

Bridging Tourist Needs Gap Through Microenterprise: A Case Study of Cherrapunji Destination of Meghalaya, India

Benjamin F. Lyngdoh

Assistant Professor, Department of Tourism and Hotel Management, North-Eastern Hill University, Shillong, Meghalaya, India

&

Mac Oliver Rynjah

Lecturer, Department of Tourism and Travel Management, Lady Keane College, Shillong, Meghalaya, India

Abstract:

The deficiencies in meeting tourist needs leads to tourist needs gap and one of the means for bridging these gaps effectively is through microenterprise. Accordingly, the present study aims to examine the same by conducting a case study on the most popular tourist destination of Meghalaya, namely Cherrapunji through a focus on three objectives, namely, to scan the services and economic performance of tourism-related enterprise, to analyse the degree of tourist needs gap and to assess the perceived benefits of bridging such gaps through microenterprise. The tourism-related enterprise scanning encompasses nine popular tourism resources covering variables like nature of enterprise, market targeted, service offered, investment and so forth. Tourist needs gap analysis involves tourist interviews of 100 random samples during August-October, 2013 from the nine tourism resources covering variables like information search, experience, amount of money spent, quality of infrastructure, health and sanitary standards and so forth. Statistically, t-test, correlation and regression analysis is applied. The study portrays that retail and restaurant form of enterprise are more attractive prepositions in economic terms, the tourist needs gap are present across all the variables and the perceived benefits clearly indicate the feasibility of retail and restaurant as microenterprises for bridging the tourist needs gaps. Consequently, the policy implications concern a need for transforming the destination into a magnet for enticing tourist to have longer stays and sensitisation and training of stakeholders for tackling all the existing gaps.

Key Words: *Cherrapunji destination, Enterprise, Tourist needs gap, Microenterprise, Perceived benefits*

I. Introduction

The term 'tourist needs' is relative in nature as the type, structure and degree of such needs vary on the basis of the physical and psychological make-up of the tourist and destination visited. For example, the needs of a highly demanding tourist will normally be on the higher end and vice versa. Similarly, a high-end destination will predominantly attract higher end tourist needs and vice versa. Hence, taking note of this relativity and flexibility there cannot be a strict definition of the same. Nonetheless, tourist needs are generally expressed in terms of time, place, form and possession utilities (Pearce, 2008) and may be defined as 'the needs of the tourist in relation to travel and tourism with reference to a destination planned for or being visited'. Hence, tourist needs refers to the requirements of a tourist over the course of tourism activity and is different from expectations and

perception although it may be influenced by such. In recent times, tourists are becoming more independent in their purchasing decisions (World Tourism Organization [WTO], 2012) and have an increased expectation of the destination culminating from their positive perceptions. In reaction to this demand destinations need to analyse, gear-up, embrace and respond. Failure to do so results in gaps in terms of products and services offered – aptly nomenclature as ‘tourist needs gap’. These gaps mainly appear because of the under-supply and/or poor service of a certain tourism component(s). These gaps are to be eliminated as the attractiveness of destinations is only useful if it serves to meet the real needs of the market like holiday, business, health, sports and so forth (WTO, 2012).

Globally, the tourism sector is dominated by microenterprises and the self-employed (Oldbell3, 2007). In India, the sector has a strong presence of medium, small and microenterprises (Indian Institute of Tourism and Travel Management [IITTM], 2010). This is understandable as the businesses engaged in tourism mainly involve providing services which can be handled by microenterprises (Tourism and Transport Consult International [TTCI], 2011). In general, microenterprise have been identified as the most viable business structures to fight poverty and kick-start development consistent with the sustainable livelihoods approach to rural poverty reduction (Shen, Hughey & Simmons, 2008) with the tourism sector being no exception (Manyara & Jones, 2007). As such, the mechanisms of sustainable tourism – eliminating poverty initiative of the WTO involves employment of the poor in tourism enterprises, supply for sector activities by the poor, microenterprises managed/owned by the poor and so forth (Koenig, 2010). Concurrently, the focus should be on the tourist segments being served or targeted and their specific needs (Pearce, 2008) with the goal to further expand the supply and quality of services (WTO, 2012).

Currently, tourist are more conscious of responsibility for one’s health and enhancement of one’s physical and spiritual well-being thereby expanding demand for tourist services (Abicht & Freikamp, 2005a). The growing requirements of an increasingly individualised clientele have generated altered demands thereby making service, customer orientation and professionalism a priority (Abicht & Freikamp, 2005b). However, the degree of awareness of the needs of tourists is frequently lacking and there is sometimes a reluctance to tackle the difficulties involved (Berthold, 2005). To this end, microenterprise has a major role to play in meeting tourist needs and any gaps that may exist. As such, responding to the new needs of tourists leads to the opening of doors to hostels, inexpensive restaurants and low-cost car parking (WTO, 2012) among many other such businesses.

Accordingly, the present study aims to examine bridging tourist needs gap through microenterprise by conducting a case study on the most popular and famous tourist destination of Meghalaya¹, namely Cherrapunji² through a focus on three objectives, namely, to scan the services and economic performance of tourism-related enterprise, to analyse the degree of tourist needs gap and to assess the perceived benefits of bridging tourist needs gap through microenterprise. Consequently, in addition to the introduction the study is classified into seven additional sections. Section II portrays the literature on tourism, tourist needs and microenterprise. Section III presents the methodology as applied in the study. Section IV depicts tourism-related enterprise scanning followed by tourist needs gap analysis in section V. Section VI presents the perceived benefits of bridging tourist needs gap through microenterprise followed by observations in section VII and closes with section VIII which pens down the conclusion and policy implications.

