

A Study of Growth Barriers Faced by Tour and Travel Agencies in Karnataka

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Abstract

The travel and tourism industry are a significant contributor to economic growth, employment generation, and socio-cultural development. Karnataka, with its rich heritage, diverse landscapes, wildlife, coastal attractions, and cultural resources, possesses immense tourism potential. However, travel agencies in the state face numerous challenges in effectively promoting tourism and sustaining their growth. The present study examines the influence of soft barriers (psychological factors) and hard barriers (practical and operational factors) on the development of tours and travel agencies in Karnataka. A descriptive research design was adopted, and primary data were collected from 402 travel agencies using a structured questionnaire based on a Likert scale. The Yamane formula was used to determine the sample size, and data were analysed using multiple regression analysis. The findings reveal that soft barriers have a stronger influence on the development of travel agencies, explaining 88.6% of the variation in development barriers ($R^2 = 0.886$), while hard barriers account for 73.8% of the variation ($R^2 = 0.738$). Among the soft barriers, cautious travel decision-making, concerns about inadequate tourism infrastructure, communication and cultural challenges, information overload, and lack of confidence in travel service providers emerged as significant factors. Regarding hard barriers, weak marketing and promotional efforts, inadequate infrastructure and accessibility, restricted online visibility, compliance-related challenges, rising operational costs, weak stakeholder collaboration, and deficiencies in essential tourist facilities were identified as major impediments. The study concludes that both soft and hard factors (Barriers) significantly affect the growth and competitiveness of tours and travel agencies in Karnataka. It emphasizes the need for improved infrastructure, stronger destination branding, enhanced digital marketing, transparent service delivery, stakeholder collaboration, technological adoption, and supportive government policies. Addressing these barriers can enhance

tourist satisfaction, increase visitor arrivals, strengthen travel agencies, and contribute to the sustainable development of Karnataka's tourism industry and overall economic progress.

Keywords: Soft Factors, Hard Factors, Barriers, Tours, Travel Agencies, Karnataka.

1. INTRODUCTION

A region's economic and sociocultural growth is greatly influenced by the travel and tourism sector (Law et al., 2004). With its rich history, varied landscapes, and lively culture, Karnataka has enormous potential to become one of India's top tourist destinations (Kracht & Wang, 2009). The state provides both local and foreign visitors with a variety of experiences, including historical sites, UNESCO World Heritage Sites, hill stations, animal sanctuaries, and seaside attractions (Khare & Khare, 2010). In this industry, travel agents play a crucial role as middlemen by marketing locations, making trip planning easier, and improving the whole visitor experience (Poon, 2001). However, despite the potential offered, travel operators in Karnataka confront significant hurdles in efficiently marketing tourism. These problems can be roughly classified into psychological and practical dimensions (Palmer & McCole, 1999). According to Khandelwal et al. (2012), psychological problems include shifting customer tastes, limited knowledge of lesser-known locations among visitors, and a loss of confidence in travel agents as a result of the growth of internet booking platforms. Because digital platforms are more convenient and allow for pricing comparison, modern travelers are less dependent on conventional travel agents. Customer decisions are also influenced by opinions about pricing transparency and service dependability (Gupta, 2015). Practically

speaking, travel agencies face challenges such as poor infrastructure, little government assistance, high operating expenses, and fierce competition from internet travel aggregators (Li & Suomi, 2007). Poor connectivity to certain tourist destinations, lack of proper marketing strategies, and insufficient use of digital technologies also hinder their promotional efforts (Crnojevac et al., 2010). Furthermore, external factors like seasonal demand fluctuations, economic uncertainties, and unforeseen events such as pandemics significantly impact the functioning of travel agencies (Cosma et al., 2012). In this context, understanding the challenges faced by travel agencies is essential for improving their performance and strengthening the tourism sector in Karnataka (Christou & Kasianidis, 2003). Addressing these issues through strategic planning, technological adaptation, and policy support can help enhance the effectiveness of travel agencies in promoting tourism and contribute to the overall growth of the state's economy (Chiappa, 2013).

