

Indian Tourism Industry: Current Trends and Future Outlook.

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Abstract: *Without a question, the tourism sector has been a strong foundation, giving many nations a steady and reliable source of income. Due to the crucial contributions their tourism industries have made to their overall economic success, several countries have moved from poverty to a position of acceptable economic status. One of the main forces behind economic expansion and a substantial source of foreign exchange earnings for India is tourism. In the past ten years, India has emerged as the world's fastest-growing tourism destination and one of the most important industries for a number of Indian states. The main goal of this essay is to identify and assess the paradigm shifts that have occurred in the tourism industry over the past several years, as well as the ways in which these trends have manifested in India. It looks at modern tourists sector advancements and evaluates the role of tourism in economic expansion. The region is expected to continue expanding rapidly well into the next century, which bodes well for the tourism business. The study advances our knowledge of how tourism contributes to a nation's economic development.*

Keywords: tourism sector

I. INTRODUCTION

Tourism is a significant social phenomenon in modern civilisation, and it is strongly related to historical factors such as increasing leisure time, enhanced communications, modern transportation, and urbanisation. Tourism is also a significant economic activity in nearly every country in the globe, and it has continued to expand and diversify, becoming one of the world's largest and fastest expanding economic sectors.

According to the United Nations World Travel and Tourism Council (WTTC) 2015, the Travel and Tourism industry grew by 2.8% in 2015, above the global economy's growth rate of 2.3%, as did a number of other important economic sectors such as manufacturing and retail. In total, travel and tourism produced US \$7.2 trillion (9.8 percent of world GDP) and created 284 million employments, accounting for one in every eleven jobs in the global economy. While Europe and America have traditionally dominated the tourism industries, new emerging nations are likely to see significant growth in international tourist visits over the coming decade. According to the World Tourism Organisation, East Asia, the Pacific, West Asia, and South Asia are becoming more popular tourist destinations. With 279 million visitor visits in 2016, Asia and the Pacific is the world's second most visited area, growing at a 6% rate. It is higher than the 4% global average. Asia and the Pacific continues to solidify its position as one of the world's fastest growing regions, with a share of global tourism predicted to reach 30% by 2030, accounting for an estimated 535 million foreign tourists. In Asia, China and India have emerged as significant tourist destinations, with the potential to become the world's top tourist destination by 2020. India has the potential to capture a significant portion of the global tourist industry. India is a country for all seasons, with a diverse range of natural resources and tourism locations. India has a rich traditional legacy that has resulted in spectacular architectural styles, temple cities, and towns filled with interesting glorious monuments. Aside from that, India has a long and picturesque coastline, history, cultural variety, natural variances such as hilly areas, sea beaches, deserts, mangrove forests, and numerous historical and archaeological sites, all of which have a big potential in terms of global tourism. More precisely, India has 30 World Heritage Sites and 25 Biogeographic Zones. India has a good climate, developing tourism infrastructure, and a long history of hospitality. India offers a varied spectrum of speciality Tourist products include cruises, adventure, medical, wellness, sports,

MICE, ecotourism, film, rural, and religious tourism. In a genuine sense, India embodies the basic attributes of 'Incredible India' since it is a paradise for all sorts of travellers.

II. OBJECTIVES

The current study intends to achieve the following objectives.

- To identify and evaluate the paradigm alterations in the tourist sector over the last several years and how the trends have behaved in India and
- Evaluate tourism's role in India's economic growth.

III. METHODOLOGY

This study employed a descriptive research approach to explore, evaluate, and assess current tourist industry trends as well as the importance of tourism in India's economic growth. This study's data came from secondary sources. To achieve the purpose outlined in this work, the author collated tourism information from 1991 to 2016, with the goal of discovering the number of local and foreign tourists.

Visits to India during this time period. The following databases have been searched:

- The Ministry of Tourism, Government of India
- Indian statistics.

IV. THE ECONOMIC IMPORTANCE OF TOURISM IN INDIA

The World Travel and Tourism Council has recognised India as one of the world's leading tourism growth markets in the future decade. The industry is forecast to develop at an average annual rate of 7.5% by 2025 (7.2 percent of GDP) and to achieve the fastest growth of economic activity through the tourist sector. India received 14.57 million international visitor arrivals in 2016, up from 13.28 million the previous year.

Table 1: Share of India in international tourist arrivals (ITA's) in world and Asia and the Pacific region (2013-2016)

Year	ITA's (in millions)			Percentage (%) share and rank of India in world.		Percentage (%) share and rank of India in Asia and the Pacific.	
	World	Asia and the Pacific	India	% share	Rank	% share	Rank
2013	1087.0	249.7	6.97	0.64	41st	2.79	11th
2014	1134.0	264.3	13.11	1.15	24 th	4.86	8th
2015	184.0	278.6	13.28	1.12	24 th	4.72	7th
2016	1235.0	308.7	14.57	1.18	24th	4.72	8th

Source: Author's Compilation based on secondary data from Ministry of Tourism, Govt. of India, 2017

According to the Ministry of Tourism, Government of India Report, 2017, India ranks eighth in the Asia Pacific area, up from eleventh in 2013, and twenty-fourth internationally, up from forty-first in 2013. In 2015, India received US\$21.07 billion in foreign exchange revenue from tourist revenues (see Table 1).

