

Investigation of Tourist Expenditure Pattern: A Cross Demographic Study in Punjab

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Abstract

The present study aimed to analyze the tourist expenditure based on different demographic features of the tourists visited Punjab from June 2018 to December 2018. The present mainly based on primary data sources collected from 200 tourists through a self-structured questionnaire by adopting convenient sampling technique. The data collected were analyzed by using both descriptive as well as inferential statistical tools. The mean and percentage analysis was performed to study the demographic features and expenditure pattern of tourists in Punjab towards different component of travel. Furthermore, with the help of one way Anova table to examine the significant difference in expenditure pattern of tourists as per their demographic features. The result of the study noted sufficient evidence indicating variation in expenditure pattern of tourists based on demographic features. The findings of the study provided implication that tourist expenditure at the destination has a higher economic impact on a destination. The findings of the study provided implications for policy makers to formulate appropriate management practices, marketing policies according to demographic segmentations of the tourists to ensure their repeat visits and more economic benefits to the destination.

Keywords: Tourist, expenditure, pattern, component, significant, economic, benefit.

Introduction

Tourism industry in India is on a great boom at the moment. India has tremendously achieved enchanted progress from the last few years and registered 10.04 million foreign tourists arrival during 2017. The foreign exchange earnings from tourism in India in the same year was noted as 27310 US\$ million. The number of domestic tourists visits showing an upward growth and found 1652.49 million domestic tourists visits in the year 2017 (Ministry of Tourism, 2018). Therefore, tourism in India has grown in leaps and bounds over the years, with each region of country.

Punjab state of India has various tourist destinations and encompass dramatically varied travel experiences. The Punjab, known as cradle of Sikh culture and religion, has rich and varied cultural, and historical and religious heritage, natural and scenic beauty, human-made attractions, a wealth of folklore, fairs, festivals, cuisine, arts and crafts, and above all, a very warm and hospitable people (Pasricha, 2018). The state registered 6.59 lakhs international tourist visits during 2016 as compared to 2.42 lakhs in 2015. The

domestic tourists visits in the same time period was noted as 3.87 Crores as against 2.57 Crores in 2015. This made Punjab 13 in rank in domestic arrivals and 10 in foreign tourist arrivals in the country in 2016 (Punjab State Tourism Policy,2018). The tourism industry in the Punjab makes significant contribution to development of economy of the state through generation of revenue and employment opportunities. The expenditure incurred by visiting tourists on consuming different products and services also contributed towards economic growth in the area. The present study analyzed the expenditure pattern of foreign and domestic tourists visiting Punjab from October 2017 to December 2018.

The expenditure pattern of tourists at the destination is differ due to variations in demographic and background of the tourists. These variations lead to differences in expenditure among tourists. Hence, understanding of expenditure on the basis of these features precisely measure the economic impact of tourism on destination (Wang & Davidson, 2010). Therefore, the present study extended with an objective 'to understand the expenditure pattern of tourists with different travel component as per their demographic features in Punjab'.

Literature Review

Tourist expenditure at the destination is extensively discussed in previous literature towards its role in economic to tourist destinations (Marrocu et al., 2015), but the discussion of tourist expenditure pattern as per their characteristics at local level is not sufficient (Craggs & Schofield, 2009). Therefore, the present study aims to overview the tourist expenditure patter towards different service components in Punjab region of India.

Expenditure levels, as a dependent variable, appear in the literature in different forms. As well as, some studies include the demographic characteristics of tourists such as age, gender, marital status, occupation, income, and nationality as individual tourist expenditure determinants (Alegre et al., 2011). The present study also based on these variables to find any significant difference in expenditure pattern of tourists with different travel components.