II. Tourism, Tourist Needs and Microenterprise

The vast majority of tourism-related enterprise can be classified as small with microenterprise being in the frontline of serving consumers and meeting tourist demands (Coetzer, 2001/2) thereby possessing the scope and opportunity of an overwhelming impact on local livelihoods (Islam & Carlsen, 2010). Globally, microenterprise contributes to

economic growth through the primary and secondary pathways that go beyond job creation. Primary pathways have greater and direct impact on growth and economic dynamism and secondary pathways are the indirect channels through which microenterprises may contribute to overall economic growth and include human capital improvement, financial market development and so forth (United States Agency for International Development [USAID], 2008). Vijay (2008) records the existence of 1.34 crores registered and unregistered micro and small enterprise, providing employment to more than 3.22 crores, covering more than 6000 products, accounting more than 45 per cent of the gross value of output in the manufacturing sector and about 40 per cent of the total exports.

Tourism creates business opportunities for micro entrepreneurs in various tourism-related activities such as accommodations, food outlets, tourist agents, guides, retail, sport facilities and so forth (Othman & Rosli, 2011) as a direct result of tourist needs. Microenterprise not only gain revenue from new contracts or customers but the business advice, scale of demand, access to new markets and enhanced reputation can enable an enterprise to expand further (Overseas Development Institute [ODI], 2006). In general, the tourism-related microenterprise that meet tourist needs are classified into 'specialised' like guide services, small spa and massage facilities, specialized bakery and pastry shops, coffee shops, souvenir trading and crafts shops, travel agencies, small tour operators, small lodges rented, lodges, small hotels, larger restaurants, recreation businesses, bus companies and so forth and 'non-specialised' like taxi drivers, food and beverage producers, trading shops, pharmacies, photocopy shops and so forth (Sterren, 2008).

In addition, tourist needs and microenterprise play an important part in successful destination development and destination competitiveness and the quality of the tourist experience is influenced heavily by the quality of the encounter with such enterprise thereby creating interdependence between tourism and microenterprise (Thomas, 2008). From camping sites to chateaux, from sports bars to restaurants there has been an explosion of entrepreneurial opportunities to match an ever expanding mix of tourist demands (WTO, 2012). Moreover, as jobs in tourism tend to include a relatively high proportion of semi-skilled and female workers there are robust grounds for expecting tourism jobs to target the poor rather than the elite in developing regions (ODI, 2006) like Meghalaya. Destinations should therefore improve their capacity to innovate their tourist products and services in order to cater for different visitor flows while delivering to the different market segments at different times (WTO, 2012) particularly with a proactive role of microenterprise.

Overall, tourism and tourist needs bring about a positive impact on the local economy and entrepreneurial development (Othman & Rosli, 2011). On sustainable practice of microenterprise, the impacts are mainly seen in socio-economic domains of the entrepreneurs (Kreag, 2001) amongst others. The passion to achieve positive outcomes is a strong driver in the birth of microenterprise (Rola-Rubzen et al., 2011). They impact upon livelihood strategies through changes in employment and earnings, education and training, increased pride and self-confidence and so forth (Ashley et al., 2007; Awang, Aziz & Samdin, 2012; Jamieson, Goodwin & Edmunds, 2004; Mshenga & Owuor, 2009). In addition, as local experience of tourism deepens there are often increased opportunities for the development of new locally owned enterprise providing competitive and complementary goods and services (Cleverdon, 2004). However, there is an ever increasing demand for multiskilling in microenterprises for meeting tourist needs (Marhuenda, Strietska-Illina & Zukersteinova, 2005) with the challenges of funding and gaining market entry ever present (ITCI, 2011). Hence, learning for developing human resource is paramount in order to enhance the competitiveness of tourism-related microenterprise through improving knowledge, skills and competence (Jensen, 2001).

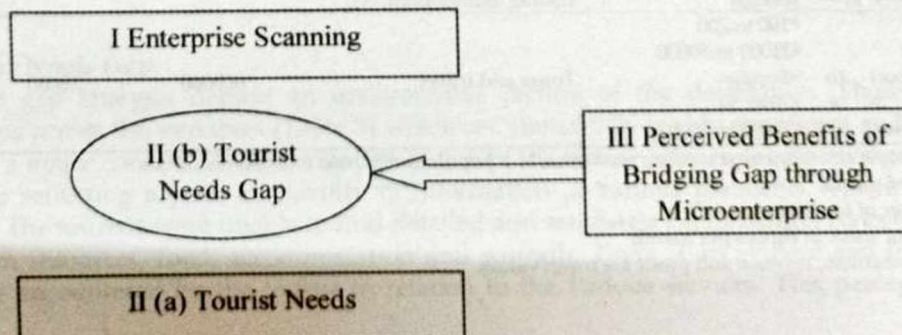
III. Methodology

The study emphasises on tourism-related enterprise scanning (henceforth enterprise scanning) and tourist interviews during August-October, 2013. Enterprise scanning aims at establishing the status of enterprise in the destination and tourist interviews towards establishing tourist needs gap (henceforth gap) in retail, restaurant, accommodation and transport service across independent, customised and packaged tourist (Pearce, 2008). Here, 'independent tourist' refers to one who undertakes tourism independently without availing services from other sources, 'customised tourist' refers to one who undertakes tourism through pre-arranged terms in the like of transport, accommodation and so forth and 'packaged tourist' refers to one who undertakes tourism through an all-inclusive packaged tour. Enterprise scanning encompasses nine popular tourism resources of the destination wherein tourism-related enterprises are found and the random sample size of tourist interviews is 100 selected from the nine tourism resources.

