

## INTRODUCTION TO TOURISM INDUSTRY

As technology and science advanced in leaps bounds, coupled with industrialization, it leads to economic and social progress, higher income and longer leisure hours. The spread of education also fostered a desire to travel. There was great progress in the air transport industry and tourist facilities which led to the phenomenal growth of tourism. So Herman Khan's forecast that "2 billion people will be traveling in the year 2000, ranking tourism as one of the largest, if not the largest industries of the world" seems very much possible.

Tourism contributes in the development of understanding of people, provide employment, create foreign exchange and raise the standards of living. To many countries, it is the only form of sustaining their economy. For countries that are facing the problem of adverse balance of payment, tourism development seems to be a solution.

Tourism is concern with pleasure, holidays travel and going and arriving somewhere. These are the motivations that make people leave their "normal" place of work and residence for short-term temporary visits to other places.

For an increasing number of people, work is no longer the main purpose of life and this encourages tourism. Modern tourism is one of the most striking phenomena of our times and offers us an opportunity to learn, enrich humanity and to identify what may be termed as goals for a better life and a better society.

As an industry, the impact of tourism is manifold. Tourism industry nourishes a country's economy, stimulates development process, restores cultural heritage, and helps in maintaining international peace and understanding.

Tourism at present is India's third largest export industry and the forex earning is estimated to be about Rs 9186 crores in 1995-1996.

The most significant feature of the tourism industry is the capacity to generate large scale employment opportunities even in backward areas, specially to women, both educated and uneducated. Another important feature of tourism is that it contributes to national integration of the people who live in different regions of the country with diverse and languages.

## **TOURISM THE WORLD'S BIGGEST INDUSTRY**

A survey of 400 policy and opinion makers in 20 countries placed these and three other industries ahead of tourism in global economic contribution, but recently gathered statistics tell a different story.

As a contributor to the global economy, tourism has no equal:

- Tourism employs 204 million people worldwide or one in every nine workers, 10.6 percent of the global workforce.
- Tourism is the world's leading economic contributor, producing an incredible 10.2 percent of the world's gross national product.
- Tourism is the leading producer of tax revenues at US \$655 billion.
- Tourism is the world's largest industry in terms of gross output approaching US \$ 304 trillion.
- Tourism accounts for 10.9 percent of all consumer spending, 10.7 percent of all capital investment and 6.9 percent of all government spending.

Furthermore, despite economically and politically induced setbacks and threats of terrorism from a variety of global hot spots, recession in Europe, and economic upheaval in Japan, and the once communist eastern block, the future of tourism is brighter than ever.

Expectations for growth tourism are 6.1 percent, 23% faster than the world economy. Travel and tourism will create 144 million jobs worldwide between now and the year 2005 (112 million in the fast growing Asia pacific). "In the 21<sup>st</sup> century" says Geoffrey Lipman, president of the world travel and tourism council, "There will be a surge of Asian travelers in markets around the world, and Asian countries will be the premium destinations.

If tourism is such a major contributor to the world's economic well being, then the question arises, why has tourism received so little attention from domestic policy makers and crafters of international trade agreements?

## **TOURISM A SMOKELESS INDUSTRY**

No doubt tourism is a very hot industry all over the world and tourism is a world third largest industry. Tourism covers a lot of parts in the economy and tourism is such type industry which gives a very fresh air and atmosphere so it is said that the tourism is a smokeless industry apart from this tourism does not spread pollution over the world. it gives a lot of fun and freshness to the tourist and tourist feels a better relaxation in the body and mind that is why tourism industry is a big part of world economy. There are so many industries in the world.

## TOURISM A MULTICOMPONENT INDUSTRY

There is no obvious answer. One explanation is that tourism is a multicomponent industry, many parts of which are inextricably linked to other economic sectors such as airlines to transportation; souvenir shops, concession stands and restaurants to retail service; hotels and other accommodation to commercial development.

“Broadening the Mind”. A survey of the world travel & tourism published in the “Economist” offers the following rationale. The size of the travel and tourism business is difficult to comprehend for at least three reasons. First there is no accepted definition of what constitutes the industry, any definition runs the risk of either overstating or understating economic activity. Second, tourism is a business; many of whose activities (like tour guides and souvenir sales people) and much of whose income (tips) are well suited to practitioners of the underground economy. In countries with foreign exchange controls (which are always evaded) every official figure on expenditure will be wrong. Third, international travel is bedeviled by astounding differences in the data of different countries. While efforts are underway to bring uniformity to data collection and analysis worldwide, it will likely to sometime before a consensus is reached on the scope and impact of the tourism industry. However at least two organizations are dedicated to the task of giving travel and tourism its due as the world’s largest industry.

The Brussels based world travel and tourism council (WTTC) is a coalition of 65 chief executive officers from all sectors of the industry. Its goal as stated in WTTC reports is “to convince governments of the enormous contribution of travel & tourism to national and world economic development, to promote expansion of travel & tourism markets in harmony with environment and to eliminate barriers to growth of the industry”

The world tourism organization (WTO), on the other hand, is an agency of the United Nations development programme, -WTO's membership comprises 113 of the world's government and boasts over 170 affiliate members from the travel & tourism industry. It is the only inter governmental organization open to the operating sector. Its mission is the promotion and development of travel & tourism as a means of stimulating business and economic development, and forecasting peace and understanding between nations.

## **WORLD TOURISM SCENARIO**

People in general now view tourism as a way of life rather than a luxury item reverse for the affluent and the elite. Tourism has emerged as the largest service industry globally in terms of gross revenue as well as foreign exchange earning. Present annual global income from tourism (international & domestic) is nearly US \$13 trillion, an amount more than GNP of all countries except the United States.

According to the world tourism organization (WTO), the number of international travelers has risen to more than 500 million per annum which means that one out of every ten inhabitants of this planet is a tourist. With rapid developments in the fields of transport and communications, the global tourism industry is likely to double in the next decade.

WTO forecast that there will be 702 million international arrivals in the year 2000, that arrivals will top one billion in the year 2010 and that by 2020, international arrivals will reach 1.6 billion nearly three times the number of international trip made in 1996 which was 592 million.

The 21<sup>st</sup> century will see a higher percentage of the total population traveling, specially in developing countries, and people will be going on holidays more often sometimes two, three or four

times a year. Travelers of the 21<sup>st</sup> century will also be going farther and farther. The "tourism 2020 vision" forecast predicts that by 2020 one out of every three trips will be long haul journey to other regions of the world long- hauls travel is expected to increase from 24% of all international tourism in 1995 to 35% of all international traffic arrivals by the year 2020.

Tourism is the industry of industries and has a great multiplier effect on other industries. Tourism serves as an effective medium for transfer of wealth because here income earned in places of "residence" is spend in places "visited". It is the highest generator of employment. A total of 212 million persons are now being employed globally through direct & indirect opportunities generated by this industry. this means that all of every nine persons, one person earns a living from tourism. For every million rupees