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## IMPACT OF TOURISM ON SOCIO - ECONOMIC DEVELOPMENT IN RATANAGIRI DISTRICT

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**Abstract:-** Tourism sector has been regarded as an important economic generator; creates business, offers jobs and improves income. Tourism has emerged as one of the largest industry both in terms of gross domestic product (GDP) and employment in the world today. The internal tourism is now getting importance due to its economic, social, cultural benefits and also it tries to increase national integration. Domestic tourism depends upon basic infrastructure i.e. natural and cultural tourist places, transportation and other essential facilities. It also gives promotion to direct and indirect job opportunities to skilled, unskilled & semiskilled workers & other people. It also helps to promote base for the international tourism (Badaruddin 1996). It develops small-scale industries, local crafts and related industries of the concern region. According to the World Travel and Tourism Council report (2012), Travel & Tourism continues to be one of the world's largest industry. The total impact of the industry means that, in 2011, it contributed 9% of global GDP, or a value of over US\$6 trillion, and accounted for 255 million jobs. Over the next ten years this industry is expected to grow by an average of 4% annually, taking it to 10% of global GDP, or some US\$10 trillion. By 2022, it is anticipated that it will account for 328 million jobs or 1 in every 10 jobs on the planet.

**Keywords:** Socio-Economic , gross domestic product (GDP) , international tourism .

### INTRODUCTION

Tourism has been regarded as an economic proposition in India & has a distinct role to play as an industry. Under recession impact & due to the regional crisis the FTA growth rate in India was declined by -2.2 in 2009 for a short term; but, in a long term international as well as domestic tourism of the country may cause to an economic boom in the region according to experts opinions.

### REVIEW OF THE LITERATURE

Assessment of impact of Tourism on socio & economic development is not begun very long ago. According to study of David Carr (2011) the need was felt as the volume of tourist traffic began to reach significant proportions in the early years of the twentieth century. Hall (1995), states that the main reason why governments, particularly in developing countries encourage tourism investment is because of the expectations that it will contribute to economic development. It is also argued that tourism should be seen as a means of development in a broader sense (see, for example, Krapf, 1961; Kaiser & Helber, 1978; Mathieson & Wall, 1982; Murphy, 1985; McIntosh et al., 1995; Wahab & Pigram, 1997; Cooper et al., 1998). These analysts describe the broader sense of tourism to mean the potential of the industry to have direct socio-economic impacts on destination regions.

### JUSTIFICATION OF THE STUDY

It has proved and accepted that tourism plays significant and dominant role in the development of the region; therefore measurement of tourism phenomenon is very vital as summarised as follows.

- 1.To evaluate value of tourism at specific tourist destination in respect to socio-economic development of country and concern region.
- 2.To plan and to develop physical-infrastructural amenities at tourist destination.

An assessment of tourism is important for fulfillment of tourist requirements. But, it is also important to know whether tourism contributes to local trade. How long they will stay, what type of accommodation they are required. How much money they will spend etc. information is required to judge growth rate of tourist industry at concern place or region. Further study is also required to know whether local communities are the actual beneficiaries of tourism development. Extracted data can be utilised to compare changes of income level & to know economic growth of local people if any.

### PROFILE OF THE STUDY AREA

Ratnagiri district is one of the popular tourist center in Maharashtra. The district lies between 160 13' to 180 04' North latitude and 730 02' to 730 52' East longitude. The district is bounded by Raigad district to the north, Arabian Sea to the west, Sindhudurg district to the south & the Sahyadri Mountain on the east. According to census-2011 the population of Ratnagiri district is 16, 12,672 persons. First time, after 1921, Ratnagiri district has registered negative growth in population by -4.96 percent. Heavy rainfall i.e. 3000 mm an average, fishing and agricultural is the major activities of the district. 39% land of the district is under cultivation, while sex ratio of the district has remained higher than that of state since 1901. In the year 2011 the sex ratio was slightly decreased up to 1123 as compared to 2001 census which was 1135 and literacy rate has remained as 82.43%. According to current price index of financial year 2009-10; gross income of Ratnagiri district was Rs.12621/- crore whereas per capita income of the district was Rs.61092/-. Ratnagiri district has divided in nine tehsils with 1543 villages.

### OBJECTIVES OF THE STUDY

The present study was an attempt to determine the social-economic impact of tourism on livelihood of the people of Konkan with special reference to Ratnagiri district.

The study was attempted to seek the answer of following questions as secondary objectives.