Enterprise scanning covered variables as nature of enterprise, market targeted, service offered (Pearce, 2008) investment, revenue per month and profit per month (Coetzer, 2001/2). Tourist interviews encompassed variables specifically concerning the destination as information search (Pearce, 2008) experience, amount of money spent (Coetzer, 2001/2) quality of infrastructure, health and sanitary standards (Mitchell & Faal, 2008) soft skills (Oldbell3, 2007) knowledgeable advisors, guided tours quality (Abicht & Freikamp, 2005b) promotion and publicity (Ruhanen, Whitford & McLennan, 2013).

The analysis comprises of three phases. They are aimed at providing a logical flow (Figure 1) so as to enable derivation of valid and reliable inferences. Firstly, enterprise scanning concerns mapping the enterprise available in the destination. Here, 'enterprise' covers all type of tourism-related business establishment irrespective of size or nature of activity. However, they predominantly refer to such enterprise which are located in and around the tourism resources and those which predominantly cater to the needs of tourists (like accommodation) irrespective of their location. This presents a scan of the enterprises available in the destination in respect of the service offered and economic performance. Overall, it provides a broad frame of the supply available in the destination as provided by the enterprise. Secondly, the gap is analysed. This is the difference between the services currently offered by the enterprise and tourist needs. They are quantified using an equal interval scale of 'one' to 'five'. Here, 'one' refers to 'bad' and 'five', 'excellent'. The gap is computed as a difference between the scales recorded against the maximum i.e. 'excellent', which means that a scale recorded of 'five' would depict that there is 'no gap' and otherwise. Hence, the gap ranges from 'zero' (no gap) to '(-) four' which depicts an 'enormous gap'. Here, the other gap scales of '(-) one', '(-) two' and '(-) three' depicts 'small gap', 'visible gap' and 'extensive gap' respectively. Lastly, the analysis takes the form of prescription whereby an assessment of the perceived benefits of bridging gap through microenterprise is conducted.

Figure 1: The Logical Flow of Analysis



Statistically, t-test is applied for testing the significance level of the gaps. In addition, correlation and regression analysis is conducted on the tourist interviews for meaningful inferences on relationship of gaps and cause-effect relationship of gaps respectively. In addition, regression analysis of investment, revenue and profit is applied for arriving at a meaningful assessment of the perceived benefits of bridging gap through microenterprise.

IV. Tourism-related Enterprise Scanning

The enterprise scanning (Table 1) includes enterprise forms of retail, restaurant, accommodation and transport on a random sample base covering the major tourism resources highly frequented by the tourists. All the enterprise forms target domestic and foreign tourist except for transport which focuses entirely on foreign. The retail and restaurant have a huge clientele target resulting in a healthy revenue target. They are basically involved in the provision of essentials services mainly in terms of refreshments (retail) and food (restaurant). In economic terms, they involve a micro investment combined with highly attractive revenue of which around 39.45 per cent and 47.62 per cent constitute profit for retail and restaurant respectively. These percentages are important as they imply an estimate that the investment is recoverable in 7.5 months and 14.5 months respectively. The accommodation and transport clientele target is very low subsequently resulting in a low revenue target. The enterprise forms are basically involved in the provision of home stay (accommodation) and travel (transport). As majority of the tourist are day-trippers, accommodation and transport face a set back as these enterprise forms require a huge amount of investment. Hence, the revenue in relation to the investment is low. Thus, even if an attractive 45.88 per cent and 40 per cent of revenue comprise of profits for accommodation and transport respectively it will require a longer time period of 65.4 months and 60 months to recover the investment. Overall, the enterprise scanning shows a positive picture in terms of the service and economic performance (especially in case of retail and restaurant) thereby highlighting a scope for better clientele through up-gradation and innovation in business, particularly in terms of service offered.

Table 1: Tourism-related Enterprise Scanning

Enterprise	Market Targeted	Service Offered	Investment (₹)	Revenue (₹)	Profit (₹)
Retail (n = 14, N = 30)	*Domestic and foreign *2000 to 5000 *20000 to 40000	Water, soft drinks, sweets, chips, snacks, seasonal fruits, souvenirs, indigenous items, and so forth	108214	36571	14429
Restaurant (n = 8, N = 12)	*Domestic and foreign *5000 to 7000 *70000 to 100000	Indigenous food, Chinese; Indian and Italian food, soft drinks, fruits and so forth	633750	91875	43750
Accommodation (n = 4, N = 7)	*Domestic and foreign *100 to 200 *25000 to 50000	Home stay, nature trails, fishing and so forth	1275000	42500	19500
Transport (n = 1, N = unknown)	*Foreign *20 to 30 *20000 to 30000	Tours and travel	600000	25000	10000

n = sample size from nine tourism resources, N = population in nine tourism resources

