
- ***'Green Palm' Certifications for Eco-friendly Measures***
Houseboats that adopt environment-friendly practices in their operation will be awarded the 'Green Palm Certification', a symbol of eco-friendliness. Specifications for obtaining this certification include mainly non-discharge of solid wastes and sewage directly to the water; alternative arrangements for disposal of solid wastes and sewage by providing scientifically designed septic tanks or bio-chemical toilets, and use of environmentally-friendly materials and local employment.
- ***'Green Leaf' and 'Olive Leaf' Certifications for Ayurveda Centres***
To sustain ayurveda in its original form and so ensure the survival of the unique tourism product, Kerala Tourism has brought out a classification scheme for ayurveda centres,

whether established in hotels, resorts or hospitals in the state. The quality, safety and service standards of the ayurvedic centres would be evaluated in terms of the authenticity of the treatment provided, the training of the staff, the conveniences and amenities, and the quality of furniture. The classification scheme contains 15 essential conditions and six optional conditions (detailed in ANNEXURE VI). Centres which satisfy all the essential and optional conditions, are awarded the 'Gold Leaf' certification, while others satisfying the essential conditions are given an 'Olive Leaf' classification.

- **'STEP' Certification for Safe-To-Eat Places**

Kerala certifies eating places with the STEP (Safe-To-Eat Places) certification to build confidence, especially among foreign tourists. Such certifications rigorously take into account the hygiene and quality standards of restaurants in the preparation and serving of cuisine.

Tourism Training Institutions

Kerala Institute for Travel and Tourism Studies (KITTS)

Established in 1988, the Kerala Institute of Tourism and Travel Studies, (KITTS), imparts education and conducts a wide range of training programmes to help enhance the skills of personnel at various tourist destinations, as well as to benefit the industry. The main objective of the institute is to create a visitor-friendly attitude among the public and all those who come into contact with tourists. It also conducts awareness programmes in schools and colleges through training programmes in the various tourism clubs.

- **Key training/ educational courses**

Table38: Training Courses Provided by KITTS

Name of the Course	Duration
PG Diploma in Business Administration (Travel and Tourism)	2 years
Cambridge Career Awards in Travel and Tourism	6 months
Certificate Course in Airfare Ticketing & Travel Agency Management	6 months
Masseurs Certificate Course	6 months
Certificate Course in Front Office Management	4 months

Source: KITTS

- **Kerala Institute of Hospitality Management Studies (KIHMS)**

The Kerala Institute of Hospitality Management Studies is also active in tourism education. The institute offered four courses of 12 months duration in the following:

- Food Production and Patisserie
- Food and Beverage Service
- Accommodation Operations
- Front Office Operations

- **Tourism Training Conducted by the State**

Special emphasis is placed on training the human resources involved in providing tourism services with direct tourist interactions. These include the following courses:

Table39: Training Programmes for Tourism Services Personnel

Name of the Course	Target Group	Duration
Orientation Programme for Homestay Owners	Homestay Owners	1 day
Training Programme for Guest House Managers	Guest House Managers	1 day
Training Programme for Tourist Police	Tourist Police	3 days
Training Programme for Tourist Taxi Drivers	Tourist Taxi Drivers	2 days
Orientation Programme for Teachers/Coordinators of Tourism Clubs	Teacher Coordinators	2 days
Guide Training Programme for Lakhswadweep	Tourist Guides	14 days
Guide Training Programme for Tourism Staff	Tourist Guides	2 months
Training Programme for Student Facilitators	Student Facilitators	15 days

Source: KITTS

In addition to the above, KIHMS also conducted two training programmes: one for the staff of the Department of Tourism and the other for developing basic skills.

Other Training Institutions

In addition to KITTS, Kerala has other training institutions from the Tourism Department. These include the following:

Table40: Details of Recognised Tourism Training/Management Institutions

Name of the Institute	Location
Kerala Institute of Tourism & Travel Studies	Thycaud,
Institute of Hotel Management & Catering Technology	Kovalam
Food Craft Institute	Kuravankonam
Oriental School of Hotel Management	Wyanad
Santhigiri School of Hotel Management	Kalamasserry
Naipunya Institute of Management & Information Technology	Thrissur
Continental Institute of Hotel Management	Palakkad
Chavara Institute of Management Studies	Cochin
Kuttukaran Institute of Hotel Management	Cochin
Jaffe International	Kottayam
Travel Millennium	Thiruvananthapuram
Swastik School for Travel & Tourism Studies	Thiruvananthapuram
Institute for Travel and Tourism Studies	Nandancode
Vani School of Hotel Management	Changanacherry
Consult Inn Institute of Hotel Management	Kottayam
West Fort Academy of Higher Education	Thrissur
Fame School of Hotel Management	Kannur

Source: Department of Tourism, Kerala

2.6 SANRACHNA

The Development of Tourism, is closely involved with the creation of attractive tourism products, providing the necessary core infrastructure and ensuring that all linkage infrastructures are in place. Sanrachna, which means 'orderly creation' in Hindi, can be understood, in the tourism context, to mean the systematic/strategic development of the sector by necessary tourism 'creation'. As such, it points to the most critical dimension of tourism development, demanding maximum investment in

terms of time, skills and capital. Government focus on this becomes a critical success factor for tourism development.

In analysing the manner in which Kerala has approached this dimension, the key parameters that would be presented in the following sections would cover the policy, planning and strategy that has gone into the development of the tourism infrastructure, product development and development of infrastructure linkages.

Financial Planning

Kerala government expenditure in the tourism sector forms no more than 1 per cent of its budgetary expenditure – this has been pointed out as vastly insufficient by the WTTC in its report. However, the state has been allocating increasing amounts to tourism, indicating the increasing importance being given to the sector. The following details show the financial planning in terms of fund allocation and deployment to critical aspects:

- **State Plan Allocation to Tourism**

The following exhibit shows Kerala's state plan allocation for tourism, which has achieved a significant increase – from Rs. 17.30 crore in 1995-96 to Rs. 80.00 crore during 2002-2003.

Table41: State Plan Allocation for Tourism

Year	Allocation (Rs. cr)	Percentage Change
1995- 96	17.30	N/a
1996-97	29.20	68.8
1997- 98	36.00	23.3
1998-99	37.20	3.3
1999-00	36.00	-1.2
2000-01	46.00	27.8
2001-02	40.00	-13.0
2002-03	74.25	85.62
2003-04	74.52	0.36
2004-05	79.60	6.81

Source: Department of Tourism, Kerala

- **Fund deployment within tourism**

The following exhibit shows the fund allocation within tourism for the year 2003-04 and 2004-05:

Table42: Fund Deployment Within Tourism

Scheme	2003-04 Allocation (Rs. cr)	2004-05 Allocation (Rs. cr)
Kerala Tourism Development Corporation	5.00	0.01
Tourism Resorts (Kerala) Limited	4.50	4.50
Bekal Resorts Development Corporation	0.20	2.00
District Tourism Promotion Councils and NGOs	1.50	1.50
KITTS & KIHMS	0.50	0.50
Studies on impact of tourism, including collection of statistics	0.50	0.10
Marketing	10.00	12.00
Conservation preservation and promotion of heritage, environment and culture	3.50	6.50
Infrastructure facilities & matching grants for centrally-sponsored schemes	6.00	4.00
Incentive for creation of infrastructure facilities and tourism products in the private sector	3.00	4.00

DoT schemes for upgradation/creation of infrastructure at tourist centres	12.00	15.00
Guest houses	3.00	3.00
Strengthening /modernization pf tourism institutions	1.00	0.50
Development of ecotourism products	1.00	0.50
Schemes to be implemented through line departments	22.55	20.14
Preparation of master plan for integrated development of backwater tourism (100% CSS)	0.25	0.35
Others	0.023	5.00

Source: Department of Tourism, Kerala

▪ **Central Assistance to Kerala Tourism**

The Central financial assistance to the tourism sector in Kerala has also increased multi-fold during the last few years, from Rs.2.10 crore in 1995-96 to Rs.14.0 crore in 2001-2002, representing an increase of over 566 per cent during the last seven years.

Table43: Central Assistance to Kerala

Year	Allocation (Rs. cr)	Percentage Change
1995-96	2.10	N/a
1996-97	2.36	12.4
1997-98	2.77	17.4
1998-99	6.99	152.3
1999-00	11.25	60.9
2000-01	12.25	8.9
2001-02	14.0	14.3

Source: WTTC (Kerala) Report,
Economic Review: Economic and Planning Department

Strategic Planning

Ever since Kerala placed tourism as a priority sector (somewhere in 1986) the state has been quietly and systematically planning the development of the sector. The following details indicate the strategic path that the planning for tourism has taken in the state:

▪ **'Soul searching' in the mid-'80s**

Kerala went through serious 'soul searching' in the mid-'80s, when the state woke up to its tourism potential. As per our discussions with the Secretary, Tourism, Government of Kerala, who has been with this sector for the past 15 years, the initial planning and strategy was 'not put down in paper'. The state held several conclaves and meetings with the industry. The strengths and weakness of the state were thoroughly debated. The state also prepared a master plan for the sector through Dr. M.V. Pylee, Vice Chairman of the Asian Institute of Development and Entrepreneurship.

▪ **Tourism as an industry in 1986**

In 1986, recognising in its importance, Kerala declared tourism as an 'industry' to be considered a core sector for priority development and to be given the status and concessions eligible for other industrial projects.