2. LITERATURE REVIEW

The travel and tourism industry play a vital role in regional economic development, employment generation, and cultural exchange (Negi, 1998). Karnataka, endowed with diverse attractions such as heritage sites, hill stations, wildlife sanctuaries, and coastal tourism destinations, has immense tourism potential (Siddhu, 2000). However, despite these advantages, travel agencies in Karnataka face numerous challenges in effectively promoting tourism (Johns, Avci & Karatepe, 2004). Existing literature highlights that these challenges can broadly be categorized into psychological challenges and practical challenges, both of which significantly influence tourist behavior and industry performance (Bruni, Cassia & Magno, 2017). Psychological Challenges-in Tourism Promotion Psychological factors play a crucial role in shaping tourists' decision-making processes (Gnanapala, 2015). Studies in tourism marketing emphasize that perception,

trust, awareness, and risk assessment strongly influence travel choices (Lu & Tian, 2015). One of the major psychological challenges identified in the literature is the impact of negative publicity and safety concerns (Research and Markets, 2012). Tourists often rely on media reports and word-of-mouth information when selecting destinations (Seth & Seth Bhat, 2003). Any incidents related to safety, crime, or poor management can reduce trust and create hesitation among potential visitors (Bhatia, 2002). This aligns with consumer behavior theories, which suggest that perceived risk significantly affects purchase decisions, particularly in-service industries like tourism (Cochrane & Font, 2005). Another critical factor is the influence of online reviews and digital reputation. The way travelers assess places and services has changed as a result of websites like TripAdvisor and Google Reviews (Budeanu, 2005). According to research, customers' perceptions are disproportionately impacted by unfavorable evaluations, which results in fewer reservations (Walsha et al., 2010). As a result, managing their online reputation and maintaining a constant level of service quality present difficulties for travel agencies (Font & Cochrane, 2005). The literature also emphasizes the psychological obstacle of perceived inadequate infrastructure (Singh & Khare, 2012). Travelers are discouraged by the common notion of bad roads, cleanliness, and basic amenities, even when some Karnataka sites provide good facilities (Alegre & Cladera, 2006). This impression is frequently the result of out-of-date information or isolated bad experiences that spread across the destination (Buhalis & Licata, 2002). Travel decisions are also heavily influenced by risk aversion and geopolitical concerns. (Persoon & Van Wijk, 2006). Travelers feel uneasy due to events like pandemics, economic instability, and geopolitical conflicts (Mamhoori, 2014). According to behavioral research, customers typically put off or avoid discretionary spending, including travel, during uncertain times (Carey, 1997). The desire for well-known

tourism locations is another significant obstacle. Over time, places like Goa, Kerala, and Rajasthan have effectively developed powerful tourism brands (Dejong, 2008). Because of this, travelers frequently display destination loyalty and familiarity bias, favoring well-known locations over comparatively underappreciated areas like Karnataka (Gronau, 2009). This problem is made worse by weak branding and low awareness. Consistent branding is crucial for generating recall value, according to destination marketing literature (Tapper & Font, 2005). Karnataka's tourism potential remains underutilized due to insufficient promotional efforts and lack of a unified brand image (Weaver, 2000). Decisions made by tourists are also influenced by perceived value for money. Travelers frequently evaluate places according to price, experience, and general pleasure (Vijayalakshmi, 2005). Travel firms have trouble persuading clients if Karnataka is thought to provide less value than other locations. Information overload has become a contemporary psychological issue (Ministry of Tourism, 2023). Travelers are exposed to an abundance of information due to the growth of online travel platforms, which causes confusion and decision fatigue. Travel agents find it more difficult to successfully influence decisions as a result (Taskov, 2018). Additionally, there is still a serious problem with the lack of confidence in travel agents. Consumers frequently worry about deceptive advertising, unstated fees, and subpar service (Nongsiej, Somipam & Shimray, 2017). Decisions made by tourists are also influenced by perceived value for money. Travelers frequently evaluate places according to price, experience, and general pleasure (Vijayalakshmi, 2005). Travel firms have trouble persuading clients if Karnataka is thought to provide less value than other locations. Information overload has become a contemporary psychological issue (Ministry of Tourism, 2023). Travelers are exposed to an abundance of information due to the growth of online travel platforms, which causes confusion and decision fatigue. Travel

