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ECONOMICAL IMPACTS OF TOURISM (WITH SPECIAL REFERENCE TO TIRUCHIRAPPALLI DISTRICT, TAMIL NADU)

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ABSTRACT:

Tourism has direct, indirect and induced impacts on local economy, these can often be largely divergent between countries, based on the structure of the sector but most importantly on how well linked tourism activities are with the local economy. Greater linkages generally translate into higher levels of local economic activity, which tend to occur when tourism enterprises source their goods and services locally whilst low levels of economic linkages occur where tourism enterprises are dependent on imports to supply their demands. The overall impacts of the sector are the sum of the direct, indirect and induced effects. The study mainly target to identify the economical impacts on local community and their perception towards the tourism development in the neighborhood. The study is adopted through structured questionnaire and interviews and discussions. For the assessment of the impacts, community groups' residents were selected at three centers, Grand Anicut, Rock Fort and Srirangam Temple. For the study, 50 respondents were selected using the Convenience Sampling technique; It is suggested that to have more community awareness and education programs in order to obtain positive benefits and to minimize the negative impacts of tourism. Community empowerment and their capacity building are highly important in this context.



KEYWORDS: *Economical Impact, Tourism and Development, Tourism Employment, Economical Development.*

INTRODUCTION

Tourism is an industry with enormous economic impacts. It is also an industry that has many social and cultural or physical consequences. Tourism like many other industries is often used as a national or regional development tool. In general, tourism development within a host community often has impact on the community both in positive and negative ways. These impacts have been

well documented in economical impacts. Tourism is a cause for economic and changes in socio-demographic factors such as age, gender, income, length of stay, education level ethnicity. Tourism is a commercial activity and therefore tourism can create employment opportunities, foreign exchange earnings and also increases the standard of living of host people. Tourism brings more opportunities to upgrade facilities such as

outdoor recreation, park and roads and also socio-economic benefits to the local community, in terms of faster economic growth, larger jobs, foreign exchange earnings, balanced development of weaker areas and higher revenue to the state and causes sustainable human development. Tourists spend their money on a wide variety of goods and services. They purchase food and beverage, transport and communication,

entertainment services, and also spend on accommodation, goods from retail outlets and tour or travel services. This money may be seen as an injection of demand into the host economy. However the value of tourist expenditure represents only a partial picture of the economic impacts. The impact brought about by the interaction of host and guest is a well documented phenomenon. It helps to indicate that development of tourism in Tiruchirappalli district. For that purpose Grand Anicut, Rock Fort and Srirangam Temple destinations are evaluated through this point of view. The economic impact of tourism is the subject of analysis at two ways. One is generally positive about industry prospects while other is negative. Tourism is a major element of sources of capital and income to the local people. The economic significance of tourism activity is taking place, but also by the type and nature of economy being considered.

Tourists spend their money on a wide variety of goods and services and related tourism products. The economic impacts of tourism more is known about the economic benefits of tourism than the associated costs. Tourism can create employment opportunities, earn foreign exchange, produce return on investment for emerging economics, bring technology and improve standard of living. Tourism can also help to generate jobs and increase revenue to local people and shopping facilities. Tourism can cause major effect on economics of destination area for price of land to rise rapidly. Tourism development has often received support from the government and local residents. Therefore for the sustainable development of tourism one should take balanced view towards the economic impacts of tourism which assess both the benefits and cost of tourism development. Here, the economic impact of tourism development on destination is understood at the local level and mostly to understand the present status of tourism development in the Tiruchirappalli district. Tourism is encouraged at the local level due to ability to generate employment in hotels, resorts, restaurants, cottages, parks, transport operators, travel agents, entertainment and local business. Also change their lifestyle and it provides support to the other sectors of the economy. The economic impact of tourism has been commonly be viewed as a positive force which increases total income for the host country, direct and indirect employment and tax revenues; it also stimulates secondary economic growth. Economist consider the tourism as an "basic income" from tourism, it helps to pay for goods and services, imported from other regions and contribution to government revenues through taxes, that can be used to develop community and infrastructural facilities and service to asset in general economic development.

