Socio-Economic Impact Of Tourism Development At Visakhapatnam

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Abstract:

Purpose – The study examines the impact of socio-economic factors on tourism development at Visakhapatnam, Andhra Pradesh.

Research Design/Methodology – the data required for the analysis were collected from 205 respondents using simple random sampling. For this purpose, a structured questionnaire was designed to highlight tourism development attributes using a five-point Likert Scale. The data were analysed using factor score, and univariate analysis was conducted to find out the relation between the socio-economic factor and the attributes of tourism development.

Findings – The findings revealed that age does not have any impact on the attributes of tourism development, whereas education has a relation with community involvement. Further, the income has a relation with local entrepreneurs, social gains and cultural diversity.

Originality– Visakhapatnam is one of the most visited tourist destinations in Andhra Pradesh. The study was undertaken to give impetus to the attributes of tourism development at this destination. Grounded on the relevant literature and the study's objectives, a framework was developed to ascertain the impact of socio-economic factors on the attributes of tourism development at Visakhapatnam as the visits to the tourist places are gaining importance.

Managerial Implications: The study contributes to the body of knowledge on the impact of socio-economic factors on the attributes of tourism development. It helps the organisations formulate strategies for creating awareness and implementing strategies for tourism development at Visakhapatnam.

Keywords: Tourist, Visakhapatnam, tourist behaviour, attributed for tourist development.

Introduction

In recent decades, tourism has become widely regarded as one of the world's largest and fastest-growing sectors. Even in developing countries, tourism contributes significantly to economic growth (Tosun, 1998). Simultaneously, many developing countries rely heavily on tourism for economic development. Tourism that is well-designed and managed has been shown to have a significant impact on the growth of other sectors, employment, and trade and commerce prospects. Tourism has long been seen as one of the most environmentally friendly ways to alleviate poverty, create jobs, and diversify economies in poor countries (Honeck, 2012).

As a result, numerous impoverished countries have made tourism a priority in their development efforts (Balaguer & Jorda, 2002). Worldwide income development, increased leisure time, a growing global population, decreasing actual transportation costs, shorter journey durations, and globalisation all contribute to tourism's expansion (Wen & Tisdell, 2001). Tourism generates considerable economic advantages through employment creation, foreign currency revenues, and community welfare (Andriotis, 2002). Tourism, as was discovered in the late 1990s, may benefit the impoverished by generating local currency. "Wages from formal employment, revenues from services, sales of commodities, or labour, profits from locally held businesses, and communal income from community-owned companies are four ways tourism might produce local wealth," Ashley et al. write (2000).

Review of Literature:

According to Joseph (2020) Kerala has backwaters, hill stations, beaches, Ayurvedic tourism, and tropical flora. Kerala was named one of the '50 Must-See Places of a Lifetime' by National Geographic Traveller magazine. Kerala is noted for its natural beauty, which spans from the Western Ghats, which are covered in lush forests, to the backwaters and the Arabian Sea. Its past culture, which includes traditional dance forms and alternative medical systems, adds to its allure. The aim is to encourage ecotourism. This can be achieved by connecting tourism with other economic sectors such as medical and health hubs, resulting in more consistent tourists who stay longer and spend more. Infrastructure development is crucial to this goal. This article discusses the economic impact of tourism in Kerala. The study found that tourism is important for Kerala's economy.

Deshpande (2020) mentioned that the tourism industry is a significant social phenomenon in practically every civilization, owing to the underlying human desire to have new and unique experiences in the areas of adventure, learning, and entertainment. Furthermore, tourism is influenced by a variety of elements, including socio-cultural, religious, and business activity. Tourism is fuelled in part by the innate human need to

learn about unexplored corners of the planet. Improvements in the knowledge domain, technological advancements, communication barrier reductions, transportation advancements, and the construction of tourist-friendly facilities have all contributed to the tourism industry's growth in recent decades. As a result, it is widely accepted that tourism can play a vital role in attaining inclusive and long-term growth and development.

According to Reissig (2019), tourism has risen exponentially globally, in both developed and underdeveloped countries. The sector is often regarded of as a source of economic growth, but the social ramifications are debatable. To compare tourism-based socioeconomic development approaches in other poor countries. Both the Dominican Republic and Haiti have benefited economically from tourism, and both should continue to do so. But they should focus on teaching their citizens so the industry can hire and manage more locals. Tourism has both positive and negative effects on societal development in the Dominican Republic and Haiti. Less inequality and more pro-poor tourism should be the goals of destinations.