- 1.To study the contribution of tourism in socio economic development of Ratnagiri district.
- 2.To study the extent of Tourism impact on socio-economic development of people of Ratnagiri district.
- 3.To study the type of tourism that has developed in Ratnagiri district.
- 4.To study the Problems and Prospect of Tourism in Ratnagiri district.
- 5.To study the behavioural characteristics of tourists and to examine their level of satisfaction in relation to tourism factors.

### HYPOTHESIS

The hypotheses evolved for the present study are as following:

**Main Hypothesis** - “Tourism has played an important role in making socio-economic development of Konkan in general and Ratnagiri district in particular.

To test above main hypothesis we test following testable hypotheses.

1. Tourism has played significant positive impact in making social development in Ratnagiri district.
2. Tourism has played significant positive impact in making economic development of Ratnagiri district.
3. There is significant difference between social and economic development of Ratnagiri district.
4. Tourism has made positive impact in making socio-economic development of Ratnagiri district.

For testing above hypotheses we compared mean rating scores with score 1(which gives positive agreement opinion rating score) under sample't' test and paired't' test.

The mean value + 1.43 of residents' perception have moderately demonstrated that the tourism has played moderate role in socio-economic development of Ratnagiri district.

### RESEARCH METHODOLOGY

In the present study; perceptions of local communities regarding toward social and economic impacts of tourism, have been studied. Perceptions of host communities have tested in respect to 20 socio-economic indicators including change in economic status, new employment opportunities, increase in price level, growth of hotel and other tourism related industry, increased demand to local products etc. Empowerment of women population, community involvement in policy making,

change in sex ratio, impact on cultural values and customs, improvement in communication skills and living standards etc. were considered as social indicators. A questionnaire was designed in 7 point scale, ranging from -1: 'strongly disagree' to +3: 'strongly agree' and the pilot survey of questionnaire carried to have its content validated by several volunteers. Mean and standard deviation are the descriptive statistics; that are used in discussing the distribution of responses gathered in the research. The questionnaires were distributed among the local people, living or working in the vicinity of sample tourist destinations in Ratanagiri district. A total of 359 usable and completed questionnaires from households were collected and analyzed. Descriptive analysis and t-test was employed as statistical technique to test the hypothesis in the present study.

In addition to local respondents; opinions of visitor's have also examined by conducting sample interviews of tourist to study their behavioural characteristics and their personal impressions towards local people, tourist products and services. Total 1225 tourists were interviewed on sample basis at all selected destinations and their level of satisfaction assessed by applying MUSA method i.e. Multy-criteria Satisfaction Analysis.

## FINDINGS

In the present study 11 tourist places of Ratnagiri district have studied on sample basis. Tourist places of Ratnagiri district have been categorised as religious, historical and natural tourist places including beaches and waterfalls. These classifications have been made on the basis of tourists' purpose of visit. The state government has notified six tourist places of Ratnagiri district as B category and 65 as C category; while 53 temples, 13 beaches & 07 forts of the district are observed as most favoured tourist destinations in Ratnagiri district. As per tourists response Ganpatipule observed as most favoured religious tourist place of Ratnagiri district; while Guhagar and Murud are favoured by tourists as beach destinations. Historical places are the major tourist attractions in Ratnagiri city. Gangateerth of Rajapur is observed as seasonal tourist destination while Velas is growing as eco-tourist destination.

Local people of Ratnagiri district are hopeful about tourism industry as their source of socio-economic development. The perceptions of residents of Ratnagiri district have demonstrated that the tourism has moderately affected (+1.43) on socio-economic environment of Ratanagiri district (Table No.1). Out of 11 sample tourist places residents of Ganapatipule & Guhagar strongly expressed that an economic developments of their region have strongly influenced by tourism. The data demonstrates there is no any disagreement from the side of local people about the impact of tourism on their socio-economy. In aggregate people of every study region accepted that their socio-economy positively influenced by tourism developments in the region. People of Marleshwar (+1.87), Murud (+1.68), Hedvi (+1.63), Ratanagiri (+1.62), Parshuram (+1.61), Dapoli (+1.59) & Pawas (+1.51) also felt that the tourism has moderately influenced economic environment of their places. In aggregate 80.32% perceptions of local people demonstrates that tourism has made its impact on economic developments of Ratanagiri District.

The study represents that social environment of Ratanagiri district has also affected by tourism; such impacts are comparatively less in respect to economic impact. Especially social developments of Velas (+0.48), Parshuram (+0.90), Pawas (+0.85) & Gangateerth (+0.50) have wide scope. According to the residents' opinion tourism impacts on social development of these places have normal whereas it has moderate at rest of the destinations. Aggregate mean value of residents' perception (+1.19) represents moderate impact of tourism on social development of Ratanagiri district.

