

Challenges for Developing Cruise Tourism in India

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Abstract: *Blessed with 7000 plus kilometers of coastline India can be a potential hub for Cruise Tourism. Currently cruises in India dock at selective ports. Coastline is supplemented by Inland Waterways in India. India's geographical location is a strategic advantage for developing it into a Cruise Tourism destination. However, numbers are disappointing and very few have experienced Cruise Tourism in India. And, Cruise Tourism in India hasn't picked up pace. Potential of Cruise Market in India is near about 1.2 lakh passengers per year. Pandemic derailed Cruise tourism sector which has recently picked up pace and numbers is slowly building up. Experts predict India to be an untapped market with a huge potential. Challenges for developing Cruise Tourism can be categorized into two categories;*

-Macro infrastructural and policy based issues

- Promotional Travel Trade related issues

This research paper is an attempt to briefly understand the challenges and suggest the potential strategies that are being implemented and are in the pipeline to mitigate these challenges.

Keywords: Cruise Tourism, coastline, policy, challenge's, inland waterways

I. INTRODUCTION

India is a prominent tourism destination with rapid post covid recovery in all forms of tourism. But evidence projects not so optimistic side as people who embarked on Cruises is paltry 1, 30,000 among the population of 1.3 billion which is 0.5 % of total population.

Govt of India in due recognition of this geographical advantage has now decided to capitalize and transform India into a Cruise tourism destination. Additionally, many globally renowned Cruise companies have shown a keen interest to deploy their fleet in India. In chronological order understanding challenges, designing a right framework, devising plan and policy will ensure success in the long run for Cruise Tourism.

Defining Cruise Tourism

Cruise Tourism can be defined as a systematically planned return journey with entertainment and recreational facilities on board, and shore excursion.

From this definition we can infer that cruises are used by individual Families, business men, honeymooners. Cruise cannot be separated from land and travel arrangements.

Objectives

- To understand potential factors that act as a barrier for India to harness it's full geographically strategic location for developing Cruise Tourism
- To understand the set of on field challenges faced by operators in selling and promoting India as a Cruise Tourism destination.

II. LITERATURE REVIEW

Chawla 2017/2011 Case Study of AMET Shipping Pvt Ltd procured 35 year's old ship named Arberia from its Greek owner with an intention of offering short sail and affordable cruising experience to middle class and upper middle class urban, middle class Indians and foreign tourists. But this endeavor failed as company could no more keep operating at losses and had to escalate its prices. Reasons for price escalation were;

1. Bureaucratic hassles
2. Many security clearances despite of carrier being Indian

3. High harbor docking charges at every entry and exit

4. High GRT (Gross Registered Tonnage) charges

Rawal 2016 Absence of a proper statistical tool to measure the exact market size in India is posing strategy formulation challenges to Indian cruise market.

Sampat 2016 Cruise Ships operating in and to India do not have the set parameters for measuring the productivity for capacity management and fleet deployment due to absence of formal cruise line representatives in India who release the annual passenger sales.

Gupta 2016 In India occupancy on Cruises is majorly due to word of the mouth and not any systematized promotional and marketing strategy.

Banerjee 2016 Associations on National level like TAFI, TAAI, OTOAI etc are essential in formulating strategies and for overall growth and promotions of Cruises

Sikri 2016 Relevance of B2C channels is increasing day by day due to reluctance of Travel Agents to start selling Cruise package's despite of high commissions, here is where Agent training becomes crucial.

Das 2018 presents Challenges on the macro level are many like;

The inability of Indian ports to effectively dock cruise ships results in higher than normal maintenance costs for cruise lines.

- Unfortunately, the majority of Indian coastlines with docking ports don't have anything to offer a visitor from abroad.
- Most ships only stay in port for a day or two, which is insufficient time for a tourist to fully visit India.
- Average Indian books cruise's 45 days in advance but cruise ships sell their entire inventory one year in advance making it difficult for them to attract and make the way for Indian clientele.
- India being a cost sensitive market has shown less inclination towards cruising and many Indian's also tend to become sea sick during voyage.
- Restrictions on movements of foreign cruises still exist
- Tax structure is based on GRT and not on number of passengers
- Indian Customs, security and immigration at ports is not very friendly.
- Many ports still use manual and outdated work tools and methods

Rationale of Study

With mega National Missions like Sagarmala and many of its sub projects underway the opportunity for entrepreneurs to set up cruise related businesses is huge.

India has a huge potential to generate jobs in Cruise Tourism sector as 1 person is needed to serve 5 passengers on cruise.

With an estimated potential to handling 700 cruise ships per year industry can generate more than 2.5 lakh jobs in various capacities.

Joint task force comprising many ministries like Shipping Ministry, Tourism Ministry, and Ministry of External Affairs etc has been constituted to develop Cruise Tourism in India.

III. RESEARCH METHODOLOGY

Conducted using a blend of primary data with emphasis on secondary data due to comprehensive nature of the study. Aim of this was to have a comprehensive understanding of challenges as well as potential proposed solutions.

IV. RESEARCH FINDINGS

Analysis of literature revealed many patterns like; there exist many obstacles to the development of coastal and marine tourism as a whole, such as inadequate planning for coastal area development and management, governance problems, a lack of innovation, limited access to financing for business development, a lack of data for monitoring, and the serious risks that climate change poses, tourism expansion to local and marginalized communities. Funding, finance and support are crucial for bringing out entrepreneurship skills in local people. Destinations can also work on improving their infrastructure once Cruise Tourism begins.

Research Limitations

Many Travel Agents refused to sell cruise packages due to high selling out pressure. Many respondents prefer the conventional package holiday rather than Cruise holiday due to high costs involved. Many are oblivious to the concept of river cruising. Some respondents expressed willingness to try out river cruises if offered as a part of itinerary.

Research Findings & Recommendations

Creating national level standard operating procedures for handling cruise ships for all government agencies is crucial. Direct and indirect Employment generation potential of Cruise sector must never be sidelined. Roadmap for setting up more Institutions providing variety of trainings in cruises must be encouraged.

V. CONCLUSION

Cruise Tourism can have a significant positive impact on industries related to tourism. Derived and indirect demand for industries like hospitality, supply chain, restaurants, tourism shore excursions, transportation, ports, fuel etc can be simulated due to cruise tourism. Logistical demand at destinations is enhanced as ships consume many goods and services. "Ships normally sail with 100 percent occupancy, which gives huge boost to direct and indirect industries like hospitality, tourism, supply chain, fuel, ports," "Ships are massive consumers of goods and services and thus can add a lot of economic growth." However, infrastructure up gradation, existing ports development, revision of taxes imposed on cruise ships like port fees, e-visa facilities, up-skilling of customs and immigration staff, cargo and passenger traffic segregation will go a long way for India to overcome challenges that it faces for developing cruise tourism.

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