

## IMPACT OF “MAKE IN INDIA” IN TOURISM DEVELOPMENT

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### Abstract

Tourism is very important sector of the country that contributes substantially to the country's GDP. It has huge potential of growth if it is exploited to its maximum level. If we analyse the contribution of tourism in the Indian economy, which contributes 6.8% to the GDP and providing 8.78% of the total employment. Even now the India has more than 5 million annual foreign tourist arrivals and 562 million domestic tourism visits. The tourism industry in India generated more than US \$100 billion in 2014 and that is expected to increase to US \$275.5 billion by 2018 at a 9.4% annual growth rate. To attract more tourists and give a boost to this industry, basically two things that need to be strengthened are destination branding and Infrastructural development. The Make in India campaign launched by the honorable Prime Minister Mr. Narendra Modi can contribute significantly to the infrastructural development of the destination India. The present study attempts to study the role of Make in India Campaign together with Destination Branding to reshape India's tourism industry.

**Key Words:** Tourism, Make in India, GDP, Tourism Development

### INTRODUCTION

Almost all of the nations worldwide are competing for more and more inward tourism, in which their picture as a tourism destination assumes a vital part. India is a nation with a rich history, an assortment of scenes, various societies and agreeable individuals, which offer relative preferences in the advancement of a tourism industry. The number of Foreign Tourist Arrivals (FTAs) in India increased from 6.58 million in 2012 to 6.97 million in 2013 a growth of 5.9% as compared to (4.3) during 2012 (Ministry of Tourism, 2014). The 'Incredible India' campaign, together with endeavors taken by individual state tourism sheets and offices like Visa on Arrival, have supported Foreign tourists.

Prime Minister Narendra Modi urge to both local and foreign to invest in India and make the country a global competitive tourism industry. The make in India program laid the foundation of India's new national tourism policy with an aim to make India a global tourism industry that will in turn boost the employment and overall growth of the India. The program focusing on 25 sectors such as Automobiles, Chemicals, IT, Pharmaceutical, Textile, Ports, Aviation, Leather,

Tourism and Hospitality, Wellness, Railways, Auto-components, Design Industrial, Renewable energy, Mining, Bio-technology, Electronics, etc. with focus on job creation, skill development, economic, technical as well as overall infrastructure development. Tourism is practice of travelling for recreational or leisure purpose. Tourism has become a popular global leisure activity. Tourism involves on overnight stay away from the normal place of residence. It includes “travel” and “stay” in the place outside the usual environment. Tourism includes transportation, accommodation and entertainment. There are different types of tourism like adventure tourism, cultural tourism, medical tourism, sports tourism, water tourism, wildlife tourism, space tourism etc. it is rightly said that, “all tourism is travel but all travel is not tourism”.

Hospitality is the act or practice of being hospitable. Tourism and hospitality industry are related to each other. Hospitality is the act of welcoming, receiving, hosting or entertaining the guest. It involves warm and generous welcome of the tourist. Hospitality reflects courtesy and respect to the guest. Hospitality occupies local services such as entertainment, accommodation and catering for tourist. Hospitality industry plays a vital role in the overall economic growth of the country. It also focuses on giving Indian tourism a global recognition. Tourism industry requires heavy finance to facilitate development of required infrastructure and facility to survive in ever increasing global competition. And if India wants to lure the tourist and turn itself into a tourism hub, safe and secure environment, better infrastructure and Government policies will play a major part in making this dream come true.

## **REVIEW OF LITERATURE**

**Kandari O.P. and Chandra Ashish (2004)** wrote a book entitled “Tourism Development Principles and Practices”. He noted that planning and assessment are important parts of sustainable development of tourism. He focused on issues of tourism development, particularly from economic, ethnic and environmental perspectives and also explained the Goals and strategies for effective tourism practices, I identified and key issues of carrying capacity and community participation. He also stated that role of tourism in rural development is fundamentally an economic one and can help to sustain and improve the quality of life in rural areas.

**M.A. Khan (2005)** wrote a book on “Principles of Tourism Development” which deals with hotel industry and tourism, these are the two significant sectors of the modern day economy, tourists are honored guests and the hotels offer them the demanded hospitality. He also focused on the role of information technology in the tourism industry. **KetanVira, (2016)** Make in India initiative gives enough opportunities for Medical tourism in terms of identified sectors viz. Tourism & Hospitality and Wellness. Few more sectors can be analysed which can have impact on promoting medical tourism viz. Construction and Aviation which will create infrastructure and increase connectivity of Metros with the rest of the world. India can also create Health-Hubs to attract more tourists for wellness.

**Tiwari Awdhesh Kumar (2016)**, study reveals that there are broadly three factors which are responsible to growth of hospitality industry in India. These are External, Internal and Government Initiative. This industry also poses various other factors which are directly and indirectly support it and making this a fastest growing sector in service sector economy. It contributed in form of local employment, also maintaining Demand & supply where it is applicable. The growing rate also depends on various opportunities which lie in this sector like rising in per capita income, Indian labor market and resources. Government also shows lots of interest towards this sector not for just of revenue but it directly affect the international face and reputation of India. So it is highlighted and actually monitored that hospitality and tourism industry has excellent growth percentage and future of this sector is magnificent in India.

## **RESEARCH METHODOLOGY**

Research methodology is the technique to thoroughly solve the research problem. It may understand as a science of studying how research is done scientifically. A researcher should think about the way in which he should proceed in attaining his objectives in his research work. The researcher has to make a plan of action before starting the research. This plan of study of a researcher is called the research design. Descriptive research design is used for this study. Source of data collection: Secondary data has been collected from the text books, research papers and websites.