METHODS AND MATERIALS

The resident's attitude survey has been the common method that is used for the assessment of economical impacts of tourism. In this approach respondents were asked to indicate their behaviour and attitude towards the impact of tourism development. Attitude survey can provide useful information about the impacts of tourism on the residents and society. The impact study is an attempt to examine empirically the residents' perception of impacts of tourism rather than measure of actual impacts. For the assessment of the impacts, community groups' residents were selected at three centers, Grand Anicut, Rock Fort and Srirangam Temple. A questionnaire was designed exploring respondents perceptions of the wide range of economic impacts. For measuring the attitudes of the residents towards tourism development, indicated descriptive statistic analysis was used. This measurement scale consists of 11 variables reflecting the perceived economic impacts. Respondents were asked to provide answers on each variable which was measured by a five point Likert Scale ranging from 1 Strongly Disagree to 5 Strongly Agree with 3 No response or Undecided. Likert scale is a measurement instrument which is used in quantitative research. It contains a number of statements or indicators with a scale. In such scale no judges are used to rank the scale statements; it is assumed that all subject will perceive Strongly Agree a expressing greater favour towards the attitude statement than Moderately Agree and Strongly Disagree with the attitude represented (Likert, 1967, Lankford, 1994). The questions or statements help to understand the economical impacts of the tourists on residents of a respective region. These impacts should be expressed positively and negatively to encourage respondents not to respond automatically but to think about every items. 50 respondents were selected using the Convenience Sampling technique was adopted for this study.

Impact of Tourism Development - Economical Indicators: Increase the income of residents, Shopping opportunities, Job Opportunities, Demand for female labour, Land and house cost increased, Goods and services costs increased, House Rental income, Basic goods scarcity during the season, Demand of cultural and commercial goods, Number of hotels and resorts increased and finally Commercial point of view for local people.

DATA ANALYSIS AND INTERPRETATION

Table 1: Oneway ANOVA 'F' test difference between Tourism Study Area, Work Nature and Experience and their Economical Impact

Economical impact	N	%	Mean	SD	F	Statistical inference
Area						
Grand Anicut	21	42	42.16	0.876	18.758	.001<0.05 Significant
Rock Fort	13	26	36.47	1.134		
Srirangam	16	32	38.25	1.245		
Nature of work						
Guide	09	18	36.47	1.162	16.758	.000<0.05 Significant
Agent	29	58	33.29	1.025		
Lodging	12	24	42.08	0.921		
Tourism experience						
Below 5yrs	36	72	33.24	0.994	19.641	.000<0.05 Significant
5 to 10yrs	9	18	31.47	1.124		
11yrs & above	5	10	36.48	0.716		

Statistical test: Oneway ANOVA 'f' test was used the above table

Null Hypothesis (H₀): There is no significance difference between tourism study area, work nature and experience and their economical impact

Findings: The above oneway ANOVA 'f' test indicates that there is a significance difference between tourism study area, work nature and experience and their economical impact. Hence, the calculated value less than table value ($p < 0.05$). The null hypothesis is rejected.

SUGGESTION AND CONCLUSION

Tourism's effect on incomes is harder to quantify than growth and employment, mainly due to a limited amount of data and the global level. The available case study data does highlight that tourism has a positive impact on incomes, both in monetary terms and in non-monetary terms. The sector also seems to positively impact livelihoods and poverty. As compared to the other destinations in Tiruchirappalli district having more effects because of the maximum local people depend on tourism activity. So, there is lot of alternative for economic development of these tourist centers. These centers are self significant as cultural, natural, historical and religious attractions. It is observed that the impact of tourism on the local economy of four centers is nearer to equal and has good effect. That means the positive effects help to develop the economy of the region such as increase in income of the residents, increasing jobs and shopping facilities, but the rate of the effect is very low. Overall the section shows that there is a clear positive impact on growth by the tourism sector – data on the direct and total impacts of the tourism sector shows strong positive economic effects. What the data is missing, however, is the distribution of these effects in terms of equality.

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