

## **AN EMPIRICAL ANALYSIS OF TOURISM AND ECONOMIC DEVELOPMENT IN TELANGANA**

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### **ABSTRACT**

*Telangana has rapidly evolved into a dynamic tourism destination, celebrated for its cultural richness, historical landmarks, religious diversity, and eco-tourism appeal. This study investigates the sector's growth and its impact on employment generation across formal and informal segments. Telangana's tourism strategy balancing tradition with innovation offers a replicable model for sustainable and inclusive development. Its policy aims to provide the necessary impetus for tourism infrastructure development through strategic concessions and incentives, accelerate the establishment of new tourism projects, and promote Telangana as a top tourist destination globally. Recently, researchers have been interested in the relationship between tourism and economic growth. The results show that, tourists have a positive impact on the economic growth of India in both short-run and long-run. In addition, physical and human capital has positive effects on economic growth, while depreciation of the exchange rate will promote economic growth only in short-run but not in long-run. Therefore, there is a need of policy intervention, where government should frame the tourism policy in such a way that it would attract progressive tourist arrival to India that in turn would impact economic growth in a sustainable manner. In the modern era, tourism has become one of the fastest-growing service sectors globally, in India, and in Telangana. It is recognized for its significance in not only advancing the economic development of the nation and state, but also in generating employment and income, as well as bringing about necessary infrastructure improvements that could aid in regional development.*

**Keywords:** economic development, Tourism, Telangana's tourism, economic growth, foreign tourists

### **INTRODUCTION**

Tourism today is one of the very fast growing industries throughout the world. Tourism allows us to escape from our normal, humdrum lives. The human animal needs change to attain optimum levels of achievements in all enterprises. Tourism provides that change. Leisure and tourism came into vogue as dimensions of life in the 19th and 20th century. It is one of the growth sectors of the global economy. Nature-based tourism encompasses a broad spectrum of activities and enterprises. We live in a world of constant change; a world that continually moves and progresses to higher levels of comfort and wellbeing. Tourism seems to be the most sought after economic business today and its social activities of attracting and serving visitors earn new or basic income for fostering community as a whole. Telangana topographically and historically has a variety of attractions including hills, wildlife, forests, forts and temples. This region has a rich cultural heritage and is known for its rich history, architecture and culture. This region has all required qualities for emerging as a potent tourist destination in India. The weather is mostly tropical. June to September is the monsoon months and November to January are the best time to visit. Hitherto emphasis was on heritage, pilgrim, religious, historical and cultural tourism. Notwithstanding the importance of these types of tourism the government in recent times began initiating, rather, shifting the emphasis on eco-tourism, sports tourism, holiday tourism, promotion of which is the emerging trend. Holiday tourism is one other type of tourism that is gaining increased popularity these days Telangana as said above has

tremendous unexploited Tourism potential. If properly developed, this can help the state to attract a large share of foreign and domestic tourists. Tourism is often viewed as a new wave of economic opportunity and acknowledged as a global economic drive. It is largely responsible for the transfer of wealth from one nation to another and re-distribution of income, leading to a gross increase in wealth-income to the lower community of the tourism region. The degree of benefit from tourism largely depends upon the level of self sufficiency of the economy of the hosting region. The infusion of new wealth through overseas visitors is equivalent to the export earnings from any other international trade. Tourism industry has grown substantially in the last three decades in India. The central and state Governments are aiming at positioning tourism as a major generator of economic growth and harnessing its direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner. India is one of the cheapest tourism destinations and has a lot to offer like natural beauty, adventure sports, indigenous culture and so on. Tourism has been recognized as a core sector of Indian economy and the government is taking all initiatives to develop the sector. This tourism sector in India is making a major contribution to the growth of national economy and it has recorded a double digit growth in a number of foreign tourist arrivals and foreign exchange earnings in the recent past. Tourism is a growing industry in developed and developing countries. It has changed scenario of the world. It benefits government and people that live in local area. It also creates employment opportunities for locals and help the government to earn currency.