▪ **Tourism Policy 1995**

The key emphasis of the Tourism Policy highlights focus areas for the state:

- Promoting tourism with the tourist and the pilgrim as the focus
- Providing special facilities to the traveller

- Improving efficiency of the industry
 - Ensuring participation of stakeholders, including the travel trade and tourism industry
 - Providing quality services to all consumers and stakeholders
 - Improving, diversifying and expanding the marketing of the tourism products
- **Tourism Vision 2025**
Kerala's Tourism Vision 2025, announced in 2001 closely after WTTC's report and policy recommendations on the state, is intended 'to give the tourism industry of Kerala a boost, and strengthen its hold on the Indian tourism industry'. The objectives of Vision 2025 (detailed in the Annexure) are backed by concrete action plans in the long-, medium- and short-term. It may be underlined that the short-term plans are already under active implementation, with vigorous planning backing the medium- and long-term plans. Kerala takes the vision very seriously and plans to pursue it to its logical end.

Table 44: Vision 2025, Kerala

Vision 2025 Targets	Tourism Vision Statement
<ol style="list-style-type: none"> 1. To increase earnings from tourism at the rate of 10% annually 2. To achieve an annual rate of growth of 7% in foreign tourist arrivals and 9% growth in domestic tourists. 3. To create employment opportunities of 10,000 every year. 4. To add required hotel rooms in star categories every year 5. To innovate and promote at least one new tourism product/destination every year. 	<p>"To make Kerala, God's Own Country, an upmarket high-quality tourist destination through rational utilisation of resources with a focus on integrated development of infrastructure sector, conserving and preserving the heritage and environment and enhancing productivity, income, creating employment opportunities, alleviating poverty, thereby making tourism the most important sector for the socio-economic development and environment protection of the State."</p>

Source: Vision 2025 Document

Private Sector Participation

The private sector has been the greatest partner and support to Kerala Tourism in its developmental efforts. It is understood that private investment into the tourism sector has been around Rs.5,000 crore in the last five years, demonstrating the trust and confidence built by the government in the sector. We highlight below some of the major aspects of the private sector participation policy in Kerala.

- **Incentives for the Private Sector**
The Kerala Government has put in place several incentives to stimulate private investment into the sector. These include:
 - General investment subsidy of 10 per cent of capital cost, including land, building, furniture, furnishings, equipment, and landscaping subject to a maximum of Rs.10 lakh for approved tourism units.
 - Additional subsidy will also be provided on investment in pollution control facilities and equipment such as solid/liquid waste management equipments for recycling of wastewater, sanitation facilities, captive power generation etc @ 15 per cent of such investments, subject to a separate ceiling of Rs.5 lakh.
 - Projects with capital investment exceeding Rs.50 crore are considered for a special incentive package (except tax-based incentives), not below the benefits otherwise eligible, on a case-to-case basis.
 - A special package of incentives is considered for channelising foreign direct investment (FDI) in tourism and infrastructure projects.

- Units are allowed to remit the commercial tariff and get the difference of commercial tariff and industrial tariff from Department of Tourism, Government of Kerala.
- **Special Company for JV with the Private Sector**

Tourism Resorts (Kerala) Limited has been specially incorporated as a subsidiary of the Kerala Tourism Development Corporation to enter into joint venture partnership with the private sector. TR(K)L has already formed two joint ventures with Taj (Taj Kerala Hotels and Resorts Limited) and Oberoi (Oberoi Kerala Hotels and Resorts Ltd). There are four hotels under TKHRL at Cochin, Kumarakom, Varkala and Thekkady. The proposal for setting up a hotel under OKHRL at Pathiramanal Island in Alleppy district is pending an environmental decision before the Supreme Court. The joint venture usually has an equity ratio of 74 per cent (private sector) and 26 per cent (TRKL). A key achievement is the JV for the proposed 'Marina' at Cochin, with Trans-Resources Corporation Ltd, Malaysia. This was through an open bid, with the commercial offer including revenue sharing and a goodwill amount per annum. The JV will develop an international quality marina, with water sports, boating club and yachting.
- **Land Bank for Private Sector Participation**

Tourism Resorts (Kerala) Limited has initiated a land bank scheme with the objective to identify, acquire/purchase potential land along the beaches, backwaters, hill stations, pilgrim centres, and heritage sites. Landowners willing to sell, lease out or form a JV with the government or private sector can submit the details of their properties to TRKL. Such details are compiled and made available through the official website of KTDC. Potential investors looking for suitable land in Kerala, would contact the property owners directly or through TR(K)L. TR(K)L presently has 120 offers of land that are under inspection by a team of officials with a view to categorizing them according to importance and potential into four categories, viz., 'A', 'B', 'C', 'D'. 'A', high potential land that can be purchased by TRKL; 'B', potential land that can be offered for private entrepreneurs; 'C', land that can be made use of with minimum infrastructure development; 'D', not found suitable for tourism purposes at present.
- **Land Lease Policy**

In Bekal, BRDC has acquired and developed six resort sites for the construction of five-star and above category hotels, four of which have already been handed over to investors based on the following terms and conditions of lease:

 - Period of lease is 30 years, with provision for renewal for another term of 30 years on expiry of the initial lease period on mutual agreement.
 - Minimum annual lease rent is 8 per cent of the total land value calculated by government/BRDC, subject to verifications according to the offer of the highest bidder. (For eg., for one site the higher offer was 9.5 per cent)
 - Moratorium period of two years for payment of lease.
 - Initial two years is treated as license period. License is a permit to the developer to enter upon the land and to start construction activities. During this period, the developer pays Rs. 1 lakh per year, being the license fee. A performance security in the form of a bank guarantee for an amount of Rs. 10 lakh is also obtained from the developer. BRDC has every right to enforce the performance security in case of violation of conditions/failure in carrying out the construction work.
 - Lease period will commence from the third year only, for the remaining 28 years.
 - Government has recently issued orders reducing the lease rent of government land in corporations and municipalities. For tourism activities, the revised lease rent is only 2.5 per cent.

- **Approval Processes and Measures**

Kerala has instituted a single window system to clear tourism projects, wherein the government has constituted a state-level committee, headed by the Chief Secretary, for aiding tourism projects and to issue necessary clearances within a timeframe of 60 days for major tourism projects coming up in the state.

Product Development

In respect of product development, Kerala has focused on its areas of strength and core competence, actively seeking products that are distinct to the state and not found elsewhere commonly. Details of unique product development efforts are given below:

Unique Backwaters:

While beaches, hills and forests are found in all states and countries, the 'backwaters' of Kerala are distinct and not found elsewhere very commonly. Accordingly, Kerala focused on this product, augmenting the backwaters with the 'houseboat' concept (details of houseboats in ANNEXURE VII:), based on the Kerala tradition and distinct from the houseboats of Jammu and Kashmir.

To ensure the sustainability of this unique tourism product and the fragile backwater environment, Kerala Tourism, in addition to encouraging investment in accommodation and stay, is taking other critical measures to preserve this vital tourism resource:

- Deepening and dredging its inland waterways to ensure that the backwaters remain clean, deep and distinct
- Taking strict environmental measures for houseboat owners and operators, including the 'Green Palm' certification, to prevent degradation of the backwater and to encourage houseboats to accept eco-friendly practices
- Introducing a new scheme to grade the boats into Gold & Silver categories based on the quality of facilities and services offered by them to ensure unique and beautiful houseboats based on the Kerala tradition

The backwaters of Kerala today have 15 Gold Star houseboats and two Silver Star houseboats (details in the Annexure) operated by some of the big names in the industry, including the Taj Group and the Casino Group.

Table45: Case Example – Protection of Backwaters

Important Initiatives for Backwater Development
<ul style="list-style-type: none"> ▪ Master plan for the integrated development of the backwaters of Kerala ▪ Inter-linking of the canals and backwaters of the state from Thiruvananthapuram to Kasargod ▪ Construction of boat terminals at Alappuzha, Kumarakom, Thanneermukkom and Chettuva ▪ Backwater tourism complexes at Thanneermukkom, Pallathuruthy, Kotharathode, Nedumudi and Vattakkayal ▪ Dispersal of houseboat activities to Malabar region ▪ Nehru Centenary Pavilion at Punnamada, Alappuzha
<i>Source: Department of Tourism, Kerala</i>

Authentic Ayurveda: 'When life gets tiring apply Kerala'

The traditional medicine of Kerala was positioned internationally for rejuvenating as well as therapeutic purposes. Indeed, Ayurveda alone, wherein long-term treatment is often demanded, has succeeded in increasing the international tourists' length of stay. By positioning Ayurveda as a 'monsoon' therapy (traditionally recommended during the

monsoon season) the state has also ensured strong tourist arrivals during one of the most difficult seasons in Kerala.

To ensure sustainability of this traditional offering, Kerala tourism has introduced the 'Green Leaf' and 'Olive Leaf' certification of ayurvedic centres through evaluation of the authenticity of the treatment provided, the safety and service standards.

Today Kerala has 16 Green Leaf and 19 Olive Leaf ayurvedic centres (details in ANNEXURE VIII:) most of which are attached to star hotels, beach resorts, and houseboats in the state.

Kerala Heritage: International Designations

Kerala's immensely rich classical and folk-art forms culture and heritage date back over thousand years. Kerala tourism is focusing on branding these through national and international designations, as recommended by WTTC in its report.