*type of tourist

*number of tourist per month

*amount spent in rupees per month

*, \$, investment, revenue and profit are mean values

V. Tourist Needs Gap Analysis

V.I. Respondent Profile

The respondent profile (Table 2) throws some interesting facts regarding the composition and nature of flow towards the destination. The majority of the tourist make the form of leisure tourism (which is also the major form worldwide) with adventure and educational also being undertaken. The other forms like health, business, visiting friends and relatives (VFR) and religious are not that popular. The major part consists of independent tourists with customised making a sizeable share. However, package tourism plan seems to lack popularity and demand. The gender distribution is mostly even whereas the majority of the tourists are in the younger age of group 18 to 27 years thereby comprising the major part as unmarried. The domestic tourists make the significant share and most are from the towns and cities of north-east region of India. However, a good number of tourists also come from the other parts of the country with foreign tourists making a meaningful presence at 10 per cent. Lastly, the majority of the tourists are day-trippers with the number doing overnight and longer stays being very small. This phenomenon contributes as one of the limitations for the vibrancy and growth of tourism and tourism-related enterprise in the destination. As such, tackling of these problems requires a concerted effort from all the stakeholders by focussing on the basics of tourism growth and development.

Table 2: Respondent Profile

Particular	Classification	Frequency (%)
Tourism Form	Leisure	65
	Adventure	16
	Educational	12
	Health	3
	Business, VFR and religious	4
Tourism Plan	Independent	86
	Customised	13
	Packaged	1
Gender	Male	51
	Female	49
Age (in years)	18 - 27	87
	28 - 37	8
	38 - 77	5
Marital Status	Single	89
	Married	11
Nationality	Domestic	90
	Foreign	10
Domicile City	North-East Region	65
	Rest of India	25
	Foreign	10
Days of Stay	Day-tripper	88
	2 - 4 days	4
	5 - 10 days	5
	11 days and above	3

V.II. Tourist Needs Gap

The gap analysis depicts an unfavourable picture of the destination. There are glaring gaps across the variables (Table 3) which are statistically highly significant and this represents a major concern. The information search of the tourist prior to the travel shows a visible gap reflecting a poor availability of information at various platforms - print and electronic. The tourists were unable to find detailed and satisfactory information concerning the tourism resources, food, accommodation and so forth. There is an evident gap in the experience encountered by the tourist in relation to the various services. This perceptive

exposure is an indication of the persona that the destination is able to imprint on the tourist. The amount of money spent by the tourist also shows an evident gap and reflects the lost opportunity of generating higher spending by the tourist. This presents as a critical issue as lower spending also negates the possible returns on account of 'economic multiplier effect'. The quality of infrastructure depicts an extensive gap thus highlighting the poor quality of physical systems concerning the services. The poor quality represents behavioural disappointments on the part of the tourist thereby not boarding well in terms of repeat travel and marketing.

Similarly, there is an evident gap in health and sanitary standards and soft skills (customer care, language and communication) depicting a below par status. As tourism is a service-oriented sector such gaps deplete the quality and positive impression. Moreover, they discourage friendliness and relationship building thereby negatively impacting long-term business prospects. There is a visible gap and extensive gap with regard to knowledgeable advisors and guided tours quality respectively. This gap is critical as lack of knowledge on the destination and poor guided tours reflects poorly on tourism development. As such, dissatisfied tourist may result their frustration on non-repeat of their travel plans. Lastly, there is a visible gap in promotion and publicity. This directly impedes upon the growth potential of tourism as less awareness would ultimately result in less business. As such, more efforts of promotion and publicity are required by leveraging on print and electronic platforms.

In general, these gaps are roadblocks on tourism development as tourists are becoming more demanding across the range and depth of services. Poor encounters lead to poor stories thereby enormously affecting the size of the potential clientele and business. Hence, these gaps are to be alleviated at earnest through cooperation, coordination and training of all the stakeholders failing which it may adversely affect the brand and marketability of the destination in the long-run.

Table 3: Tourist Needs Gap

Variable	Gap	T - value (two-tailed, df = 99)
Information search (v1)	-1.84**	-19.58
Experience (v2)	-2.56**	-33.26
Amount of money spent (v3)	-2.52**	-30.64
Quality of infrastructure (v4)	-2.71**	-34.08
Health and sanitary standards (v5)	-2.60**	-29.67
Soft skills (v6)	-2.51**	-27.75
Knowledgeable advisors (v7)	-2.30**	-19.55
Guided tours quality (v8)	-2.92**	-25.15
Promotion and publicity (v9)	-2.49**	-22.71

** Significant at 1%

Further, the relationship of gap variables under study depicts a polarisation of coefficients. The correlation matrix portrays a positive relation throughout (Table 4). Moreover, with the exception of a few, the majority of the relationships are statistically significant at one per cent and five per cent. As such, the gaps are far reaching across numbers and degree. The tourist encounters glaring gaps across all tourism-related services of the destination. In particular, this is seen in the relationship between quality of infrastructure and soft skills (0.62**), amount of money spent and soft skills (0.55**), quality of infrastructure and health and sanitary standards (0.54**), experience and amount of money spent (0.54**) and amount of money spent and quality of infrastructure (0.50**).