agents find it more difficult to successfully influence decisions as a result (Taskov, 2018). Additionally, there is still a serious problem with the lack of confidence in travel agents. Consumers frequently worry about deceptive advertising, unstated fees, and subpar service (Nongsiej, Somipam & Shimray, 2017). Travelers from other areas or nations may be deterred from selecting Karnataka as a destination by their concern of communication problems (Bukhari & Hilmi, 2020). Travel agencies encounter a variety of hard impediments (structural and operational difficulties) in addition to soft barriers that restrict their capacity to successfully promote tourism (Alhammad, 2020). Inadequate infrastructure and connection are among the most often cited problems in the literature (Salvado et al., 2012). Accessibility and overall visitor satisfaction are decreased by poor road conditions, a lack of transit choices, and poor upkeep of tourist destinations (Arora & Sood, 2014). Infrastructure development is frequently mentioned as being essential to the expansion of tourism. The absence of appealing and competitive travel packages is another real issue (Jacob, Joseph & Philip, 2007). Karnataka travel providers sometimes find it difficult to create creative packages that may rival those provided by other states. This lessens their capacity to draw tourists from both local and foreign countries (Sarngadharan & Retnakumari, 2005). Inadequate marketing and promotional tactics are another major problem. Many travel firms lack the knowledge and resources necessary to carry out successful marketing efforts, even with the advent of digital platforms (Sasikumar & Santhosh, 2010). Karnataka's tourist potential is therefore still underrepresented in international markets. Another major issue is the seasonality of tourism demand (Rishi & Giridhar, 2007). The number of visitors varies according on festivals, holidays, and the weather. For travel agencies, this makes planning, allocating resources, and managing income challenging. The position is made more difficult by the fierce rivalry from other states (Zacharias, Manalel, Jose & Salam,

2008). With sophisticated infrastructure and effective marketing tactics, Kerala, Goa, and Rajasthan have become popular travel destinations. Differentiating itself and drawing visitors are difficult tasks for Karnataka (Silpa & Rajithakumar, 2005). Recent research has also emphasized the importance of digital platforms and algorithm modifications. Agencies must make significant investments in paid advertising since social media and search engine algorithms frequently restrict the organic reach of promotional content (Sudheer, 1991). Another major problem is the lack of qualified human resources. Customer connection is crucial to the tourism business, which is service-oriented. Travel agencies' reputations are eventually impacted by underqualified staff, which lowers consumer satisfaction and service quality (Sunanda, 2008). One of the biggest financial challenges is rising operating costs. It is challenging for agencies to provide cheap pricing without sacrificing profitability due to rising gasoline, lodging, and logistical costs (Thampi, 2002). The research also identifies inadequate stakeholder cooperation as a significant obstacle. Governmental organizations, private businesses, and local communities must work together to promote tourism effectively (Thankamani, 1980). Inefficiencies and lost opportunities result from a lack of coordination. Travel agents' activities are further hampered by regulatory and compliance difficulties (Buhalis, 2000). Agencies are burdened by complicated licensing processes, tax laws, and bureaucratic hold-ups, which lowers their effectiveness (Vijaya Kumar, 1995). The discrepancy between investment and results is another major issue. Due to inadequate execution and management, the anticipated increase in tourist foot traffic is frequently not achieved despite expenditures in tourism infrastructure and promotion (Vijayan, 2007). Lastly, the whole visitor experience is adversely affected by poor basic amenities at tourist attractions, such as cleanliness, safety, and upkeep (Berne et al., 2015). In addition to deterring return visits, this creates bad press,

which further undermines marketing initiatives. The research makes it abundantly evident that the difficulties Karnataka's travel agencies confront are complex, encompassing both practical and psychological elements (Anandanatarajan & Antonyraj, 2017). While practical problems are connected to infrastructure, operations, and policy-related concerns, psychological challenges are mostly related to visitor perceptions, attitudes, and decision-making processes (Beldona et al., 2011). Crucially, there is a relationship between these two groups. For instance, inadequate infrastructure causes unfavorable opinions, a psychological problem that influences traveler behavior (Ministry of Tourism, 2023). In a similar vein, poor destination image and low awareness are caused by ineffective marketing tactics (practical) (Kumar, 2023). According to academics, tackling these issues calls for a comprehensive strategy that incorporates stakeholder cooperation, digital marketing, efficient branding, and infrastructure development (Atkinson, 2001). To overcome these obstacles, travel firms must implement cutting-edge tactics including data-driven decision-making, targeted marketing, and the usage of social media influencers (Martin & Standing, 2001).