Starting with demographic variables, the spending patterns of tourists based on gender may vary in significant ways (Kim et al., 2011). The role of age, though some studies (Jang et al., 2004; Jones et al. 2009) have found a positive relationship between age and tourist expenditure. Serra et al. (2015) found that nationality is a significant independent variable. Furthermore, Kastenholz (2005) in a study indicated that foreign tourists tend to spend more in a destination than domestic tourists, while Cannon and Ford (2002) demonstrated that expenditure levels increased for out-of-state visitors, indicating that place of residence is also related to expenditure. Some studies were also focused on estimation of tourist expenditure based on their level of education (Aguilo & Juaneda Sampol, 2000; Jang et al.,2004) and found that the level of education is also a significant variable in explaining daily expenditure, indicating that tourists with a higher level of education spend more in the destination than those with lower education. Conversely, Nicolau and Mas (2005) did not find a statistically significant relationship between level of education and tourist

spending. A number of studies also consider income as a common positive and correlated with expenditure (Jang et al., 2004; Nicolau & Mas, 2005; Wang et al., 2006; Fredman, 2008; Thrane & Fastad, 2011; Brida et al., 2013; Marrocu et al., 2015). Thus, the review of literature noticed that, no solid conclusion can be made in this regard due to the small number of studies. Hence, there exists a research gap in the area. Moreover, as evident from the previous review, the empirical findings of the effect of the mentioned variables on tourism expenditure are often in conflict particularly in study area. Thus there is a need for further research in this field and hence, the researcher attempted to test the following hypothesis:

H₀₁: There is no significant difference in tourist expenditure pattern towards different component of tour as per their demographic features.

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Research Methodology

The present study used primary data to study the expenditure pattern of tourists in Punjab and to find significant difference in tourist expenditure pattern based on different demographic features of tourists. The data for the study was collected from June 2018 to December 2018 through a self-constructed questionnaire distributed to 350 tourists by using convenient sampling technique. But only 200 completely filled and return it with response rate of 57.14 percent. The respondents were contacted at different places such as accommodation units, restaurants, tourist places, religious sites, railway stations and airports to collect data. The questionnaire was divided in two parts, the first part covers the questions related to demographic features of the tourists such as gender, age, marital status, nationality, education, occupation and income. The second part based on the expenditure pattern of tourists towards different components of travel such as accommodation, transportation, food & beverages, recreation, entertainment and shopping. Respondents were asked to rate their expenditure item on a five-point Likert scale ranging from strongly agree(5) to strongly disagree(1). The collected data tabulated and assembled in the statistical package of social sciences (SPSS) to analyze the result. The study used descriptive statistical tools to overview the demographic features and expenditure pattern of the tourists. For findings the significant different their expenditure pattern as per their demographic features, inferential statistical tools (one way Anova) was applied.

Results Analysis

The demographic features of the respondents were presented through descriptive tables by using frequency and percentage analysis.

Table 1: Demographic Profile of the Respondents

Gender	Male		Female	
Frequency	154		46	
Percentage	77		23	
Age (in years)	Up to 20	21-40	41-60	Above 60
Frequency	42	56	55	47
Percentage	21	28	27.5	23.5

Marital Status	Married		Unmarried	
Frequency	143		57	
Percentage	71.5		28.5	
Nationality	Indian		Foreigner	
Frequency	164		36	
Percentage	82		18	
Education	H. Secondary	Sr. Secondary	Graduation	Postgraduation
Frequency	33	52	65	50
Percentage	16.5	26	32.5	25
Occupation	Student	Serviceperson	Businessperson	Other
Frequency	39	62	52	47
Percentage	19.5	31	26	23.5
Income	Up to 2 Lacs	2-4 Lacs	4-6 Lacs	Above 6 Lacs
Frequency	57	66	45	32
Percentage	28.5	33	22.5	16