Table 4: Correlation Matrix of Tourist Needs Gap

	V1	V2	V3	V4	V5	V6	V7	V8	V9
V1	1	0.39**	0.34**	0.26**	0.40**	0.29**	0.08	0.05	0.01
V2	0.39**	1	0.54**	0.42**	0.47**	0.36**	0.23*	0.16	0.19
V3	0.34**	0.54**	1	0.50**	0.38**	0.55**	0.07	0.30**	0.17
V4	0.26**	0.42**	0.50**	1	0.54**	0.62**	0.34**	0.33**	0.45**
V5	0.40**	0.47**	0.38**	0.54**	1	0.44**	0.37**	0.34**	0.36**
V6	0.29**	0.36**	0.55**	0.62**	0.44**	1	0.36**	0.44**	0.39**
V7	0.08	0.23*	0.07	0.34**	0.37**	0.36**	1	0.43**	0.43**
V8	0.05	0.16	0.30**	0.33**	0.34**	0.44**	0.43**	1	0.33**
V9	0.01	0.19	0.17	0.45**	0.36**	0.39**	0.43**	0.33**	1

* Significant at 5%, ** 1%

Furthermore, a deeper comprehension of the dynamics of gap is attempted for generating finer inferences. Regression analysis is applied for explaining the cause-effect relationship between the gaps. As such, the analysis considers experience as a dependent and independent variable and amount of money spent as a dependent variable thereby depicting three models (Table 5). However, all the models are treated with controlled dynamism on account of average R^2 values. In relation to 'b' values, the health and sanitary standards gap statistically explains the experience gap of the tourist. This depicts the importance of maintenance of hygiene standards in influencing the feelings and perception of the tourist. Similarly, the quality of infrastructure gap and soft skills gap statistically explains the amount of money spent gap. As such, there is a need for improving the infrastructure and related physical systems in the destination. In addition, the level of soft skills practiced influences the economics of the tourist. In a nutshell, it proposes a hybrid of good infrastructure and presentable, friendly and impressive soft deliverables for encouraging the tourist to expand their spending. Lastly, experience gap statistically explains the amount of money spent gap. Hence, there is a need for forging efforts for improvement of the destination on all counts as this shall contribute to the good experiences. Providing good experiences at micro (individual and enterprise) level and macro (tourism resources, attractions, systems, operations and so forth) will bear positively on economic growth.

Table 5: Regression Analysis of Tourist Needs Gap

Dependent	Independent	b	T - value	F	R ²
Experience	Quality of infrastructure	0.19	1.52	5.79**	0.27
	Health and sanitary standard	0.30**	3.11		
	Soft skills	0.11	1.07		
	Knowledgeable advisors	0.03	0.43		
	Guided tours quality	-0.04	-0.62		
	Promotion and publicity	-0.05	-0.68		
Amount of money spent	Quality of infrastructure	0.27*	2.26	10.37**	0.40
	Health and sanitary standard	0.13	1.41		
	Soft skills	0.36**	3.61		
	Knowledgeable advisors	-0.16*	-2.35		
	Guided tours quality	0.08	1.24		
	Promotion and publicity	-0.07	-0.90		
Amount of money spent	Experience	0.58**	6.36	40.48**	0.29

* Significant at 5%, ** 1%

VI. Perceived Benefits of Bridging Tourist Needs Gap through Microenterprise

As a platform for assessment of perceived benefits of bridging gap through microenterprise, an understanding of the cause-effect relationship of enterprise scanning on variables investment, revenue and profit is conducted. This provides a valid and reliable base for inference on the perceived benefits. The statistical results derived herein extend credibility to the subsequent analysis. Table 6 highlights that all models from enterprise scanning have a high degree of determination with the exception of two restaurant-related models where R^2 is 0.36 and 0.25 respectively. In the case of retail, the 'b' values of all the models statistically explain the dependent variable. In particular, revenue as a function of investment and profit = f (revenue) stands out. The investment amount is the main component of any enterprise. In this case, it portrays that the amount of investment is positively related and influential to the revenue. Accordingly, revenue also presents a similar effect on profit. In relation to restaurant, the revenue 'b' values statistically explain profit in two models. As such, revenue being the main determinant calls for an emphasis on its steady flow. Effort has to be put for generating higher sales and services. Lastly, the accommodation 'b' values statistically explain the dependent variable. In particular, profit = f (revenue) presents a dynamic cause-effect relationship. The models depict that revenue is the main component of the enterprise and portrays that it positively influences profit. Hence, concerted effort has to be placed on increasing the size of the clientele. Overall, across all the models of enterprise scanning a trend of revenue influencing profits emerged. This highlights the importance of focussing on sales and sales-related services for sustenance and sustainable development of enterprise.

Table 6: Regression Analysis of Tourism-related Enterprise Scanning

Dependent	Independent	b	T - value	F	R^2
Retail (n = 14)					
Revenue	Investment	0.49**	6.14	37.68**	0.76
Profit	Investment	0.12**	8.03	64.51**	0.84
Profit	Revenue	0.22**	12.84	164.77**	0.93
Profit	Investment	0.04*	2.52	122.18**	0.96
	Revenue	0.16**	5.39		
Restaurant (n = 8)					
Revenue	Investment	0.06	1.84	3.38	0.36
Profit	Investment	0.03	1.41	2.00	0.25
Profit	Revenue	0.52**	8.77	76.94**	0.93
Profit	Investment	-0.01	-0.87	37.34**	0.94
	Revenue	0.56**	7.40		
Accommodation (n = 4)					
Revenue	Investment	0.03**	11.50	132.25**	0.99
Profit	Investment	0.02**	10.96	120.03**	0.98
Profit	Revenue	0.53**	69.29	4800.53**	1.00
Profit	Investment	0.00	-0.22	1260.50**	1.00
	Revenue	0.55***	6.35		