3. RESEARCH PROBLEM

There is a conspicuous dearth of region-specific studies that solely focus on Karnataka, especially from the viewpoint of travel agencies, despite the fact that the literature currently in publication has thoroughly analyzed difficulties in the tourist industry. With little focus on the combined role of psychological and practical obstacles encountered by intermediaries like travel agencies, the majority of previous study has either focused on visitor behavior or on more general concerns within the Indian tourism sector. Additionally, rather than examining these issues' interrelationships and cumulative effects on tourist marketing, previous research has tended to examine them separately. Additionally, there is a lack of actual data about

how contemporary elements like social media trends, online review sites, and digital marketing algorithms affect Karnataka travel agency operations. Furthermore, there is a lack of knowledge about how these pragmatic limitations transfer into psychological obstacles influencing travelers' decision-making, despite the fact that topics like infrastructure and competition from other states have been examined. The lack of comprehensive frameworks that link consumer trust difficulties, branding shortcomings, and stakeholder coordination is another significant gap. Therefore, to close these gaps and offer useful insights for enhancing tourist marketing tactics, a thorough investigation concentrating on both psychological and practical issues, particularly in the Karnataka setting, is crucial.

4. NEED FOR THE STUDY

The current study is crucial to comprehending the many obstacles that travel firms must overcome in order to promote Karnataka's tourist sector. The state has not yet reached its full potential as a top travel destination, despite its rich cultural legacy and variety of tourism resources. Improving the competitiveness of the tourist industry requires identifying the obstacles to successful promotion. Through marketing, package design, and service provision, travel firms play a crucial role as middlemen between travelers and destinations, influencing travel choices. However, they are facing more and more real difficulties like infrastructural constraints and growing operating expenses, as well as psychological difficulties like shifting customer views and trust concerns. Policymakers and business stakeholders will be able to create focused plans to address these issues if they have a thorough understanding of them. Furthermore, it is important to investigate how technology advancements affect tourist advertising given the quick expansion of digital platforms. Additionally, this study will help the state's branding, consumer involvement, and service quality. Overall, by offering useful suggestions based on identified issues, the research is

important for boosting tourism development, improving visitor influx, and promoting economic growth in Karnataka.

5. RESEARCH OBJECTIVES

1. To study the influence of Factors related to Soft barriers on the development of tours and travel agencies in Karnataka
2. To examine the impact of Factors related to hard barriers on the development of tours and travel agencies in Karnataka
3. To provide suitable suggestions and recommendations to eliminate the soft and hard barriers for the overall development of tours and travel agencies in Karnataka.

6. HYPOTHESIS

- H0: There is no influence of Factors related to Soft barriers on the development of tours and travel agencies in Karnataka
- H1: There is an influence of Factors related to Soft barriers on the development of tours and travel agencies in Karnataka
- H0: There is no influence impact of Factors related to hard barriers on the development of tours and travel agencies in Karnataka
- H2: There is an influence impact of Factors related to hard barriers on the development of tours and travel agencies in Karnataka

7. RESEARCH METHODOLOGY

The present study adopts a descriptive research design to examine the challenges faced by travel agencies in promoting the travel and tourism industry in Karnataka. An extensive literature review was conducted to gain a comprehensive understanding of the key concepts, variables, and existing research related to psychological and practical challenges in tourism promotion. Primary data were collected through a structured questionnaire, designed using a Likert scale to measure respondents' perceptions regarding various challenges. The survey was administered through both online and offline modes to ensure wider coverage and better response rates. In addition, personal interviews were conducted with travel agency operators to obtain in-depth qualitative insights and validate

the survey findings. The target population comprised travel agents operating in selected districts of Karnataka. The Yamane sample size formula was employed to determine an appropriate sample size, ensuring representativeness and reliability of the data. For data analysis, linear regression was used to examine the relationship between psychological and practical challenges and their impact on tourism promotion. The methodology enables a systematic analysis of factors affecting travel agencies and provides empirical evidence to support the study's objectives.

8. SAMPLE DESIGN

The present study adopts a probability sampling approach to ensure representativeness of travel agencies across Karnataka. As per recent industry data, there are 5,011 travel agencies operating in the state as of April 1, 2026, with a majority being single-owner establishments (88.66%) and the remaining belonging to organized or branded networks (11.34%). To determine an appropriate sample size, the study employs the Yamane Formula (1964), which is widely used for finite populations. Based on this formula, a sample size of 402 travel agencies was finalized, ensuring statistical reliability and manageable data collection. The sampling process follows a stratified and proportionate approach, considering the distribution of travel agencies across major districts and cities such as Bengaluru, Mangaluru, and Mysuru, which have the highest concentration of agencies. This ensures adequate representation of both urban and semi-urban regions. Further, simple random sampling was used within each stratum to select respondents. This technique minimizes bias and enhances the generalizability of findings related to the challenges faced by travel agencies in promoting tourism in Karnataka.

