

# Assessment of the Growth Trends and Performance of Rajasthan's Tourism Industry

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## Abstract

The desert Rajasthan is well-known for its rich cultural history, royalty, folk music, folk dance, mouthwatering cuisine, jewellery, jams, and traditional clothing, among other things. With its various historical landmarks, including temples, step wells, palaces, forts, and Haweli architecture, the state is thriving. Amber served as Rajputana's capital in the past, but Jaipur, also known as the Pink City, eventually took over as the state's formal capital. Despite the city's breathtaking beauty, it gained notoriety thanks to a number of Bollywood and Hollywood productions. The state's appeal was revealed by the filmmakers in a way that had never been seen before. The research focuses on the ways that film-induced tourism is thriving and showcasing the state on both a national and global scale. For the benefit of the travel and entertainment sectors, it has also been stated how many people see the films each year after being inspired by them and the characteristics of Rajasthan's film tourist marketing program. This research is a binding adaptation of many exploratory studies and papers written by a large number of writers, authors, and researchers.

**Keyword:** Tourism industry, Employment generation, RTDC, GDP

## Introduction

One of the major forces behind the expansion of India's services industry is the hospitality and travel industry. Given the country's extensive natural features, diverse environment, and rich ethnic and historical legacy, travel and tourism have a lot of promise. India, like several other nations, depends heavily on tourism for its foreign currency. The foreign exchange profits increased at a CAGR of 7% between 2016 to 2019 but declined in 2020 as a result of the COVID-19 epidemic. Globally, the tourism sector has become a key engine for socioeconomic growth. According to the 2018 World Travel & Tourism Council (WTTC) study, the travel and tourism sector currently contributes 10.4% of the global GDP and accounts for one in ten employments globally. WTTC's Economic Impact Research report from 2018 predicted that by 2028, the travel and tourism industry will likely create 10 million new employments, making India one of the world's tourist economies with the quickest growth rates.

## Concept of tourism

Accounting for around 15% of Rajasthan's GDP, tourism is another significant source of state revenue. Rajasthan provides around 11.2% and 3.3% of all domestic and international tourist numbers in India, accordingly. In order to support Rajasthan's tourist economy, the Rajasthan government reduced the luxury taxes from 10% to 8%. 45% of the state's GDP are made up of the services industry. Infrastructure, Transportation, Electricity, Energy, Telecommunications, and Banks & Financial Firms are other economic drivers for the state. Tourism is described by the World Tourism Organization (WTO) as "the operations of individuals journeying to and planning to stay in places beyond their customary environment for not more

than one successive year for relaxation, enterprise, or other intent not linked to the exercise of an activity financially compensated from within the place visited." The use of such a wide term allows for the identification of both domestic and international travel. All tourist engagements, comprising overnight travelers and day visitors, are referred to as "tourisms".

### **Contribution of tourism industry to India's GDP**

India was ranked 34th in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum and contributes-US\$ 200 billion to the country's GDP. It is the third-largest foreign exchange earner for the country. The Indian travel and tourism industry is expected to record an annual growth rate of 10.35% between 2019 and 2028 to reach US\$ 512 billion in 2028. In 2020, the travel tourism industry's contribution to the GDP was US\$ 121.9 billion. In 2019, it contributed US\$ 191.3 billion to the GDP. In WTTC's Economic Impact 2019 report, India's Travel & Tourism GDP contribution grew by 4.9%, which was the third highest after China and Philippines. Additionally, the report also highlights that between 2014 and 2019, India witnessed the strongest growth in the number of jobs created (6.36 million), followed by China.

### **Economic Contribution of Tourism in Rajasthan**

Tourism is essential to the growth of many economies worldwide. For host cities, tourism brings a lot of benefits. Owing to tourism, a nation's infrastructure is improved, its money is raised, and a feeling of cultural engagement between citizens and tourists is fostered. In many places, tourism contributes significantly to the local labour force. In complement to the tourist sector, these jobs can be found in farming, communications, medical, or educational settings. Many tourists travel there to take advantage of the local cuisine, culture, and other attractions. Local shops, shopping centres, and eateries all profit significantly from this.

Governments that rely on tourism as a source of revenue make considerable expenditures in the country's infrastructure. Because they desire an increasing number of tourists, they want safe and modern amenities. They require secure and cutting-edge facilities because they want more and more tourists to visit to their country. As a result, new roadways, parks, and public spaces are created, along with new airports, maybe improved schools, and hospitals. Modern, secure infrastructure makes it possible to distribute goods and services quickly.

