

Fundamentals of Human Geography

Chapter-7 Tertiary and Quaternary Activities

Key Notes:

- Tertiary activities are related to the service sector
- Manpower is an important component of the service sector as most of the tertiary activities are performed by skilled labour, professionally trained experts and consultants
- The tertiary industry is the segment of the economy that provides services to its consumers; this includes a wide range of businesses such as financial institutions, schools and restaurants. It is also known as the tertiary sector or service industry/sector.
- Tertiary activities include both production and exchange
- The production involves the 'provision' of services that are 'consumed'
- The output is indirectly measured in terms of wages and salaries
- Exchange, involves trade, transport and communication facilities that are used to overcome distance
- Tertiary activities, therefore, involve the commercial output of services rather than the production of tangible goods
- They are not directly involved in the processing of physical raw materials
- Common examples are the work of a plumber, electrician, technician, launderer, barber, shopkeeper, driver, cashier, teacher, doctor, lawyer and publisher etc.
- The main difference between secondary activities and tertiary activities is that the expertise provided by services relies more heavily on specialised skills, experience and knowledge of the workers rather than on the production techniques, machinery and factory processes

TYPES OF TERTIARY ACTIVITY

Trade, transport, communication and services are some of the tertiary activities

1) Trade and commerce

- Trade is essentially buying and selling of items produced elsewhere
 - The towns and cities where all these works take place are known as trading centres
 - Trading centres may be divided into rural and urban marketing centres
- i. **Rural marketing centres-** It cater to nearby settlements. These are quasi-urban centres. They serve as trading centres of the most rudimentary type. These form local collecting and distributing centres. Most of these have mandis (wholesale markets) and also retailing areas. These are significant centres for making available goods and services which are most frequently demanded by rural folk.
 - ii. **Periodic markets-** These type of markets are found in rural areas are found where there are no regular markets and local periodic markets are organised at different temporal intervals. These may be weekly, bi-weekly markets from where people from the surrounding areas meet their temporally accumulated demand. These markets are held on specified dates and move from one place to another
 - iii. **Urban marketing centres-** This type of centre have more widely specialised urban services. They provide ordinary goods and services as well as many of the specialised goods and services required by people. Urban centres, therefore, offer manufactured goods as well as many specialised markets develop, e.g. markets for labour, housing, semi or finished products. Services of educational institutions and professionals such as teachers, lawyers, consultants, physicians, dentists and veterinary doctors are available.

Retail Trading

- This is the business activity concerned with the sale of goods directly to the consumers
- Most of the retail trading takes place in fixed establishments or stores solely devoted to selling
- Street peddling, handcarts, trucks, door-to-door, mail-order, telephone, automatic vending machines and internet are examples of non-store retail trading

Wholesale Trading

- Wholesale trading constitutes bulk business through numerous intermediary merchants and supply houses and not through retail stores

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- Most retail stores procure supplies from an intermediary source

2) Transport

- Transport is a service or facility by which people, materials and manufactured goods are physically carried from one location to another
- It is an organised industry created to satisfy man's basic need of mobility
- Modern society requires speedy and efficient transport systems to assist in the production, distribution and consumption of goods
- At every stage in this complex system, the value of the material is significantly enhanced by transportation
- Transport distance can be measured as: km distance or actual distance of route length; time distance or the time taken to travel on a particular route; and cost distance or the expense of travelling on a route
- In selecting the mode of transport, distance, in terms of time or cost, is the determining factor

Factors Affecting Transport

- Demand for transport is influenced by the size of population. The larger the population size, the greater is the demand for transport.
- Routes depend on: location of cities, towns, villages, industrial centres and raw materials, pattern of trade between them, nature of the landscape between them, type of climate, and funds available for overcoming obstacles along the length of the route.

3) Communication

- Communication services involve the transmission of words and messages, facts and ideas
- The invention of writing preserved messages and helped to make communication dependent on means of transport
- These were actually carried by hand, animals, boat, road, rail and air
- That is why all forms of transport are also referred to as lines of communication
- Certain developments, such as mobile, telephony and satellites, have made communications independent of transport

Some of the communication services are

- a. **Telecommunications**- The use of telecommunications is linked to the development of modern technology. It has revolutionised communications because of the speed with which messages are sent. The time reduced is from weeks to minutes.
- b. **Radio and television**- It also help to relay news, pictures, and telephone calls to vast audiences around the world and hence they are termed as mass media. They are vital for advertising and entertainment.
- c. **Newspapers** are able to cover events in all corners of the world.
- d. **Satellite communication** relays information of the earth and from space. The internet has truly revolutionised the global communication.

4) Services

- Services occur at many different levels
- Some are geared to industry, some to people, and some both industry and people, e.g. the transport systems
- Services are provided to individual consumers who can afford to pay for them. For example, the gardener, the launderers and the barber do primarily physical labour. Teacher, lawyers, physicians, musicians and others perform mental labour
- Making and maintaining highways and bridges, maintaining fire fighting departments and supplying or supervising education and customer -care are among the important services most often supervised or performed by governments or companies
- State and union legislation have established corporations to supervise and control the marketing of such services as transport, telecommunication, energy and water supply
- **Professional services** are primarily health care, engineering, law and management. The location of recreational and entertainment services depends on the market.
- **Personal services** are made available to the people to facilitate their work in daily life. The workers migrate from rural areas in search of employment and are unskilled. They are employed in domestic services as housekeepers, cooks, and gardeners. This segment of workers is generally unorganised. For example in India is Mumbai's dabbawala (Tiffin) service provided to about 1,75,000 customers all over the city