A major heritage conservation project is being implemented at Fort Kochi for the conservation and preservation of Fort Kochi Heritage Zone. *This project has won the international PATA Grant Award for the Best Heritage Project.* Other heritage projects being taken up include restoration of Hill Palace, Napier Museum, Vallakkadavu, Fort Area, Mattancherry, the second phase of development of Fort Kochi and the development of Chennamangalam heritage village.

Table46: Case Example – Kerala Art Form, A World Intangible Heritage

'Koodiyattom', A World Heritage

Koodiyattom, one of the oldest art forms of Kerala, and the only surviving form of the ancient Sanskrit drama, has been selected by UNESCO as an oral and intangible world heritage.

Blossoming Business – 'To stay ahead on the fast track, you need to slow down'

Taking into account Kerala's emphasis on 'accommodation as a unique experience', the state has positioned itself as a MICE destination for corporate meetings, seminars, workshops, and retreats to the business world, offering its backwaters as a 'corporate playground'. This product is highlighted in all road shows and trade meets.

Cruise Tourism – 'Boating Capital of South Asia'

Integrating its strengths in beaches and backwaters, Kerala proposes to forge ahead in positioning itself as a yachting-cum-cruise destination. The international boat shows with wide global participation is a decisive step in this direction.

Gold Destination – 'Add Kerala to the Glitter of your Gold'

Kerala is famous for its intricate and expert gold workmanship, with a single village boasting of more than 1,500 gold craftsmen. Kerala plans to combine its craftsmanship in gold and its access to international markets, in order to shift the gold shopping centre to the state and make Kerala a global 'gold capital'. The success of the 'Gold Fest' held recently testifies to the progress made in this direction.

Core Infrastructure and Linkage

Infrastructure and linkage are considered as critical for tourism development. We present below the manner in which Kerala has approached this issue in its tourism development efforts:

Infrastructure and Linkage – A Weak Link So Far

While tourism infrastructure has been a success story, core infrastructure in terms of roads and linkages has been a weak link in Kerala tourism. However, as expressed by senior officials and private sector participants, Kerala “never allowed drawbacks in infrastructure to stand in the way of tourism development”. What the state lacked in core infrastructure “was made up in product development and positioning”.

Many of the Kerala projects (‘Coconut Lagoon’, for instance) projected the very lack of infrastructure as strengths. ‘No direct road access’, ‘no TV in the room’, ‘no newspapers’ were highlighted in the promotional brochures, stressing upon ‘only nature’ as the offering.

WTTC in its report has stated – “Kerala needs to strengthen its overall infrastructure significantly, not only in terms of tourism but for the general economic development”.

Increasing stress on infrastructure

Kerala Tourism is laying increasing emphasis on infrastructure and has initiated several measures to strengthen this area of development. Large-scale investments are being planned under the Rural Infrastructure Development Fund of NABARD, especially covering important tourism areas. These have been highlighted in the exhibit below.

Table47: Core Infrastructure Projects Being Taken Up

Project	Cost (Rs. Crs)
Development of water link from Kochi to Nedumbassery	15.00
Development of road link between Nenmara and Nelliampathy	25.00
Development of road link between Chalakkudy and Vazhachal	10.00
Integrated development of Vagamon	90.00
Kovalam beach renewal project	50.00
Development of Thiruvananthapuram –Ponmudi	50.00
Development of Kumbalangi island, Ernakulam	25.00
Development of roads in Wayanad	25.00
Development of roads at Bekal	25.00
Development of Vadakkancherry – Nenmara – Kollengode - Pambikulam road	30.00
Bypass road to Sabarimala	10.00

Source: Economic Review: Economic and Planning Department

Connectivity and Access

WTTC has stressed “one major hurdle to the rapid growth of tourism to Kerala is access”. The government is working consciously on this dimension, having discussions with relevant agencies.

While the domestic connectivity is strong, with Kerala connected directly to almost all parts of India by rail, the demand for air connectivity and faster access arises mainly in respect of international travellers and also because of the relative distance of the state from other parts of the country due to its geographical positioning. The major air connectivity to the state as of date is shown below:

Table48: Details of access by air to Kerala

Airport	Services
Thiruvananthapuram International Airport	
Domestic Flights (Direct) to/from	Delhi, Mumbai, Bangalore, Chennai

Airport	Services
International Flights (Direct) to/from	Colombo, Maldives, Dubai, Sharjah, Bahrain, Doha, Ras-al-Khaimah, Kuwait, Riyadh, Fujairah, Singapore, Male
Airlines Operators	Air India, Indian Airlines, Jet Airways
Cochin International Airport	
Domestic Flights (Direct) to/from	Bangalore, Chennai, Goa, Agatti, Mumbai, Kolkata, Lucknow
International Flights (Direct) to/from	Dubai, Sharjah, Colombo, Abu Dhabi, Dhahran, Bahrain, Riyadh, Muscat
Airlines Operators	Air India, Indian Airlines, Jet Airways, Sahara
Karipur Airport Kozhikode	
Domestic Flights (Direct) to/from	Mumbai, Chennai, Coimbatore, Goa
International Flights (Direct) to/from	Sharjah, Bahrain, Dubai, Doha, Ras-al-Khaimah, Kuwait, Riyadh, Fujairah
Airlines Operators	Air India, Indian Airlines, Jet Airways

Source: WTTC (Kerala) Report, Economic Review : Economic and Planning Department

The major international airlines that operate to Kerala are:

- Lanka Air
- Silk Air
- Oman Air
- Kuwait Air

2.7 AWARDS FOR EFFORTS MADE

Kerala Tourism has won several awards from many and varied domestic and international quarters for the efforts and initiatives made and the quality of its endeavours. The number of awards received, right across the globe from various associations, bodies and forums reveal Kerala's success story:

Table49: Awards Received

Association / Body	Name of the Award
Pacific Area Travel Writers Association (PATA)	<ul style="list-style-type: none"> ➤ Gold Award for Heritage and Culture – 2004 ➤ Gold Award for Ecotourism – 2004 ➤ Gold Award for CD-ROM 2004 & 2003 ➤ Gold Award for Marketing – 2003 ➤ Gold Award for Heritage – 2002
Pacific Area Travel Writers Association (PATWA)	➤ International Award for Leisure Tourism 2000-2001.
Outlook Traveller – TAAI	➤ Best Performing State that promoted Travel and Tourism 2000 – 2001
Federation of Indian Chambers of Commerce and Industry - FICCI	<ul style="list-style-type: none"> ➤ Award for the Best Marketing – 2003 ➤ Award for Best Use of IT in Tourism, 2003
Galileo – Express Travel & Tourism	➤ Award for the Best State Tourism Board, 2003

Government of India	<ul style="list-style-type: none"> ➤ Best Performing State for 2003, 2001, 2000 and 1999 – Award for Excellence in Tourism. (For Rapid Growth, Development and Advancement in the Tourism Sector) ➤ Best Practices by a State Government 2003 ➤ Best Eco-tourism Product – 2003 ➤ Best Wildlife Sanctuary – 2003 ➤ Most Innovative Use of Information Technology 2003, 2001. ➤ Most Tourist-friendly International Airport – 2002 ➤ Most Eco-friendly Destination – 2002. ➤ Best Tourism Film – 2001
Indian Association of Tour Operators (IATO)	Best Brochure and Best CD Award for the Seven Brochure Kit “Life in a New Light”
Super Brands India Ltd.	Listed Among the 100 Top Brands in India and Accorded the Highly Coveted “Super Brand” Status.

2.8 TOURIST FEEDBACK

Based on our primary survey, the domestic and foreign tourists have given the following rating to the various aspects of ‘holidaying in Kerala’, including the products and attractions. The rating was on a 5-point scale, with ‘1’ denoting ‘not satisfactory’ and ‘5’ denoting ‘excellent’.

Table50: Tourist Rating of Kerala’s Attractions

Feature Rated	TOTAL Mean Score	DOMESTIC Mean Score	INTERNATIONAL Mean Score
Natural Beauty	4.51	4.57	4.47
Beaches	3.74	3.85	3.66
Backwaters	4.34	4.32	4.35
Tea Gardens	4.03	4.28	3.80
Islands	3.78	3.97	3.62
Culture & Heritage	4.26	4.15	4.34
Palaces and Churches	3.82	3.86	3.79
Cuisine	4.04	3.82	4.21
Ayurveda	3.99	4.11	3.89
Wildlife & Birds	3.84	3.86	3.82
Climate	4.03	4.22	3.88
Safety	4.41	4.47	4.36
Hotels	4.17	4.30	4.06
Connectivity	4.30	4.37	4.25
Economical	4.25	4.29	4.22
Others	4.31	4.20	4.39

Source: CRISIL- AC Nielsen ORG-MARG Primary Survey, 2004

- **100% of tourists, both domestic and foreign, reported that they wanted to revisit Kerala**
- **100% of domestic and international tourists want to recommend Kerala to their friends relatives and others**

3 CHANGE IMPERATIVE : LEARNING FROM KERALA

The tourism development that has happened in Kerala over the past decade has been studied in terms of policy, planning, initiatives and strategies undertaken by the state, and the manner in which these have been translated to key results areas that can be seen on the ground. Clearly, Kerala has successfully addressed the critical areas of tourism development in a focused manner. More importantly, the state has been able to strategize effectively, so that the synergistic effects of these areas have been effectively exploited.

In this section, we present the learning from Kerala in terms of the micro-level aspects that emerge from specific efforts, initiatives and approaches that have been undertaken, as well as the overall broad development framework that can be developed and applied from the understanding gained.

