



## IMPACT OF GLOBALIZATION ON AVIATION, TOURISM AND HOSPITALITY INDUSTRY OF INDIA

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### ABSTRACT:

The connection and integration of business, People, and governments all across the world is known as Globalization. In simple terms, the process by which people and products move freely across countries' boundaries is Globalization. It's mostly an economic notion — the integration of markets, commerce, and investment with few impediments to limit the flow of goods and services across countries. Globalization is a concept that describes how trade and technology have made the world a more linked and interdependent place, which has aided in the country's growth and development. The tourism industry plays an important role in contributing to the GDP of India. It helps in boosting the economic and social development of countries like India. This research is exploratory in nature and involves interviews of key persons and a literature study. The impact of globalization on the Indian economy is High aviation fuel cost, Technological advancement, Customers discomfort, Congestion, and Terrorism. Government and key persons should take an initiative through various modes to remove these barriers prevailing in International tourism and Globalization.

**Key words:** - *Globalization, Aviation, Tourism, Hospitality, Indian Economy*

### INTRODUCTION:

The spread of products, technology, information, and jobs across national borders and cultures is known as Globalization. In economic terms, it refers to the interconnection of nations throughout the world, which is facilitated by free trade. The term "Globalization" refers to the rising interdependence of the world's economies, cultures, and populations, as a result of cross-border trade in commodities and services, technology, and investment, people, and information flows. Globalization can also be defined as the worldwide movement of goods, ideas, values, and people. The term "globalization" was coined in the early 1950s to describe the growing interdependence of economies and civilizations all around the world. Globalization, on the other hand, has existed for centuries through the evolution of commercial routes such as the slave trade, colonization, and immigration. It encompasses the modern world's economic, social, political, and cultural sectors. Tourism has long been regarded as a critical

driver in shaping globalization, and the tourism industry's development is influenced by the world's expanding interconnectedness.

Tourism and economic growth have a strong link in the short and long term, hence tourism plays an important part in a country's development. Tourism has an important part in job creation in the country, so the government must promote it and create a suitable climate for it. Tourism helps to enhance the country's socioeconomic situation. (R.Ohlan, 2017).

International tourist receipts are the earnings from spending on lodging, food, drinks, local transportation, entertainment, shopping, and other products and services in destination nations. In macroeconomic terms, foreign visitor spending counts as exports for the destination country and imports for the visitor's home country. In the balance of payments, incoming tourism receipts are represented as travel credit under the services balance, and outward tourism expenditure is reported as travel debt. For many countries, tourism is a significant

source of foreign exchange profits as well as a critical contributor to economic development and the creation of job opportunities. (Dr. Dayananda.K.C, 2019)

Discussion highlights the dangers of generalizing about globalization's effects on tourism and the resulting implications on economies, communities, and natural habitats. Globalization has both favorable and unfavorable consequences. More case studies are needed to pinpoint the effects in specific areas. There isn't enough room to look into the tactics that tourism stakeholders (public and private) should use to maximize the benefits of globalization while limiting the drawbacks. (Dwyer, 2015)

Governments all across the world, particularly those with an established tourism economy, are responding to the COVID-19 dilemma with a variety of policy responses. Some countries offers a one-year depreciation deferral. Government has announced incentive package open to all firms, with travel taking priority, while lawmakers allocated funds for the most affected industries, such as airlines, airports, and travel agents. (Yurii Kyrylov, 2020)

#### **RESEARCH METHODOLOGY:**

This study uses a qualitative research design and the explanation is descriptive in nature. Whereas viewed from its objectives, this study is exploratory research. Primary and secondary data are used for writing this research paper. Data is obtained through observation, literature study, and in-depth interviews with key informants of the aviation industry.

#### **RESULTS & DISCUSSIONS:**

From a variety of viewpoints, we can examine the impact of Globalization on tourism and Hospitality industry. Global mobility and ease of travel; population and demographic changes; terrorism, safety, and security; greater awareness of new locations; and poverty are few examples. Global integration and interdependence can provide many benefits, but

we must also be aware of the drawbacks. Some of the points discussed as below

#### **Mobility and Travel Ease on a Global Scale:**

Transportation advancements that have permitted global mobility are especially significant. People can travel fast and affordably using modern aircraft, cruise ships, railroads, and other modes of transportation. . People can travel, tour, and explore the world via fast trains, road systems, and even by city bike rental program. As a result of these changes, more people are able to travel more frequently in less time. The ease of travel has also aided in the removal of barriers such as fear, frustration, and cost. The ease of travel has also aided in the removal of barriers such as fear, frustration, and cost. Multinational firms, which supply flights, local transportation, and hotel and food, have enabled for travel booking portals for bookings. Mobile devices are used to check bookings and reviews of a particular hotel or restaurant at a destination.

