

***TOURISM: AN ATTRACTIVE AND BOOMING SECTOR IN INDIA***

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**Abstract**

Travelling and Tourism is an integral part of Indian cultural and tradition. Tourism industry and Hospitality is the key driver to increase Foreign Tourist Arrivals. This paper discusses how India is emerging as popular tourist destination in the world. The paper also examine the impact of tourism on Indian economy, Foreign Tourist Arrivals, Role of tourism industry in India GDP, Travel and Tourism's contribution to GDP ,Scope and Highlights of tourism. The paper also explore the tremendous growth in tourism industry because the policies of government and support from all the levels. Tourism provides economics benefit, social benefit, cultural benefit, Physical environmental benefit to countries.

**Key terms**

Tourism industry, Destination, Foreign Tourist, Economic growth

### **Introduction**

The tourism comes from the Latin word “TOMOS” and Hebrews word “TORAH” .Tourism in reality is not an industry but an activity. It is defined as an activity takes place when people move to some other place for leisure or for business and stay at least for 24 hours. Tourism in India has grown as year passes. It is a treasure house of cultural and traditional embellishes as reflected in its artifacts, scenic beauties of the rivers, sea and mountains, thus enabling it to gain a prestige in the international arena. As per the Travel and Tourism competitiveness Report 2009 by the World Economic Forum, India is ranked 11th in the Asia Pacific region and 62nd overall, moving up three places on the list of the world's attractive destinations. It is ranked the 14th best tourist destination for its natural resources and 24th for its cultural resources, with many World heritage sites, both natural and cultural, rich fauna, and strong creative industries in the country. India also bagged 37th rank for its air transport network. The India travel and tourism industry ranked 5th in the long- term [10-year] growth and is expected to be the second largest employer in the world by 2019.

The Tourism ministry has also played an important role in the development of the industry, initiating advertising campaigns such as the 'Incredible India' campaign, which promoted India's culture and tourist attractions in a fresh and memorable way. The campaign helped to create a colorful image of India in the minds of consumers all over the world, and has directly led to an increase in the interest among tourists. The tourism industry of India is based on certain core nationalistic ideals and standards which are Swaagat or welcome, Sahyog or cooperation, Sarachanaa or infrastructure, Suvida or facilitation.

The slogan ‘*Athithi Devo Bhava*’ which means ‘guests are like God’ truly represents the fact that Indians have been highly hospitable people and this trend is still present in modern India. A guest is considered as highly revered person. Intricate arrangements are generally made for a guest who visits somebody’s home for a holiday or other reasons. The family plans well for the comfortable stay of a guest. More to this still the best crockery and bed sheets are kept in store room just for the usage of the guests.

It is expected that the tourism sectors contribution to the country's Gross Domestic Product (GDP) will grow.

### **What is tourism?**

Tourism refers to that activity which is conducted for a short period of time; more than 24 hours and less than 1 year; for a non-remunerative purpose. Based on the UNWTO definition on tourism, tourism could be categorized as:

**Domestic Tourism:** It involves trips made by local residents within their own countries.

**International Tourism:** International Tourism involves trips between 2 countries. To a certain country, a visit by residents of that country to another country is her outbound tourism; a visit to that country by residents of another country is her inbound tourism.

### **How tourism is booming sector in India**

#### **Impact of tourism in India**

Tourism industry has several impacts on Indian economy and societies.

1. **Generating Income and Employment:** Tourism in India has emerged as an instrument of income and employment generation, poverty alleviation and sustainable human development. It is considered as one of the major factor in the growth of India. The tourism also increases employment in various sector such as hotel management industries, healthcare industries etc. It contributes 6.23% to the national GDP and 8.78% of the total employment in India. Nowadays about 20 millions peoples work in tourism industry.
2. **Source of Foreign Exchange Earnings:** The primary objective of any country is to maximize **Foreign Exchange Earnings**. Tourism is an important source of foreign exchange earnings in India. This has favourable impact on the balance of payment of the country. The tourism industry in India generated about US\$100 billion in 2008 and that is expected to increase to US\$275.5 billion by 2018 at a 9.4% annual growth rate.