3.1 KEY LEARNINGS FROM KERALA

An understanding of the various approaches, initiatives and actions undertaken by the state of Kerala, has been developed through interactions with key stakeholders including senior government officials, bureaucrats, policy makers and the private sector. These primary interactions have been supplemented through a study of related secondary material, including statistics and policy papers. From the appreciation developed, the following are the key learnings that emerge from Kerala:

1. Build tourism on core and naturally available resources

Kerala's tourism success story has been built on two of its core natural strengths, one arising out of its geographical positioning and the other from its traditional heritage. The 'backwaters' that crisscross the coastal length of Kerala and the traditional 'ayurveda' that form the traditional wealth of the state, have been showcased and accepted internationally. The initial tourism efforts of the state have been focused on these two areas of strengths. As has been observed by the Secretary (Tourism), Government of Kerala: "Every destination talked about all products. We thought: 'What could make Kerala distinct?' and put all our eggs into these baskets."

2. Create an image distinct from the country

Kerala as a small state in India, could till the early 1990s, get a small percentage of the international travellers coming into the country. The tourism strategy developed in the mid 1990s was focused on developing a brand and image for the state that would make it distinct even from India. The Indian image is not always positive: 'dusty', 'hot', and 'quaint' are the words used for India. Therefore, a distinct identity for Kerala was imperative. This strategy essentially protected the state from the fluctuations that affected the country and that often created strong negative currents internationally. The effectiveness of this strategy was demonstrated by the fact that, while international arrivals to India fell by in 2001, Kerala tourism was robust enough to withstand this effect.

3. Compete internationally, not locally

Kerala has, from the start of its tourism efforts in the '90s, considered its competitive arena to be international destinations like Bali, Mauritius, Maldives, and Seychelles. Accordingly, the state has studied these destinations, and efforts have been directed towards achieving the quality and product development standards demanded by international travellers to such locations. The state has also focused on international participation and affiliations right from

the start of its tourism efforts. Kerala has been positioned as another international tourism destination and not an Indian tourism location, always benchmarking itself with international destinations.

4. Learn from mistakes made elsewhere

Kerala's late entry into tourism has helped it to draw valuable lessons from internationally committed mistakes by other early entrants. These lessons have been effectively applied to its tourism strategy. One benefit has been that it has avoided the *'traps of development'* that tourism often presents. The second valuable lesson has been *'not to seek for mass tourism but rather focus on class tourism'*. As one developer put it, Kerala was "not caught in the trap of profitless volumes". From the experience of countries like Sri Lanka, Nepal and to a large extent Singapore also, Kerala has learnt not to allow tourism to deplete its resources and exploit its environment. Thus, 'limiting the bag pack' has been a conscious decision.

5. Professional administration and strong political support

The Kerala administration is committed to a professionally managed approach to tourism development that is fully supported by the political leadership. As expressed by Secretary (Tourism), Government of Kerala, who has been with Kerala Tourism in one capacity or the other for the last 15 years, "every five years the government has changed but the bureaucracy has been allowed to continue", with a free hand to involve the private sector, a free hand for allocation of funds, and full freedom to visit foreign countries. More importantly, it has not been "held responsible for failures". An example was given of a 'controversial decision' taken, which was fully supported politically in the interest of the proposed development. 'Do something, explain later, will be supported' has been the underlining spirit of the political support received. *Such support has ensured the continuity of committed officers in the same field who are 'handpicked for the job'*. The political and administrative support to Kerala Tourism includes the positive support the state has received from the Central Government, as well.

6. Social development sine-quo-non for optimum tourism development

With a high literacy rate, low birth rate, high emphasis on social infrastructure, land reforms, egalitarian social order, education and health care, the *National Geographic* has acclaimed: "Statistically, Kerala stands out as the Mount Everest of social development". Such development has assured for the state an aware and responsible public, with the average Keralite very responsive to the importance of tourism and tourists. As one developer put it, "The inherent militancy kept polluting industries out of Kerala and preserved her beauty for business and holiday travellers."

7. Let the professionals lead

Kerala's tourism is managed in a professional manner. As the President of the Kerala Travel Mart put it: *"Total trust lies behind the professional management of Kerala Tourism"*. To give an example, the communications agency is allowed to travel abroad for festivals, with the bureaucracy taking a back seat. The same group of professionals have handled the promotion of Kerala Tourism, even though they may have changed their agencies and jobs.

8. Give the private sector the space it requires to grow

The highlight of tourism development in Kerala has been the strong partnership with the private sector, which has been part of the core group in reaching all consensus. This strong partnership has allowed the state to 'go beyond the beginners' concept in privatisation'. Despite many disadvantages, the conducive investment atmosphere has made tourism a

proven success. *'The private sector in Kerala is a responsible private sector, supporting where necessary, pushing where required for changes.'*

The Kerala Travel Mart is a unique expression of this cooperation: formed as a society in 2000 with all players (tour operators, travel agents, airlines, government) as members, the event is fully financed by the private sector, while the government helps through publicity. Airlines offer free tickets, hotels provide hospitality to the 700-plus 'buyers' who come from all around the world. The Cochin international airport is the first private sector JV in airport development in the country.

9. Package the product to align with international trends

Kerala has not merely created products, but packaged the products for the intended customer. The state is very clear about the kind of tourist they want, and the requirements of this target segment are severely adhered to. As one developer expressed, Kerala has learnt to understand the international shift in the preference of holiday seekers 'for whom a holiday is a voyage of discovery'. The state has packed its products to offer unique experiences for the 'experiential holiday seekers'. *'Luxury is not necessarily the built space but the experience'*. Kerala has succeeded in creating world-class products with ordinary people, using local resources. The small scale of development and the cultural affinity to the local environment has fitted with the goal of the new age traveller. Marketing has been deliberate and targeted.

10. Protect the product

Kerala has understood that its tourism survival depends upon the sustenance of its key tourism products – backwaters, ayurveda, heritage, and art forms. The state has taken serious measures to work towards sustainable tourism development, protecting its products from degradation, abuse and pollution.

11. Continue to work on the disadvantages and weakness.

Kerala is one of the highest taxed states, with "every Keralite paying per capita almost double of the rest of India". Tourism is seen as a "milking cow". Land is expensive and the state has very high power charges at commercial rates. Liquor is very expensive, with very high liquor taxes, high bar licenses, high sales tax. However, realizing these as 'failures' of Kerala tourism, the department is working towards correcting the imbalance, highlighting the disadvantages on all forums and reaching a solution.

12. Take tourism seriously

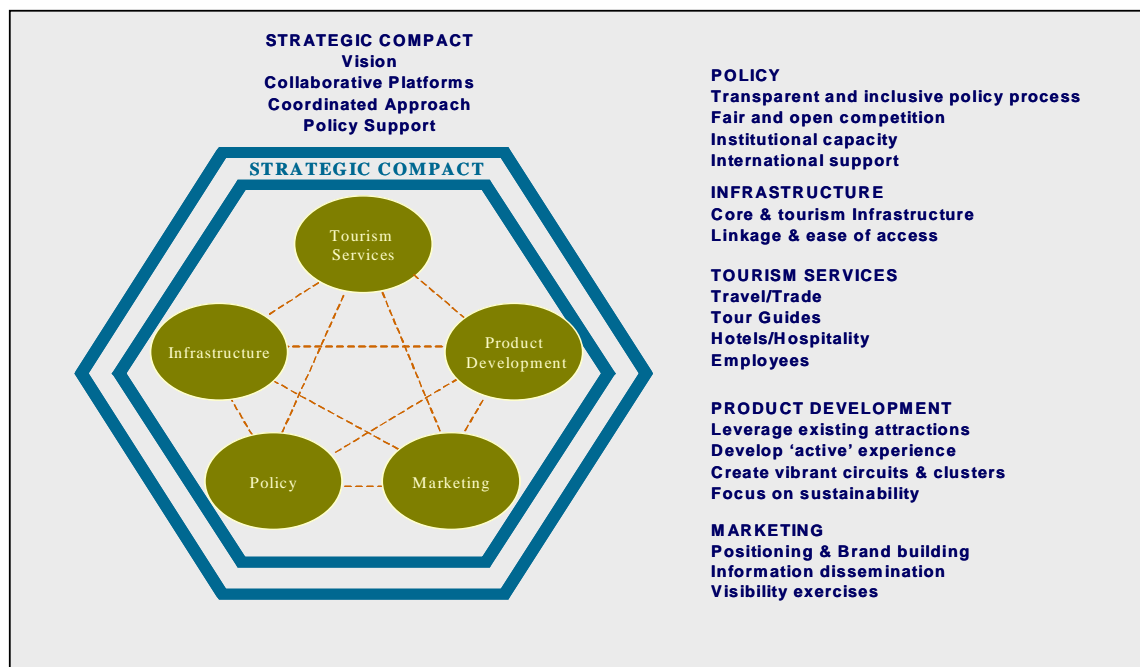
For Kerala, tourism is a 'bread and butter' industry. Consequently, the state has taken this sector seriously, *"making tourism everybody's business"*. All stakeholders, including the public at large, are involved in a positive consensus to develop the sector.

3.2 CREATING A 'DEVELOPMENT DYNAMIC'

While individual learnings have been encapsulated above, it would be possible to draw a comprehensive model from Kerala's tourism development efforts. The unique characteristics inherent in tourism development and the evidence from the initiatives and approaches made in Kerala, suggests that a development-focused strategy, that leverages on the powerful synergies that tourism offers as an enabler of economic and social development, can lead to the creation of a virtuous development cycle that we may call a 'development dynamic'. The lesson learnt from Kerala points to five important and interrelated areas for strategic intervention: *policy, infrastructure, tourism services, product development, and marketing*, which would essentially comprise the components of the dynamic.

