

## Tourism and Economic Development – A Case Study In Tamil Nadu

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**ABSTRACT:** Tourism industry offers much scope for earning foreign exchange and it stimulates the rate of growth of the economy. Through interaction of natural, human and cultural factors, it functions as a major means of recreation. Modern tourism results from the recognition of a fundamental right of the human being to rest and leisure. This study analyses the duration of stay and level of expenditure by the sample respondents and the economic impact of tourism in the study area. As the analysis has shown that the tourism industry does not create any negative impact in the study area the Government should come forward to develop leisure tourism, beach tourism, religious tourism, rural tourism and medical tourism especially in the backward regions, which will directly help reduce the regional inequalities.

**Keywords:** Tourism, Impact, Economy, Development

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### I. INTRODUCTION

Tourism is the movement of people to places away from their usual place of residence and work with a motive to relax their mind and refresh their body. In modern times, tourism is considered as one of the important industries, which contributes to the socio-economic development of a country. It also refers to the phenomenon and relationship arising out of travel and stay of non-residents. Tourism industry offers much scope for earning foreign exchange and it stimulates the rate of growth of the economy. Through interaction of natural, human and cultural factors, it functions as a major means of recreation. Modern tourism results from the recognition of a fundamental right of the human being to rest and leisure. It has become a factor contributing to individual betterment and mutual understanding among individuals and people. It has acquired cultural and moral dimensions, which must be fostered and protected against the harmful distortions. Tourism is made up of several industries, which offer myriad types of goods and services demanded by consumer-tourists. It is due to its size and scope, marked as one of the largest trades in the world. Despite its magnitude, tourism promotion, operation and foundation were not clearly understood by both public and private agencies.

Tamil Nadu is absolutely unique as a tourism destination. Tamil Nadu flanked by a coastline on the east and the ghats in the west, has topographical beauty, richness of resources, architectural, cultural and artistic glory. Besides there are numerous tourist spots like wild life parks, pilgrim centres etc. Foreign and domestic

tourists' arrival in Tamil Nadu during 2016 was 34.85 crores, which included 34.38 crores domestic tourists and 47.20 lakhs of foreign tourists. The annual growth rate of the same has been quite considerable in the last 16 years, particularly upto 2014, while in the last two years, the annual growth rate has declined in both categories.

### OBJECTIVES OF THE STUDY

The objectives of this study are:

1. To analyse the duration of stay and level of expenditure by the sample respondents and
2. To trace the economic impact of tourism in the study area.

### HYPOTHESES OF THE STUDY

The hypotheses of the study are:

1. There is no significant relationship between income of the tourists and growth of tourism and
2. Growth of tourism does not significantly create any positive impact on the economy.

### SIGNIFICANCE OF THE STUDY

This study assumes greater significance owing to the fact that tourism promotes and also attempts to establish tourism as a major industry to the development of cities and towns. The demand for tourism is elastic and hence, socio-economic growth in other countries will enhance the demand for tourism in India. Many developed countries including Singapore spend much to promote tourism. The policy makers must remove the irritants in India's tourism development and formulate such policies which will promote tourism

and in turn will help improve socio-economic development of the country. All these suggest that the present study is a more significant one.

## II. REVIEW OF LITERATURE

Tourism may accelerate changes which are already underway in a community, but it does not by itself introduce changes. Tourism is contributing to changes in value systems, individual behaviour, family relationship, moral conduct, creative expressions, traditional ceremonies and community organizations. Tourism is surely good for the country provided its effects are not harmful to the host population. India has not yet reached a stage where the harmful effects of tourism need to be deliberated upon (Kumar, 1992).<sup>2</sup>

Hurray (1970) undertook a case study of Caribbean and analysed the growth and structure of Caribbean tourism and the role of government in the growth of Caribbean tourism and also analysed tourist multipliers and social costs and benefits in the Caribbean.

Jeningham (1972) indicates that tourism was born in the seventeenth century and English were the first to practice. Young and Turner (1973) give prominence in the seminal works based on the psychological, social and cultural effects of tourism. Pueblo (1973-1989) made field study and collected data for tourism management in New Mexico. Doxey (1976) examined the resentments, which may result from tourist-host interactions. Bevy (1977) presented a general overview of tourist development. Wall and Wright examined the environmental impact studies on tourism.