Above table highlighted that the out of 200 respondents, 77 percent were male whereas 23 percent were female. It indicates that male respondents are more active in responding during field survey. In terms of age wise classification, 28 percent were in the age group of 21-40, followed by 27.5 percent in 41-60, 23.5 above 60 years and 21 percent up to the age of 20 years. It means that senior tourist groups above 40 years are more frequently visited study area as compared to their younger counterparts. According to marital status classification of the respondents which indicated that 71.5 percent were married and 28.5 percent unmarried respondents. According to place of residence, 82 percent were Indian or domestic visitors as compared to 18 percent international or foreign visitors. This shows that there is lack of marketing & promotion strategies to attract foreign tourists in the area. Education wise distribution highlighted that 32.5 percent respondents were graduate followed by 26 percent with senior secondary, 25 percent with post graduate or above, and 16.5 percent respondents were higher secondary education only. This depicted that the more than half of the respondents are in the highly educated group i.e. above graduation. On analyzing the occupation of the respondents, it came to notice that 31 percent serviceperson, 26 percent businessperson, 23.5 percent involved in other occupations (such as retirees, farmers, freelancers etc.) and 19.5 percent were students. It shows that the also every segment of the society visited the selected pilgrimage area. Income wise classification highlighted that 33 percent were in the group of 2-4 lacs followed by 28.5 percent up to 2 lacs, 22.5 percent in 4-6 lacs and remaining 16 percent in above 6 lacs group.

Tourist Expenditure Pattern on Different Component of Travel

The expenditure pattern of tourists on different components viz. accommodation, transportation, food & beverages, recreations, entertainment and shopping were highlighted through descriptive tables. The table also portrayed the total expenditure of the tour, average expenditure of every component and percentage share of different component expenditure.

Table 2: Tourist Expenditure Pattern Analysis

Expenditure	Amount	Percent	Average Expenditure	Percentage Share
Accommodation	Rs. 100 -500	11	Rs. 2100	18.04
	Rs. 501-1000	16		
	Rs. 1001-1500	20		
	Rs. 1501-2000	35.5		
	Rs. 2001-5000	15		
	More than Rs. 5000	2.5		
	Total	100.0		
Transportation	Rs. 100 – 500	35	Rs. 1387.50	11.92
	Rs. 501-1000	20.5		
	Rs. 1001-1500	18.5		
	Rs. 1501-2000	11.5		
	Rs. 2001-5000	5.5		
	More than Rs. 5000	9		
	Total	100.0		
Food & Beverages	Rs. 100 – 500	7	Rs. 2650	22.76
	Rs. 501-1000	10		
	Rs. 1001-1500	14		
	Rs. 1501-2000	21.5		
	Rs. 2001- 5000	20		
	More than Rs. 5000	27.5		
	Total	100		
Recreation	Rs. 100-500	20	Rs. 1847.50	15.87
	Rs. 501-1000	16.5		
	Rs. 1001-1500	19.5		
	Rs. 1501-2000	20		
	Rs. 2001-5000	13		
	More than Rs. 5000	11		
Entertainment	Rs. 100 – 500	12.5	Rs. 2157	18.53
	Rs. 501-1000	10.5		
	Rs. 1001-1500	30.5		
	Rs. 1501-2000	20.5		
	Rs. 2001-5000	15		
	More than Rs. 5000	11		
Shopping	Rs. 100-500	35	Rs. 1500	12.88
	Rs. 501-1000	26		
	Rs. 1001-1500	15		
	Rs. 1501-2000	12		
	Rs. 2001-5000	9.5		
	More than Rs. 5000	2.5		
	Total	100.0		
Total Average Expenditure		Rs. 11642		

Table number 2 indicated that tourists visiting to Punjab spend money on different types of activities these include accommodation, transport, shopping, donation, entertainment, food & beverages and recreation at destination. This table highlighted that the total average expenditure of tourists in Punjab was Rs. 11642. Further analysis brings this to notice that the highest average spending of expenditure by tourists