Azam et al (2018) defined tourism as all interactions and phenomena that occur when strangers visit and stay with them, as long as the stay is not permanent and is not tied to a paid activity. The current study used Bomburet as a case study region to assess the socioeconomic impact of tourism on the Chitral district community. Tourism, the report concludes, has a vital role in both the socio-economic and economic sectors. Demand for dry fruits, fresh fruits, hotels, transportation, and local handicrafts is rising. 68 percent of respondents felt that tourism is crucial for Chitral's economic development. They favoured it because it directly increases household income, improves infrastructure, and increases the ability to learn about tourism and hotel administration. Enhanced security with blossoming plants in parched alpine tracts can significantly encourage tourists in the region.

According to Croes, Rivera, and Lee (2016), tourism development is a multidimensional construct that influences a destination's local community. In terms of quality of life, tourism growth can have both bad and beneficial effects on local communities. However, tourism development can have economic, social, and environmental impacts. While tourism development benefits developed communities, it can also have negative implications.

Significance of the Study:
Tourism has been attracting visitors from all over the world since ancient times. Sea beaches, archaeological and historical monuments, natural landscape, different tribal lifestyles, and indigenous culture are among the natural and man-made attractions that attract tourists. Tourism is considered more powerful financially, that can help to promote long-term economic growth and poverty reduction. The World Trade

Organization recognizes the importance of tourism in a country's economic and social development (WTO). Household income and government revenue are increased as a result of tourism, as are foreign exchange reserves. Tourism also promotes other related industries such as agriculture, food production, retailing, and the hospitality sector, as well as the development of basic infrastructures such as airports, roads, and railways, just as the exchange of new information, technology and other developments. Visakhapatnam is one of the tourist destination, thus the place has been selected for the study to find the socio-economic impact on its development.

Objectives of the Study:
    (i)   The study's main objective is to identify the influence of socio-economic factors on the attributes of tourism development.
    (ii)   To understand the attributes of tourism development in Visakhapatnam City.

Table-1: Socio-Economic Profile of the Respondents

Particulars		Number of Respondents	Percentage of Respondents
Gender	Male	116	56.6
	Female	89	43.4
Age – Group	20 – 30 Years	97	47.32
	31 – 40 Years	84	40.98
	41 – 50 Years	13	6.34
	More than 50 Years	11	5.37
Marital Status	Married	147	71.71
	Unmarried	58	28.29
Educational Qualification	Primary Education	13	6.34
	Secondary Education	24	11.71
	Graduate	135	65.85
	Postgraduate	33	16.10
Occupation	Private Sector	54	26.3
	Public Sector	109	53.2
	Self-Employed	28	13.7
	Others	12	5.9
Nationality	Foreigner	31	15.1
	Indian	174	84.9
Monthly Income	Less than Rs. 25,000	121	59.1
	Rs. 25,001 to Rs. 50,000	63	30.7
	Rs. 50,001 to Rs. 75,000	15	7.3
	Rs. 75,001 and above	6	2.9

	Total	205	100.0

Table-1 depicts the Socio-Economic profile of the visitors to Visakhapatnam City. It can be observed that 116 respondents out of 205 respondents representing 56.6 per cent belong to the male category and 89 respondents belong to the female category. Nearly half of the sample is less than 30 years of age, followed by 41 per cent of the respondents belong the age group of 31-40 years, 6.3 per cent and 5.37 per cent of the respondents are of the age group of 41-50 years and more than 50 years age group respectively. More than 70 per cent of the respondents representing 71.71 per cent, are married, and the rest, 28.29 per cent, are unmarried. A little over 65 per cent of the total respondents have a bachelor's degree, followed by 16 per cent of the sample who have completed Post-graduation, and 11.71 per cent have secondary education. The remaining 6.34 per cent have primary education. The majority of the respondents representing 53.2 per cent of the sample, are private employees, followed by 26.3 per cent of the total respondents, are public sector employees. In comparison, 13.7 per cent are self-employed, and the remaining 4.9 per cent of them belong to other categories. The sample is dominated by Indians representing 85 per cent, and the remaining 15 per cent of the sample are foreigners. The majority of the respondents representing 59.1 per cent, have a household income of less than Rs. 25,000, followed by 30.7 per cent of the total sample, have a household income of Rs. 25,001 to Rs. 50,000, while 7.3 per cent of the respondents have a monthly household income of Rs. 50.001 to Rs. 75,000, and the remaining 2.9 per cent are earning more than Rs. 75,000.