* Significant at 5%, ** 1%, *** 10%

Transport model is not derivable as n = 1

In relation to the above, the assessment of the perceived benefits of bridging gap through microenterprise takes proper shape. In addition, this assessment also considers the figures in Table 1. In fact, the enterprises covered under enterprise scanning are also microenterprise in the real sense and by definition under MSME, 2006. However, under perceived benefits an investment of half the amount is considered (Table 7). This is in conformity with the spirit that most entrepreneurs will start small and as this motivates many to take up entrepreneurship. Hence, the distinction between enterprise and

microenterprise for the purpose of assessing perceived benefits. Conversely, the perceived benefits on revenue and profit are reduced by half as against enterprise scanning figures. In addition, an extra 60 per cent is provided as a denominator in case of microenterprise to cover for the disadvantages of economies of scale as compared to bigger enterprises. This is represented by 0.6 and hence the divisor is represented as 2.6 for revenue and profit respectively. It is noted that microenterprise may have better economic performance despite their small size. However, the analysis to this end applied the principle of conservatism thereby it considers the worst case scenario of business operations and economic returns.

Continuing from the basis as stated above, the assessment of perceived benefits predicts a favourable and attractive return on revenue and profit (Table 7). This is more so in case of restaurant. Even retail is highly promising particularly leveraging on its easy start-up and less investment. Hence, this assessment provides a huge opportunity for microenterprise on a two-fold base. Firstly, it is well accepted that the gap should be bridged for the good of the destination. Secondly, microenterprise can play a lead role in bridging this gap. Overall, such an approach presents livelihood opportunities for the entrepreneurs in and around the destination. For a start, the investments can be small and gradually increased overtime. Thus, dealing with the gaps will directly mean the start-up of better microenterprise and their sustained supply of good products and services will provide for bigger market and better economic returns in the long-run.

Table 7: Perceived Benefits of Bridging Tourist Needs Gap through Microenterprise

Enterprise	Investment (₹)	Revenue (₹)	Profit (₹)	Conversion
Retail	54107	14066	5550	Investment
Restaurant	316875	35337	16827	2
Accommodation	637500	16346	7500	Revenue, Profit
Transport	300000	9615	3846	2.6

Note: read with Table 1

VII. Observations

The study has brought to light a number of observations. Some of these have a bearing on the future framework for tourism development. As per the objectives of the study, the observations are presented in order as enterprise scanning, gap and perceived benefits of bridging gap through microenterprise.

In relation to enterprise scanning, almost all the enterprise target both domestic and foreign tourist. Retail and restaurant have a huge clientele target, require a modest investment and this is combined with attractive revenue and high profit. This is on account of high demand for such services from the tourist as day-long covering of the tourism resources inevitable results in the need for retail-oriented essentials and requirement of food/refreshment. These features also enable recouping of the investment at a faster rate. In case of accommodation and transport, the clientele target is low. The reason is being good connectivity of the destination and easy availability of transport from all the major clientele towns and cities thereby making day-trippers the majority of the tourist. In addition, these enterprise forms require a high amount of investment and as such the revenue generated in relation to the investment is low. Hence, even the attractive profits earned cannot mitigate the long gestation period required for recouping the investment.

In the analysis of gap, the respondents whose profile features mainly constitute of - undertaking of leisure tourism, as independent tourist, are of a young age group, unmarried, predominantly domestic source and mostly travelling as day-tripper presents a rather unfavourable and uneasy picture. There are visible and extensive gaps across the variables which are statistically highly significant. This is more so in case of guided tours quality, quality of infrastructure and health and sanitary standards. The information search gap shows that the destination has not been able to leverage on the advantages of print and

electronic medium. This also highlights the need for more proactive role on the part of tourist/tourism information centres. The experience gap is a direct outcome of unfavourable exposure to the various services as and when they are encountered. To this end, the natural beauty of the destination may not be able to mitigate the concerned gap in the long-run and this presents as a major dilemma. The amount of money spent gap is a result of the limitations of the service range, service depth and service quality. As there is no avenues for high spending, the tourist spend only the basic/necessity amount through essentials like food and refreshments. The quality of infrastructure gap results from a low sensitisation, poor sensitivity and less investment in providing ambience to the enterprise. Similarly, the health and sanitary standards gap depict the shortage or non-availability of public washrooms, rest rooms and so forth as most of the enterprises provide less or no investment to this end. The soft skills gap is a result of a casual approach towards tourism development as seen in lack of sensitization and training on facets of customer care, language, communication, empathy and so forth. The knowledgeable advisors gap and guided tours quality gap highlights the lack of interest in taking-up of such a venture on account of its seasonality and relatively low economic returns. As such, even the available ones expose a certain limitation on the narration and explanation of the tourism resources and attractions. Lastly, the promotion and publicity gap highlights the lack of promotion of the destination in appropriate mediums at national and international level. Although such an exercise requires a significant investment, proper feasibility analysis can be done for identifying the right medium, timeframe and time slots for the same.

In continuance from the above, the gaps depict a positive relationship polarisation of coefficients with most of the relationships being statistically significant. This portrays that the gaps are glaring across all the variables and is more so in case of quality of infrastructure and soft skills, amount of money spent and soft skills and so forth. Furthermore, the cause-effect relationship show that health and sanitary standards gap explain the experience gap, quality of infrastructure gap and soft skills gap explicate the amount of money spent gap and lastly, experience gap influences the amount of money spent gap.