Each of these components would address selected development goals, yet have the capacity to be mutually synergistic and reinforcing. While acting on any one of the components of the dynamic can produce valuable results, interventions taken across several component areas can generate results on a scale much greater than focus on one area alone. As critical mass builds up, multiplier effects start building a virtuous cycle of sustainable development.

Table51: Components of a Development Dynamic



It can be seen that Kerala focused on three of the five components to begin with, that is policy, product development and marketing and when the synergies of the dynamic started showing results, the state has now brought into focus the other two aspects, viz infrastructure/linkage and quality of tourism services.

More importantly, the ‘strategic compact’ was achieved through a well-deliberated and thought-out vision and the creation of collaborative platforms – with the private sector, with the stakeholders and with the international participants.

Close study of the manner in which Kerala has approached its tourism sector leads to the conclusion that the tourism success is the result of a very consciously evolved strategy, which requires to be pursued with the active collaboration of all stakeholders. The essence of the strategy is to set a high goal and work towards it, build on the strengths, market aggressively and ensure product delivery.

ANNEXURE I: DETAILS OF THE PRIMARY SURVEY & FEEDBACK**OBJECTIVE OF SURVEY:**

The Sample Study would be used to understand on the ground perceptions and viewpoints of tourists who come into the State & whether the efforts of the Kerala Government is translating to tourist satisfaction on the ground. The survey would cover:

- Motivation to visit Kerala & chances of re-visit
- Response to specific aspects of product, price, promotion
- Tourist feedback on Kerala experience related to
 - Hospitality
 - Information
 - Conveniences/Amenities – Transportation, Accommodation, Wayside Facilities, Facilities at monuments/tourism sites etc
 - Security
 - Service
 - Infrastructure

TERMS OF REFERENCE FOR SAMPLE SURVEY

- Administration of questionnaire among the samples
- Systematic collation of responses
- Presentation of information in a cogent form.

AGENCY THAT ADMINISTERED THE STUDY

- ACNielsen-ORG MARG

METHODOLOGY

- The study was conducted at various tourist locations in the city of COCHIN.
- Both domestic and International tourists were contacted in the study
- The interviews were conducted only with prior approval from the respondents to participate in the study
- The field work was conducted from 4th to 14th September 2004

TARGET RESPONDENTS

- | | |
|--------------------------|-----|
| - International Tourists | 105 |
| - Domestic Tourists | 92 |
| - Total | 197 |

SAMPLE PROFILE:

- Age 18- 64
- SEC A, B and C
- Both Male and Females

SAMPLE COMPOSITION - AGE

	Total	Domestic	International
<i>Base</i>	197	92	105
<i>Years</i>	%	%	%
18-24	26	28	25
25-30	23	23	23
31-35	22	21	23
36-40	14	10	18
41-45	4	4	5
46-50	3	4	3
51-55	4	6	2
56-60	2	2	1
61-65	3	2	1

It is observed that both amongst domestic and international tourists, the popular age band is between the twenties to late thirties. Very few respondents were > forty age bracket. This could also translate to Kerala being a preferable destination for the age bracket 20-40.

SAMPLE COMPOSITION - EDUCATION

	Total	Domestic	International
<i>Base</i>	197	92	105
<i>%</i>	%	%	%
School 5 to 9 years	2	4	1
SSC / HSC	5	11	1
Some College but not graduate	3	1	5
Graduate / Post Graduate - General	35	50	23
Graduate / Post Graduate - Professional	25	34	18

SAMPLE COMPOSITION - OCCUPATION

	Total	Domestic	International
<i>Base</i>	197	92	105
<i>%</i>	%	%	%
Skilled Worker	3	1	4
Petty Trader	1	1	0
Shop Owner	6	6	6
Businessmen/Industrialist	25	34	17
Self Employed Professional	15	1	26
Clerical/Salesman	6	13	1
Supervisory Level	4	7	1
Officers/Executives - Junior	8	7	9
Officers/Executives- Middle/Senior	5	10	1
Student	23	16	29

It is observed that more of entrepreneurs and students visit Kerala

STATE OF ORIGIN – DOMESTIC TOURISTS

	Domestic
<i>Base</i>	92
<i>States</i>	%
Tamil Nadu	41
Maharashtra	17
Punjab	15
Karnataka	10
Utter Pradesh	7
Andhra Pradesh	5
West Bengal	2
Gujarat	1
Haryana	1

Amongst the domestic tourists, tourists from the nearby states happen to visit Kerala compared to the other states. This could be because of the festival season that was going on at the time of the survey.

COUNTRY OF ORIGIN- INTERNATIONAL TOURISTS

	International
<i>Base</i>	105
<i>Country</i>	%
England	18
France	17
Spain	10
Australia	7
Germany	7
Japan	7
USA	6
Switzerland	5
Canada	5
New Zealand	4
Israel	3

Italy	2
South Africa	2
Poland	1
Netherlands	1
Singapore	1
Saudi	1
Scotland	1
Iceland	1
Shri Lanka	1
Holland	1
Hong Kong	1

Among international tourists more arrive from Europe than other countries.

CITIES TO VISIT IN KERALA

	Total	Domestic	International
<i>Base</i>	197	92	105
<i>Cities</i>	%	%	%
Cochin	84	87	82
Trivandram	33	30	33
Kumarakam	28	38	20
Allapuzha	27	35	21
Kovalam	28	20	36
Munnar	21	27	17
Thekkady	18	16	20
Alleppey	17	11	21
Kottayam	4	6	3
Periyar	3	2	4

	Total	Domestic	International
<i>Base</i>	197	92	105
<i>Cities</i>	%	%	%
Guruvayar	3	6	1
Qulion	2	2	1
Callicut	1	1	0
Trichoor	1	2	0
Ponmundi Hills	1	1	0
Kolamangalam	1	0	1

TRAVELLING WITH

	Total	Domestic	International
<i>Base</i>	197	92	105
	%	%	%
Friends	48	51	46
Family	24	34	16
Relatives	3	6	0
Community Group	1	1	0
Tour Operator group	6	1	10
Alone	19	6	29

FIRST AWARENESS ABOUT KERALA

	Total	Domestic	International
<i>Base</i>	197	92	105
	%	%	%
Friends	57	78	40
Internet	5	1	9
Books/Magazine	24	5	38
Television	4	5	3
Travel Agent	9	9	9
Self	3	4	2
Relative / Family	2	2	0
Others	2	0	1

MAIN ATTRACTIO

Features of Kerala	Total	Domestic	International
	Mean Score	Mean Score	Mean Score
Natural Beauty	4.51	4.57	4.47
Beaches	3.74	3.85	3.66
Backwaters	4.34	4.32	4.35
Tea Gardens	4.03	4.28	3.8
Islands	3.78	3.97	3.62
Culture and Heritage	4.26	4.15	4.34
Palaces and Churches	3.82	3.86	3.79
Cuisine	4.04	3.82	4.21
Ayurveda	3.99	4.11	3.89
Wildlife and Bird	3.84	3.86	3.82
Climate	4.03	4.22	3.88
Safety	4.41	4.47	4.36
Hotels	4.17	4.30	4.06
Connectivity	4.30	4.37	4.25
Economical	4.25	4.29	4.22
Others	4.31	4.20	4.39

WHO PLANNED VISIT TO KERALA

	Total	Domestic	International
<i>Base</i>	197	92	105
<i>Source</i>	%	%	%
Local Travel Agent	14	18	10
Friend/ Relative	41	52	32
A Tour Operator	9	9	10
Planned on own	36	21	48

MODE OF TRAVEL - INTERNATIONAL TOURIST

	International
<i>Base : International Tourist</i>	105
<i>Mode</i>	%
By Air (Direct International)	33
By Air (Other Indian City)	18
By Train	35
By Bus	9
Personal Transport	3
Taxi	2

MODE OF TRAVEL - DOMESTIC TOURIST

	Domestic
<i>Base : Domestic Tourist</i>	92
<i>Mode</i>	%
By Air	9
By Train	28
By Bus	46
Personal Transport	17

RATING FACILITIES AND INFORMATION

	Total	Domestic	International
	Mean Score	Mean Score	Mean Score
Facilities	3.96	3.91	3.99
Information Provided	4.13	4.06	4.19

RATING LOCAL TOUR OPERATOR

	Total	Domestic	International
	Mean Score	Mean Score	Mean Score
Communication	4.32	4.23	4.38
Knowledge and information	4.4	4.28	4.5
Co-operation	4.47	4.29	4.61
Facilities provided	4.45	4.38	4.5
Helpfulness	4.58	4.38	4.74
Friendliness	4.64	4.46	4.79
Courteousness	4.66	4.42	4.83

CURRENT ACCOMMODATION SUGGESTED BY...

	Total	Domestic	International
Base	197	92	105
	%	%	%
Suggested by the tour operator/Travel agent	27	30	24
Suggested by friends/relatives	43	51	37
Information on the net	5	4	7
Local people suggested this place	3	4	3
Self	7	10	4
Book	13	1	22
Other	2	0	4

BOOKING...