Coltman's (1981) contribution to the literature on tourism industry is highly praise worthy in the sense that it is considered one of the best contributions on tourism marketing. His work serves as a guide for tourism promoters, such as Governments, destination area, transports, channel of distribution - intermediaries - tourist agents, tour operators, suppliers such as hotels / lodges restaurants, are interrelated with each other to create successful tourism marketing.

Foster (1986) has found that tourism has been recognized as a source of employment. It is highly labour intensive industry offering employment to both semi - skilled and the unskilled. Being a service industry it creates employment opportunities for the local population. Besides, economic benefits to a country by way of foreign exchange earnings and employment generation. Tourism also makes a tremendous contribution to the improvement of social and political understanding (Bhatia, 1989).

Tourism is a painless procedure of transfer of real resource from industrially capital surplus

developed countries to low income developing countries. It is a very important source for maximizing foreign exchange earnings for not only developed countries of the world, but also the developing countries. Tourism is also being recognized as a source of employment. It is a highly labour intensive industry offering employment to both the semiskilled and unskilled (Kaul, 1994).

## III. METHODOLOGY OF THE STUDY

The type of survey usually adopted was the survey of the resident population of a tourist spots. Questions were posed to them on their perception of impact of tourism on them. Thirdly, the survey of visitors in the tourist spot is a quite popular method in case of foreign tourists. Under this method, data were collected either on the spot or at the time of their departure. Fourthly, a survey on establishment is conducted where the employees and the employers of such establishments are covered. The reliability of data provided by these establishments is limited because of the fact that employer always want to guard it as secret.

Primary data of the study have been collected from the sample tourists, hotel and shop owners, STD booth owners other service people such as transport operators, restaurant owners, guest house owners, auto drivers, temple officials of the area. Data collected from tourists include their income, expenditure in the places of visit, nature of commodities and services they bought, number of days of their stay, factors which attracted them to this area and factors which they consider as hurdles or irritants for their pleasant stay. Data on the amount of investment, number of people employed growth of business over the years, nature of commodities sold/ services rendered and their opinion on the growth of tourists, arrival have been collected from shop owners, STD booth owners, guest houses, hotels and restaurant owners, transport operators, temple officials, auto driver using a structured questionnaire, opinions of the residents on the impact of tourism on local area development have also been collected. Secondary data on the quantum of tourist's flow, Government expenditure and other measures to promote tourism have been collected from the Department of Tourism.

## SAMPLE DESIGN

Tourists have been selected on the basis of Scientific Sampling Method. The tourists who have travelled either through Indian Tourism Department Travel Bus or Tamil Nadu Tourism Department Travel Bus during the period from April to May 2017 alone constitute the universe. Sample has been drawn from those tourists. There

are fluctuations in the number of tourists visiting the place either on the basis of days or seasons. Sixty foreign and domestic tourists have been selected each from Chennai and Mahabalipuram, of which twenty are leisure tourists, thirty are religious tourists, five are beach tourists and five are medical tourists. Fifty shop owners, forty transport operators, and twenty four guest house owners, sixteen auto drivers, ten STD booth owners twenty restaurant owners, twenty hotels owners, and ten temple officials each from Chennai and Mahabalipuram have been chosen as samples. Hence, in all 310 sample respondents have been chosen, comprising 120 tourists, 180 residents and ten temple officials, with proportionate weight to both Chennai and Mahabalipuram. Well-structured questionnaires have been used to collect data from all the respondents. Separate questionnaires have been used to account the investment growth over the year and their opinions about the problems in promoting tourism have also been collected.

#### IV. ANALYSIS OF DATA AND DISCUSSION

The basic aim of the present study is to analyse various kinds of impact of tourism in Chennai and Mahabalipuram. The impact of tourism can be assessed from those people who are depending on this sector for their livelihood or whose major part of income is generated from this sector, apart from the tourists themselves. Thus, the sample respondents are categorised into tourists, residents and temple officials in the two locations. Residents include transport operators, guest house owners, telephone booth owners, shopkeepers, hoteliers, restaurant owners and auto drivers. The category-wise distribution of the sample respondents is shown in Table – 1.