International tourists are regularly attracted to exhibitions, conferences, and events. The organizing organizations often make money via registration fees, donations, exhibition spaces, and media rights acquisitions. Moreover, foreign tourists add to the variety and culturally diverse of the host country. Foreigners have a lot to learn. Tourists can get a lot of knowledge about other cultures, but residents can also gain a lot from it. It enables young company owners to introduce unique products and services that might not be commercially feasible if just made available to neighbors. Locals also benefit from tourism that takes place within their own country.

The Rajasthan cabinet approved the Rajasthan Film Tourism Promotion Policy 2022 with the objective of promoting film production activities in the state. Developers and investors are offered attractive investment opportunities through the state's popular tourist attractions that include historic cities (Jaipur, Udaipur), wildlife sanctuaries (Ranthambore) and deserts (Jodhpur Jaisalmer). In 2019, 5222 million domestic tourists and 1.60 million foreign tourists visited Rajasthan. The state runs famous luxury tourist trains such as Royal

Rajasthan on Wheels and Palace on Wheels, which connect some of Rajasthan's important tourist destinations to other states

## Review of literature

**Ranwa, R. (2022)** This essay makes the point that tourism may have a significant impact on cultural significance including its practitioners or carriers by using the example of the intangible cultural heritage of India's Kalbeliya dance and songs. For the purpose of this work, in-depth conversations and research were used to gather data. According to research, tourism has had a significant impact on the artistic content of Kalbeliya dances as well as the environment in which they are presented because of the monetization of these performances as a result of their greater production in commercial settings.

**SK Gupta, R Kumar, T Sunil Wesley. J. (2020)** Over time, efficient and sustainable tourism has replaced mass tourism as the industry's top priority for development. Millions of people's lives are impacted directly and indirectly by the tourism and hospitality industries' effects on the destination's society, culture, economy, and environment. Tourism must be developed in sustainable ways, and this requires the active, well-coordinated engagement of local communities, tourism planners, tourists, and other stakeholders.

**P. Gupta (2019)** One of the oldest markets in the world is the tourism sector. The advancement of science, technology, and the dramatic shifts in transport and communications has made a significant contribution to the expansion of the global tourism industry. Tourism is benefiting from improved economic conditions and national policy. India has the capacity to rise to prominence on the international stage.

**Sharma (2015)** The primary tourist state in the country is Rajasthan. Both domestic and international tourists are drawn to its magnificent heritage, lively living customs, traditions, great heritage, enchanting natural beauty, dynamic folk, active people, and delectable cuisines. The State's significant and incomparable tourism offerings have a huge potential to grow the tourism sector. The State has a pressing need to improve its tourism infrastructure and increase domestic and foreign visitor numbers, especially in key areas like Hadauti and Shekhawati.

## Research methodology

From last few decades tourism industry can be considered as one of the largest economic centers in the world. It is observed that many new destinations have emerged along with traditional ones. Many countries in the world are trying to promote themselves as tourist destination. Emerging destinations are not only promoting their international tourism flows but also increasing their competitiveness.

## Objective of the study

1. To examine the social and culture impact on tourism in Rajasthan.
2. To examine the infrastructure development in Rajasthan with the help of tourism.
3. To examine the service sector development with the help of tourism.
4. To study tourism policy of India and Rajasthan.