9. SCOPE OF THE STUDY

The present study focuses on examining the challenges faced by travel agencies in promoting the travel and tourism industry in Karnataka. The research is geographically confined to selected districts, namely Mysuru, Kodagu, Chikkamagaluru, Uttara Kannada, Udupi, Vijayanagara, Dakshina Kannada, Shivamogga, Chamarajanagara, Hassan, Chitradurga, Bengaluru, and Vijayapura. The study specifically targets travel agents operating within these regions, as they serve as key intermediaries in tourism promotion. It encompasses both psychological and practical challenges influencing their promotional activities. The scope includes factors such as customer perception, digital marketing issues, infrastructure constraints, competition, and operational difficulties. However, the study is limited to travel agencies and does not cover tourists or other stakeholders, ensuring a focused and in-depth analysis of agency-specific challenges.

10. DATA ANALYSIS

The study used multiple regression analysis with SPSS. The findings showed that, with great model fit and high explanatory power, all soft and hard factors related to barriers have a substantial impact on growth and development of tours and travellers in Karnataka. The relevance and contribution of each independent variable were verified using statistical outputs including R, R² ANOVA, and coefficients.

Factors related to Soft Barriers

H0: There is no influence of Factors related to Soft barriers on the development of tours and travel agencies in Karnataka.

H1: There is an influence of Factors related to Soft barriers on the development of tours and travel agencies in Karnataka.

Model Summary							
Model		R	R Square	Adjusted R Square		Std. Error of the Estimate	
1		.942 ^a	.886	.883		.38874	
ANOVA ^b							
Model			Sum of Squares	df	Mean Square	F	Sig.
1	Regression		458.810	12	38.234	253.008	.000 ^a
	Residual		58.785	389	.151		
	Total		517.595	401			
Coefficients ^a							
Model			Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
1	(Constant)		-.256	.099		-2.578	.010
	Weak Visitor Trust & Safety Concerns		.203	.041	-.193	-4.982	.000
	Adverse Digital Reputation & Review Impact		.017	.038	.020	.453	.651
	Concerns About Inadequate Tourism Infrastructure		.271	.033	.324	8.088	.000
	Cautious Travel Decision-Making		.400	.037	.426	10.757	.000
	Favoring Well-Known Tourist Destinations		.052	.049	.050	1.052	.293
	Limited Knowledge of Karnataka Attractions		.022	.044	.023	.506	.613
	Doubts About Cost-to-Value Benefits		.070	.036	.077	1.928	.055
	Excessive Information Causing Decision Fatigue		.136	.030	.147	4.537	.000
	Lack of Confidence in Travel Service Providers		.107	.045	.091	2.365	.019
	Impact of Social Media on Travel Choices		.007	.030	.007	.231	.817
	Reduced Engagement Duration Among Travelers		-.103	.028	-.100	-3.688	.000
	Perceived Communication and Cultural Challenges		.230	.023	.235	9.816	.000
a. Dependent Variable: Barriers for development of tours and travel agencies							

The multiple regression analysis was conducted to examine the influence of soft barriers on the development of tours and travel agencies in Karnataka. The model demonstrated a very strong fit, with an R value of 0.942 and an R² value of 0.886, indicating that 88.6% of the variation in the development barriers faced by

tours and travel agencies is explained by the selected soft barrier factors. The adjusted R² of 0.883 further confirms the robustness of the model. The ANOVA results revealed that the overall regression model is statistically significant (F = 253.008, p < 0.001), indicating that the set of soft barrier variables collectively

has a significant influence on the development of tours and travel agencies in Karnataka. Therefore, the null hypothesis (H_0) stating that soft barriers have no influence on the development of tours and travel agencies is rejected, and the alternative hypothesis (H_1) is accepted. Among the individual predictors, several factors were found to have a statistically significant influence on development barriers. Cautious Travel Decision-Making ($\beta = 0.426$, $p < 0.001$) emerged as the strongest positive predictor, suggesting that tourists' reluctance to take travel-related risks significantly affects agency development. Concerns About Inadequate Tourism Infrastructure ($\beta = 0.324$, $p < 0.001$), Perceived Communication and Cultural Challenges ($\beta = 0.235$, $p < 0.001$), Excessive Information Causing Decision Fatigue ($\beta = 0.147$, $p < 0.001$), and Lack of Confidence in Travel Service Providers ($\beta = 0.091$, $p = 0.019$) also exert a significant positive influence on development barriers. Interestingly, Weak Visitor Trust & Safety Concerns showed a significant but negative standardized coefficient ($\beta = -0.193$, $p < 0.001$), indicating an inverse relationship after controlling for other variables. Similarly, Reduced Engagement Duration Among Travelers ($\beta = -0.100$, $p < 0.001$) was found to negatively influence development barriers. On the other hand, factors such as Adverse Digital Reputation & Review Impact ($p = 0.651$), Favoring Well-Known Tourist Destinations ($p = 0.293$), Limited Knowledge of Karnataka Attractions ($p = 0.613$), Doubts About Cost-to-Value Benefits ($p = 0.055$), and Impact of Social Media on Travel Choices ($p = 0.817$) were not statistically significant predictors. Overall, the findings suggest that travel risk sensitivity, infrastructure concerns, communication barriers, information overload, and trust in travel service providers are the most critical soft barriers influencing the development of tours and travel agencies in Karnataka. Addressing these issues through