Table-2: Purpose of Visit to Visakhapatnam

S. No.	Particulars	Number of Respondents	Percentage of Respondents
1	Business	34	16.59
2	Pleasure Trip & Climatic	67	32.68
3	Educational Trip	7	3.41
4	Visiting Relatives/ Friends	24	11.71
5	Pilgrimage	10	4.88
6	Historical Monuments	14	6.83
7	I am a resident here	49	23.90

Table-2 illustrate the purpose of the visit to Visakhapatnam. It can be observed that 16.59 per cent of the respondents said that they came for a business trip, 32.68 per cent of the respondents said that they came for a pleasure trip, 3.41 of them opted for an educational trip, 11.71 per cent of them said that they came to meet their relatives/friends, 4.88 opted for pilgrimage, 6.83 per cent said that their purpose is to visit historical monuments and 23.9 per cent are residents of Visakhapatnam.

Table-3: Length of Stay

S. No.	Particulars	Number of Respondents	Percentage of Respondents
1	Up to 3 nights	83	40.5
2	Four to Six nights	59	28.8
3	More than a week	63	30.7

Respondents were asked to tell about the length of stay in Visakhapatnam and depicted the distribution in Table-3. It shows that 40.5 per cent of the respondents said they stay up to three nights, 28.8 per cent of them said they would stay for four to six nights, and 30.7 per cent of the respondents said they would stay for more than a week in Visakhapatnam.

Table-4: Favourable Season for the Tour

S. No.	Particulars	Number of Respondents	Percentage of Respondents
1	Summer	169	82.4
2	Winter	23	11.2
3	Spring	7	3.4
4	Autumn	6	2.9

Table-4 shows the favourable season for touring Visakhapatnam by the respondents. It can be observed that more than 80 per cent of them prefer to visit the place in summer, 11.2 per cent of them would be visiting in winter, 3.4 per cent in Spring and 2.9 per cent of them in Autumn.

Table – 5: Opinion of Tourists on the contribution of attributes to Tourism Development in Visakhapatnam City

S. No.	Particulars	N	Minimum	Maximum	Mean	SD
1	Globalisation	205	1	5	3.22	1.047
2	Infrastructural Facility	205	1	5	3.54	0.933
3	Community Involvement	205	1	5	3.43	1.022
4	Local Entrepreneurs	205	1	5	3.38	0.960

5	Government Support	205	1	5	3.50	0.933
6	Social Gains	205	1	5	3.63	0.797
7	Cultural Diversity	205	1	5	3.47	0.947
8	Economic Development	205	1	5	3.29	0.990

Table-5 explores the scores given by the respondents on a five-point Likert Scale regarding the contribution attributed to Tourism development in Visakhapatnam City. The scores reveal that all the scores are above average level. It can be observed that the mean score for Globalisation is 3.22, infrastructural facilities is 3.54, community involvement is 3.43, Local entrepreneurs is 3.38, Government support is 3.5, social gains is 3.63, cultural diversity is 3.47, and economic development is 3.29.

H_1: There is no significant relationship between the age group and the contribution of attributes of Tourism development.

Table-6: Age-group and Attributes of Tourism Development

Hypothesis	Attributes	F-Value	p-value	Result
H_{1a}	Globalisation	0.296	0.599	Accepted
H_{1b}	Infrastructural Facility	0.196	0.668	Accepted
H_{1c}	Community Involvement	1.296	0.275	Accepted
H_{1d}	Local Entrepreneurs	0.203	0.663	Accepted
H_{1e}	Government Support	0.158	0.701	Accepted
H_{1f}	Social Gains	1.728	0.677	Accepted
H_{1g}	Cultural Diversity	1.925	0.447	Accepted
H_{1h}	Economic Development	0.165	0.086	Accepted

The test static value for all the attributes is greater than the significant value of 0.05. It indicates that we accept the null hypothesis. It can be interpreted that there is no significant relationship between the age group and the contribution of attributes of tourism development.