**Table – 1:** Location, Category and Gender-wise Distribution of the Respondents

Category	Location						Total		
	Chennai			Mahabalipuram			M	F	Total
Tourists	39 (32.0)	21 (63.6)	60 (38.7)	39 (30.2)	21 (50.7)	60 (38.7)	78 (31.1)	42 (71.2)	120 (38.7)
Residents	80 (65.6)	10 (30.3)	90 (58.1)	85 (65.39)	5 (19.3)	90 (58.1)	165 (65.7)	15 (25.4)	180 (58.1)
Officials	3 (2.4)	2 (6.1)	5 (3.2)	5 (3.9)	Nil	5 (3.2)	8 (5.2)	2 (3.4)	10 (3.2)
<b>TOTAL</b>	<b>122</b> (100)	<b>33</b> (100)	<b>155</b> (100)	<b>129</b> (100)	<b>26</b> (100)	<b>155</b> (100)	<b>251</b> (100)	<b>59</b> (100)	<b>310</b> (100)

**Note:** M – Male and F – Female. Figures in brackets are column-wise percentages.

**Source:** Field survey.

It indicates the distribution of sample respondents by category, location and gender. The total sample size of 310 sample respondents are taken from both Chennai and Mahabalipuram, by giving proportionate weightage to both these locations in every category of the respondents. That is, out of the 120 tourists, 60 tourists are taken from

Chennai and the other 60 tourists from Mahabalipuram. Similarly, among the 180 residents, 90 each is taken from the two locations and five each are taken in the case of temple officials. In percentage terms, out of the 310 samples, tourists consists of 38.7 per cent (120 respondents), residents account for 58.1 per cent (180 respondents) and officials consist of 3.2 per cent (ten respondents). Since equal weightage is given to both Chennai and Mahabalipuram in the number of samples, the percentage of each category of respondents is also similar in both the locations.

The gender-wise classification of the sample distribution is however, different between the two locations. In Chennai, out of the 60 tourists, 39 are males and 21 are female tourists which accounts for 32.0 per cent and 63.6 per cent respectively in the gender-wise total in Chennai. Similarly, in the case of resident-respondents, there are 80 males (65.6 per cent) and 10 female (30.3 per cent) respondents and among the five officials, three are males and two are females.

In Mahabalipuram, the gender-wise percentage in the case of tourists is 30.2 and 80.7 for males and females respectively, 65.9 and 19.3 in the case of residents and 3.9 per cent for male officials, as there is no female official. Thus, out of the total 310 sample respondents, 251 are males and 59 respondents are females. The age-wise distribution of the sample respondents is presented in Table – 2.

On the basis of the frequencies of the age levels of the sample respondents, age level is classified as follows: below or equal to 30, 31-40, 41-50 and more than 50. Among the 155 sample respondents in Chennai, 22.6 per cent (35 respondents) are in the age group of upto 30, of which 24 are tourists and 11 are residents. The highest distribution occurs in the age group of 31-40 with 34.8 per cent of the sample (54 respondents) falling in this class. Among the 54 respondents, 20 are tourists, 33 are residents and there is one official in this age group. Similarly, there are 39 respondents (25.2 per cent) in the age group of 41-50, with 25 resident-respondents, 11 tourists and three officials. Finally, there are 27 respondents (17.4 per cent) who are in the age group of above 50 years, of which residents account for 21, with five tourists and one official.

**Table – 2:** Location, Category and Age-wise Distribution of the Respondents

Location	Age	Category			Total
		Tourists	Residents	Officials	
CHENNAI	Upto 30	24 (40.0)	13 (12.2)	Nil	35 (22.6)
	31-40	20 (33.3)	33 (36.7)	1 (20.0)	54 (34.8)
	41-50	11 (18.4)	25 (27.8)	3 (60.0)	39 (25.2)
	Above 50	5 (8.3)	21 (23.3)	1 (20.0)	27 (17.4)
	<b>Total</b>	<b>60 (100)</b>	<b>90 (100)</b>	<b>5 (100)</b>	<b>155 (100)</b>
MAHABALI PURAM	Upto 30	20 (33.3)	18 (20.0)	Nil	38 (24.5)
	31-40	19 (31.7)	39 (43.3)	Nil	58 (37.4)
	41-50	16 (26.9)	21 (23.3)	5 (100)	42 (27.1)
	Above 50	5 (8.3)	12 (13.4)	Nil	17 (11.0)
	<b>Total</b>	<b>60 (100)</b>	<b>90 (100)</b>	<b>5 (100)</b>	<b>155 (100)</b>

