

Effects of Budget Hotels on Sustainable Tourism Development in Tamil Nadu

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Abstract

Sustainable tourism requires coordination between local communities, hotels and tourists. Hotels are the most significant component in development of sustainable tourism. Social and cultural effects, economic effects, environmental effects and experience effects are major effects of budget hotels. Significant difference is prevailing among profile of tourists and effects of budget hotels. Environmental effects, social and cultural effects, experience effects and economic effects are having significant and positive impact on sustainable tourism development. In order to improve effects of budget hotels on sustainable tourism development, budget hotels should give incentives to local communities for conserving nature and environment and they must organize various cultural programmes. In addition, budget hotels should provide financial assistance for improving local communities and they must avoid degradation of environment to the maximum extent.

Key Words: Budget Hotels, Development, Effects, Sustainable Tourism, Tourists

Main Conference Topic: Sustainability, Environment and Risk Management

Introduction

The hotel industry in India is flourishing remarkably in last two decades mainly because of development of tourism. Due to increase of tourism activities along with rising visits of tourists, hotel industry is expanding its business in terms of both quantity and quality in sustainable ways. The hotel industry in India is experiencing tremendous growth in room occupancy by tourists in all types of hotels ranging from star category to budget hotels (Angamuthu, 2015). Tourism activities are taking place in a natural and human created environment, which is highly complicated. The human created environment includes cultural,

social and economic aspects and natural environment comprises of climate, vegetation and landscape in a particular tourist place (Mason, 2005).

Nevertheless, activities of tourism have social, economic, and environmental impacts which are positive or negative (Milne & Ateljevic, 2001). To acquire benefit of positive impact and alleviate negative impacts, tourism should be sustainable (Karatzoglou & Spilanis, 2010). Sustainable tourism is the activity of harmony among equity, growth, protection of environment and social justice and it requires coordination between local communities, hotels and tourists and hotels are the most significant component in development of sustainable tourism (Attila, 2016). Hotels adopt different practices, but the level of implementation of those practices are varying based on type, size, products and services and segments of tourists (Candrea & Bratucu, 2012) and hotels have various degree of effects on sustainable development of tourism. In this context, the present research is made to study effects of budget hotels on sustainable tourism development in Tamil Nadu.

Related work

Sustainability was a fundamental principle in managing and developing tourist places and it was highly depending upon tourist firms and hotels (Bohdanowicz et al. 2004). Sustainability of tourism destination was affected by cultural, social, political, economical and environmental component and lodging facilities provided by hotels (Cavagnaro & Bosker, 2007). The hotels were responsible for pollution of water, air and environmental degradation, increasing use of water and energy resources, generating employment for local people and utilization of local materials for providing products and services to their guests (Dodds & Butler, 2010).

The sustainable practices of hotels were highly useful to reduce adverse impact on environment, to improve socio, cultural and economic environments of local people and to develop tourism in a sustainable manner (Tyrrell & Johnston, 2012). Hotels adopted practices of use of renewable sources of energies, efficient use of water and effective recycling methods and solid management for securing sustainability of hotels and tourist places (Smerecnik & Andersen, 2011).

The type size and location of hotels had significant impact on degree of adoption of practices for sustainable development of tourism and it improved cultural, social, economical and environmental sustainability of local people and tourism destinations (Ivanov et al. 2014). The organizational, technological, environmental and management factors were important for hotels to adopt various effective practices for sustainable development of tourism (Migdadi et

al. 2015). The practices and effects of hotels were significantly and positively impacting sustainability of tourism development and there was no significant impact between practices of sustainable development of tourism and profile of tourists except for gender (Masa'deh et al. 2017).

The changes in cultural, social and local atmospheres in tourist places influenced economic and environmental activities of both local communities and tourists that necessitated sustainable development of tourism. The development of sustainable tourism was affected by involvement of local communities and practiced adopted by hotels and tourism firms (Lee, 2013). The sustainable development of tourism was affected by practices and strategies adopted by hotels in tourist destinations, cultural and natural environments, involvement of local communities and efficient use of environmental resources (Laitamaki et al. 2016).

Methodology

The present study is carried out in Tamil Nadu state. Tourists are selected through convenience sampling method and structured questionnaire is used to collect data from 250 tourists. Percentages are calculated to know profile of tourists and mean and standard deviation are worked out to understand agreement level of tourists for effects of budget hotels. t-test and F-test are done to scrutinize difference among profile of tourists and effects of budget hotels. Multiple regression analysis is used to assess impact of effects of budget hotels on sustainable tourism development.

Results

Profile of tourists

The profile of tourists is given in Table 1. The findings display that 57.60 per cent of tourists are domestic tourists, whilst, 42.40 per cent of them are foreign tourists and 56.40 per cent of them are males, whilst, 43.60 per cent of them are females. The findings disclose that 32.40 per cent of tourists are falling under age category of 31– 35 years, whilst, 12.40 per cent of them are falling under age category of 21 – 25 years and 38.40 per cent of them are holding under graduation, whilst, 15.20 per cent of them are holding secondary education. The findings exhibit that 36.00 per cent of tourists are having monthly income of Rs.30,001 – Rs.40,000, whilst, 14.80 per cent of them are having monthly income of more than Rs.50,000 and 70.40 per cent of them are married and 29.60 per cent of them are unmarried.