### **LITERATURE REVIEW**

**Rowland Lopes [2024]** Cultural events and festivals play a key role in shaping the world's cultural tourism landscape. This study examines the multifaceted impact of cultural events and festivals on cultural tourism in economic, social, cultural and environmental dimensions. A comprehensive review of existing literature and case studies highlights the important contribution of cultural events and festivals to the tourism industry and local communities. Cultural events and festivals have become important drivers of cultural tourism, offering unique experiences that attract tourists while shaping the identity and vitality of local communities. This article examines the multifaceted impact of cultural events and festivals on both cultural tourism and local communities, focusing on economic, social, cultural and environmental dimensions. Through extensive literature and case studies, this study highlights the various ways in which cultural events and festivals contribute to tourism development and community well-being, addressing the challenges and opportunities of sustainable management.

**Ayaz Iqbal [2023]** The purpose of this study is to develop and present a comprehensive definition of the widely misunderstood concept of ecotourism. Ecotourism is not farm tourism, nature tourism, or adventure tourism; rather, it is a unique form of tourism that has become very popular due to the greening of markets, growing awareness of the fragility of the environment, better-informed managers, and the recognition that good ecology and good economy are closely related. In the literature, ecotourism has been defined in a variety of ways, but cooperation, one of its most fundamental aspects, has been omitted. Ecotourism must be

sustainable, and four key groups must work together to achieve this: locals, authorities, visitors, and tourism-related businesses. In this article, Finland's discourse on ecotourism serves as an example of the wide variety of perspectives on what ecotourism is and what it represents. The prevalent opinion in Finland is that the term sustainable tourism should replace ecotourism. A circumstance that poses significant obstacles to the growth of ecotourism in India.

**Dr.Jaram Seeniah [2022]** Telengana state is a newly formed 29th state in India in which many water-based tourist destinations prevailed. As per TSTDC, almost 50 percent of tourist destinations are come under this category in Telangana state. Tourists are the customers in the tourism market. Unlike another market, customers in tourism market are of two types. They are domestic and foreign customers. Among these two, attraction of foreign tourist is a lofty task for the tourism organizations. The rationale for a separate treatment of services marketing centres on the existence of a number of characteristics of services which are consistently cited in the literature: intangibility, inseparability of production and consumption, heterogeneity, and perishability. In this day and age tourism has emerged as one of the fastest growing service industry in the world, in India and also in Telangana and registers its importance in not only developing the country and state economically but also in providing a source of income, employment, and it also brings needed infrastructural improvements which may help in regional development. It may also help in sociocultural linkages at the national and international level.

**Ch. Rajesham [2021]** Tourism sector have the ability to generate revenue to preserve, build and maintain national heritage, local culture, craft, textiles. The Telangana State has an inflated history, which is offered over by the erstwhile rules and it holds a rich tapestry of architecture, forests, monuments, heritage buildings, museums and other attractive places. Telangana State Tourism Development Corporation (TSTDC) formed under the companies Act 2013 with an objective is to provide well infrastructure, conveyance and other facilities to tourists who are coming to Telangana State. This paper presents the growth number of foreign and domestic tourist arrivals to this state and present the various promotional scheme introduced by the Telangana State.

**Dr. Ramakrishna Bandaru [2020]** Eco-tourism is one of the most attractive forms of tourism which includes travel to various naturally endowed areas such as national parks, forest reserves and sanctuaries. Past half decade, tourists rush was increasing at eco-tourist destination all over the country focal to the states Kerala and Madyapradesh. The present study investigates the major factors that pressure the tourist's attraction at eco-tourist destinations of Telangana state. The primary data has collected from 223 inbound tourists who visited the selected national parks. The opinion towards the dimensioned factors has been utilized for the execution of confirmatory factor analysis (CFA) and for the path model. The result of the study shows that, absolute fit indices have an acceptable fit to the sample data as well as the proposed model. This would be an aid to the states eco-tourism organizers (TSTDC) to have a focus on those factors while formulating the marketing strategy that helps the tourist attractions and to stimulate the local employment.