was noted on food & beverage services in the area. The analysis highlighted that almost one fourth percent (22.76%) of total expenditure was spend by tourist in consuming food and beverage services in Punjab. The second place in average expenditure was occupied by entertainment component in Punjab. The frequency table highlighted that almost 20 percent of the total expenditure (18.53%) was spend by tourists on entertainment component such visiting theme parks, amusement parks, multiplexes, music & dance festival, cultural events, fairs & festivals and so on. Furthermore, almost similar percentage of total expenditure was incurred by tourists on using accommodation and lodging services during their stay in the Punjab. It was detected by researcher that, tourists on an average expend 18.04 percent of their total expenditure in accommodation services in Punjab. This pattern of expenditure has been followed by spending amount on recreation services in Punjab including visiting national parks, zoos, swimming pools, casino, health & wellness centers, spa, yoga centers and many more. Out of total average expenditure of the tour, 15.87 percent amount was spent on using these recreation facilities by tourists on average basis during their stay in Punjab. The above frequency table also provides an overview that tourists visited in Punjab spend almost 13 percent (12.88%) on shopping & souvenirs out of their total expenditure of the tour on average basis. The researcher from this analysis observed that the tourists visited in Punjab from different places are found interested in purchasing something (handicraft, textile, art, book, clothes, footwear, sports items etc.) as memory of token of their visit in Punjab. The researcher noted smallest amounts of expenditure spend by tourists on using transportation services. From the above, it was portrayed that on an average, just over ten percent (11.92%) of total tour expenditure was spent on using local transportation at the destination visited. Hence, it can be detected that transportation service in Punjab are easily available on affordable fare system as well as the lesser amount of expenditure on transportation is also due to frequent use of government transportation by tourists in Punjab.

Tourist Expenditure Pattern according to their demographic features

The result regarding tourists' expenditure pattern according to their demographic features was presented in table 3 with the help of one way Anova.

Table 3: One way Anova result of expenditure pattern by demographic features

Demographic Features		Accommodation	Transportation	Food & Beverages
Gender	Male	3.84	2.74	4.11
	Female	3.73	2.76	3.90
	Anova Result	F=2.126	F=0.009	F=8.934**
Age	Up to 20 years	3.82	2.72	4.02
	21-40 years	3.90	2.70	4.11
	41-60 years	3.67	2.72	4.03
	Above 60 years	3.86	3.04	4.08
	Anova Result	F=2.712*	F=1.505	F=0.911
Marital Status	Married	3.89	2.81	4.06
	Unmarried	3.81	2.72	4.10
	Anova Result	F=4.885**	F=2.168	F=0.850
Nationality	Indian	3.82	2.60	4.07

	Foreigner	3.83	2.92	4.03
	Anova Result	F=0.0111	F=5.154*	F=0.318
Education	Hr. Secondary	3.77	2.79	4.05
	Sr. Secondary	3.87	2.79	4.09
	Graduation	3.78	2.56	4.08
	P. graduation	3.91	2.72	4.05
	Anova Result	F=0.810	F=0.169	F=0.140
Occupation	Student	3.69	2.64	3.95
	Serviceperson	3.84	2.75	4.03
	Businessperson	3.95	2.87	4.08
	Others	3.85	2.72	4.21
	Anova Result	F=1.241	F=0.556	F=1.401
Income	Upto 2 lacs	3.80	2.82	2.99
	2-4 lacs	3.81	2.62	3.56
	4-6 lacs	3.96	2.75	3.01
	Above 6 lacs	3.73	3.12	4.11
	Anova Result	F=0.650	F=4.388**	F=2.777*
Demographic Features		Recreation	Entertainment	Shopping
Gender	Male	3.09	3.74	2.95
	Female	3.12	3.68	2.93
	Anova Result	F=0.126	F=0.289	F=2.612
Age	Up to 20 years	4.03	3.77	3.90
	21-40 years	3.84	3.74	3.65
	41-60 years	3.47	3.53	3.34
	Above 60 years	3.26	3.80	4.07
	Anova Result	F=4.530**	F=0.977	F=2.623*
Marital Status	Married	3.06	3.87	4.03
	Unmarried	3.19	3.60	3.42
	Anova Result	F=0.816	F=8.012**	F=4.771**
Nationality	Indian	3.08	3.76	3.64
	Foreigner	3.18	3.62	3.59
	Anova Result	F=0.174	F=1.750	F=0.0213
Education	Hr. Secondary	3.09	3.58	2.99
	Sr. Secondary	3.08	3.83	3.37
	Graduation	3.09	3.73	3.48
	P. graduation	3.07	3.82	3.50
	Anova Result	F=0.545	F=1.378	F=0.644
Occupation	Student	3.06	3.66	2.78
	Serviceperson	3.04	3.76	3.04
	Businessperson	3.09	3.83	2.99
	Others	3.13	3.76	2.91
	Anova Result	F=1.637	F=0.842	F=1.352
Income	Upto 2 lacs	3.12	3.64	3.00
	2-4 lacs	3.07	3.72	3.04
	4-6 lacs	3.27	3.88	3.09
	Above 6 lacs	2.77	3.92	3.13
	Anova Result	F=1.245	0.772	F=0.541
Mean Expenditure: 5- Strongly Agree, 1= Strongly Disagree				