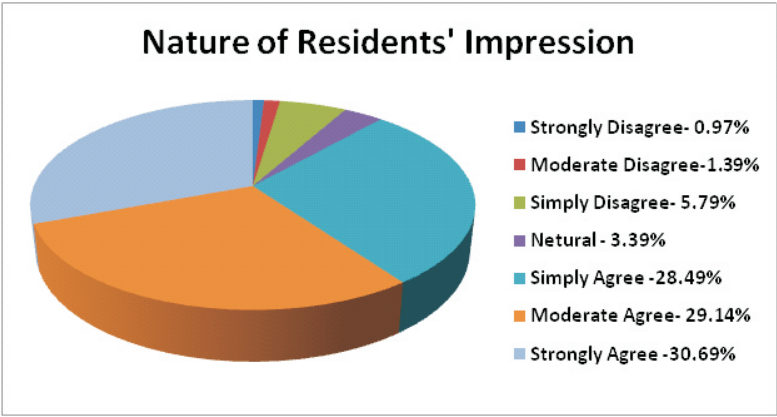
The combine mean of socio-economic impacts demonstrates that tourism development in Ratanagiri district has made moderate impact (+1.29) on socio-economic developments of the district. Table No.1 represents impact wise order of tourist places of Ratanagiri district. It represents that impacts of tourism on southern part of Ratanagiri district are comparatively high. The study revealed that the nine places of the district have shown moderate socio-economic development whereas remaining two have shown normal development.

Table No.1  
Perceptions of Resident's  
About Socio-Economic Impact of Tourism in Ratnagiri District

Sr. N.	Sample Tourist Places	No. of Respo ndent (House hold)	Type of Impact	Residents Opinions							Average Result of Socio- Economic Impact	
				Negative			Neutral	Positive				
				-3	-2	-1		0	+1	+2	+3	Mean
1.	Dapoli	50 *1.51	Economic	2	11	41	11	144	154	137	1.59	1.29
			Social	3	6	52	37	156	149	97	1.34	1.29
2.	Murud	30 1.61	Economic	5	4	21	8	74	89	99	1.68	1.36
			Social	2	5	13	20	108	70	82	1.55	1.23
3.	Velas	17 0.55	Economic	6	15	28	21	41	35	24	0.63	1.67
			Social	13	19	20	28	33	25	32	0.48	1.87
4.	Parshuram	17 1.25	Economic	1	1	10	15	45	50	48	1.61	1.23
			Social	4	6	14	35	52	37	22	0.90	1.40
5.	Guhagar	40 1.66	Economic	0	1	11	7	106	117	158	2.00	1.01
			Social	10	13	16	29	144	103	85	1.33	1.39
6.	Hedvi	20 1.33	Economic	1	1	8	11	68	62	49	1.63	1.11
			Social	2	7	16	31	71	47	26	1.04	1.31
7.	Ganpatipule	70 1.72	Economic	0	0	4	0	193	232	271	2.09	0.84
			Social	7	13	68	33	251	178	150	1.35	1.32
8.	Ratanagiri	50 1.42	Economic	3	5	43	17	145	137	151	1.62	1.29
			Social	3	20	55	29	161	138	94	1.23	1.38
9.	Pawas	20 1.18	Economic	7	3	7	11	60	61	51	1.51	1.40
			Social	12	12	11	26	65	46	28	0.85	1.62
10	Marleshwar	30 1.50	Economic	0	1	9	7	91	95	97	1.87	1.01
			Social	10	9	11	34	120	66	50	1.14	1.39
11	Gangateerth	15 0.49	Economic	10	8	26	14	57	18	17	0.48	1.62
			Social	7	7	26	24	48	25	13	0.50	1.51
		359	Economic	35	50	208	122	102	1050	1102	1.68	1.27
			Social	73	117	302	326	1209	884	679	1.19	1.42
			Socio- Economic	108	167	510	448	2232	1934	1781	1.43	1.37

(Source: Researcher Compiled Data) \* Aggregate Mean of Impact

Figure No. - 1  
Residents' Perception towards Economic Impact of Tourism



Hypothesis Testing

“Social and economic development mean scores in Ratnagiri district are significantly different.”



**Null Hypothesis:** There is no significant difference between mean social and economic development scores in Ratnagiri District.

**Alternative hypothesis:** Mean economic development score of Ratnagiri district is greater than Mean social development score of Ratnagiri District.

For testing above null hypothesis we use paired -'t' test. The details of which are tabulated as follows.