In relation to perceived benefits, the assessment predicts an encouraging and attractive return on revenue and profit on the basis of a modest investment. This is more prominent in the case of retail and restaurant microenterprise and largely due to a large tourist clientele. On the contrary, the economic returns of accommodation and transport are not as attractive as they entail a higher amount of investment accompanied with a far smaller tourist clientele.

VIII. Conclusion and Policy Implications

The study depicts a mixed picture of tourism in the destination in relation to gap and microenterprise. The enterprises are mainly involved in the provision of essential services with retail and restaurant being more attractive economic prepositions. Accommodation and transport suffer from a lack of demand. The gaps are visible and extensive gaps across the variables thereby adversely affecting the image and marketability of the destination. The perceived benefits clearly indicate the feasibility of retail and restaurant as microenterprises that will be best fit for bridging the gaps. Hence, bridging of tourist needs gap through microenterprise is a possible and economically practical preposition for Cherrapunji destination. Moreover, adoption of a holistic approach through involvement of all the stakeholders across micro and macro environment with a focus on 'tourism attractiveness' (for detailed framework; see Lyngdoh, 2013) will yield even better outcomes for tourism development of the destination and Meghalaya as a whole.

Although the study attempted to analyse gap and bridging it through microenterprise by adopting a comprehensive methodology, it still presents scope for further improvement. A wider study covering the entire state and north-east region of India

through more variables over a longer period and depth will yield more extensive and meaningful results. As such, it will contribute better towards tapping the potential of microenterprise in tourism development. Nonetheless, the present study has evolved as a basic framework for further research or related studies in future.

The policy implications derived from the study show a need for detailed and serious initiatives on the part of the government, non-government organisations, local authorities and so forth. At the outset, there is a need for transforming the destination into a magnet for enticing tourist to have longer stays. To this end, the idea of special tourist zone (Islam & Carlsen, 2010) may be the way forward. This will help in the increased vibrancy in accommodation and transport. Secondly, the gaps are to be alleviated through concerted efforts at all levels of governance. Sensitisation and training can be used as an intervention for tackling the existing gaps. Lastly, more professional microenterprise is to be encouraged which are equipped with all the necessary service qualities as demanded in the market. Equally, the stated policy measures calls for a sustained investment over a period of time. Hence, proper feasibility analysis and blueprint of the same before execution is a must.

IX. Notes

¹Meghalaya is a hill state in the north-east region of India bounded in the south-west by Bangladesh. Its total area is 22429 sq. kilometers with a population of over 29.6 lakh as on 2011 (23.2 lakh in 2001) (www.censusindia.gov.in) and mostly dependent on agriculture. The population grew at 27.82 per cent over the last decade (30.65 per cent in 1991-2001) and features a sex ratio of 986 as compared to 972 in 2001. Moreover, as on 2011, 75.48 per cent (62.56 per cent in 2001) of the total population [77.17 per cent male (65.43 per cent in 2001), 73.78 per cent female (59.61 per cent in 2001)] is literate (www.censusindia.gov.in). Meghalaya covers a number of attractive tourism resources ranging from streams and rivers, hillocks and mountains to cultures and indigenous festivals. These are supplemented by a pleasant climate through most parts of the year. In particular, the tourism resources of Cherrapunji destination are a class apart. They are the main tourism resources of the state and form a spectacle that caps a lasting experience.

²Cherrapunji (locally known as *Sohra*) is located in east khasi hills district of Meghalaya at around 50 kilometers south of the capital city, Shillong. Having held the record of 'wettest place on earth' on numerous occasions, its name is familiar to most of the tourist. As a tourism destination, it is one of the most popular and frequently visited destinations in the entire north-east region of India. In Meghalaya alone, it is the number one tourist destination based upon the tourism resources available and tourist visits. It is blessed with a mesmerising natural setting clad with waterfalls, rivers, hills, mountains, mighty cliffs and so forth. It also poses as a heritage destination highlighting the rich and diverse tradition and culture of the local people added up with numerous indigenous cuisines. Cherrapunji destination is so gifted in natural beauty that it earned the tag of 'paradise on earth' from most of the respondents interviewed.

REFERENCES:

- Abicht, L. & Freikamp, H. (2005a). Tourism in Germany: Trends, Facts and Figures. In O. Strietska-Ilina and M. Tessaring (eds), Trends and Skill Needs in Tourism, Luxembourg: Office for Official Publications of the European Communities, 12-20.
- Abicht, L. & Freikamp, H. (2005b). Trend Qualifications in German Tourism. In O. Strietska-Ilina and M. Tessaring (eds), Trends and Skill Needs in Tourism, Luxembourg: Office for Official Publications of the European Communities, 55-63.
- Ashley, C., Brine, P.D., Lehr, A. & Wilde, H. (2007). *The Role of the Tourism Sector in Expanding Economic Opportunity*. Kennedy School of Government: Harvard University.
- Awang, K.W., Aziz, Y.A. & Samdin, Z. (2012). The Growth of Small Hotel Enterprises: The Roles of the State. *International Proceedings of Economics Development and Research*, 38, 145-149.
- Berthold, V. (2005). Barrier-free Tourism for All: The Need for Know-how. In O. Strietska-Ilina and M. Tessaring (eds), Trends and Skill Needs in Tourism, Luxembourg: Office for Official Publications of the European Communities, 74-78.
- Cleverdon, R. (2004). Promoting Intra-Commonwealth Tourism. Background Paper, Commonwealth Tourism Ministers Meeting, Commonwealth Secretariat, London, UK.
- Coetzer, J. (2001/2). *Micro Enterprises: To Evaluate and Understand Tourism and Micro-sized Enterprises in a Perpetually Changing Environment*. Dorset (UK): Bournemouth University.