Variations in expenditure pattern of tourists on the basis of their demographic characteristics were noted in different groups of gender, age, marital status, nationality, education. The only significant difference between gender groups was in the case of food & beverages. Male travelers rated this expenditure significantly higher than did their female counterparts. Age groups were also found to vary significantly on accommodation, recreation and shopping expenditure only. The age groups of 21-40 years rated the expenditure incurred on the accommodation significantly higher than all other age groups. In terms of shopping expenditure, the senior age group of above 60 years rated higher expenditure mean as compared to other age group. As far as the marital status of the respondents was concerned, significant difference was noticed in expenditure of accommodation, entertainment and shopping. The married tourists rated expenditure on these three components high as compared to unmarried tourists to the study area. The domicile status of the tourists indicated transportation component significantly different among Indian and foreigners. The foreign tourists rated their expenditure on this particular component slightly higher than domestic tourists. The income of the respondents noticed variation in expenditure incurred on transportation and food & beverages component as significantly different on the basis of various income levels of the tourists. The tourists with high income group i.e. above 6 lacs rupees indicated high expenditure on transportation and food & beverage services in contrast to tourists with lower income segment. No significant variation in tourists' expenditure regarding identified factors was found in association with education and occupation level of the tourists.

Result of Hypothesis

The result analyzed from one-way ANOVA indicated that in terms of expenditure incurred by tourists on different component found significantly different in association with all the demographic features (except education & occupation). Therefore, from this result, the H_0 which postulate that the there is no significant difference exist in expenditure incurred by tourists in Punjab according to their demographic features is rejected and supported the H_1 and summarized that a significant difference is found in expenditure of tourists on different travel component according to their demographic features.

Conclusion

The present study identified the tourist expenditure pattern on different travel component by tourists visiting Punjab region of India. The result of the study confirms largest amount of expenditure was spent by tourists on consuming food and beverages followed by accommodation, entertainment, recreation, shopping and transportation. The least share of expenditure of transportation was noted due easy availability of government transportation means in the area. Furthermore, the Anova table provided sufficient evidences of existence of the statistical significant differences in expenditure patter of tourists on different travel component according to their demographic features. From these analyses, gender, age, marital status, nationality and income of the tourists were confirmed as significant predictor of tourist expenditure in Punjab. The male travelers were found with high expenditure on food & beverages as compared to their

female counterparts. The younger age group of tourists up to 20 years was noted with high expenditure on accommodation and recreation component in contrast to tourists of above 20 years. As well as the senior group of tourists above 60 years was noted with highest expenditure on shopping as did their younger counterparts. Almost similar result was noted for marital status of the tourists. The married tourists were found spending more amounts on accommodation, entertainment and shopping over unmarried tourists. The foreign tourists were spending more on transportation than domestic tourists. This difference was noted because of consumption of air travel by foreign tourists. The tourists with high income group expend more on transportation and food & beverage components in comparison to lower income tourists. The education and occupation of the tourists were noted found significant variables for observing any difference in expenditure of different travel component.

The findings of the study provided implications for policy makers to create suitable strategies aiming to boost tourist expenditure in the area to reap more economic benefits from tourism. The study also recommended conducting extensive studies in near future along with a larger sample and on several other variables such as frequency of visit, duration of trip, travel companion and so on to provide more insight to the area.

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