3. **Preservation of National Heritage and Environment:** Tourism helps preserve several places which are of historical importance by declaring them as heritage sites. For instance, the Taj Mahal, the Qutab Minar, Ajanta and Ellora temples, etc, would have been decayed and destroyed had it not been for the efforts taken by Tourism Department to preserve them. Likewise, tourism also helps in conserving the natural habitats of many endangered species.
4. **Promoting Peace and Stability:** The tourism industry can also help promote peace and stability in developing country like India by providing jobs, generating income, diversifying the economy, protecting the environment, and promoting cross-cultural awareness. However, key challenges like adoption of regulatory frameworks, mechanisms to reduce crime and corruption, etc, must be addressed if peace-enhancing benefits from this industry are to be realized.

#### **Role of tourism industry in India GDP**

Tourism Industry has contributed enormously in the flourishing graph of India's economy by attracting a huge number of foreign and domestic tourists travelling for professional as well as holiday purposes. According to the Travel & Tourism Competitiveness Report 2009 brought out by the World Economic Forum, the contribution of travel and tourism to gross domestic product (GDP) is expected to be at US\$ 187.3 billion by 2019. The report also states that real GDP growth for travel and tourism economy is expected to achieve an average of 7.7 per cent per annum over the next 10 years. Export earnings from international visitors and tourism goods are expected to generate US\$ 51.4 billion (nominal terms) by 2019. Furthermore, the sector which accounted for 6.4 per cent of total employment in 2009 is estimated to rise to 7.2 per cent of total employment by 2019.

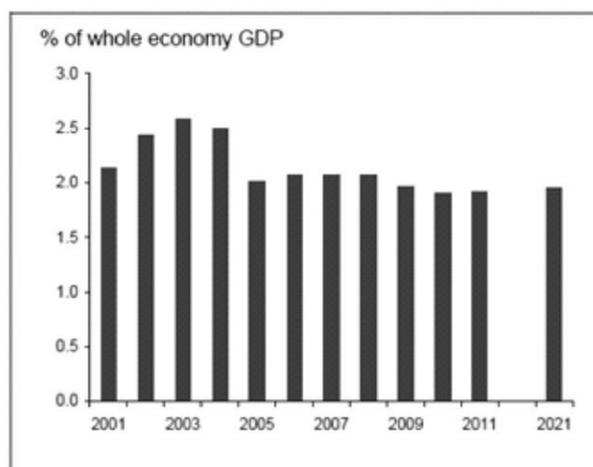
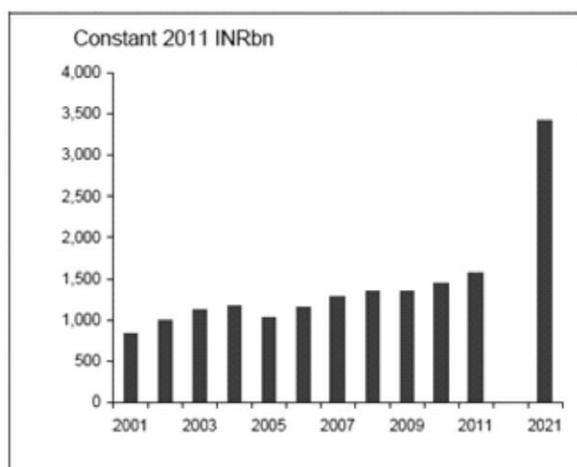
Some of the most significant features of India's tourism industry or the Role of Tourism Industry in India GDP have been listed below:

- Tourism increases growing rate of the tourist's arrival in the country, the Indian tourist industry designed a wide spectrum of holiday packages and cheaper airfares to attract more tourists.
- India is most likely to set up forty hotels of global brands by 2011. The hospitality segment in India is assumed to reach 11.41 billion.
- The United Nations World Tourism Organization [UNWTO] has estimated the outgoing tourists to reach around 50 million by the year 2020.
- The booming success of Indian tourism industry has led to a drastic change in the hospitality department as well. The increase in the ratio of tourist resulted in the increase Of room rates and also setting up of a wide range of hotels and other residing areas.
- The Role Tourism Industry in India GDP also features medical tourism that includes traditional therapies like yoga, meditation, ayurveda, allopathic and other.