**Note:** Figures in brackets are location-wise percentages.

**Source:** Field survey.

In the case of Mahabalipuram also, the highest distribution occurs in the 31-40 age group with 58 respondents (37.4 per cent) out of the total of 155 samples. Among these 58 respondents, 19 are tourists and 39 are residents. In the age group of upto 30, there are 38 respondents (24.5 per cent), of which 29 are tourists and 18 are residents. Out of the 155 samples, 27.1 per cent (42 respondents) fall in the 41-50 age group and in that 16 are tourists, 21 are residents and five are officials. This clearly indicates that the sample respondents are distributed well among all the age groups and also in all the categories of respondents, except that of officials.

Educational qualification is another important social trait of the sample population. The level of qualification obviously differs among the respondents and the education-wise distribution of the respondents is shown in Table – 3.

**Table – 3:** Location, Category and Educational Qualification-wise Distribution of the Respondents

Location	Educational Qualification	Category			Total
		Tourists	Residents	Officials	
CHENNAI	Upto SSLC	5 (8.3)	32 (35.6)	Nil	37 (23.9)
	HSC	4 (6.7)	15 (16.7)	Nil	19 (12.1)
	UG	30 (50.0)	32 (35.6)	Nil	62 (40.0)
	PG	16 (26.7)	7 (7.8)	1 (20.0)	24 (15.5)
	Professional	5 (8.3)	4 (4.3)	4 (80.0)	13 (8.5)
	<b>Total</b>	<b>60 (100)</b>	<b>90 (100)</b>	<b>5 (100)</b>	<b>155 (100)</b>
MAHABALI PURAM	Upto SSLC	6 (10.0)	41 (45.5)	Nil	47 (30.3)
	HSC	3 (5.0)	22 (24.4)	Nil	25 (16.1)
	UG	31 (51.7)	13 (14.4)	Nil	44 (28.4)
	PG	15 (25.0)	9 (10.0)	2 (40.0)	26 (16.8)
	Professional	5 (8.3)	5 (5.5)	3 (60.0)	13 (8.4)
	<b>Total</b>	<b>60 (100)</b>	<b>90 (100)</b>	<b>5 (100)</b>	<b>155 (100)</b>

**Note:** Figures in brackets are location-wise percentages. SSLC – 10<sup>th</sup> Standard; HSC – 12<sup>th</sup> Standard; UG – Under Graduation; PG – Post-Graduation.

**Source:** Field survey.

In Chennai, out of the 155 respondents, 23.9 per cent (37 respondents) are literate upto SSLC (10<sup>th</sup> standard) level, of which 32 are residents and five are tourists. Among the 19 respondents (12.1 per cent) who are literate upto the higher secondary level (HSC) level, four are in the tourist category and the remaining 15 are residents. The maximum number of respondents is educated upto under graduation (UG) level with 62 respondents (40.0 per cent) falling in the class. Out of which 30 are tourists and 32 are residents. Those

who are educated upto the post-graduate (PG) level is 24 (15.5 per cent), of which more number occurs in the tourists category and one in the official category. Similarly, there are 13 respondents (8.5 per cent) with professional level of education, in which five are tourists and four each from the other two categories. This indicates that among the 60 tourist-respondents in Chennai, 50 per cent are with UG level of qualification, 16 with PG level and five respondents with professional level qualification. But, in the case of residents, out of the 90 respondents, 79 (87.9 per cent) are educated upto UG level or less.