- Indian Institute of Tourism and Travel Management. (2010). *Analyzing the Factors Responsible for Slow-Down in Tourist Arrivals in India*. New Delhi: Ministry of Tourism.
- Islam, F. & Carlsen, J. (2010). *Rural Tourism and Poverty in Bangladesh: Unlocking Opportunities for the Poor*. Working Paper, Bangladesh.
- Jamieson, W., Goodwin, H. & Edmunds, C. (2004). *Contribution of Tourism to Poverty Alleviation: Pro-poor Tourism and the Challenge of Measuring Impacts*. Transport and Tourism Division, UN ESCAP.
- Jensen, J.F. (2001). *Tourism and Employment: Improving Training in order to Upgrade Skills in the Tourism Industry*. Brussels: European Commission.
- Koenig, K.K. (2010). *Sustainable Tourism in the Context of Poverty Alleviation and Social Business*. Paris: HEC Paris.
- Kreag, G. (2001). *The Impacts of Tourism*. Minnesota Sea Grant: University of Minnesota.
- Lyngdoh, B.F. (2013). *An Assessment of Tourism Attractiveness of Meghalaya*. Working Paper. Presented at National Seminar on Entrepreneurship and Inclusive Growth, Department of Commerce, NEHU, Shillong, 21-22 March, 2013.
- Manyara, G. & Jones, E. (2007). Community-based Tourism Enterprises Development in Kenya: An Exploration of Their Potential as Avenues of Poverty Reduction. *Journal of Sustainable Tourism*, 15(6), 628-644.
- Marhuenda, F., Strietska-Ilina, O. & Zukersteinova, A. (2005). Factors Shaping Occupational Identities in the Tourism Sector: Research in Spain, The Czech Republic and Greece. In O. Strietska-Ilina and M. Tessaring (eds), *Trends and Skill Needs in Tourism*, Luxembourg: Office for Official Publications of the European Communities, 21-30.
- Mitchell, J. & Faal, J. (2008). *The Gambian Tourist Value Chain and Prospects for Pro-Poor Tourism*. Working Paper 289, Overseas Development Institute, London, UK.
- Mshenga, P.M. & Owuor, G. (2009). Opportunities for Micro and Small Scale Businesses in the Tourism Sector: The Case of the Kenya Coast. *KCA Journal of Business Management*, 2(2), 52-68.
- Oldbell, J. (2007). *Research into the Skill Needs and Requirements of the Hospitality, Leisure, Travel and Tourism Sectors*. Report to Department for Children, Education, Lifelong Learning and Skills, Welsh Assembly Government, Wales, UK.
- Othman, P. & Rosli, M.M. (2011). The Impact of Tourism on Small Business Performance: Empirical Evidence from Malaysian Islands. *International Journal of Business and Social Science*, 2(1), 11-21.
- Overseas Development Institute. (2006). *Briefing Paper: Can Tourism Help Reduce Poverty in Africa?* London: ODI.
- Pearce, D.G. (2008). A Needs-Functions Model of Tourism Distribution. *Annals of Tourism Research*, 35(1), 148-168.
- Rola-Rubzen, M.F., Gibbs, J., Gabunada, F., Burritt, R., Altangerel, D., Fung, L., Rubzen, B. & Carter, A. (2011). *Growing Businesses in the Desert: Case Studies of Australian Desert Micro, Small and Medium Enterprises*. Alice Springs (Australia): Ninti One Ltd.
- Ruhanen, L., Whitford, M. & McLennan, C. (2013). *Demand and Supply Issues in Indigenous Tourism: A Gap Analysis*. Indigenous Business Australia and Department of Resources, Energy and Tourism, Indigenous Tourism Working Group, Australia.
- Shen, F., Hughey, K.F.D. & Simmons, D.G. (2008). Connecting the Sustainable Livelihood Approach and Tourism: A Review of the Literature. *Journal of Hospitality and Tourism Management*, 15, 19-31.
- Sterren, J. (2008). Financial Markets, Microfinance and Tourism in Developing Countries. *NHTV Breda University of Applied Sciences*, 35-44.
- Thomas, R. (2008). *Fostering SMEs and Entrepreneurship Development in Support of Alternative Tourism in Bulgaria*. Working Paper, 17-28.
- Tourism and Transport Consult International. (2011). *New Directions for Tourism in the West*. Dublin, Ireland.
- United States Agency for International Development. (2008). *The Role of Micro, Small and Medium Enterprises in Economic Growth: A Cross-country Regression Analysis*. Washington DC: USAID.
- Vijay, A. (2008). *Report on Micro and Small Enterprises*. New Delhi: Ministry of MSME.
- World Tourism Organization. (2012). *Global Report on Aviation: Responding to the Needs of New Tourism Markets and Destinations*. Madrid: WTO.
- www.censusindia.gov.in/2011-prov-results/prov_data_products_meghalaya.html.