## Data analysis ad interpretation

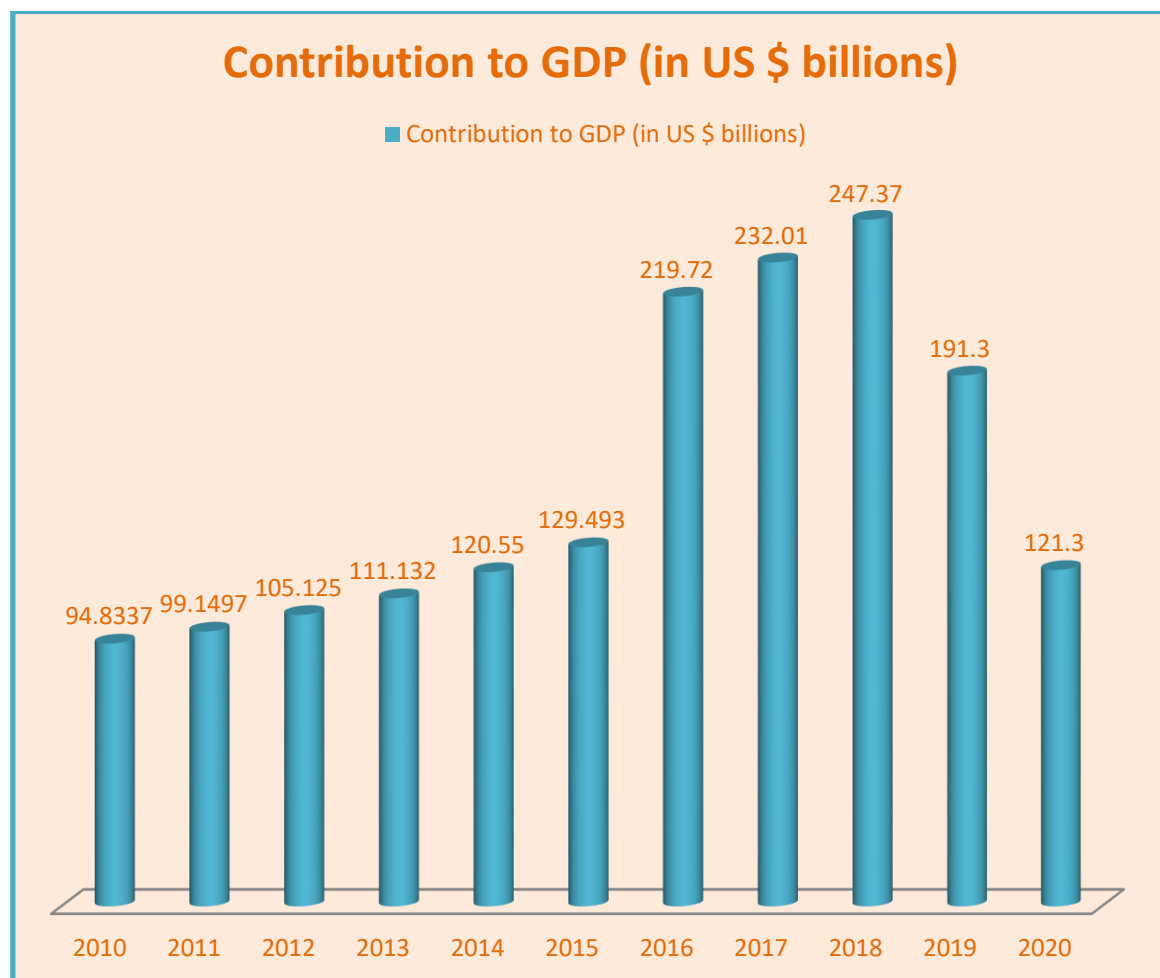
### Contribution of travel and tourism to GDP in India from 2010 to 2020

Year	Contribution to GDP (in US \$ billions)	Yearly growth
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2010	94.8337	5.96
2011	99.1497	4.55
2012	105.125	5.97
2013	111.132	6.007
2014	120.55	9.41
2015	129.493	8.94
2016	219.72	91.230
2017	232.01	12.29
2018	247.37	15.36
2019	191.3	-56.07
2020	121.3	-70.21

## Chart

### Contribution of travel and tourism to GDP in India from 2010 to 2020



The above table reflects the overall upward trajectory of India's travel and tourism sector from 2010 to 2018, followed by a significant downturn in 2019 and 2020. The pandemic in 2020 was a major disruptor, causing a drastic contraction in tourism contributions to GDP.

Looking ahead, the recovery of the tourism sector in India will depend on global travel conditions, vaccination progress, and how effectively India can rebuild its tourism infrastructure and reposition itself as

a global travel destination post-pandemic. The travel and tourism sector in India showed a strong growth trend until 2019, followed by a dramatic decline due to external shocks. The year 2016 stands out as an anomaly with extraordinary growth, while 2020 witnessed the sharpest contraction. Moving forward, recovery in tourism will likely depend on how quickly the global and domestic tourism industry rebounds post-pandemic and the ability of India to capitalize on tourism recovery efforts.

## Conclusion

Tourism can be understood as process, activity, and result which arose from relationship and interacting among tourists, tourism suppliers, host governments, host communities, and surrounding environments which involved in attracting and hosting of visitors. In addition, tourism is a human activity, which encompasses human behavior, resource utilization, and interaction with other people, economy and environments. The tourism sector has the potential to achieve Sustainable Development Goals (SDGs) particularly those concerning poverty alleviation, environmental conservation, and generation of employment opportunities for vulnerable groups of the community. The existing literature well recognizes the potential of tourism as a source of government revenue and foreign exchange earnings. The tourism activity because of its multidimensionality generates revenues and creates employability across different economic sectors.

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