In the case of Mahabalipuram, out of the 60 tourist-respondents, 31 (51.7 per cent) are educated upto UG level and 15 (25.0 per cent) are upto PG level. But, in the case of residents, out of the 90 respondents, as much as 41 (45.5 per cent) are literate only upto SSLC level and 22 (24.4 per cent) are literate upto higher secondary level. Thus, two-thirds of the resident respondents are literate upto higher secondary level or less in Mahabalipuram. This shows that in Mahabalipuram, out of the 155 sample respondents, 47 (30.3 per cent) are literate upto SSLC, which 44 (28.4 per cent) are literate upto the UG level. This indicates differing levels of education among the respondents in the two locations.

Apart from the social characteristics of the sample respondents like gender-wise distribution, age structure, educational qualification and communities, the economic characteristic, viz., income level is a significant one which can portray the level of economic conditions of these sample respondents. The monthly household income-wise distribution of the sample respondents is given in Table – 4.

**Table – 4:** Location, Category and Income Level-wise Distribution of the Respondents

Location	Monthly Income (Rs.)	Category			Total
		Tourists	Residents	Officials	
CHENNAI	Upto 25000	23 (38.3)	24 (26.7)	Nil	47 (30.3)
	25001-50000	18 (30.0)	18 (20.0)	2 (40.0)	38 (24.5)
	50001-75000	13 (21.7)	26 (28.9)	3 (60.0)	42 (27.1)
	Above 75000	6 (10.0)	22 (24.4)	Nil	28 (18.1)
	<b>Total</b>	<b>60 (100)</b>	<b>90 (100)</b>	<b>5 (100)</b>	<b>155 (100)</b>
MAHABALI PURAM	Upto 25000	23 (38.3)	10 (11.1)	Nil	33 (21.3)
	25001-50000	18 (30.0)	31 (34.4)	3 (60.0)	52 (33.5)
	50001-75000	13 (21.7)	28 (31.1)	2 (40.0)	43 (27.7)
	Above 75000	6 (10.0)	21 (23.3)	Nil	27 (17.4)
	<b>Total</b>	<b>60 (100)</b>	<b>90 (100)</b>	<b>5 (100)</b>	<b>155 (100)</b>

**Note:** Figures in brackets are column-wise percentages.

**Source:** Field survey.

The distribution of the 155 sample respondents in Mahabalipuram is mostly similar to that of Chennai. There are 33 respondents (21.3 per cent) in the monthly household income level of upto Rs.25000, in which there are 23 tourists and 10 residents. In the income group of Rs.25001-

50000, there are 52 respondents (33.5 per cent) which consist of 18 tourists, 31 residents and three temple officials. Similarly, there are 43 respondents (27.7 per cent) in the income group of Rs.50001-75000, which is made up of 13 tourists, 28 residents and two officials and in the highest income group of more than Rs.75000, there are 27 respondents, in which six are tourists and 21 are residents. Thus, in the case of Mahabalipuram also, the distribution of respondents among the various income groups is well spread.

The monthly household income of the sample respondents adds some light to the analysis of the socio-economic characteristics of the sample respondents. But, naturally the levels of monthly household income levels differ among the respondents. In the Table – 6.7 the distribution of the sample respondents depending on their educational qualification and monthly household income is given.

### LENGTH OF STAY OF THE TOURISTS

The total sample size of 310 respondents also includes 120 tourists, 60 each from Chennai and Mahabalipuram. To understand the social and economic impacts of the tourists, various information regarding their length of stay during a visit, number of time they visited Chennai, and the amount of their spending on tour as a percentage of their annual income have been gathered. The total number of tourists is classified into local tourists, tourists from other states and foreign tourists depending on their place of origin. In this section, the economic aspects of the tourists are analysed. To begin with, the length of the tourists' stay in the two locations is analysed with the help of Table – 5.

**Table – 5:** Place of Origin and Length of Stay-wise Distribution of the Respondents

Place of Origin	Length of Stay				Total
	1 Day	1N2D	2N3D	3N4D or more	
Local	12 (31.6)	4 (10.5)	16 (42.1)	6 (15.8)	38 (100)
Other States	12 (26.1)	6 (13.0)	4 (8.7)	24 (52.2)	46 (100)
Foreign	4 (11.1)	12 (33.3)	2 (5.6)	18 (50.0)	36 (100)
<b>TOTAL</b>	<b>28 (23.3)</b>	<b>22 (18.3)</b>	<b>22 (18.3)</b>	<b>48 (40.0)</b>	<b>120 (100)</b>

**Note:** 1N2D refers to One Night and Two Days and so on. Figures in brackets are row-wise percentages.

**Source:** Field survey.

The length of the tourists stay is classified as one day stay, stay for one night- two days (1N2D), two nights-three days (2N3D) and three nights-four days or more (3N4D). Table – 5 shows that out of the 120 tourist-respondents, 38 are local tourists, 46 belong to other states of India and the remaining 36 tourists are from other countries.

