

Abstract

Over the years, the approach of conservation through the conversion of heritage buildings into luxury hotels has become a common practice in Rajasthan, India. This process of conversion not only provides financial means of preserving and restoring the building but also creates a source of income for the tourism sector. The tourism sector in Rajasthan is strongly growing and with that, the impacts created by these conversions of buildings are also expanding.

Introduction

Rajasthan is the largest state in India, with an area of 342,239 sq kms and is located in the north western part of the country. The state shares its boundaries with Indian states such as Punjab and Haryana in the north, Uttar Pradesh in North East, Madhya Pradesh on the South East and Gujarat on the South West (IBEF, 2016). The state also shares a 1070 km long international boundary with India's neighbouring state, Pakistan (Maps of India, 2011). The representation and location of these states and countries is shown in Figure 1.1

Research Question

Based on the background research conducted, the following research question was generated:
What are the economic impacts of converting a heritage building into a luxury hotel?

Research Aims

In order to answer the research question within the context of Rajasthan cities, the following aim of the research was proposed:
'To understand the economic impacts of converting heritage buildings into Luxury Hotels.'

Conceptual Framework

From the literature review, a conceptual framework was created that analysed the different methods of analysing the economic impacts created by the tourism sector. The first method is through **The nature of the Economic Impacts:** Direct Indirect and Induced Impacts and how each one of them relates to a different sector of the tourism industry. The research however focused on the two main types - Direct and Indirect.

Direct impacts: Employment and enterprise opportunities that are directly linked to those working in the tourism sector. These include commodities such as accommodation (hotels and restaurants) and industries such as retail trade.

This research aims to understand the economic impacts of converting heritage buildings into luxury hotels in Rajasthan. To achieve this aim, the research firstly develops a conceptual framework to understand the concept of conversion as part of the conservation of heritage buildings and identifies the types of impacts it creates. The framework is then applied to three case studies selected from different parts of Rajasthan in order to identify and understand the key economic impacts created by the conversion of heritage buildings into luxury hotels in the context of Rajasthan.

Rajasthan is famous for its rich culture and tradition, fairs and festivals worldwide (Sharma, 2013), they hold pride in their architectural heritage. The forts and palaces speak of the inherent creativity and expertise of its people (Rajasthan Tourism, 2015), but there is a still a need to investigate the economic value of the conversion of these architectural structures into luxury hotels.

The research aims to answer some of the other aspects revolving around heritage building and its conversion into luxury hotels. It considers the economic impacts created by the tourism industry (source) through the conservation on the community (subject).

Research Objectives

- The main objectives of the research were:
- The First Objective** - *To develop a conceptual understanding of the conversion as a part of conservation of heritage buildings into luxury hotels and the impacts it creates.*
 - The Second Objective** - *To use the conceptual understanding to analyse three different case studies of conversion of heritage buildings into luxury hotels in Rajasthan, India.*
 - The Third Objective** - *To identify the key economic impacts that conversion of heritage building into luxury hotels are having in the state of Rajasthan.*



Figure 1.1: Map of India showing the location of Rajasthan
Source: Wikimedia Commons

Indirect Impacts: Employment and enterprise opportunities that supply goods and services to the tourism sector. These impacts include linkages with local and small businesses supplying food and other goods and services (Ashley et. al., 2007: 10).

The second method of analysing the economic impacts is:

- The type of Economic Impacts:
 - Employment
 - Contribution to GDP
 - Development of Infrastructure
 - Foreign Exchange Earnings

Strategy & Analysis

Research Strategy

A qualitative research strategy was used to identify and understand the nature and types of economic impacts as the strategy emphasizes words more than numerical quantity and provides points of view of participants (Bryman, 2008).

For researching the economic impact of converting heritage buildings into luxury hotels, a case study analysis strategy was chosen as it provides in-depth information and help understanding the relationship between heritage conservation and economic impact.

Interviews were considered the most appropriate method as they also allow an in-depth understanding. Apart from interviews, published secondary data was also used to understand and identify the economic impacts.