## **OBJECTIVES OF THE STUDY**

- To analyse the importance, role vis-a-viz. efforts of the Indian Government in the development of Tourism and Hospitality.

- To analyse the social and economic impact of Make in India on Tourism and Hospitality.

## **GOVERNMENT INITIATIVES TO PROMOTE TOURISM AND HOSPITALITY SECTOR**

Tourism & Hospitality sector has been universally recognised as an agent of development and an engine for socio-economic growth. Tourism & Hospitality sector has been universally recognised as an agent of development and an engine for socio-economic growth. According to WTTC's India Benchmarking Report 2015, every \$1 million in travel and tourism spending in India generates \$1.3 million in GDP. According to a report released by the government, "Tourism & Hospitality sector has been a harbinger of 'more inclusive growth' in India by promoting other industries in the economy through backward and forward linkages and generating employment in various sectors such as hospitality, travel, and entertainment, wellness and other sectors."

In the last two years, the Ministry of Tourism has undertaken several initiatives to provide a further boost to the sector such as launch of new schemes like Swadesh Darshan and PRASAD, revamping of existing schemes such as Hunar se Rozgar tak, extending e-Tourist Visas to more countries, developing a Mobile Application for Tourists, introducing an Incredible India Tourist Helpline, and undertaking various skill development initiatives such as setting up of Indian Culinary Institute, approval of new Institutes of Hotel Management etc, claims the report. Based on it, let's take a look at some of the achievements in the Tourism and Hospitality Sector:

### **IMPACT OF MAKE IN INDIA ON TOURISM**

Tourism in India has emerged as an instrument of income and employment generation, poverty alleviation and sustainable development. Tourism is an important source of foreign exchange earnings in India. This has a favorable impact on the balance of payment of the country. It helps preserve several places which are of historical importance of developing them as heritage sites. Like, wise tourism also helps in conserving the natural habitats of many endangered species. Tourism tends to encourage the development of multiple-use infrastructure that benefits the host country, increasing various means of transportation, health care facilities and sport centers, in addition to the hotels and high-end restaurants they cater the foreign visitors. The development of

infrastructure has in turn induced the development of other directly productive activities. Besides these favorable impacts there are few challenges also such as undesirable social and cultural changes, depletion of natural resources of an ecosystem, pollution, etc. on the same time its protect and preserve the environment, direct financial contributions, contributions to government revenues.

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, territories and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. India has moved up 13 positions to 52nd rank from 65th in Tourism & Travel competitive index Tourism is a big employment generator – every US\$ 1 Million invested in tourism creates 78 jobs.

Tourism is the third largest foreign exchange earner after gems, jewelry and ready-made garments. In 2014, FEEs from tourism were US\$ 20.236 Billion as compared to US\$ 18.445 Billion in 2013, registering a growth of 9.7% in Indian Rupee terms, FEEs from tourism registered a growth of 14.5% rising from INR 1,07,671 crore to INR 1,23,320 crore. India registered 7.7 Million FTAs in 2014, registering an annual growth of 10.2% over the previous year. The number of domestic tourist visits in India during 2014 was 1281.95 million as compared to 1145.28 Million in 2013, recording a growth rate of 11.93%. FTAs (Provisional) from January to July 2015 were 4.48 million, an increase of 4.8% over the same period of the previous year.

FEEs from January to July 2015 were INR 71,754 crore, an increase of 6.9% over the same period of the previous year. The industry is expected to generate 13.45 million jobs across sub-segments such as Restaurants (10.49 million jobs) Hotels (2.3 million jobs) and Travel Agents/Tour Operators (0.66 million). The Ministry of Tourism plans to help the industry meet the increasing demand of skilled and trained manpower by providing hospitality education to students as well as certifying and upgrading skills of existing service providers.

## CONCLUSION

Tourism industry in India is growing and it has vast potential for generating employment and earning large amount of foreign exchange besides giving the country's overall economic and social development. But much more remains to be done. Eco-tourism needs to be promoted so that tourism in India helps in preserving and sustaining the diversity of the India's natural and cultural environments. Tourism in India should be developed in such a way that it accommodates and entertains visitors in a way that is minimally intrusive or destructive to the environment and sustains & supports the native cultures in the locations it is operating in. There is need of reforms in strategies to make India a global tourist place. Favorable environment need to be established that should attract more and more tourist. Improved infrastructure and better environment needs to be monitor. Mind set of tourist both foreign and domestic needs to be changed. The development, prosperity and sustainability of India as a tourism industry clearly depend upon the developed infrastructure better facility, safe and secure environment that are available for the tourists. By bringing tourism under the 'Make in India' initiative, the sector is going to get much awaited attention at the policy level and rightfully so in the development schemes.

However, it is imperative to have a relook on the tourism policy again and integrate fresh approach and strategies so as to meet the renewed focus on the tourism sector. This is both the essence and spirit of 'Make in India' initiative and tourism fits very well in to this framework, complementing both ways and also for the progression of the sustainable development of destination and communities to truly imbibe the spirit of "Vasudaiva Kutumbakam" – the world is one family. More ever since, tourism is a multidisciplinary activity and basically a service industry it would be necessary that all wings of the central and state govt. This study both empirically and rationally explained the patterns through which India can become a big tourism industry. Favorable environment and government policies are the essential ingredients of –MAKE IN INDIA.

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