improved infrastructure, better communication strategies, transparent service delivery, and simplified travel information could significantly enhance the growth and competitiveness of the tourism and travel agency sector in the state.

Factors related to hard barriers

H0: There is no influence impact of Factors related to hard barriers on the development of tours and travel agencies in Karnataka.

H2: There is an influence impact of Factors related to hard barriers on the development of tours and travel agencies in Karnataka.

The multiple regression analysis was conducted to examine the influence of hard barrier factors on the development of tours and travel agencies in Karnataka. The model summary indicates a strong relationship between the independent variables and the dependent variable, with an R value of 0.859. The coefficient of determination ($R^2 = 0.738$) reveals that 73.8% of the variation in the barriers affecting the development of tours and travel agencies is explained by the selected hard barrier factors, while the adjusted R^2 value of 0.729 confirms the robustness of the model. The ANOVA results show that the regression model is statistically significant ($F = 91.105$, $p < 0.001$), indicating that the set of hard barrier factors collectively has a significant influence on the development of tours and travel agencies in Karnataka. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_2) is accepted. The coefficient analysis reveals that several hard barrier factors significantly influence the development of tours and travel agencies. Among them, Weak Marketing and Promotional Efforts ($\beta = 0.409$, $p < 0.001$) emerged as the most influential positive factor, followed by Inadequate Infrastructure and Accessibility ($\beta = 0.341$, $p < 0.001$), Restricted Online Visibility and Platform Constraints ($\beta = 0.251$, $p < 0.001$), and Compliance and Permit-Related Challenges ($\beta = 0.201$, $p < 0.001$).

Model Summary							
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate		
1		.859 ^a	.738	.729	.64005		
ANOVA ^b							
Model		Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	447.875	12	37.323	91.105	.000 ^a	
	Residual	159.361	389	.410			
	Total	607.236	401				
Coefficients ^a							
Model			Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		
1	(Constant)		.646	.161		4.000	.000
	Inadequate Infrastructure and Accessibility		.369	.081	.341	4.537	.000
	Insufficient Government Assistance and Incentive Programs		.105	.069	.092	1.516	.130
	Weak Marketing and Promotional Efforts		.381	.060	.409	6.349	.000
	Fluctuating Seasonal Visitor Demand		.032	.060	.035	.536	.592
	Intense Competition from Alternative Destinations		.051	.070	.050	.736	.462
	Restricted Online Visibility and Platform Constraints		.283	.080	.251	3.538	.000
	Lack of Qualified Tourism Workforce		.089	.073	-.084	-1.228	.220
	Increasing Business and Operating Expenses		.166	.059	-.168	-2.792	.005
	Weak Stakeholder Collaboration and Alignment		.295	.073	-.233	-4.029	.000
	Compliance and Permit-Related Challenges		.224	.049	.201	4.593	.000
	Reduced Visitor Numbers Despite Development Efforts		.067	.047	.060	1.430	.154
	Deficiency of Essential Visitor Facilities		.161	.042	-.152	-3.798	.000
a. Dependent Variable: Barriers for development of tours and travel agencies							

Additionally, Increasing Business and Operating Expenses ($\beta = -0.168$, $p = 0.005$), Weak Stakeholder Collaboration and Alignment ($\beta = -0.233$, $p < 0.001$), and Deficiency of Essential Visitor Facilities ($\beta = -0.152$, $p < 0.001$) were also found to have significant impacts on the development of travel agencies. However, factors such as Insufficient Government Assistance and Incentive Programs ($p = 0.130$), Fluctuating

Seasonal Visitor Demand ($p = 0.592$), Intense Competition from Alternative Destinations ($p = 0.462$), Lack of Qualified Tourism Workforce ($p = 0.220$), and Reduced Visitor Numbers Despite Development Efforts ($p = 0.154$) did not show a statistically significant influence. Overall, the findings indicate that infrastructure deficiencies, inadequate marketing, online visibility limitations, regulatory challenges, operational costs, stakeholder coordination

issues, and lack of visitor facilities are the major hard barriers affecting the growth and development of tours and travel agencies in Karnataka.

