

# A Study on The Role of Fully Independent Travelers in Employment Generation in Uttarakhand

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## **Abstract:**

*This study investigates the employment generation effects of Fully Independent Travellers (FITs) on local economic development in Uttarakhand with an emphasis on the direct and indirect contributions these travelers make towards local economic development. A stratified random sample of 150 FITs was surveyed across major transit points and overnight stops around the state using semi-structured questionnaires. Results indicate high positive correlation between FIT arrivals and local forms of job creation, income distribution, and business development. In this study, the policy implications are also discussed for sustainable tourism. This study can also be a base line for future studies in the respective domain.*

**Keywords:** Free Independent Travelers, Tourism, Uttarakhand, Employment, Travel Behaviour

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## 1. INTRODUCTION:

Tourism plays a major role in the growth of Uttarakhand and works as a key engine in driving its economy. It has a significant contribution to the state's GDP and employment. In recent years, the state is witnessing a surge in the arrival of Fully Independent Travellers, who plan, organise, and stay according to their own itinerary, in contrast to package tours and treks. This has resulted in a shift in the traditional patterns of tourism-related employment. These kinds of travellers, who are often called 'FITs', tend to interact very closely with local service providers including homestays, guides, artisans, and hostels. Thus, the high inflow of FITs is providing unique opportunities for employment and entrepreneurship, especially in remote and less accessible areas. This study aims to investigate the role of Fully Independent Travellers in employment generation in the state.

## 2. LITERATURE REVIEW:

Tourism has around 14.6% share in Uttarakhand's GDP and contributes about 17% of total employment, and this makes it clear how important the growth of tourism is for the local livelihoods (Negi, 2023)<sup>1</sup>. Other studies conducted in the past find that Fully Independent Travellers (FITs) spend directly within the local economy and engage directly with marginal or small businesses by choosing remote or offbeat destinations (Bhatt & Rawat, 2025)<sup>2</sup>. In case of mass tourism, the major portion of revenue goes to bigger tour operators, but FITs choose to stay in locally owned homestays, hire local guides, and buy directly from the craftsmen or the producers. But there are challenges too, like not all destinations are all-season, poor infrastructure, natural calamities, and lack of development in offbeat destinations like internet access and drinking water facilities affect tourism. Various researches have suggested that FITs can help in reducing these challenges as they go freely without the worries of comfortable stays or the need for markets. This way, they contribute to inclusive growth. There is a lack of detailed studies in this area specifically related to Uttarakhand.

## 3. RESEARCH METHODOLOGY

### 3.1. Sampling Technique:

For this study, a stratified random sampling has been adopted by segmenting Uttarakhand's districts into high, medium, and low FIT footfall. Random samples were taken from accommodations and major transit hubs such as ISBT, bus stands, and taxi stands. The sample has tried to cover diverse tourism patterns. There were a total of 150 respondents who participated in the study.

### 3.2. Sample Size Determination:

Sample size was calculated using Cochran's formula for categorical data:

$$n_0 = \frac{Z^2 \cdot p \cdot q}{e^2}$$

where:

$n_0$  = sample size

Z = Z-value

p = proportion

q = 1 - p

e = margin of error

### 3.3. Data Collection:

For this study a structured questionnaire was prepared with the first segments as demographic profiling, second part as expenditure patters, service usage (homestays, guides, transport, handicrafts) and perception about employment and impact of FITs. The questionnaire was in Hindi and English for better understanding and accurate responses.

## 4. RESULTS:

### 4.1. Descriptive Statistics:

While analysing the demographic profiles of the respondents, the majority of them were aged between 26-35 years. The average length of the stay was 5.4 days and average spending was ₹8,500. The service usage pattern also highlights that the FITs were choosing local providers with 72% choosing homestays and guest houses. Following are the tables of Detailed segmentation.

**Table 1: Age Distribution**

Age	Percentage (%)
18 - 25 years	28%
26 - 35 years	35%
36 - 45 years	22%
46 years and above	15%
<b>Total</b>	<b>100%</b>

**Table 2: Key Travel Metrics**

Metric	Value
Mean Length of Stay	5.4 days
Mean Local Expenditure (per capita)	₹8,500

**Table 3: Utilization of Local Services**

Service Type	Percentage Utilized (%)
Homestays / Guesthouses	72%
Local Transport	65%
Handicraft Purchases	60%
Local Guide Services	48%

### 4.2. Inferential Statistics

Correlation analysis revealed a notable positive association between FIT arrivals and employment generation (\$ r = 0.81, p < 0.05 \$). Regression results indicated that higher FIT arrivals significantly predict employment growth in local communities, independent of overall tourist numbers.

Regression Equation:

$$\text{Employment} = \beta_0 + \beta_1(\text{FIT Arrivals}) + \varepsilon$$

Where  $\beta_1 > 0$  and significant at the 5% level.

Hypothesis testing confirmed that FITs contribute meaningfully to local employment, justifying the rejection of the null hypothesis.

## 5. DISCUSSION

FITs play a major role in diversifying and generating employment in Uttarakhand, majorly its done through direct spending on accommodations owned by local people, transportation operated by local people, and hand-crafted products created by native artists and craftsman. Their preference for authentic experiences supports micro-entrepreneurship and encourages the growth of tourism in remote or economically backward regions. Unlike mass tourism, which majorly benefits established operators and urban centers, FITs are creating opportunities for a local community.

## 6. CONCLUSION

This study concludes that Fully Independent Travellers are an important catalyst for employment generation in Uttarakhand. Through their different spending patterns and demand for local services, FITs support direct and indirect job creation and nurture entrepreneurship in Uttarakhan's tourism sector. Policymakers and authorities should focus on creating a FIT-friendly infrastructure, incentivize local service providers, and promote sustainable practices to maximize these benefits.

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