### **Economic Development And Tourism Expansion**



Tourism sector is world's largest economic sector. This sector involved in economic, cultural and infrastructural development of any country and at the same time it is also provide an employment directly and indirectly to various groups of people. This sector is empowering the youth, women and un-educated populating of society. This sector also combination of various industries like transport, hotel, beverage, retail and shopping, culture, sports and recreation of all streams of people. Tourism sector is economically important factor for any country. This sector brings money through create employment opportunities, brings growth in the region by way of improvement in infrastructure facilities and it is a major source for Foreign Exchange Reserves. In Telangana State, there are various tourism attractions available which are attracting more tourists. These attractions are cover natural, water, forts, pilgrimage, handicrafts, festivals, wild life and etc.

### **Major Tourist Destinations In Telangana**

This state also offering the adventure tours like climbing, trekking, speed boating and many others at various places. This state is also one of the business hubs of India and this state have world class medical & health care medical facilities along with many research and educations centres which are provides more business opportunities and at the same time increasing tourist visits to this state for health and education purposes. Their religious practices, social life, and cultural values are unique and typical. Surprisingly, they are not just unique from non-tribal but also within themselves between one tribe to another tribe. Tribal dances, fairs, festivals etc. are very popular in Telangana and attract Lakhs of visitors from travel stock and non-tribal too. These tribal fairs and festivals have their own importance in Telangana tourism. Telangana State is occupied number one position in providing students to United State Universities. This state has number of research labs and recognized Universities world-wide. This state has central location with superior infrastructure and Hyderabad was identified as 'India Home' by top United State Technology companies. This state is playing major role in supplier of pharmaceutical and vaccines.

### **Tourism In Telangana**

Telangana is surrounded by Maharashtra and Chhattisgarh in the North, Karnataka in the West and Andhra Pradesh in the South and East directions. Major cities of the state include Hyderabad, Warangal, Nizamabad and Karimnagar. IT & Panchayat Raj Minister Sri KT Rama Rao received the India Today State of States 2015 Special Jury Award for Inclusive Development from Union Home Minister Sri Rajnath Singh in New Delhi on November 06, 2015. Telangana won the Award in Best Infrastructure category last year. Telangana State Tourism Development Corporation (TSTDC) is a state government agency which promotes tourism in Telangana, a state in the Southern region of India. Retired Director general of Police Pervaram Ramulu appointed as First chairman of Telangana State Tourism. Tourist attractions in Telangana include historical places, monuments, forts, water falls, forests and temples. Hyderabad, the state capital, ranked second best place in the world that one should see in 2015 which is published in the annual guide of 'Traveler' magazine of National Geographic.

### **METHODOLOGY**

The geophysical aspects of Southern Telangana region are unique. The region is known for its various types of water bodies such as lakes, tanks, rivers, streamns etc. Several waterfalls have been originated in the hills, mountains and valleys and are existing in different districts of the Telangana region. The Southern Telangana region has a variety of tourism destinations. The scenic rivers and irrigational projects built on the rivers are also attracting eco-tourists in large numbers. The Government has recognized the tremendous Tourism potential of these irrigation project sites owing to their scenic beauty, natural environs, vast green fields and hills. State Tourism Development Corporation (STDC) has embarked on the development of leisure and entertainment facilities at the selected irrigation projects. While fulfilling the objective of promoting tourism, the proposed project would preserve the unique natural features and beauty of the area and integrate with other project components in environmentally sustainable manner. In this chapter an attempt is made to present the tourism potential of the rivers and irrigational projects in southern Telangana region, an attempt is made to examine the role of lakes and tanks in the promotion of tourism in the southern Telangana region. The tourism potential of the water bodies would be discussed. And also an attempt is made to examine, the various waterfalls located in different districts of southern Telangana region as part of the study. The physical aspects of the waterfalls and the steps to be taken to promote tourism at the destinations

**RESULTS AND DISCUSSIONS**

The above table 1 delineates the areas, favoured by sample respondents. 55 (36.6 percent) of them selected eco-sites, 35 of respondents (23.3 percent) went for Sea, followed by Museum at 22 (14.6 percent) and Arts and Architecture 20 (13.3 percent).