	Total	Domestic	International
<i>Base</i>	197	92	105
	%	%	%
Booked in advance	41	48	35
Spot Booking	58	51	64

CURRENT ACCOMMODATION RATING

	Total	Domestic	International
	Mean Score	Mean Score	Mean Score
Overall Hospitality	4.28	4.24	4.32
Quality of Service	4.33	4.24	4.39
Food	4.20	4.04	4.33
Ambience	4.03	3.96	4.09
Location	4.27	4.08	4.42
Comfort	4.31	4.32	4.31
Value for Money	4.47	4.34	4.58

RATING OVERALL FACILITIES IN KERALA

	Total	Domestic	International
	Mean Score	Mean Score	Mean Score
Basic amenities	3.91	3.80	4.00
Accessibility	4.05	3.85	4.21
Availability of transport	4.23	4.1	4.34
Staff attitude	4.26	4.17	4.33
Information	4.43	4.34	4.5
Food facility	4.15	4.05	4.22
Hygiene Factors	4.06	4.09	4.05
Overall experience	4.21	4.11	4.29

KERALA COMPARED TO OTHER TOURIST LOCATIONS VISITED

	Total	Domestic	International
	Mean Score	Mean Score	Mean Score
Type of destination	4.15	4.04	4.24
Quality of services	4.30	4.22	4.37
Hospitality	4.40	4.24	4.52
Transportation	4.19	4.16	4.21
Tourist Amenities	4.20	3.99	4.36
Overall Experience	4.30	4.15	4.41

LIKE TO VISIT KERALA AGAIN & RECOMMEND TO FRIENDS

100% of the tourists reported that they wanted to revisit Kerala and recommend Kerala to their friends, relatives and others.

ANNEXURE II: WTTC: KERALA DECLARATION**THE KERALA DECLARATION****TRAVEL & TOURISM: AN OPPORTUNITY FOR KERALA**

Travel & Tourism's ability to create employment, careers, spread skills, wealth and innovation while stimulating socio-economic and community development is unparalleled by any other economic sector.

The World Travel & Tourism Council is the Global Business Leaders' Forum for Travel and Tourism. Its Members are Chief Executives from all sectors of the Travel & Tourism industry. The activities of the Council are purely non-commercial and directed towards assisting Travel & Tourism to flourish globally in a sustainable manner, which will benefit all stakeholders.

The World Travel & Tourism Council forecasts that if by the year 2010, Indian Travel & Tourism were to generate the same level of employment as the world average, then a further 25 million new jobs would be created in India over the next decade.

In February 2000, the Council launched its India Initiative, which established a unified industry voice for Indian Travel & Tourism to define a fundamentally new approach to drive tourism development, enabling the country to seize this opportunity.

The World Travel & Tourism Council India Initiative (WTTCII) is a non-profit foundation, which promotes recognition of Travel & Tourism's importance in the national economy and demonstrates to the national and state governments the value to be gained by addressing broad policy areas across all key ministries.

This declaration establishes a partnership between the WTTCII and the State Government of Kerala, bringing together the innovation and responsiveness of the private industry with the responsibility of the public sector to facilitate sustainable development of Travel & Tourism in Kerala.

THE PROPOSAL FOR ACTION

The WTTCII and the State Government of Kerala have agreed to the proposed actions set out in this agreement, to develop a coherent and cohesive set of strategic policies for the region.

It is not the intention of this proposal to duplicate the valuable work already carried out by other associations. The WTTCII will co-ordinate with major regional and local trade associations to assist them in their work, strengthen the Council's efforts and avoid duplication.

Recognizing the potential of Travel & Tourism to stimulate socio-economic growth, spread wealth and create jobs in Kerala, the signatories of this declaration jointly commit to the following actions:

Champion the interests of one of India's strongest economic growth sectors and employment generators – The WTTCII will work together with the Tourism Ministry of Kerala to develop a Tourism Satellite Account to measure and communicate the full impact of Travel & Tourism in the state of Kerala.

The Members of the WTTCII will provide support to the State of Kerala to devise a marketing brand for the state, promoting it as a high quality destination, focusing on the quality of the tourism product, its natural and cultural heritage.

Develop a supportive infrastructure to sustain a modern Indian economy including Travel & Tourism – Increased political attention and resources will be committed to facilitate the development of sustainable infrastructure to meet the projected growth in demand, including transport systems, water and power supplies, sewerage and drainage systems, without compromising the needs of the host community.

Remove Barriers, stimulate Travel & Tourism growth and assist liberalization – The State of Kerala will work in partnership with the Members of the WTTCII to develop progressive land policy, excise duties, licenses and taxation, which will help to stimulate sustainable growth and development of Travel & Tourism activity in Kerala. The application of the principles of "Intelligent Taxation" will help to ensure taxation is equitable, efficient, simple, fair revenue generating and a stimulant of growth.

Promote a responsible industry that is the employer of choice and welcomed by host communities – Human resource development holds the key to employment generation in the tourism sector. Kerala aims to establish a world standard hospitality, catering and culinary institution to develop its manpower.

Engender an economically, culturally and environmentally sustainable industry – Kerala is home of a fragile and sensitive eco-system and is keen to have environmental impact studies to ensure sustainable tourism. The WTTCII will facilitate the State Government's efforts to develop environmental studies, such as carrying capacity guidelines.

Make the most of emerging technologies and communications – The partners of this programme will encourage distribution through the Internet, e-commerce and other emergent technologies

Amitabh Kant

Secretary for Tourism, Kerala

Jean-Claude Baumgarten

President, World Travel & Tourism Council

ANNEXURE III: CONSERVATION & PRESERVATION OF TOURISM ZONES

The following are the highlights of the Act for the conservation and preservation of special tourism zones

Special Tourism Zone

- (1) Government may by notification in the Gazette declare certain areas within the tourist area as 'Special Tourism Zones' for the conservation, preservation and planned development of the Special Tourism Zone and for carrying out the purposes of this Act:
- (2) Director of Tourism will send necessary proposals to the Government with regard to declaring a portion of the tourist area as Special Tourism Zone:
- (3) Detailed guidelines will be prepared through a Town and Country Planning consultant/Department for the conservation and preservation of the Special Tourism Zone:
- (4) Any development/activity in the Special Tourism Zone will be carried out only according to the guidelines prepared in this regard:
- (5) A Committee called 'Tourism Conservation and Preservation Committee' (herein after referred to as 'Committee') will be formed at each Special Tourism Zone for the preparation, implementation and monitoring of the guidelines for the conservation, preservation and planned development of the Special Tourism Zones:

Composition of the Tourism Conservation and Preservation Committee.

The Tourism Conservation and Preservation Committee shall consist of the following members, namely:

- i) Secretary (Tourism)
 - ii) Secretary (Local Self Government)
 - iii) Director, Department of Tourism
 - iv) Chief Town Planner
 - v) District Town Planner of the area
 - vi) Mayor of the Municipal Corporation, where the Special Tourism Zone either wholly or partly, falls within a Corporation limits, or Chairman of the Municipal Council, where the Special Tourism Zone either wholly or partly falls within limits of a Municipality, or Presidents of Grama Panchayats where the Special Tourism Zone either wholly or partly falls within limits of a Panchayat
 - vii) Secretary/Secretaries of the Municipal Corporation or the Municipal Council or the Grama Panchayats within whose jurisdiction the Special Tourism Zone falls
- Secretary (Tourism) will be the Chairman of the Committee. Director (Tourism) will be the Convenor

Functions of the Tourism Conservation and Preservation Committee.

The Tourism Conservation and Preservation Committee shall have the following functions, namely:

- i) Prepare and implement a sustainable Tourism Development Plan including guidelines to regulate the developments of the Special Tourism Zone;
- ii) Coordinate the enforcement and implementation of the Tourism development plans and guidelines for the sustainable tourism development of the Zone;
- iii) Ensure proper and systematic programming by the local authorities in regard to formulation of projects and determination of priorities in accordance with the Tourism Development Plan;
- iv) Perform such other functions as may be prescribed or entrusted by the Government.

The Tourism Development Plan shall indicate the manner in which the land within the Special Tourism Zone shall be used, whether by carrying out development therein or by conservation or such other matters as are likely to have any substantial influence on the development of the area under the Special Tourism Zone. Every such plan shall include the following elements that are necessary for promotion, growth and balanced development of the area with major thrust on tourism development, namely:

- (a) policy in relation to the land use plan and allocation of land for tourism purposes;
- (b) policy in relation to the built environment including architectural control and form; and
- (c) strategies towards conserving and strengthening existing natural systems and enhancing the visual qualities of the region;

Powers of the Tourism Conservation and Preservation Committee.

The Tourism Conservation and Preservation Committee shall have the following powers, namely:

- (a) To approve Tourism Development Plans prepared for the Special Tourism Zone;
- (b) To sanction the projects/activities in the Special Tourism Zone;
- (c) To review implementation of the Tourism Development Plan/guidelines prescribed for Special Tourism Zone;
- (d) To call for information from the local authorities with regard to their projects and priorities;
- (e) To conduct/cause to conduct such surveys and studies as it may consider necessary, for the sustainable development of Special Tourism Zones;
- (f) To purchase any land or building or to carry out other infrastructure facilities which may be necessary for the purpose of sustainable development of Special Tourism Zone;
- (g) To demolish or cause to demolish any building or unauthorised developments or to evict unauthorised encroachments in violation to the Tourism Development Plan and guidelines;
- (h) To enter upon any land or premises at all reasonable times and do such things thereon as may be necessary for the purpose of lawfully carrying out any work or activities for the for the sustainable development of Special Tourism Zones;

Provided that no person generally or specially authorised in this behalf shall enter any land or building without previously giving the occupier thereof at least three days notice of his intention to do so.