In 2015, the Travel and Tourism sector's direct contribution to GDP was INR2,668.3 billion (2.0 percent of total GDP). This primarily reflects the economic activity generated by industries such as hotels, travel agents, airlines, and other passenger transportation services. It also covers the operations of the restaurant and leisure businesses, which are directly subsidised. The direct contribution of the travel and tourism sector to GDP is predicted to increase by 7.9 percent per year to INR6,115.5 billion (2.4 percent of GDP) by 2026. In 2015, the entire contribution of the travel and tourism sector to GDP (including broader effects from investment, the supply chain, and induced income benefits) was INR8,309.4 billion (6.3 percent of GDP), and is predicted to increase by 7.5% per year to INR18,362.2 billion (7.2 percent of GDP) in 2026. Furthermore, leisure travel expenditure (including inbound and domestic) accounted for 83.2% of direct Travel and Tourism GDP in 2015 (INR 5,945.5 billion), compared to 16.8% for corporate travel spending (INR1,198.9 billion). Domestic travel expenditure accounted for 82.5% of direct Travel and Tourism GDP in 2015, compared to 17.5% for tourist exports (also known as foreign visitor spending or international tourism revenues).

Domestic travel spending is predicted to increase by 7.8 percent per year, reaching INR13, 305.5 billion in 2026. Visitor exports are predicted to increase by 7.2% per year to INR2,625.6 billion in 2026. In 2015, Travel and tourism directly supported 23,454,500 jobs (5.5% of all employment). This includes jobs in hotels, travel agencies, airlines, and other passenger transport companies (excluding commuter services). It also comprises, for example, the operations of the restaurant and recreation industries, which are directly supported by visitors, and is predicted to grow by 2.0% per year to 29,629,000 jobs (5.8% of total employment) by 2026. In 2015, travel and tourism contributed 8.7% of total employment, including jobs indirectly supported by the industry (37,315,000 jobs). This is predicted to increase by 3.0% in 2016 to 38,441,000 employments, then by 1.9% each year to 46,422,000 jobs by 2026 (9.0% of total). Money spent by international visitors in a country (or visitor exports) is a significant component of the direct contribution of travel and tourism. In 2015, India made INR1, 249.3 billion in tourist exports. This is expected to rise by 7.2% per year from 2016 to 2026, reaching INR2, 625.6 billion in 2026 (3.8 percent of total). In 2015, the travel and tourism industry is estimated to receive INR2, 264.1 billion in capital investment. This is predicted to increase by 4.8% in 2016 and by 6.3% per year over the following 10 years, reaching INR4,356.7 billion in 2026. Travel and tourism's proportion of total national investment will increase from 5.9% in 2016 to 6.0% in 2026.

V. TRENDS IN TOURIST ARRIVALS IN INDIA

5.1. Foreign Tourist Arrivals (FTA):

Foreign tourist arrivals (FTA) during last 25 years in India are given in Table - 2 and Figure -1 below. An Increasing trend can be seen from 2002 to 2015 except in 2009 when the country witnessed a negative growth of 2.2 per cent in FTAs due to economic recession.

5.2. Foreign exchange earnings:

Tourism fees grew considerably between 1991 and 2015. (Table 3 and Figure 2). However, FEEs were affected by the economic recession in 2009, but a dramatic spike of 18.1% in 2010 illustrates tourism's tenacity and the rebirth that it has provided to the economy. Tourism generated US \$21071 million in foreign exchange earnings (FEEs) in 2015, representing a 9.6 percent increase.

FTAs and FEEs in India have undergone a spectacular reversal since 2002, with a transitory downward trend being vigorously reversed. This reversal has been the consequence of various governmental programs and efforts by the Government of India, such as the "Incredible India" campaign, and the tourist industry's ongoing hunt additional destinations, and, to some extent, infrastructural improvements in certain places, such as improved air access for smaller and isolated sites.

5.3. Domestic Tourism Visits:

Domestic tourism contributes significantly to the country's overall tourist growth. Table 4 and Figure 3 demonstrate a consistent growth in visitor flows from 1994 to 2016. Tourist arrivals have fluctuated throughout time, but there has been no negative percentage increase from 1994 to 2016, indicating a promising future for the tourism industry. Domestic tourism is on the rise as a result of Indian travellers' increased mobility, increased buying power, improved connection, affordability, and a progressively developing mindset among Indian consumers, which drives them to journey outside their home areas. In 2009, the country had a negative rise of 2.2% in FTAs, domestic tourist visits. (DTVs) expanded by 18.8 percent. This expansion of DTVs supported many tourism facilities during a difficult moment for the tourism industry. 1613.55 million domestic tourist visits were registered in India in 2016, compared to 1431.97 million in 2015, representing a 12.7% increase over the previous year. Domestic travel revenues are expected to grow by approximately USD 203.3 billion by 2026.

VI. CONCLUSION

The tourist business has emerged as one of the most rapidly expanding industries, contributing considerably to global economic growth and development. It has had a revolutionary and enormous influence on the Indian economic landscape during the previous two decades. Tourism is one economic sector in India with the potential to develop rapidly and capitalise on the country's success in the services sector, providing long-term growth patterns. It is thought

that India's competitive edge stems from its magical charms, including its ancient civilisation and culture. The nation has plenty to offer, with attractions ranging from the world's highest mountains, huge coastline with beautiful beaches, rich tropical forests, intriguing wildlife, desert safari, lagoon backwaters, and old Majestic monuments, forts, and palaces, diversified culture, lively festivals, folk arts, and exceptional hospitality, among other things. Indian tourism offers enormous potential for job creation and foreign exchange earnings, as well as contributing to the country's overall economic and social growth. Over the last two decades, statistical data on domestic and foreign tourist trips to India has rapidly increased. FTAs and FEEs in India have similarly undergone a significant reversal since 2002, with a transitory downward trend being vigorously reversed. The tourist industry's future seems promising, with the region likely to continue growing at a rapid pace well into the next century. The study helps to an enhanced understanding of a country's economic progress.

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