The classification of their duration of stay suggests that out of the 120 tourists, 28 (23.3 per

cent) visit the location for a day of which only four belong to other countries, while 12 respondents each from local and other states fall in this category. In the next category of one night-two days, there are 22 tourists (18.3 per cent) in which again a majority of 12 tourists are foreign, whereas four and six tourists from local and other states respectively, stay that much longer. The number of tourists staying for two nights-three days is 22, in which the number of local tourists is the highest with 16, while four belong to other states and two are foreign tourists. The number of tourists who stay for three nights-four days or longer is 48 (40.0 per cent), in which the number of other states' tourists is the highest with 24, followed by 18 tourists and six local tourists.

Place of origin-wise classification of the tourists indicates that among the 38 local tourists, 12 tour for a day, while 16 tourists stay for two nights-three days. In the case of 46 tourists from other states, 24 tourists stay for the longest duration of three nights-four days or even longer, while 12 tourists visit only for a day. Among the 36 foreign tourists, 50.0 per cent of them stay for the longest duration as can be expected, though 12 tourists stay for one-two days.

Among the total 120 tourists, 60 tourists are taken from Chennai and the other 60 from Mahabalipuram. But it is quite common that those visiting Mahabalipuram also visit Chennai, since both these locations are not far-off and moreover, those who are coming from other states or other countries should reach Chennai first, to go to Mahabalipuram. Hence, it is obvious that all the 120 tourists must have visited to Chennai.

The economic impact of tourism can better be gauged by the amount spent by the tourists in the touring locations. The information regarding their amount of money spent on tour as a percentage of their annual income has been gathered which is presented in Table – 6.

**Table – 6:** Place of Origin and Tour Expenditure-wise Distribution of the Respondents

Place of Origin	Tour Expenditure (in %)				Total
	Upto 10	10-20	20-25	Above 25	
Local	8 (21.1)	16 (42.1)	12 (31.6)	2 (5.3)	38 (100)
Other states	20 (43.5)	16 (34.8)	8 (17.4)	2 (4.3)	46 (100)
Foreign	10 (27.8)	8 (22.2)	8 (22.2)	10 (27.8)	36 (100)
<b>TOTAL</b>	<b>38 (31.7)</b>	<b>40 (33.3)</b>	<b>28 (23.3)</b>	<b>14 (11.7)</b>	<b>120 (100)</b>

**Note:** Figures in brackets are row-wise percentages.

**Source:** Field survey.

It shows that out of the 120 tourists, 38 (31.7 per cent) spend upto 10 per cent of their annual income on tour, in which 20 are from other states, 10 from other countries and eight are local tourists. In the category of those who are spending between 10 and 20 per cent, there are 40 tourists (33.3 per cent) who consist of 16 local tourists,

another 16 from other states and eight are foreign tourists. There are 28 tourist-respondents in the category of 20-25 per cent of expenditure class in which local tourists account for 12, other states' tourists account for eight and another eight from foreign countries. This shows that the tourists spend considerable amount of their income on tour when they visit the two locations, viz., Chennai and Mahabalipuram. This will certainly help in improving the economic conditions of the residents and other persons who are involved in this sector in both the locations.

The duration of stay of the three categories of tourists also depends on their respective income levels. Depending on their monthly income levels, tourists will have to plan their stay duration as it involves considerable amount of expenditure. Thus, to understand the relationship between the monthly income levels of the tourists and their length of stay, the data are distributed on the basis of these two variables and presented in three tables separately for local tourists, tourists from other states and foreign countries.

The distribution regarding the monthly income level and the length of stay for the tourists from other states is presented in Table – 7.

