
Impact of Tourism on Development

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ABSTRACT

The objective of the present research is to find impact of tourism on development. For the purpose 50 local tourists and 50 foreign tourists were contacted. They were given a self made questionnaire. The data was analysed through Chi square test. There is a positive impact of tourism as it was found that tourism improves local economy, bring More Investment in local areas such as hotel construction, Increases Tax Revenues and Local Residents Gain Employment Opportunities.

KEYWORDS: *Tourism, Economy, Tax Revenues, Employment*

INTRODUCTION:

Tourism brings in large amounts of income into a local economy in the form of payment for goods and services needed by tourists, accounting for 30% of the world's trade of services, and 6% of overall exports of goods and services. It also creates opportunities for employment in the service sector of the economy associated with tourism. (UMWTO, 2012).

The service industries which benefit from tourism include transportation services, such as airlines, cruise ships, and taxicabs; hospitality services, such as accommodations, including hotels and resorts; and entertainment venues, such as amusement parks, casinos, shopping malls, music venues, and theatres. This is in addition to goods bought by tourists, including souvenirs, clothing and other supplies.

P K Mishra, Himanshu B. Rout and Smita S. Mohapatra (2011) narrated in their research work that Tourism is one of the most important sectors in the world economy. It is now considered as an efficient tool for promoting economic growth of the host country. Since last few decades, tourism industry in India has been growing at a rapid pace and it has vast potential for generating employment and earning large amount of foreign exchange besides giving a fillip to the country's overall economic and socio-cultural development. It is thus imperative to examine the dynamics of the relationship between tourism sector expansion and economic growth in India. This paper is an attempt in this direction. The study using popular time series models for

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the period spanning from 1978 to 2009, provides the evidence of long-run unidirectional causality from tourism activities to economic growth of the country. Therefore, as a part of the policy implications it is necessary that all wings of the central and state governments, private bodies and voluntary organizations should become the active partners in the endeavour to attain sustainable growth in tourism and overall economy as well.

Sandeep Das (2011) in his article explains that tourism provides opportunities of job creation directly and indirectly. So this sector should be provided with incentives for sustainable and overall economic growth along with creation of jobs.

Barnamaulick (2012) in his article highlights about the tourism as strategy for rural development. He has given more priority of tourism sector and its contribution to earn foreign exchange and the accelerating trend of this sector towards attracting the foreign tourist arrival in India from 2001 to 2010.

Parmar Jaysingh (2012), in his article explains tourism as an engine for economic growth. In his study he basically focuses on the rural economy of Himachal Pradesh with the findings that this state is emerging as a favorite destinations for the tourists i.e., both domestic and foreigners which helps for the growth of the state.

METHODOLOGY

For data collection the locale of the present study is confined to Rajasthan State. And from Rajasthan State Five places were selected purposively seeing the importance of cultural and medical aspects of tourism avenues. The name of selected areas for data collection are: Jaipur, Udaipur, Mount Abu, Ajmer, and Chittor.

The total sample for the present research work was 100 respondents. Out of these 100 respondents 50 each belongs from local tourists and foreign tourists.

A self-made questionnaire was distributed and data was collected. The percentage and Chi Square was calculated at checked at 0.05 level of significance. The data was analysed with the help of SPSS (Social Science Package for Social Sciences, Version 21.0).

RESULTS AND DISCUSSION

Table 1 presents the opinion of local and foreign tourist regarding impact of tourism on handicraft industry is it improves local economy.

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Table 1
Improves Local Economy

		Highly Dissatisfied	Dissatisfied	Neutral	Satisfied	Highly Satisfied	Total	Chi-Square (df) Significance
Local Tourists	F	2	18	12	12	6	50	35.788 (4) 0.01
	%	4.0	36.0	24.0	24.0	12.0	100.0	
Foreigner Tourists	F	0	2	4	19	25	50	
	%	0.0	4.0	8.0	38.0	50.0	100.0	
Total	F	2	20	16	31	31	100	
	%	2.0	20.0	16.0	31.0	31.0	100.0	

The above table shows that overall 2.0% of tourists are highly dissatisfied, 20.0% are dissatisfied, 16.0% are neutral, 31.0% are satisfied and 31.0% are highly satisfied regarding the impact of tourism on handicraft industry is it improves local economy.

The table also presents that among the local tourists 2.0% of tourists are highly dissatisfied, 20.0% are dissatisfied, 16.0% are neutral, 31.0% are satisfied and 31.0% are highly satisfied regarding the impact of tourism on handicraft industry is it improves local economy. Whereas among the foreign tourists 2.0% of tourists are highly dissatisfied, 20.0% are dissatisfied, 16.0% are neutral, 31.0% are satisfied and 31.0% are highly satisfied regarding the impact of tourism on handicraft industry is it improves local economy. Furthermore the chi-square was found to be 35.788 which is significant at 0.01 level. It infers that there is a significant difference in the opinion of local and foreign tourists regarding impact of tourism on handicraft industry is it improves local economy.

Table 2 presents the opinion of local and foreign tourist regarding impact of tourism on handicraft industry is it brings more investment in local areas such as hotel construction.