Government may constitute a 'Tourism Conservation and Preservation Cell' at the Directorate of Tourism to carry out the functions of the Tourism Conservation and Preservation Committees as may be prescribed:

ANNEXURE IV: OBJECTIVES OF KERALA TOURISM VISION 2025

1. *To make tourism Kerala's core competency sector*

Tourism has emerged as the global industry and has been playing a lead role in economic growth. In Kerala, Tourism has played a significant role in terms of employment and economic growth. In view of its potential in creating employment, enhancing production and productivity and contribution towards the development of the state, a growth model led by Tourism will take the state to the pinnacle of socio-economic development.

2. *To generate employment and enhance productivity*

Tourism in Kerala has recorded remarkable growth in the last few years. The number of foreign tourist and domestic tourists visiting the state has crossed 2 lakhs and 50 lakhs respectively. Total employment generated in this sector both direct and indirect is about 7 lakhs and the total revenue generated in the economy due to Tourism is nearly Rs. 4,000 crore which is 6.29 per cent of the G.D.P. With the accelerated investment in Tourism sector, there should be direct employment opportunities for over 10,000 persons every year.

3. *To promote and market Kerala Tourism products at national and international level thereby making Kerala as a premier global tourism destination.*

Promotion and marketing is an important component for development of tourism. Kerala Tourism will take steps to develop and implement effective market strategies to get better mileage and value for the money spent. This will be based on the market analysis and the consumer preferences.

4. *To define and endorse the role of the Government as a catalyst and facilitator for the growth of tourism industry*

Tourism is basically a private sector activity. The state will play the role of catalyst and facilitator. The state will work towards inter-governmental co-ordination, rationalised and mild taxation policies, regulating growth in a sustainable manner and providing safety to Tourists. In order to define the role of the Government, the Tourism Vision will be brought out by the Government.

5. *To rationalise tourism related legislations and policies of the Government so that it is tourism friendly and promotes tourism growth.*

As tourism is a multi-sectoral activity and it is affected by many other sectors in the economy, the state has to play a lead role in enacting tourism friendly legislations. The existing legislations like KLU Order, Rent control act, Labour Acts, Building Tax Act, Excise Law etc. will be reviewed in order to facilitate growth of tourism.

6. *To create awareness and tourism consciousness among the people in general and among the taxi drivers, policemen, bus conductors, porters, customs and emigration officers, and others with whom tourists interact thereby removing prejudices and misconceptions and to make Kerala society a tourism friendly society*

One of the most important components in the development of Tourism is the host population. The host population or the local community, which is Tourist friendly, will send the right message and that leads to a higher growth. Government should therefore initiate programs for creating awareness about tourism, culture, art and heritage of the State and to inculcate among the host population positive and helpful attitudes towards tourists.

7. *To develop and improve roads, drinking water supply, electricity and power supply, sewage and sanitation systems, signages, transport systems like roads, rail, sea, inland water and air for selected tourist centres.*

An important component for the development of Tourism in any state is the basic infrastructure facilities. The state has to ensure that the basic facilities like motorable roads, clean drinking water, uninterrupted

electricity and power supply, efficient waste disposal systems, good transport facilities and signage systems are in proper place at least in important tourist areas. The Government will have a mechanism for coordination with other departments like PWD, Water Authority, Irrigation, Transport, and Forest etc. The state will make special efforts to welcome investment in infrastructure sector from NRIs, NRKs and International Funding Agencies.

8. *To promote sustainable and eco-friendly tourism in the State based on the carrying capacity of the destinations.*

The strength of Kerala Tourism is its excellent natural resources in the form of beaches, backwaters, hill stations and wildlife sanctuaries. Having understood the need for looking into the sustainable development of these destinations, Kerala Tourism focuses on the conservation of ecology and preserving the pristine environment to reduce the negative impact of tourism and intend to promote development of tourism based on the carrying capacities of the destinations. Development of the tourist destinations will be controlled and regulated based on the guidelines formulated through Area Development Plans.

9. *To conserve and preserve the art, culture and heritage of the State.*

Kerala is immensely rich in its unique art forms, culture and heritage. The tradition of classical and folk arts in Kerala dates back over a thousand years. Koodiyattom, one of the oldest art forms of Kerala, and the only surviving form of the ancient Sanskrit drama, was recently selected by UNESCO for proclamation as an oral and intangible world heritage. Kathakali, Mohiniyattam, Thullal, Theyyam, Thira etc. are unique in their style and forms. The architectural monuments in the state maintain a unique character. The state will hasten the process for the preservation and conservation of these heritages.

10. *To develop and promote new innovative tourism products, lesser-known destinations, art forms, cuisines, monuments and handicrafts.*

Tourism in Kerala is now concentrated in the Southern parts of the State. Considering the fragile nature of ecology and environment, it is necessary to disperse the activities to lesser-known destinations to avoid over crowding and exceeding carrying capacities. It is also necessary to develop and promote new products to sustain the positioning. Constant and continuous innovation will be the route to ensure the top slot for Kerala Tourism in the hearts of discerning travellers.

11. *To identify, conserve and preserve special tourism zones*

Tourism in Kerala is mainly nature based and unless the developments are controlled/regulated based on special guidelines formulated for identified special tourism zones, the destination will not sustain for long. Hence, guidelines will be formulated for the conservation, preservation and growth of Special Tourism Zones.

12. *To develop and promote KITTS, KIHMS and IHMCT into the institutions par excellence in India and regulate the syllabi and training facilities of other institutions to maintain the quality standards.*

Human resource development is an important sector to be developed for effective promotion and development of tourism in the State. In this regard the existing institutions like KITTS, KIHMS and IHMCT will be developed into institutions of excellence. The other institutions offering tourism related courses will be regulated to maintain quality standards.

13. *To involve PRIs and NGOs in the development of tourism infrastructure and tourism awareness*

Any scheme/project in the field of tourism can only become successful if it is implemented through local participation. The strong Panchayathi Raj Institutions and NGOs in the State can contribute greatly in building up tourism infrastructure and necessary basic amenities. Creation of awareness on the benefits of tourism in terms of economic, physical and social development, traditions of Indian hospitality and importance of providing assurance on safety and security to tourists cheating, to prevent harassment to tourists will be done through the PRIs, NGOs and Youth Centres

ANNEXURE V: HOUSEBOATS CERTIFICATION

THE Kerala State Tourism Department, in a bid to ensure the quality of services offered by the operators of houseboats in the State and to protect the backwater environment, has introduced a classification system for the vessels, covering the quality of the houseboats - such as the materials used for their construction, facilities offered by them, the quality of furniture, services, and the safety and security measures offered by the operators. The houseboats which fulfil all the essential eight conditions and more than five numbers of the 10 optional conditions are awarded the 'Gold Star' certification. Others satisfying the essential conditions are given a 'Silver Star' classification.

Those houseboats that adopt environment friendly practices in their operation will be given 'Green Palm Certification', a symbol of eco-friendliness. Specifications for obtaining this certification included mainly non-discharge of solid wastes and sewage directly to the water; alternative arrangements for disposal of solid wastes and sewages by providing scientifically designed septic tank or bio-chemical toilets.

Such a measure would ensure that safety of the tourists besides providing them with the best facilities and services while cruising through the backwaters and verdant canals of Kerala.

Essential Conditions for 'SILVER STAR'

- The general construction of the houseboat should be good with the hull and valalvara in good condition and flooring of marine plywood.
- Size of the rooms in the houseboat should not be lesser than the basic specifications mentioned below:
 - Bedrooms: 80 Sq.ft (minimum 7 feet in width)
 - Living / Dining 80 Sq ft.
 - Kitchen: 20 Sq ft
 - Attached Toilet: 20 Sq ft (minimum 3 ft in width)
 - Common Toilet 10 Sq ft
 - Passages: 3 ft wide
- All bedrooms would be provided with attached toilet. Toilets for guest should be of Western style and should be cleanly maintained. A common toilet for the staff should also be provided.
- The Kitchen must have provisions for protection from hazards by using fire-proof materials and having at least two fire-extinguishers.
- Storage hold in the kitchen must be hygienic. Food materials on boards should be packed properly and stored in a clean environment.
- Fuel storage should not near the kitchen.
- The houseboats should have at least 2 life buoys and 2 fire buckets.
- Furniture provided should be of good quality.
- Linen, crockery, glassware, toiletries, etc., should be of the best quality. Houseboat must maintain Reservation Register, Occupancy Register and Log Book and regularly update tourist records.
- Staff members interacting with guests must be in uniform.
- The boat should have obtained a valid license from the authority concerned for plying the backwaters.
- Name, cut number and approval number should be painted on both sides of the houseboat.

Optional conditions for 'GOLD STAR'

- The general construction of the houseboat should show distinctive qualities of luxury
- The houseboat should be furnished with superior quality carpets, curtains, furniture etc.
- Alternate arrangements for discharging solid wastes and sewage, like scientifically designed septic tanks and chemical toilets.
- Houseboats should be battery operated
- Provision of 24 hour electricity on board the houseboat for lights and fans
- Provision for 24 hour hot and cold running water.
- Availability of water purification system, on board.
- Provision of a refrigerator or icebox on board
- Arrangements for providing the guests menu of their choice
- Staff interacting with guests should be experienced and fluent in English.