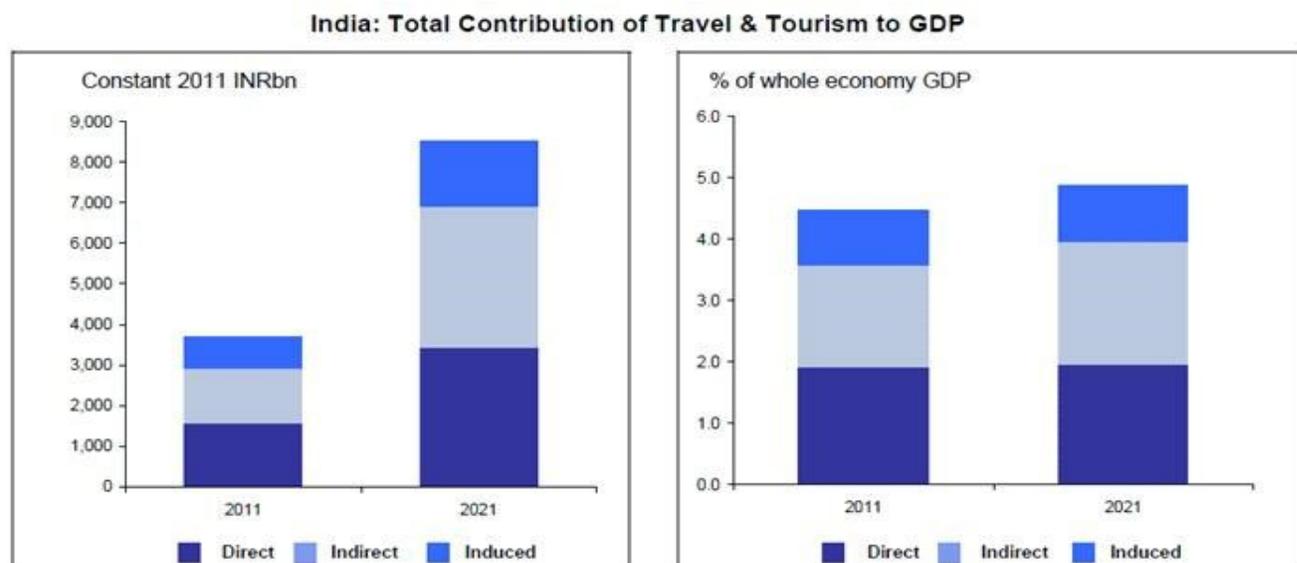
### Travel and Tourism's contribution to GDP

The direct contribution of Travel and Tourism to GDP is expected to be INR1570.5bn in 2011(1.9% of GDP). This primarily reflects the economic activity generated by industries hotels, travel agents, airlines and other passenger transportation services. But it also includes, for example, the activities of the restaurants and leisure industry directly supported by tourists.

India: Direct Contribution of Travel & Tourism to GDP



The total contribution of Travel and Tourism to GDP



### Highlights of indian tourism

- Increase in GDPC
- Helping to preserve traditional and cultural heritage
- Offering more tourism education.
- Growth in health care management
- Growth in hotel industry
- Expansion in transport
- Motivating Private sectors to attract more tourist

### Conclusion

Tourism is considered as a significant factor in the economy of India. Tourism has contributed to increase awareness about conservation of the environment and the cultural heritage. Tourism is one of the fastest growing industries in modern world. The government has made many policies and campaigns to promote Indians heritage. Tourism sector is not only a major

contributor to the growth of the economy but a generator of employments opportunities as well. Tourism not only increase GDP of India but also play important role in increasing the growth of other industries.

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