

## **Tourism Development Prospects In India- An Analytical Study**

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### **Abstract**

*India is a country with vast natural resources and rich heritage & culture. It has emerged as one of the fastest growing economy in the world. Various sectors of the economy have contributed in achieving this growth. Tourism industry is one major sector. It is a vibrant & dynamic sector contributing to economic growth, huge employment generation and recipient of foreign exchange for the nation. Also it is a main contributor to Gross Domestic Production of India. Tourists consider India as one of the most preferred destination in the world. This has boosted the Indian economy. The government mechanism has also supported this initiative with high spending and coordinated campaigns to promote 'Incredible India'. The present paper explores the development of tourism sector in India and further highlights the growth prospects.*

**Keywords-** M-visa, gap funding, PPP, government spending, foreign exchange, inclusive growth and tourist destination

### **Introduction**

The tourism sector in India is moving with core nationalistic ideas of Swaagat (Welcome), Sahyog (Co-operation), Soochana (Information), Sanrachna (Infrastructure), Suvidha (Facilitation), Safaai (Cleanliness) and Suraksha (security). It is based on the cultural concept of "Athiti Devo Bavah". In India guest is treated as "God" and so is the "Tourist". Indian culture and heritage has rich traditions & moral values. Thus, it is called as 'Incredible India'. The tourism sector has boosted the Indian economy with creation of enormous job opportunities, contribution to GDP, earning of foreign exchange, sustainable development, increased local spending, government campaigns, economic diversification and boost to other interlinked sectors of the economy.

This has in turn contributed to society by promoting cleanliness, sanitation, security and better living. The conservation of heritage, upgradation of traditions, values and perceptions beyond the geographical boundaries are the moral responsibilities which have been preserved by the Indians. This has marked the Indians with a distinct identity in the globe.

### **Objectives of the study**

- To study the various aspects of tourism industry in India
- To make a comparative study of performance in past years
- To evaluate the positive impact of tourism on economy
- To assess the potential of foreign tourist arrivals in India
- To analyze the growth prospects of Indian Tourism sector

### **Major kinds of tourism**

**Pilgrimage tourism-** It is also called as spiritual tourism or sometimes the religious tourism. India being religious hub attracts large number of tourists every year. The world's largest form of mass

religious tourism is the annual Hajj pilgrimage in Mecca, Saudi Arabia. The famous holy places in India are Char Dham, Varanasi, River Ganga etc.

**Leisure Tourism-** Tourists travel across to experience a change in climate, place, learn new experiences, enjoy sight scenes and also to know more about the destination place. Tourists often need break from the stressed life so they devote their holidays to rest and relaxation and refresh themselves. These tourists generally prefer to stay at quiet and relaxed destination such as hill station, beach or island resorts. Tourists also visit India due to majestic forts, temples, pleasure gardens, monuments, museums, art galleries and magnificent sites.

**Eco tourism-** The vast variety of flora & fauna is one main attraction behind the growing popularity of eco tourism. India is sometimes termed as a hotspot of bio-diversity because of its rich natural heritage which is unparalleled. Other adventure activities include mountaineering, trekking, bungee jumping, mountain biking, river rafting & rock climbing.

**Medical tourism-** It emphasizes on specialized medical treatments, ayurvedic, naturopathy, spa, therapies and art of living. People are travelling for centuries to improve and rebuild their health and stamina. India is considered the most preferred destination for medical tourism due to presence of world class hospitals, best practices & skilled medical professionals and affordable treatment. Professional tour guides & operators are teaming up with specialized hospitals to tap this global opportunity.

**Cruise tourism-** Cruise shipping is one of the fastest growing sectors in the global industry. India has the opportunity to grab advantage of its 7500 Kms coastline and beautiful beaches to tap growth potential in this sector. As per statistics our country has huge development potential.

**Rural tourism-** The focus of rural tourism is the development of rural segment and visits to villages for experiencing nature and living a relaxed & healthy lifestyle. The potential for rural tourism is very high in India due to its vast & rich resources in rural areas. Further it will benefit the Indian local community in economical & social terms. Also it will provide a platform for facilitating healthy interaction between the tourists & local villagers for mutually enriching experiences.

**Business Tourism -** Tourists visit different destinations relating to their works such as attending business meetings, conferences, conventions, selling products, meeting clients etc. Business tourism is also popularly called as MICE (Meetings, incentives, conferences and exhibitions) tourism.