11. FINDINGS

Findings – Factors Related to Soft Barriers

1. Cautious Travel Decision-Making is the strongest soft barrier-Travelers are increasingly risk-averse due to concerns about safety, service quality, and travel uncertainties, reducing their willingness to book through travel agencies.
2. Concerns About Inadequate Tourism Infrastructure significantly hinder development-Poor transportation, accommodation, and destination facilities negatively affect tourist satisfaction and agency performance.
3. Communication and Cultural Challenges create substantial barriers-Language differences, cultural misunderstandings, and ineffective communication reduce visitor confidence and travel experiences.
4. Information Overload leads to Decision Fatigue- Tourists are exposed to numerous travel options and online content, making it difficult to make booking decisions.
5. Lack of Confidence in Travel Service Providers affects agency growth- Concerns regarding service reliability, transparency, and fulfillment of promises reduce customer trust.
6. Weak Visitor Trust and Safety Concerns significantly affect development- Safety concerns regarding destinations, transportation, and accommodations discourage travel participation.
7. Reduced Engagement Duration Among Travelers impacts agency development- Modern travelers spend less time researching destinations and interacting with agencies, limiting opportunities for conversions.
8. Soft barriers collectively have a very strong influence on agency development-Behavioral, perceptual, communication, and trust-related issues collectively shape

tourists' travel decisions and agency performance.

Findings – Factors Related to Hard Barriers

1. Weak Marketing and Promotional Efforts are the most critical hard barrier-Insufficient destination promotion and ineffective marketing reduce tourist awareness and demand.
2. Inadequate Infrastructure and Accessibility strongly affect development-Poor roads, transportation connectivity, and accessibility discourage tourists from visiting destinations.
3. Restricted Online Visibility and Platform Constraints hinder growth-Limited digital presence and poor online discoverability reduce customer reach and bookings.
4. Compliance and Permit-Related Challenges create operational difficulties - Complex regulations, licensing requirements, and administrative procedures increase operational burdens.
5. Weak Stakeholder Collaboration and Alignment negatively impacts development- Poor coordination among government agencies, tourism operators, and local communities reduces tourism effectiveness.
6. Increasing Business and Operating Expenses reduce agency competitiveness-Rising costs of labor, transportation, utilities, and marketing lower profitability and growth opportunities.
7. Deficiency of Essential Visitor Facilities affects tourist satisfaction-Lack of quality accommodation, sanitation, information centers, and other amenities discourages visitors.
8. Hard barriers collectively have a substantial influence on agency development-Infrastructure limitations, marketing deficiencies, regulatory challenges, operational costs, and facility shortages collectively restrict the growth of tours and travel agencies in Karnataka.

12. SUGGESTIONS

1. Strengthen Digital Marketing and Destination Branding- Karnataka Tourism and travel agencies should invest in integrated digital marketing campaigns, social media promotions, influencer collaborations, and destination branding initiatives to improve visibility and attract more domestic and international tourists.
2. Improve Tourism Infrastructure and Accessibility- The government should prioritize the development of roads, transportation networks, wayfinding systems, parking facilities, and last-mile connectivity to major tourist destinations to enhance visitor convenience and satisfaction.
3. Enhance Online Presence and Technology Adoption- Travel agencies should adopt advanced digital tools such as AI-powered customer support, mobile booking applications, virtual tours, and search engine optimization (SEO) techniques to improve online discoverability and customer engagement.
4. Build Tourist Trust Through Transparent Service Delivery- Agencies should provide transparent pricing, clear package details, secure payment systems, and prompt grievance redressal mechanisms to strengthen customer confidence and reduce perceived travel risks.
5. Develop Effective Communication and Multilingual Support Systems- Travel agencies and tourism authorities should offer multilingual information materials, trained guides, and culturally sensitive communication strategies to overcome language and cultural barriers among domestic and foreign tourists.
6. Simplify Travel Information and Reduce Decision Fatigue- Tourism stakeholders should create user-friendly websites, curated travel packages, and personalized travel recommendations to help tourists make quicker and more informed travel decisions.
7. Strengthen Stakeholder Collaboration- Strong partnerships among government agencies, tourism departments, travel agencies, hospitality providers, transport operators, and local communities should be established to ensure coordinated tourism development and promotion.
8. Provide Skill Development and Training Programs- Regular training programs on customer service, digital marketing, destination management, foreign languages, and emerging tourism technologies should be organized to enhance workforce competency and service quality.
9. Reduce Regulatory and Compliance Burdens- The government should streamline licensing procedures, permit approvals, taxation processes, and other regulatory requirements through digital platforms and single-window clearance systems to improve operational efficiency.
10. Upgrade Essential Tourist Facilities- Adequate sanitation facilities, information centers, accommodation options, safety measures, healthcare support, and tourist amenities should be developed and maintained at all major tourism destinations across Karnataka.
11. Introduce Financial and Promotional Support for Travel Agencies- The government should provide financial incentives, subsidized loans, marketing assistance, and special tourism development schemes to help travel agencies overcome rising operational costs and improve their competitiveness in the tourism market. These suggestions directly address the major soft barriers (trust, communication, decision-making, information overload, and service confidence) and hard barriers (marketing, infrastructure, online visibility, regulatory challenges, stakeholder coordination, and operational costs) identified in the study, thereby supporting the sustainable growth and development of tours and travel agencies in Karnataka.