**Observation-:**

From the Table No.-2 it is observed that 't' value for null hypothesis is 4.50 which is greater than 1.645 (also less than + 2.326).. Also p value is 8.61E-06 (almost 0) which is less than 0.01. Hence the null hypothesis is rejected at 5% & 1% level of significance.

**Table No.2**  
**Paired -'t' test for mean scores of social and economic development of Ratnagiri district**

	Mean score	Sample size	Degree of freedom	Calculated 't' value (one tailed, upper )	Significant P value
Observed Mean rating For <b>economic</b> development	$\mu_0 = 1.49$	n= 110	d.f.= 109	t = 4.50	p =8.61E-06 (almost 0)
Observed Mean rating scores for <b>social</b> development.	$\mu_1= 1.053$				
Critical t values: 1. At 5% level of significance the corresponding value t with d.f. 109 is 1.645 2. At 1% level of significance the corresponding t value with d.f. 109 is 2.326					

**Interpretation:**

On the basis of above data it can be inferred that Mean economic development score of Ratnagiri district is greater than Mean social development score.

**FINDINGS-:**

Social and economic development mean scores of Ratnagiri district are significantly different and economic impact of tourism is more than social impact.

**SATISFACTION ANALYSIS OF THE TOURISTS**

Total 1225 tourists were interviewed at sample tourist places in Ratnagiri district. These interviews were conducted in different seasons. Tourists' views were examined to study their behavioural aspects including their purpose of visit, mode of transport, family, educational background. How many days they have spent, what type of accommodation they had preferred and the money spent was also examined. The study demonstrated that most of tourists have preferred private vehicles as a source of transportation and it has also observed that tourists have preferred 2-3 days short tours in Ratnagiri district and most of the tourists have spent maximum amount on lodging and food items at tourist destinations.

Tourist are also interviewed to examine their level of satisfaction in respect to certain factors including Food facility, Travel comfort, Darshan facilities at religious places, Halt factor , Behaviour of local people towards tourists and other management factors such as safety, infrastructure and other services. On the basis of tourists views factors are ranked as under.

Table No.3  
Ranking of Selected Tourism Factors in Ratanagiri district according to Tourists' Views

Selected Tourism Factor	Average Score	Final Ranking
Darshan/Worship	5.94	1 <sup>st</sup>
Local People Behaviour	5.70	2 <sup>nd</sup>
Halt Factor	5.52	3 <sup>rd</sup>
Travel Factor	5.51	4 <sup>th</sup>
Food Factor	5.48	5 <sup>th</sup>
Other Management	5.03	6 <sup>th</sup>

The Multi-criteria Satisfaction Analysis (MUSA) of tourists in Ratanagiri district has demonstrated; that the Darshan Factor is the most satisfactory factor according to tourists' impressions. It has stood at 1<sup>st</sup> position in all over tourist factors in Ratanagiri District. Religious tourism is the strength of Ratanagiri district. Ganapatipule, Marleshwar, Pawas, Kshetra Parshuram, Hedvi, Gangateerth etc. places are popular tourist destinations of the district; most of tourist visits these places to worship. The average score of tourist response i. e 5.94 revealed that tourists are happy about the Darshan facilities available at religious destination of Ratanagiri district. Their suggestions should be considered to make this factor more effective in promotion of tourism in the district.

The study has revealed that the tourists are also impressed by behaviour of local people; therefore they ranked this factor at 2<sup>nd</sup> position. The result demonstrates that local people are becoming more aware about tourism development at local level. Their involvement and positive approach will boost tourism industry as main industry of the district.

The study interprets that more attention should be given towards other management, food factor, travel factor & halt factor to improve the satisfaction level of tourists. Infrastructure development should be given the priority in all over the district. Tar roads, electricity and water supply, waste management, banking and network facilities should be developed in the remote areas of the district. Public transport are not developed, train frequency should be increased, where as marine transport need to be reinstate as cheapest and entertaining source of travel to promote the tourism in the district. Hoteliers as well as local people need to be more professional towards food and halt factor. There is large scope to improve their services to satisfy the tourists.

CONCLUSION

From the above results it has been concluded that Tourism has played an important role in making socio-economic development of Konkan in general and Ratanagiri district in particular. Both Economic and social impacts of tourism are positive but significantly different. Comparatively Tourism has more economic impact than social impact in the development of Ratanagiri district. Study has also concluded that the tourism potential of Ratnagiri district is not fully explored and special efforts are required to attract foreign tourists. There is also need to give more attention towards infrastructure development in the district.

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