**Educational Tourism-** This type of tourism is growing popularly because of teaching & learning of knowledge and enhancing of technical competency outside the classroom environment. In educational tourism the main focus of the tourists is visiting of other places to learn through student exchange programs, study tours and specialized lectures of eminent personalities for research purpose.

**Sports Tourism -** Sports tourism is a fast growing sector of the global travel industry. Sports tourism implies to people travelling to participate in a competitive sport event. Normally these kinds of events are the motivating factors that attract visitors to visit the events like Olympic Games, World Cup etc.

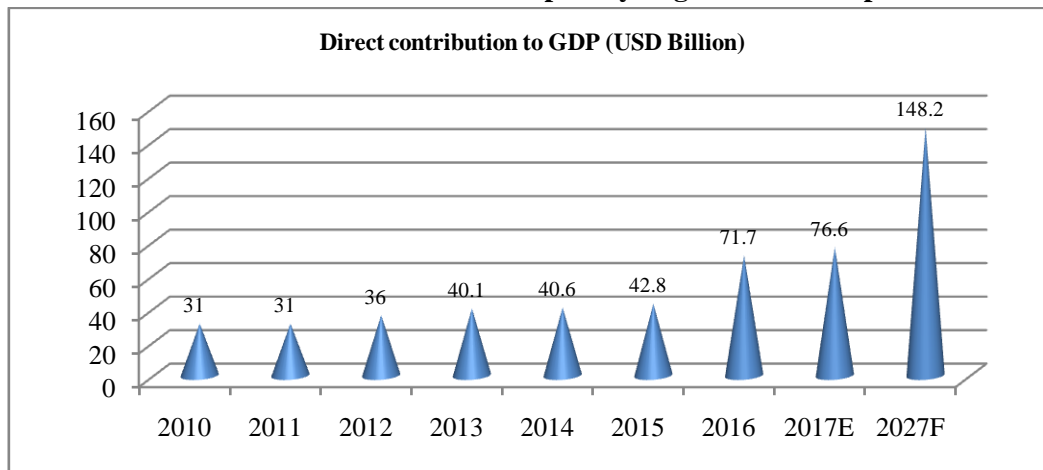
**Cultural tourism-** Culture is an important factor that attracts tourists to a destination. People have curiosity for foreign lands and their cultures. They come to know their fairs and festivals, culinary delights, dress, jewellery, dance, music, architecture, religions, customs, traditions and way of life.

**Luxury tourism-** India is now considered a sign of comfort and luxury. Even there is a sharp rise in the demand of luxury goods in India. The luxury market has also grown very much in the last decade in India. The luxury travel market in India has registered a growth rate of 12.8 percent in the year 2016, the highest in comparison with any other BRIC country.

**Contribution to Gross Domestic Production & future potential**

Tourism in India accounts for 9.6 percent of the Gross Domestic Production and is the 3rd largest foreign exchange earner for the Nation. The tourism & hospitality sector’s direct contribution to GDP in 2016 was US\$ 71.7 billion. This is expected to rise to US\$ 76.6 billion in 2017. Further, as per estimates, the direct contribution of travel & tourism to GDP is expected to reach US\$ 148.2 billion by 2027.

**Direct contribution of tourism and hospitality to gross domestic production**



Source: World Travel & Tourism Council’s Economic Impact 2017/IBEF/ Aranca Research compiled as per availability of data and requirement