PEOPLE ENGAGED IN TERTIARY ACTIVITIES

Tourism

- It has become the world's single largest tertiary activity in total registered jobs (250 million) and total revenue (40% of the total GDP)
- Many local persons, are employed to provide services like accommodation, meals, transport, entertainment and special shops serving the tourists
- Tourism fosters the growth of infrastructure industries, retail trading, and craft industries (souvenirs)
- In some regions, tourism is seasonal because the vacation period is dependent on favourable weather conditions, but many regions attract visitors all the year round

Tourist regions

- The warmer places around the Mediterranean Coast and the West Coast of India are some of the popular tourist destinations in the world
- Others include winter sports regions, found mainly in mountainous areas, and various scenic landscapes and national parks, which are scattered
- Historic towns also attract tourists, because of the monument, heritage sites and cultural activities

Factors Affecting Tourism Demand

- Demand:** The demand for holidays has increased rapidly. Improvements in the standard of living and increased leisure time, permit many more people to go on holidays for leisure.
- Transport:** The opening-up of tourist areas has been aided by improvement in transport facilities. Travel is easier by car, with better road systems. More significant in recent years has been the expansion in air transport. For example, air travel allows one to travel anywhere in the world in a few hours of flying- time from their homes. The advent of package holidays has reduced the costs.

Tourist Attractions

The **factors** due to which **tourist attractions** in a **particular area or region** are:

- Climate:** Most people from colder regions expect to have warm, sunny weather for beach

holidays. This is one of the main reasons for the importance of tourism in Southern Europe and the Mediterranean lands. The Mediterranean climate offers almost consistently higher temperatures, than in other parts of Europe, long hours of sunshine and low rainfall throughout the peak holiday season. People taking winter holidays have specific climatic requirements, either higher temperatures than their own homelands, or snow cover suitable for skiing.

- b. **Landscape:** Many people like to spend their holidays in an attractive environment, which often means mountains, lakes, sea coasts and landscapes
- c. **History and Art:** The history and art of an area have potential attractiveness. People visit ancient or picturesque towns and archaeological sites, and enjoy exploring castles, palaces and churches.
- d. **Culture and Economy:** These attract tourists with a penchant for experiencing ethnic and local customs. Home-stay has emerged as a profitable business such as heritage homes in Goa, Madikere and Coorg in Karnataka.

Medical Services for Overseas Patients in India

- When medical treatment is combined with international tourism activity, it lends itself to what is commonly known as medical tourism
- About 55,000 patients from U.S.A. visited India in 2005 for treatment
- India has emerged as the leading country of medical tourism in the world
- World class hospitals located in metropolitan cities cater to patients all over the world
- Medical tourism brings abundant benefits to developing countries like India, Thailand, Singapore and Malaysia
- Medical tourism, is the trend of outsourcing of medical tests and data interpretation
- Hospitals in India, Switzerland and Australia have been performing certain medical services – ranging from reading radiology images, to interpreting Magnetic Resonance Images (MRIs) and ultrasound tests

QUATERNARY ACTIVITIES

- People work in a segment of the service sector that is knowledge oriented. This sector can be divided into quaternary and quinary activities
- Quaternary activities involve some of the following: the collection, production and dissemination of information or even the production of information

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- Quaternary activities centre around research, development and may be seen as an advanced form of services involving specialised knowledge and technical skills

QUINARY ACTIVITIES

- Quinary activities are services that focus on the creation, re-arrangement and interpretation of new and existing ideas; data interpretation and the use and evaluation of new technologies
- Often referred to as 'gold collar' professions, they represent another subdivision of the tertiary sector representing special and highly paid skills of senior business executives, government officials, research scientists, financial and legal consultants, etc.
- Their importance in the structure of advanced economies far outweighs their numbers
- The highest level of decision makers or policy makers perform quinary activities
- These are subtly different from the knowledge based industries that the quinary sector in general deals with
- Outsourcing has resulted in the opening up of a large number of call centres in India, China, Eastern Europe, Israel, Philippines and Costa Rica
- It has created new jobs in these countries
- Outsourcing is coming to those countries where cheap and skilled workers are available
- These are also out-migrating countries
- New trends in quinary services include knowledge processing outsourcing (KPO) and 'home shoring', the latter as an alternative to outsourcing
- The KPO industry is distinct from Business Process Outsourcing (BPO) as it involves highly skilled workers
- It is information driven knowledge outsourcing
- KPO enables companies to create additional business opportunities
- Examples of KPOs include research and development (R&D) activities, e-learning, business research, intellectual property (IP) research, legal profession and the banking sector
- Outsourcing or contracting out is giving work to an outside agency to improve efficiency and to reduce costs

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- Business activities that are outsourced include information technology (IT), human resources, customer support and call centre services and at times also manufacturing and engineering
 - Data processing is an IT related service easily be carried out in Asian, East European and African countries
 - In these countries IT skilled staff with good English language skills are available at lower wages than those in the developed countries

THE DIGITAL DIVIDE

- A digital divide is an economic and social inequality with regard to access to, use of, or impact of information and communication technologies
- The divide within countries may refer to inequalities between individuals, households, businesses, or geographic areas, usually at different socio-economic levels or other demographic categories
- There are wide ranging economic, political and social differences among countries
- While developed countries in general have surged forward, the developing countries have lagged behind and this is known as the digital divide
- Digital divides exist within countries. For example, in a large country like India or Russia, it is inevitable that certain areas like metropolitan centres possess better connectivity and access to the digital world