**Table – 7: Monthly Income and Length of Stay-wise Distribution of the Respondents**

Monthly Income	Length of Stay				Total
	1 day	1N2D	2N3D	3N4D or more	
Upto 25000	2 (16.7)	Nil	4 (33.3)	6 (50.0)	12 (100)
25001-50000	6 (33.3)	4 (22.2)	Nil	8 (44.4)	18 (100)
50001-75000	2 (20.0)	Nil	Nil	8 (80.0)	10 (100)
Above 75000	2 (33.3)	2 (33.3)	Nil	2 (33.3)	6 (100)
<b>TOTAL</b>	<b>12 (26.1)</b>	<b>6 (13.0)</b>	<b>4 (8.7)</b>	<b>24 (52.2)</b>	<b>46 (100)</b>

**Note:** Figures in brackets are row-wise percentages.

**Source:** Field survey.

In this category of tourists, there are 46 tourists in total, out of which 12 tourists earn upto Rs.25000 per month. Among them, two tourists visit the location only for a day, four stay for two nights-three days, while six tourists stay for the longest duration. In the income class of Rs.25001-50000, out of the 18 tourists the highest number of tourists occurs in the class of the longest stay period. There are eight tourists in the three nights-four days or more, six stay for lowest time, while four tourists stay for one night-two days. In this category of tourist also, there seems to be a positive relationship between the monthly income level and the length stay, since as the income level increases, the proportion of tourists staying for longer duration also increases. This is particularly true, when it is compared to that of the local tourists, where the length of stay is longer among the tourists from other states than that of the local tourists. Thus, there are six tourists in the income

class of above Rs.75000, out of which two stay for the longest period and in the second highest income class of Rs.50001-75000, out of the ten tourists, as many as eight stay for the longest time period.

When the distribution is taken length of stay-wise, out of the 46 tourists, 12 (26.1 per cent) stay for the lowest duration in which there are tourists from all the income classes. As the duration of stay increases, there are more tourists from the higher income classes, again with the exception of the highest income class of above Rs.75000. Moreover, in the longest duration of stay of three nights-four days or longer, there are 24 tourists (52.2 per cent), in which the highest number of tourists occurs in two income classes, viz., Rs.25001-50000 and Rs.50001-75000 with eight tourists, while there are only two tourists from the highest income class.

## V. SUMMARY STATISTICS

The analysis in the previous sections has been done on the basis of frequency and ratio distribution pertaining to various aspects of the sample respondents. Ratio analysis which is done using the class intervals will not provide accurate data regarding the variables like monthly income level of the respondents, their total household income, age level and also the proportion of money spent on tour. Descriptive statistics which include mean, minimum, maximum and also standard deviation are capable of providing some more detail on such variables. In this section, the analysis is done by using the descriptive statistics on some of the variables pertaining to different categories of respondents. To begin with, the descriptive statistics regarding the age, income levels as well as the percentage of amount spent on tour are provided for the two locations separately in Table – 8.

**Table – 8: Summary Statistics**

Location	Variable	Mean	Min	Max	SD
CHENNAI	Age	42.5	26	61	12.95
	Respondent Income	37552.6	20000	95000	2246.5
	Total Income	55248.7	25000	120000	2106.2
	Tour Expenditure	14258.9	6000	28000	3321.5
	Age	44.8	24	75	11.25
MAHABA-LIPURAM	Respondent Income	25254.0	15000	55000	1987.6
	Total Income	46548.9	22000	65600	2053.6
	Tour Expenditure	10582.6	4500	17500	3025.9

**Source:** Computed from field survey data.

The disaggregated data on tourists from the two locations of Chennai and Mahabalipuram provide some more insight into the existing differences between them in these two locations. For instance, the mean age levels of the tourists in the two locations, their monthly income level, total household income and more importantly the expenditure made by them on tour all bring out the underlying differences among these two categories of tourists.