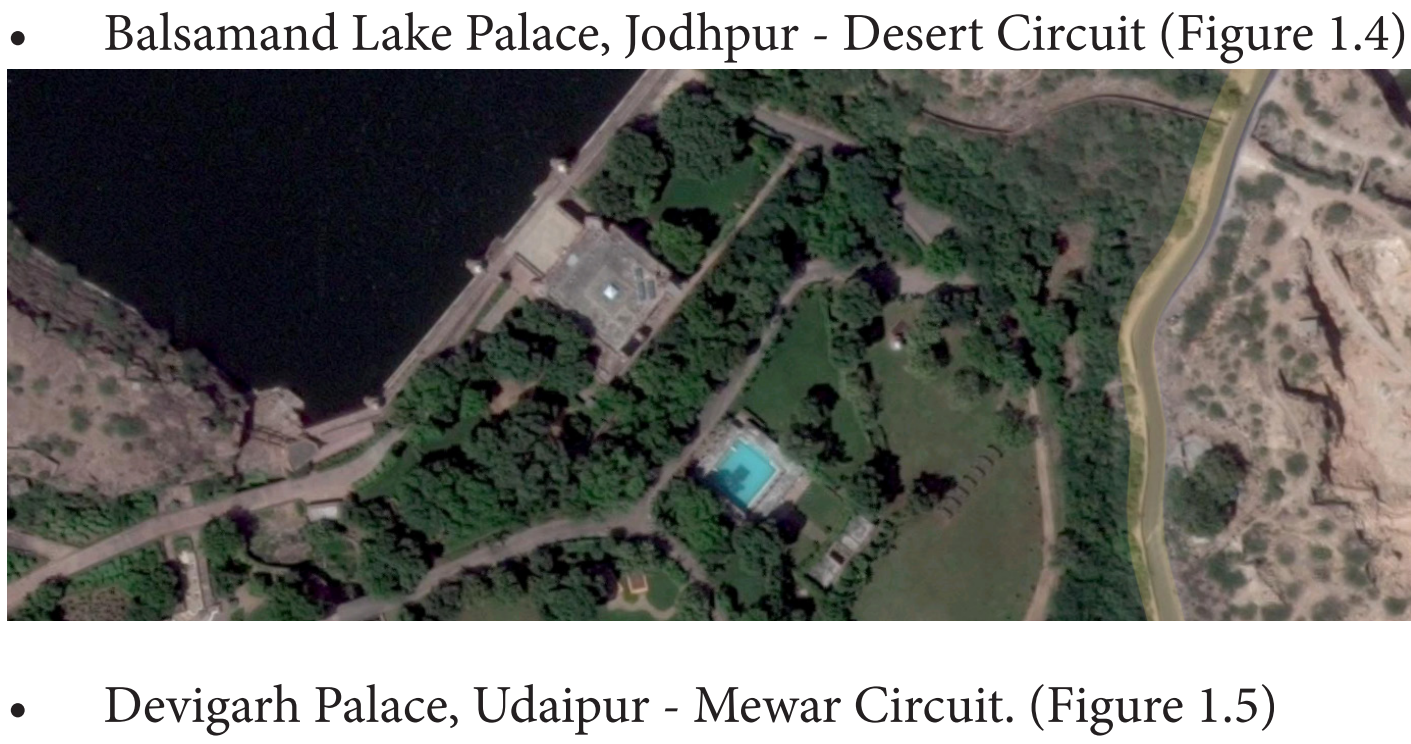
Case Study Analysis

Three different types of case studies have been identified to help achieve the aim and objectives of the research. Understanding of the conceptual framework was used to test these theories on three different types of case studies, each selected from an urban area of Rajasthan. The three case studies identified were:

- Rambagh Palace, Jaipur - Golden Triangle Circuit



Figure 1.3: Rambagh Palace, Jaipur
Source: Wikimedia Commons



- Devigarh Palace, Udaipur - Mewar Circuit. (Figure 1.5)



Results

The findings gathered from the primary and secondary data included both – the nature and types of economic impacts. From the analysis, employment was found as one of the leading direct impacts along with infrastructure development, which were supported by government subsidies. The case studies further identified the indirect impacts such as encouraging local talents and boosting local economy and markets, which were created by the tourism sector to benefit the local communities.