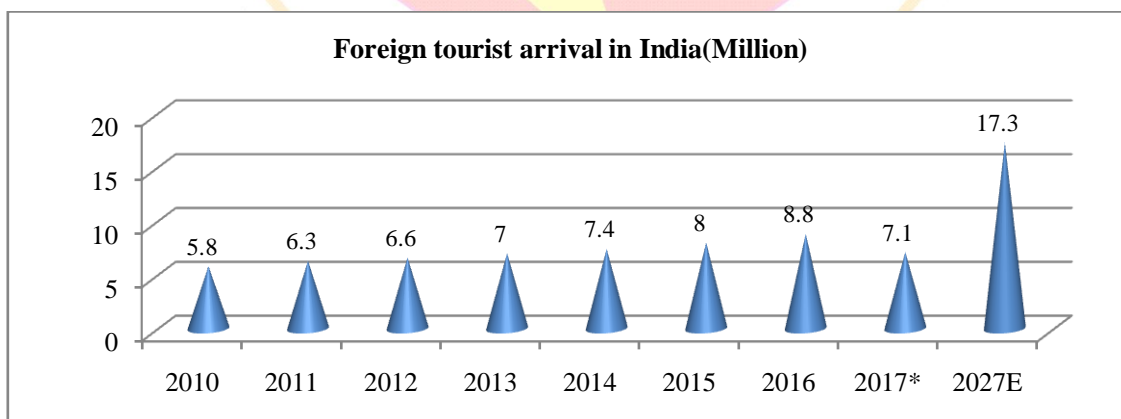
E- Estimated

F- Forecast

**Foreign tourist’s arrival- present scenario & future potential**

Foreign tourist arrival in the year 2016 in India stood at 8.8 million. These tourists are mostly from UK, US & Bangladesh. This is due to flexible government policies and programmes, developed infrastructure and ease in availability of e-visas to foreign tourists. In 2017, India is expected to attract 9.45 million international tourist arrivals and by 2027, it is expected to reach 17.3 million as per estimates.

**Foreign tourist arrival in India**



Source- Ministry of Tourism/World Travel & Tourism Council’s Economic Impact/ IBEF/ Aranca Research /compiled as per availability of data and requirement

E- Estimated

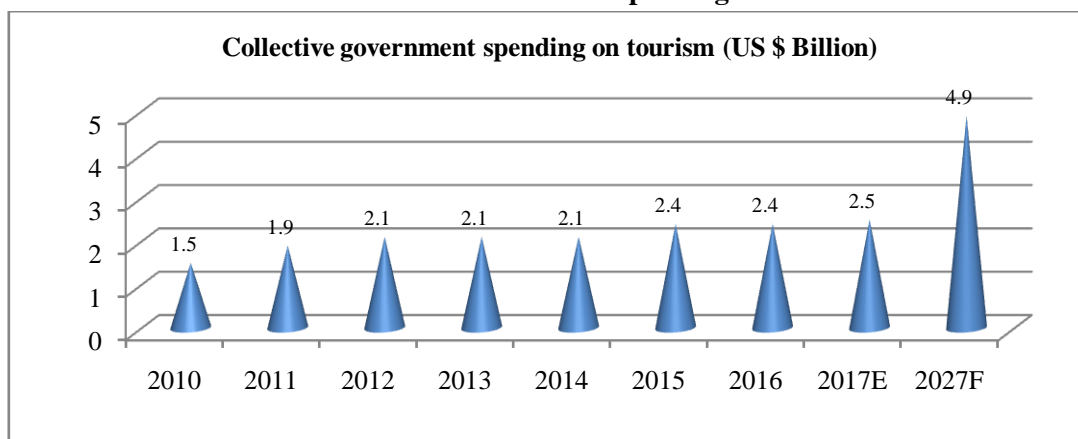
F- Forecast

2017\* - up to September 2017

**Collective Government spending with future prospects**

Government’s collective spending on tourism & hospitality sector in 2016 stood at around US\$ 2.4 billion. The government’s collective spending is expected to increase to Rs 161.9 billion (US\$ 2.46) billion in 2017 and to Rs 320.1 billion (US\$ 4.87 billion) by 2027 as per estimates.

**Collective Government spending on tourism**



Source- Ministry of Tourism/World Travel & Tourism Council’s Economic Impact/ IBEF/ Aranca Research /compiled as per availability of data and requirement    E- Estimated, F- Forecast

**Recent Initiatives in tourism sector in India**

- Project Mausam
- E-tourist visa & M-VISA
- Swadesh Darshan Scheme
- Pilgrimage Rejuvenation And Spiritual Augmentation Drive (PRASAD)
- Celebrities as Ambassadors for tourism promotion
- Gap fundings
- Clean India Campaign for tourism promotion
- Public Private Partnership
- Capacity building schemes

**Conclusion and Suggestions**

To sum up the tourism sector is playing an important role in promoting Indian economy by providing vast employment opportunities, earning foreign exchange, major contributor to GDP, increased per capita income and capturing global market share. It has also promoted local business and skill development in India. Tourism sector provides the opportunity to communicate, trade, learn and to gain knowledge in global scenario. Tourism is thus termed as the development agent for better connectivity to the rest of the world. Thus global opportunities are to be captured for promoting economic development.

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