The mean age level of the tourists in Chennai is 42.5 as against 44.8 in the case of Mahabalipuram tourists. The mean respondent income scores of the tourists in the two locations are Rs.37552.6 and Rs.25254.0 respectively. Similarly, the levels of minimum and maximum income also differ between them. In the case of Chennai tourists, the minimum level of respondent income is Rs.20000 and the maximum level is Rs.95000 as against Rs.15000 and Rs.55000 respectively for the Mahabalipuram tourists. The mean scores of total household income level for the two categories of tourists are Rs.55248.7 and Rs.46548.9, while there are considerable differences in the levels of minimum and maximum income scores too. The table also provides the mean scores of tour expenditure made by the tourists in the two locations, which are Rs.14258.9 and Rs.10582.6 in Chennai and Mahabalipuram respectively. The Chennai tourists spend a minimum of Rs.6000 with a maximum of Rs.28000, while in the Mahabalipuram tourists spend Rs.4500 and Rs.17500. This descriptive analysis clearly brings out the differences that exist between the tourists belonging to the two locations.

**TESTING OF HYPOTHESES**

**Hypothesis One:** There is a positive and direct relationship between income of the tourists and growth of tourism.

Growth in the quantum of tourism is based on the income level of the tourists concerned, apart from the development of tourism-based infrastructure. At the all-India level, the tremendous growth achieved particularly in the number of domestic tourists can also be linked to the faster rate of increase in the personal disposable income in the recent past. In the study area also, secondary data relating to the number of tourists arrival indicates that it has been growing. Hence, it becomes pertinent to analyse and verify the nature of relationship between income level of the tourists and the growth of tourism. So, the opinions regarding this relationship have been sought from the 120 tourist-respondents. Their opinions and the Chi-square test result are presented in Table – 9. The null hypothesis is stated as follows:

**Table – 9:** Testing the Relationship Between Tourists’ Income Level and Growth of Tourism

Opinions	Count	$\chi^2$ - value	p - value
Strongly Disagree	3	130.917***	0.000
Disagree	2		
Undecided	8		
Agree	43		
Strongly Agree	64		
<b>Total</b>	<b>120</b>		

**Note:** \*\*\* indicates 1 percent level of significance.

**Source:** Computed from field survey data.

The result indicates that among the sample tourists, only three strongly disagree about the

positive link between the two variables, while two more tourists disagree. Among the remaining 115 tourists, eight are undecided, while 43 agree that there is a positive and direct link between tourists’ income and their arrival. But, as many as 64 tourists strongly agree that this sort of relationship does exist. Given this kind of distribution, the Chi-square value is highly significant (1 per cent level) and hence, the null hypothesis is rejected. This implies that there is a strong, positive and also significant relationship between the income level of the tourists and growth of tourism.

**Hypothesis Two:** Growth of tourism significantly creates positive economic development in the host country.

Growth of tourism generally creates positive economic impact in the host country by creating employment, increasing the income levels of the residents and also by earning sizeable amount of foreign exchange. In order to verify whether tourism creates any positive impact on the economy, the opinions of all three categories of respondents have been sought. These opinions are tabulated in Table – 10 along the test result. The null hypothesis is as follows:

**H<sub>0</sub>:** Growth of tourism does not create any positive development on the economy.

**Table – 10:** Economic Impact of Tourism in the Study Area

Opinions	Count	$\chi^2$ - value	p - value
Strongly Disagree	6	195.242***	0.000
Disagree	8		
Undecided	29		
Agree	53		
Strongly Agree	224		
<b>Total</b>	<b>310</b>		

**Note:** \*\*\* indicates 1 percent level of significance.

**Source:** Computed from field survey data.

Opinions of the respondents suggest that 277 out of 310 sample respondents either agree or strongly agree with the proposition that there is a positive economic development of tourism and the Chi-square value is significant at 1 per cent level. Thus, the null hypothesis is rejected and hence, it can be stated that there is a significant relationship between the growth of tourism and the growth in employment and income levels.

**VI. CONCLUSION**

As the analysis has shown that the tourism industry does not create any negative impact in the study area the Government should come forward to develop leisure tourism, beach tourism, religious tourism, rural tourism and medical tourism especially in the backward regions, which will directly help reduce the regional inequalities. Moreover, there are many tourists attractions in

India and also in Tamil Nadu and as the tourism industry is projected to grow at a rapid rate, the Union Government and the State Government need to be proactive in attracting foreign tourists which will also increase foreign exchange earnings.

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