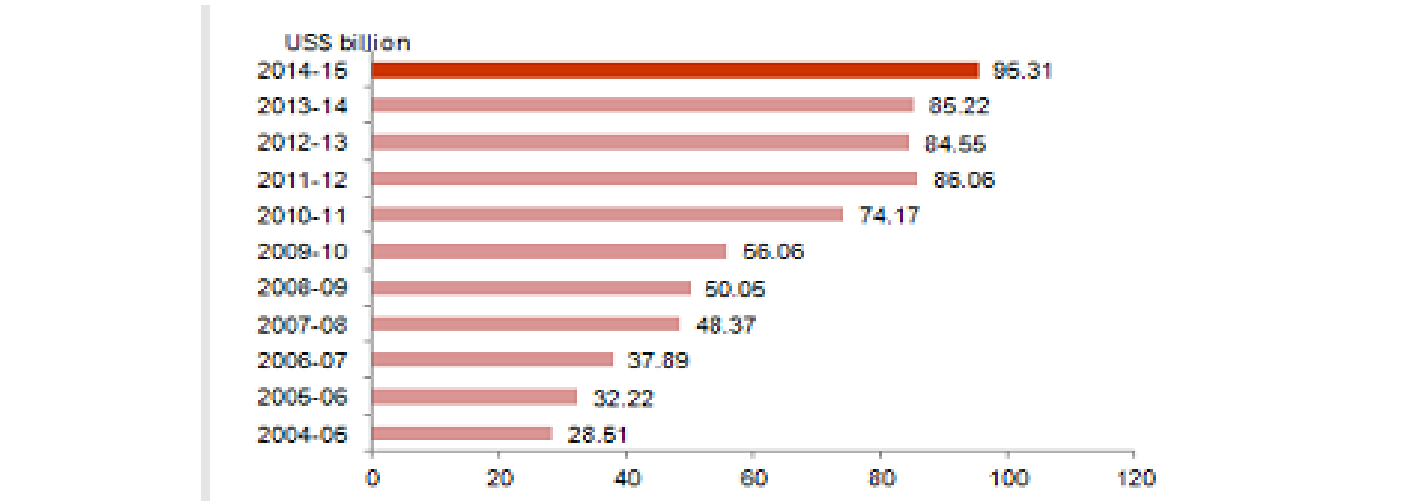


Figure 1.6: Economic Snapshot of the Gross State Domestic Product of Rajasthan
Source: IBEF, 2016

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Turner, R. (2015) Welcome to Rajasthan - official Website of department of tourism, government of Rajasthan. Available at: <http://tourism.rajasthan.gov.in> (Accessed: 1 February 2016).
Turner, R. (2014) Figure 1.2: Direct, Indirect and Induced Impacts contributed by Tourism Available at: <http://www.wttc.org/-/media/files/reports/economic%20impact%20research/country%20reports/india2014.pdf> (Accessed: February 2016).

Figure 1.3: Rambagh Palace, Jaipur Available at: <https://commons.wikimedia.org/wiki/File:Showroom.png> (Accessed: May 2016)
Figure 1.4: Balsamand Lake Palace, Jodhpur Available at: <https://www.google.co.uk/maps/place/Bal+Samand+Lake/@26.3344871,73.0225789,808a.20y/270h/data=!3m1!1e3!1m5!1m4!1s0x911808a585400b0x996c8883038a1b78m2!3d26.3301873!4d73.0194964> (Accessed: May 2016).
Figure 1.5: Devigarh Palace, Udaipur Available at: <http://blog.indianluxurytrains.com/2013/03/devigarh-revont-udaipur-heritage-hotel.html> (Accessed: May 2016).
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