H2: There is no significant relationship between education and the contribution of attributes of Tourism development.

Table-7: Education and Attributes of Tourism Development

Hypothesis	Attributes	F-Value	p-value	Result
H2a	Globalisation	2.543	0.097	Accepted
H2b	Infrastructural Facility	0.158	0.700	Accepted
H2c	Community Involvement	3.903	0.044	Rejected
H2d	Local Entrepreneurs	0.406	0.540	Accepted
H2e	Government Support	0.239	0.636	Accepted
H2f	Social Gains	1.925	0.198	Accepted
H2g	Cultural Diversity	0.249	0.629	Accepted
H2h	Economic Development	0.185	0.677	Accepted

The p-value is considered to be at 0.05. By observing Table-7, the calculated p-value for the attributes Globalisation, Infrastructural facility, Local entrepreneurs, Government Support, Social Gains, Cultural Diversity and Economic development is greater than the significant level. So we accept the null hypothesis that indicates no significant relationship between education and the attributes mentioned above. In the case of Community Involvement, the calculated value is less than the significant value. So we reject the null hypothesis. It indicates a relationship between education and community involvement for tourism development. Overall, education does not relate to the attributes of tourism development.

H3: There is no significant relationship between income and the contribution of attributes of Tourism development.

Table-8: Income and Attributes of Tourism Development

Hypothesis	Attributes	F-Value	p-value	Result
H3a	Globalisation	0.643	0.293	Accepted
H3b	Infrastructural Facility	0.165	0.595	Accepted

H3c	Community Involvement	1.181	0.541	Accepted
H3d	Local Entrepreneurs	0.446	0.031	Rejected
H3e	Government Support	0.172	0.796	Accepted
H3f	Social Gains	0.947	0.025	Rejected
H3g	Cultural Diversity	0.255	0.016	Rejected
H3h	Economic Development	0.671	0.535	Accepted

The p-value is considered to be at 0.05. By observing Table-8, the calculated p-value for the attributes Globalisation, Infrastructural facility, Community Involvement, Government Support, and Economic development is greater than the significant level. So we accept the null hypothesis that indicates no significant relationship between the income and the attributes mentioned above. In the case of Local Entrepreneurs, Social Gains and Cultural Diversity, the calculated value is less than the significant value. So, we reject the null hypothesis. It indicates a relation between the income and the local entrepreneurs, Social Gains, Cultural Diversity for the tourism development.

Findings:

i. The majority of the respondents belong to the male category and are between 20 and 30 years of age.

ii. A little over seventy per cent of the visitors are married and also possess a graduate qualification.

iii. Most of the visitors are Indians and are in the public sector service.

iv. More number of visitors are visiting this place for pleasure trip & to enjoy the climatic conditions.

v. Forty per cent of the visitors said that they stay up to three nights in Visakhapatnam and the most favourable season is the summer season.

vi. Age does not have any impact on the attributes of the tourism development.

vii. Education has a relation with the community involvement with regard to tourism development.

viii. Income has a relation with he attributes like local entrepreneurs, Social Gains and Cultural Diversity.

Conclusion:

In developing countries, tourism has been identified as a key driver of economic growth. However, the drivers in India and Andhra Pradesh are somewhat distinct. Numerous

countries grappling with poverty and heavy debt have turned to tourism for foreign investment, trade, and exchange. On the other side, tourism promotes a more sustainable mode of growth. Tourism is composed of both tangible and intangible components. The most tangible component is the logistical support provided by transportation, hotel, and other leisure activity components. The patent purposes of the anticipated historical and cultural components, on the one hand, and the cause or motivation for being a tourist, on the other hand, are significant intangible components. Tourism has become a vital part of our existence as a result of these factors, aligning itself with appropriate political, financial, cultural, social, biophysical, educational, biological, and aesthetic factors. Interactions between tourists' possibly divergent expectations and aspirations and those of hosts, local communities, and local (government) authorities create a slew of complications and opportunities. Significant tourism attractions contain elements of nature, social history, and cultural diversity. Unreasonable or incompetent management of tourism and tourism-related improvement may jeopardise or remove the interests and distinctive traits of the tourist business. The natural context, culture, and lifestyles of the host communities may also be muted, depending on the visitor's experience.

Acknowledgement:

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