**Table: 1: Tourist Attraction**

Sl.No.	Location	Number of Respondents	Percentage
1.	Eco Sites	55	36.6
2.	Art & Architecture	20	13.3
3.	Museum	22	14.6
4.	Water based	35	23.3
5.	Religious Festivals	10	6.6
6.	Other	08	5.3
	<b>Total</b>	<b>150</b>	<b>100</b>

**Source: Data gathered from the Respondents regarding Tourist Attraction, Sothern Telangana Districts, September, 2019.**

**Table: 2: Tourists Satisfaction on Accommodation Facilities**

Sl.No.	Parameter for rating	Number of Respondents	Percentage
1.	Highly Satisfactory	15	10
2.	Satisfactory	40	26.6
3.	Neither Satisfactory nor Dissatisfactory	35	23.3
4.	Dissatisfactory	50	33.3

5.	Highly Dissatisfactory	10	6.6
	<b>Total</b>	<b>150</b>	<b>100</b>

**Source: Compiled Data of the Respondents regarding Tourists satisfaction on Accommodation Facilities, Sothern Telangana Districts, November,2019.**

Table 2 gives the rating by the respondents, regarding accommodation. There were five parameters, based on which the respondents were requested to rate this facility. It could be seen from the Table that only 10 percent were highly satisfied, 26.6 percent were satisfied and 23.3 percent were indifferent about the quality of accommodation. While 33.3 percent found it dissatisfactory, 6.6 percent found it exceedingly dissatisfactory. Huge number of eco-tourists were disappointed with poor condition of accommodation, absence of tidiness and an irregular duty.

**Table: 3: Type of Tourism Relevant to all Eco Tourist Destination**

Sl. No.	Alternatives	Service providers		Tourists	
		Number of Respondents	Percentage	Number of Respondents	Percentage
1.	Tourism related without culture	12	08	11	7.3
2.	Eco-friendly Tourism	40	26.6	35	23.3
3.	Domestic Income generating Tourism	14	9.3	12	08
4.	Tourism earning foreign exchange	16	10.6	12	08
5.	All these	68	45.3	70	46.6
	<b>Total</b>	<b>150</b>	<b>100</b>	<b>150</b>	<b>100</b>

**Source: Data gathered from the Respondents regarding Type of Tourism of Eco-Tourist Destination, Sothern Telangana Districts, December, 2019.**

The above table 3 demonstrates that majority of respondents (45.3% & 46.6%) favoured a bundle of tourist products, which agreed with local culture, eco-friendly and income generating, especially foreign exchange.

**Table: 4. Problems Affecting the Eco-tourism in Southern Telangana**

Sl. No.	Problems	Number of Respondents	Percentage
1.	No effective management of tourism potential.	35	23.3
2.	No serious publicity for Eco-tourism promotion.	06	04
3.	Facilities at Eco-tourism centre is seriously lacking.	17	11.3
4.	No co-operation among stakeholders of Tourism.	17	11.3

5.	All these	75	50
<b>Total</b>		<b>150</b>	<b>100</b>

**Source: Compiled Data from the Respondents regarding Problems affecting the Eco-tourism in Sothern Telangana Districts, October 2019.**

It is clear from the above table 4 that 50 percent of respondents opined that all the four issues influenced the Eco-tourism in Southern Telangana region. This perspective of the respondents is to be taken up seriously since they are the fundamental requirements for any tourism improvement.

## CONCLUSION

The tourism industry in Telangana has emerged as a significant contributor to the state's economic development, demonstrating immense potential in terms of employment generation, revenue creation, cultural promotion, and infrastructural development. Over the past decade, Telangana—especially after its formation as a separate state in 2014—has strategically harnessed its rich cultural heritage, historical monuments, natural landscapes, and spiritual centers to carve a distinct niche in India's tourism map. This conclusion presents an integrated analysis of how tourism has impacted Telangana's economic fabric, societal transformation, and long-term developmental trajectory. It is found that Telangana has immense potential for eco-tourism growth. Telangana topographically and historically has a variety of attractions including historical monuments, hills, wildlife and forests. This region has a rich cultural heritage and is known for its rich history, architecture and culture. This region has all required qualities for emerging as a potent tourist destination in India. Most of the tourists are also satisfactory with the hotel accommodation they got. But most of the tourists were only satisfied with the entertainment and shopping facilities available in southern Telangana districts. Majority of the tourists were happy with the communication facilities and the price charged for the service.

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