Table1: Profile of tourists

Profile	Number of Tourists	Percentage
Type of Tourist		
Domestic	144	57.60
Foreign	106	42.40
Gender		
Male	141	56.40
Female	109	43.60
Age Category		
21 – 25 Years	31	12.40
26– 30 Years	62	24.80
31 – 35 Years	81	32.40
36 – 40 Years	43	17.20
41 – 45 Years	33	13.20
Education		
Secondary	38	15.20
Higher Secondary	48	19.20
Diploma	68	27.20
Under Graduation	96	38.40
Monthly Income		
Less than Rs.30,000	39	15.60
Rs.30,001 – Rs.40,000	90	36.00
Rs.40,001 – Rs.50,000	84	33.60
More than Rs.50,000	37	14.80
Martial Status		
Married	176	70.40
Unmarried	74	29.60

Effects of budget hotels

The effects of budget hotels from tourists' point of view are given as below.

Social and cultural effects

The view of tourists on social and cultural effects of budget hotels is given in Table 2.

Table 2: Social and cultural effects

Social and cultural effects	Mean	Standard Deviation
Budget hotels motivate local communities for strengthening their cultural uniqueness	3.96	1.02
Budget hotels give incentives to local communities for conserving nature and environment	3.34	1.12
Budget hotels organize various cultural programmes	3.37	1.11
Budget hotels help in exchanging social and cultural values among tourists and local communities	3.91	1.05

The tourists agreed with budget hotels motivate local communities for strengthening their cultural uniqueness and budget hotels help in exchanging social and cultural values among tourists and local communities, while, they are neutral with budget hotels give incentives to local communities for conserving nature and environment and budget hotels organize various cultural programmes.

Economic effects

The view of tourists on economic effects of budget hotels is given in Table 3.

Table 3: Economic effects

Economic effects	Mean	Standard Deviation
Budget hotels purchase materials from local communities	3.87	1.13
Budget hotels provide employment to local communities	3.82	1.15
Budget hotels give higher wages to local communities	3.85	1.10
Budget hotels provide financial assistance for improving local communities	3.39	1.18

The tourists agreed with budget hotels purchase materials from local communities, budget hotels provide employment to local communities and budget hotels give higher wages to local communities, while, they are neutral with budget hotels provide financial assistance for improving local communities.

Environmental effects

The view of tourists on environmental effects of budget hotels is given in Table 4.

Table 4: Environmental effects

Environmental effects	Mean	Standard Deviation
Budget hotels conserves natural resources	3.89	1.08
Budget hotels avoid degradation of environment	3.40	1.09
Budget hotels maintain harmony with natural environment	3.86	1.07
Budget hotels provide environment friendly products and services	3.88	1.06

The tourists agreed with budget hotels conserves natural resources, budget hotels maintain harmony with natural environment and budget hotels provide environment friendly products and services, while, they are neutral with budget hotels avoid degradation of environment.

Experience effects

The view of tourists on experience effects of budget hotels is given in Table 5.

Table 5: Experience effects

Experience effects	Mean	Standard Deviation
Budget hotels give incentives to reinstate values	3.36	1.18
Budget hotels provide recreational facilities	3.82	1.05
Budget hotels give memorable experiences	3.92	1.03
Budget hotels provide pleasurable environment	3.80	1.10

The tourists agreed with budget hotels provide recreational facilities, budget hotels give memorable experiences and budget hotels provide pleasurable environment, while, they are neutral with budget hotels give incentives to reinstate values.

Profile of tourists and effects of budget hotels

To scrutinize difference among profile of tourists and effects of budget hotels, t-test and ANOVA test are done and the results are given in Table 6.

Table 6: Difference among profile of tourists and effects of budget hotels

Particulars	t-Value / F-Value	Sig.
Type of tourists and effects of budget hotels	5.098** (t-value)	.000
Gender and effects of budget hotels	5.273** (t-value)	.000
Age category and effects of budget hotels	6.145** (F-Value)	.000
Education and effects of budget hotels	5.971** (F-Value)	.000
Monthly income and effects of budget hotels	6.020** (F-Value)	.000
Marital status and effects of budget hotels	4.946** (t-value)	.000

** Significant at 1 % level

The t-values and F-values are explaining significant difference is there in effects of budget hotels among profile of tourists at one cent level.

Impact of effects of budget hotels on sustainable tourism development

To assess impact of effects of budget hotels on sustainable tourism development, multiple regression analysis is carried out and the results are given in Table 7. R^2 and adjusted R^2 are 0.57 and 0.55 correspondingly revealing the regression model has good fit and independent variables share 55 per cent of variation on dependent variable. The F-value of 9.768 is elucidating the model is significant at one per cent level.

Table 7: Impact of effects of budget hotels on sustainable tourism development

Effects of Budget Hotels	Regression Co-efficients	t-value	Sig.
Intercept	1.328**	11.201	.000
Social and cultural effects (X_1)	.372**	6.765	.000
Economic effects (X_2)	.293**	5.236	.000
Environmental effects (X_3)	.426**	7.918	.000
Experience effects (X_4)	.315**	5.854	.000
R^2	0.57	-	-

Adjusted R ²	0.55	-	-
F	9.768	-	.000

** Significant at 1 % level

The findings explicate that environmental effects, social and cultural effects, experience effects and economic effects have positive and significant impact on sustainable tourism development at one per cent level.

Conclusion

The findings of this study demonstrate that social and cultural effects, economic effects, environmental effects and experience effects are major effects of budget hotels. Significant difference is prevailing among profile of tourists and effects of budget hotels. Environmental effects, social and cultural effects, experience effects and economic effects are having significant and positive impact on sustainable tourism development. In order to improve effects of budget hotels on sustainable tourism development, budget hotels should give incentives to local communities for conserving nature and environment and they must organize various cultural programmes. In addition, budget hotels should provide financial assistance for improving local communities and they must avoid degradation of environment to the maximum extent. Besides, budget hotels should give incentives to reinstate values for tourists and local communities.

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