13. LIMITATIONS OF THE STUDY

1. The study was confined to selected districts of Karnataka and may not fully represent the challenges faced by travel agencies in all regions of the state.

2. The research focused only on travel agencies and did not include perspectives of tourists, government officials, hospitality providers, or local communities.
3. The study relied primarily on self-reported responses from travel agency operators, which may be subject to personal bias and perception errors.
4. The cross-sectional nature of the study captures opinions at a single point in time and does not account for changing market conditions and tourism trends.
5. Only selected soft and hard barriers were examined, while other factors such as political instability, environmental issues, and global economic conditions were not considered.
6. The study used a quantitative approach, limiting deeper qualitative insights into the underlying causes of the identified barriers.
7. Rapid technological changes in digital marketing and online travel platforms may affect the long-term applicability of the findings.
8. External factors such as pandemics, natural disasters, and international travel restrictions were not analyzed separately despite their significant influence on tourism activities.

14. DIRECTIONS FOR FUTURE RESEARCH

Future research can expand the scope of the present study by including a broader range of stakeholders such as tourists, government officials, hospitality service providers, local communities, and tourism experts to obtain a more comprehensive understanding of tourism development challenges in Karnataka. Comparative studies may be conducted across different states of India to identify region-specific barriers and best practices for tourism promotion. Longitudinal studies could also be undertaken to examine how soft and hard barriers evolve over time and how changes in technology, consumer behavior, and tourism policies influence travel agency performance.

Future researchers may investigate the role of emerging technologies such as artificial intelligence, big data analytics, virtual reality, and blockchain in enhancing tourism promotion and customer engagement. Qualitative research methods, including case studies and in-depth interviews, can provide deeper insights into stakeholder experiences and operational challenges. Additionally, future studies may explore sustainable tourism practices, eco-tourism initiatives, destination branding strategies, and the impact of social media influencers on travel decisions. Examining the effectiveness of government tourism policies and support programs would also contribute to developing more targeted and effective tourism development strategies.

15. CONCLUSION

The present study examined the influence of soft and hard barriers on the development of tours and travel agencies in Karnataka. The findings reveal that both categories of barriers significantly affect the growth and effectiveness of travel agencies in promoting tourism across the state. The regression analysis confirmed that soft barriers exert a stronger influence, explaining 88.6% of the variation in development barriers, while hard barriers account for 73.8% of the variation. Among the soft barriers, cautious travel decision-making, concerns regarding tourism infrastructure, communication and cultural challenges, information overload, and lack of confidence in travel service providers emerged as the most influential factors. Similarly, weak marketing and promotional efforts, inadequate infrastructure and accessibility, restricted online visibility, compliance-related challenges, operational costs, stakeholder coordination issues, and inadequate visitor facilities were identified as the major hard barriers. The study highlights that tourism development is influenced not only by physical infrastructure and operational factors but also by tourists' perceptions, trust, and decision-making behavior. Therefore, a holistic approach involving improved infrastructure, effective destination branding, technological

adoption, transparent service delivery, stakeholder collaboration, and supportive government policies is essential. Addressing these barriers can significantly enhance the competitiveness of travel agencies, improve tourist satisfaction, increase visitor arrivals, and contribute to the sustainable growth of Karnataka's tourism industry and overall economic development.

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