Houseboats that are approved by the Department of Tourism should fly a flag inscribed with the mnemonic of the accorded status. The flag will be approved by the Department of Tourism.

'GREEN PALM' certification

In addition to the above, Houseboats that adopt and adhere to eco friendly measures would be accorded a Green Palm status. The conditions under which this is accorded are:

- Alternate arrangements for disposal of sewerage, solid waste management by providing scientifically designed septic tanks or bio-chemical toilets.
- Alternate sources of energy such as solar power for heating and lighting
- Arrangement of a system for separating recyclable from non-recyclable garbage and organising the disposal of these in a manner not to harm the local environment.
- Use of Paper bags, cloth bags and other alternative material instead of polythene bags.
- Use of recycled paper, stationery and other publicity materials.
- Use of locally available ethnic materials for construction of the houseboat and furniture.
- At least 75% of the staff in a houseboat should be from the districts where the boats ply.
- Those houseboats with outboard engines must acquire a pollution control certificate every three months from the competent authority.

The competent authority would accord licences to the operators and the licence so granted is liable to be withdrawn / cancelled in case there is a breach of any of the conditions. The Department of Tourism has the right to do so if the need arises.

ANNEXURE VI: CLASSIFICATION OF AYURVEDA CENTRES

The ayurvedic system of medication has become an extremely important and popular attraction for tourism in Kerala. In the state, it is virtually a way of life and perhaps the only place in the country, where it is practised in its true and authentic form. A number of centres have come up and they are spread through out the state. The Government recognised the need to evaluate the safety and service standards of these ayurvedic Centres and classify them properly, to ensure that the efficacy and the genuineness of this system of medicine does not get affected, which would have a direct impact on the number of Tourists visiting the state. Those centres that fulfil the essential conditions prescribed by the Department of Tourism would be classified as the Olive Leaf status. Those centres that fulfil the optional conditions also, in addition to the essential conditions, are accorded the Green Leaf status of classification. Some of the important features of these are given below:

Essential conditions for 'OLIVE LEAF'

Personnel:

- Treatment / therapy should be done only under the supervision of a qualified physician with a recognised degree in Ayurveda.
- Separate Masseurs for male and female patients should be present – with at least one male and one female masseur.
- The masseurs must have training from recognized Ayurveda institutions

Quality of medicine:

- Only those programmes approved by the Approval Committee shall be offered
- Health programmes shall be clearly displayed along with the time taken for massages and treatments. The approved time limit for a massage is 45 minutes.
- Medicines and material shall be clearly labelled, displayed and acquired from an approved and reputed firm

Equipment:

- The massage table shall conform to a minimum size (7ft x 3 ft), made of good quality wood or fibreglass.
- A Gas or electric stove shall be operational and medicated hot water facility for bathing and other purposes shall be provided for.
- Sterilization facilities shall be provided.
- All equipment, areas, apparatus shall be clean and hygienic.

Facilities:

- Separate treatment rooms – at least one each, separately for male and female shall be provided. These should be well ventilated and should be at least of 100 sq ft of area (width not less than 8 ft). Toilets should have proper sanitary fittings and floors and the walls should be furnished with tiles.
- One Consultation room shall be provided for a minimum size of 100ft (width not less than 8 ft). The rooms should be well equipped with medical instruments like BP apparatus, stethoscope, examination couch, weighing machine, etc.
- A separate rest room (minimum size of 100ft with width not less than 8 ft), should be provided, in case the centre is not attached to a hotel/resort/hospital
- General infrastructure should be good. Locality and ambience, including accessibility should be suitable. Furnishing should be of good quality. The centre and surrounding premises should be kept clean and hygienic.

Optional conditions for 'GREEN LEAF'

In addition to the above essential requirements, centres having some additional / optional features, would be accorded the Green Leaf certification.

- High standards of construction of the building, architectural features etc. with excellent furnishings, curtains etc. in superior quality materials
- Adequate parking facility in the premises.
- Bathrooms facilities for steam bath.
- Separate halls for meditation and yoga.
- Location of the centre in picturesque surroundings with a quiet ambience.
- Herbal garden attached to the Centre.

Ayurvedic centres that are provided with a licence or classification would be eligible for claiming a 10% state investment subsidy or electric tariff concession, offered by the Department of Tourism.

ANNEXURE VII: CLASSIFIED HOUSEBOATS IN KERALA

Sl.No	Name of the House Boat	District	Classification
1	M/s. Pulickattil House Boat (PALACE ON WAVES)	Alappuzha	GOLD STAR
2	M/s. Cruisor	Alappuzha	SILVER STAR
3	M/s. Marvel Cruise (KARUNAGAPPALLY)	Alappuzha	SILVER STAR
4	M/s. Rainbow Cruises - Green	Alappuzha	GOLD STAR
5	M/s. Rainbow Cruises - Orange	Alappuzha	GOLD STAR
6	M/s. Rainbow Cruises - Yellow	Alappuzha	GOLD STAR
7	M/s. Lakes and Lagoons Tour Company.	Alappuzha	GOLD STAR
8	M/s. Lakes and Lagoons Tour Company.	Alappuzha	GOLD STAR
9	M/s. Lakes and Lagoons Tour Company.	Alappuzha	GOLD STAR
10	M/s. Soma Joythi	Alappuzha	GOLD STAR
11	M/s. Somageetham	Alappuzha	GOLD STAR
12	M/s. Somahamsam	Alappuzha	GOLD STAR
13	M/s. Somaretna	Alappuzha	GOLD STAR
14	M/s. Kumarakom Lake Resort (NON A/C NO - II)	Kottayam	GOLD STAR
15	M/s. Kumarakom Lake Resort(A/C NO - IV)	Kottayam	GOLD STAR
16	M/s. Taj House Boat Cruises (TAJ - B)	Kottayam	GOLD STAR with Green Palm Certification
17	M/s. Taj House Boat Cruises (TAJ - C)	Kottayam	GOLD STAR with Green Palm Certification

ANNEXURE VIII: CLASSIFIED AYURVEDA CENTRES IN KERALA

SL.NO	Name of the Centre	Classification
1	M/s.Somatheeram Ayurvedic Resort.	Green Leaf
2	M/s. Coconut Bay Beach Ayurvedic Centre.	Olive Leaf
3	M/s.Travancore Heritage Ayurvedic Centre.	Olive Leaf
4	M/s. Manaltheeram Ayurveda Beach Village.	Green Leaf
5	M/s Taj Varkala Ayurveda Centre.	Green Leaf
6	M/s. Ashtamudi Resorts.	Green leaf
7	M/s.Amrutha Ayurveda Hospital	Olive leaf
8	M/s. The Marari Beach Ayurvedic Centre	Green leaf
9	M/s. Ayurvedic Speciality Hospital	Olive leaf
10	M/s. Softouch Ayurvedic Centre	Green leaf
11	M/s. Amrutham Ayurveda Hospital	Olive leaf
12	M/s Nagarjuna Ayurvedic Centre.	Green leaf
13	M/s. Tamara Spa Ayurveda.	Green leaf
14.	M/s Rajah Healthy Acres.	Green leaf
15	M/s Kairali Ayurvedic Health Resort.	Green leaf
16	M/s Taj Ayurveda centre.	Green leaf
17	M/s Coconut Lagoon Ayurvedic Centre.	Green leaf
18	M/s Ayurmana	Green leaf
19	M/s. The Taj Ayurvedic Centre.	Green leaf
20	M/s Kadavu Ayurvedic Health Centre.	Green leaf
21	M/s Ideal Ayurvedic Resort.	Olive leaf
22	M/s Chamundi Hill Palace Ayurvedic Resort.	Olive leaf
23	M/s Ayurvedic Health Centre.	Olive leaf
24	M/s Charakas Ayurveda Hospital	Olive leaf
25	M/s. RIBIS HEALTH CARE Pvt. Ltd.	Olive leaf
26	M/s. Nikkis Nest Ayurveda Centre	Green leaf
27	M/s. Linchu Ayurvedic Resort.	Olive leaf
28	M/s. Warriors Hospital and Panchakarma centre	Olive leaf
29	M/s.Panchatheertha	Green leaf
30	M/s. Merry Land Panchakarma Institute	Olive leaf
31	M/s.Dhanwanthari Ayurvedic Centre	Olive leaf
32	M/s. AYUR YOGASHRAM	Olive leaf
33	M/s.Ashtavaidyan Thaikkattu Mooss Vaidyaratnam Nursing Home	Olive leaf
34	M/s. Sitaram Ayurveda Speciality Hospital	Olive leaf

ANNEXURE IX: STATEMENT OF POLICY INITIATIVES

S No	Year	Policy initiative
1	1986	Tourism was placed as a Priority Sector
2.	Mid 80's	Master Plan for the Tourism Sector was prepared by Dr. M.V. Pylee, Vice Chairman of the Asian Institute of Development and Entrepreneurship.
3.	1988	Establishment of KITTS (Kerala Institute of Travel & Tourism Studies)
4.	1995	Focussed efforts in tourism development were launched by the state government.
5.	1995	Comprehensive Tourism Policy
6.	2000	First Travel Mart held in the state where the slogan that captured the international market was launched 'God's Own Country'.
7.	2000	Kerala Mart
8.	2000	WTTC and the "Kerala Declaration"
10.	2001	Vision 2025 was launched.
11.	2003	Tourism Quiz, by KITTS
12.	2003	Road shows & Participation in Several International Fairs
13.	2003 / 2004	India International Boat Show organized in Cochin