The ease of travel has also aided the rapid spread of diseases around the world like COVID-19 for which we need to be ready to tackle such type of situations in future as well.

#### **Safety, Security and Terrorism:**

Terrorist attacks and political turmoil around the world have slowed but not stopped travel. Of course, the places most affected are those where there has been disturbance and which have received a lot of media attention. The global COVID-19 pandemic in 2020 resulted in a large and abrupt shift in the relationship between safety and travel. It is evident that a lack of safety and security will cause a location to be removed from travelers wishlist. As countries strive to protect their residents, travel safety and security are becoming increasingly crucial. Government agencies all throughout the world provide recommendations and cautions to its residents, advising them to avoid risky areas and situations and political unrest. Security at most airports has been increased in an effort to

protect people and planes. For admission into some nations, security measures such as displaying passports and submitting fingerprints have been established. While no act of terrorism can be completely eradicated, the tourism industry makes every effort to provide as much safety and security as possible.

#### **Exploring New Destinations:**

Increased awareness of places and the range of leisure activities, sites, and cultures to visit around the world is another effect of globalization on tourism. The first stage in marketing a destination is to create awareness of it, which can be accomplished through travel shows, films, social media, and other means of communication. Given the vast number of destinations available for travel, the rivalry to attract travelers is tremendous; it's easy to be lost in the din of global competition.

#### **Poverty Reduction & Environmental Issues:**

Globalization has contributed to increasing demand for goods and services as well as general economic growth, resulting in a decrease in global poverty over time. The United Nations approved the Sustainable Development Goals (SDGs), also known as the Global Goals, in 2015 as a universal call to action to end poverty, safeguard the environment, and ensure that by 2030, everyone lives in peace and prosperity. The Sustainable Development Goals (SDGs) aim to eradicate poverty, hunger, AIDS, and discrimination against women and girls in the world. Environmental costs are unequally allocated around the world, with impoverished countries lacking the capacity to adjust to impacts (such as droughts, increased disease, and soil erosion) and bearing the brunt of the consequences of phenomena like global warming.

#### **Increased Employment:**

Tourism industry has multiplier effect. It is not only generates employment in the tertiary sector, but it also stimulates growth in the primary and secondary industries. This is

known as the multiplier effect, which is defined as the number of times money spent by a tourist flows through the economy of a country but Some countries, cities, and towns experience severe highs and lows in visitor activity for various causes. This could be due to factors such as the weather, price, or seasonal events. During these high seasons, there are many jobs available in the hotel business for locals, but once the season is gone, the positions vanish. This leaves individuals without a source of income for a considerable portion of the year, resulting in unemployment and poverty in tourist-dependent areas.

#### **Cultural Exchange:**

Tourism provides an opportunity to teach people about cultures of people residing in other regions. While some believe that globalization homogenizes civilizations by spreading Western values through music, fashion, movies, and food, others argue that it makes one culture indistinguishable from another. Tourism provides financial incentives for the development of various local crafts and cultures, which has an impact on local artisans' and artists' income. Tourism also contributes to the preservation, retention, and enrichment of our cultural heritages. Furthermore, tourism expands the scope of multi-sociocultural activities.

#### **Technological advancement:**

Hospitality & Tourism businesses must work hard to stay up with advancing technologies if they want to attract the most tourists. Hotels, tourist attractions, and restaurants must constantly improve their products and services, with the most forward-thinking earning a competitive advantage. Online travel agents have come in the market with variety of travel options with better deals to grab. Even a hotel room key has been transformed by technology innovation, with the next step of evolution aiming to change it into data that can be accessed via a guest's cell phone.

#### **Developing countries are penalized:**

Travel has become easier and more economical as a result of globalization. Tourists can now choose from a wide range of destinations, leaving underdeveloped countries behind that may lack the infrastructure or technology needed to accommodate a high number of visitors. A country must have the financial resources to compete with more luxury and tourist-friendly sites in order to boost the amount of tourism it attracts.

#### CONCLUSION:

This study demonstrates that globalization is a complex process with far-reaching repercussions for developing countries. Globalization offers many advantages and benefits on its own, but it also has a negative impact due to other circumstances, including the nature and structure of most rising countries. These implications represent important difficulties for emerging countries in the face of needed growth of the economy. To do this, industry leaders must recognize that serving the demands of their broader society is their primary responsibility. As a result, developing reasonable policies and reforms to lead trade liberalization and the challenges of globalization in general to match their own domestic economic objectives is vital. Globalization should be encouraged. The governments of the countries should make policies that will affect how tourism develops in the future. It's vital to resurrect the tourism industry while also ensuring safety, justice, and the absence of negative environmental implications. Prioritize areas of action, which include, first and foremost: state tourism policy; willingness to collaborate with the private sector; assistance in implementing new protocols and effective procedures in proportion to existing risks; innovative technologies to reduce physical contact; and development of new forms of tourism.

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