Table 2
Bring More Investment in Local Areas Such As Hotel Construction

		Highly Dissatisfied	Dissatisfied	Neutral	Satisfied	Highly Satisfied	Total	Chi-Square (df) Significance
Local Tourists	F	2	12	6	16	14	50	12.967 (4) 0.05
	%	4.0	24.0	12.0	32.0	28.0	100.0	
Foreigner Tourists	F	0	4	5	12	29	50	
	%	0.0	8.0	10.0	24.0	58.0	100.0	
Total	F	2	16	11	28	43	100	
	%	2.0	16.0	11.0	28.0	43.0	100.0	

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The above table shows that overall 2.0% of tourists are highly dissatisfied, 16.0% are dissatisfied, 11.0% are neutral, 28.0% are satisfied and 43.0% are highly satisfied regarding the impact of tourism on handicraft industry is it brings more investment in local areas such as hotel construction. The table also presents that among the local tourists 4.0% of tourists are highly dissatisfied, 24.0% are dissatisfied, 12.0% are neutral, 32.0% are satisfied and 28.0% are highly satisfied regarding the impact of tourism on handicraft industry is it brings more investment in local areas such as hotel construction. Whereas among the foreign tourists 8.0% of tourists are dissatisfied, 10.0% are neutral, 24.0% are satisfied and 58.0% are highly satisfied regarding the impact of tourism on handicraft industry is it brings more investment in local areas such as hotel construction. Furthermore the chi-square was found to be 35.788 which is significant at 0.05 level. It infers that there is a significant difference in the opinion of local and foreign tourists regarding impact of tourism on handicraft industry is it brings more investment in local areas such as hotel construction.

Table 3 presents the opinion of local and foreign tourist regarding impact of tourism on handicraft industry is it increases tax revenues.

Table 3
Increases Tax Revenues

		Highly Dissatisfied	Dissatisfied	Neutral	Satisfied	Highly Satisfied	Total	Chi-Square (df) Significance
Local Tourists	F	1	12	5	18	14	50	12.628 (4) 0.05
	%	2.0	24.0	10.0	36.0	28.0	100.0	
Foreigner Tourists	F	0	5	5	10	30	50	12.628 (4) 0.05
	%	0.0	10.0	10.0	20.0	60.0	100.0	
Total	F	1	17	10	28	44	100	12.628 (4) 0.05
	%	1.0	17.0	10.0	28.0	44.0	100.0	

The above table shows that overall 1.0% of tourists are highly dissatisfied, 17.0% are dissatisfied, 10.0% are neutral, 28.0% are satisfied and 44.0% are highly satisfied regarding the impact of tourism on handicraft industry is it increases tax revenues.

The table also presents that among the local tourists 2.0% of tourists are highly dissatisfied, 24.0% are dissatisfied, 10.0% are neutral, 36.0% are satisfied and 28.0% are highly satisfied regarding the impact of tourism on handicraft industry is it increases tax revenues. Whereas among the foreign tourists 10.0% of tourists are dissatisfied, 10.0% are neutral, 20.0% are satisfied and 60.0% are highly satisfied regarding the impact of tourism on handicraft industry is it increases tax revenues. Furthermore the chi-square was found to be 12.628 which is significant

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at 0.05 level. It infers that there is a significant difference in the opinion of local and foreign tourists regarding impact of tourism on handicraft industry is it increases tax revenues.

Table 4 presents the opinion of local and foreign tourist regarding impact of tourism on handicraft industry is local residents gain employment opportunities.

Table 4
Local Residents Gain Employment Opportunities

		Highly Dissatisfied	Dissatisfied	Neutral	Satisfied	Highly Satisfied	Total	Chi-Square (df) Significance
Local Tourists	F	1	11	8	17	13	50	13.135 (4) 0.05
	%	2.0	22.0	16.0	34.0	26.0	100.0	
Foreigner Tourists	F	0	5	5	10	30	50	
	%	0.0	10.0	10.0	20.0	60.0	100.0	
Total	F	1	16	13	27	43	100	
	%	1.0	16.0	13.0	27.0	43.0	100.0	

The above table shows that overall 1.0% of tourists are highly dissatisfied, 16.0% are dissatisfied, 13.0% are neutral, 27.0% are satisfied and 43.0% are highly satisfied regarding the impact of tourism on handicraft industry is local residents gain employment opportunities.

The table also presents that among the local tourists 2.0% of tourists are highly dissatisfied, 22.0% are dissatisfied, 16.0% are neutral, 34.0% are satisfied and 26.0% are highly satisfied regarding the impact of tourism on handicraft industry is local residents gain employment opportunities. Whereas among the foreign tourists 10.0% of tourists are dissatisfied, 10.0% are neutral, 20.0% are satisfied and 60.0% are highly satisfied regarding the impact of tourism on handicraft industry is local residents gain employment opportunities. Furthermore the chi-square was found to be 13.135 which is significant at 0.05 level. It infers that there is a significant difference in the opinion of local and foreign tourists regarding impact of tourism on handicraft industry is local residents gain employment opportunities.

CONCLUSION

There is a positive impact of tourism as it was found that tourism improves local economy, bring More Investment in local areas such as hotel construction, Increases Tax Revenues and Local Residents Gain Employment Opportunities.

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