

Tourism Profile of Madhya Pradesh

There was a total of 211.7 crore overnight visitor-trips in India, of which 13.8 crore visits (6.5 per cent of total) were undertaken in MP in 2008–09.

A MAJOR ECONOMIC activity, highly employment-oriented and a major source of foreign exchange, tourism world-wide today has a 10 per cent share in world GDP which is more than the world military budget put together. With the recent growth of tourism in India, the sector is one of the largest foreign exchange earners as the number of arrivals is rising steadily and length of stay here is longer than other international destinations.

Madhya Pradesh (MP), projected as the heart of “Incredible India”, is rapidly becoming a preferred tourist destination in India, thanks to the state’s rich cultural heritage and a marked improvement in infrastructure. But, more prominently, the increasing popularity of the state among both domestic and foreign tourists is due to its unique promotional campaigns in the print, audio and visual media. The popular tourism advertisement campaigns effectively showcases MP as a place with a mix of tourism opportunities that range from adventure, religious, rural, and eco-tourism.

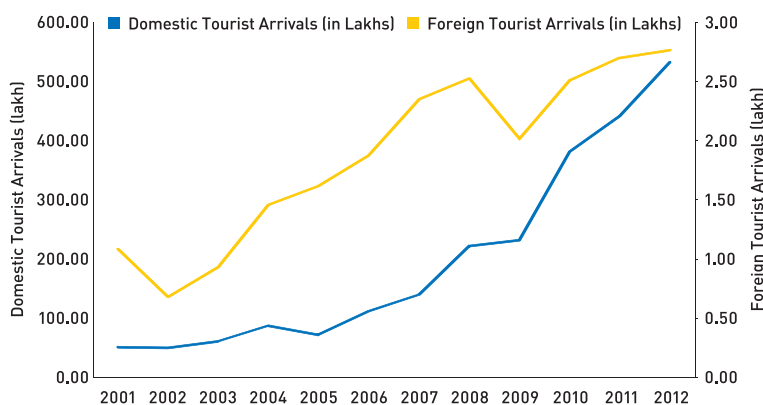
According to the Ministry of Tourism, foreign tourists arrivals in MP were recorded at two lakh in 2009 and this number went up to 2.7 lakh in 2011, marking an annual growth of over 16 per cent (Figure T.1). During the same period, domestic tourist visits surged from 2.3 crore to 4.4 crore, posting a two-fold increase in a matter of two years.

These estimates are generally based on the monthly returns collected from hotels and other accommodation establishments. Perhaps this does not take into account tourist visits that are social visits in which the place of accommodation, by and large, is the residence of relatives and friends.

To get a broader and more detailed perspective of domestic tourism in India, the National Sample Survey Organisation (NSSO) conducted a comprehensive household survey in 2008–09, which is the first of its kind in India. This survey provides estimates of the volume of domestic tourism and presents the characteristics of trips undertaken in India. Volume of trips is measured by visitor-trips which refer to all the trips undertaken by the visitors during the reference period. According to this survey, there was a total of 211.7 crore overnight visitor-trips in India, of which 13.8 crore visits (6.5 per cent of total) were undertaken in MP in 2008–09. Among these, 12.7 crore visits were intra-state visits and the remaining 1.1 crore visits were undertaken from other states. A break-up by purpose of travel (Figure T.2) reveals that of the total 13.8 crore visitor-trips in the state, as much as 11.6 crore visitor-trips were social trips, which includes visiting friends and relatives, attending marriages or other social ceremonies, etc., and the remaining 2.2 crore visitor-trips were undertaken for other purposes, such as business, holiday, religious, medical, etc. Intensity of domestic tourism in each state is measured by the number of trips per 100 households during a year. In MP, the intensity stood at 491 trips, as compared to the all-India average of 418 trips per 100 households. The tourism intensity is higher in rural areas, recorded at 498 per 100 households as compared to 469 per 100 households in urban areas. Nonetheless, the state’s urban tourism intensity is about 30 per cent more than the national average of 365 trips per 100 households whereas rural tourism intensity is only about 13 per cent more than the national average of 440 trips per 100 households.

About 90 per cent of the trips to MP originate in three states: Maharashtra (38.7 per cent), Uttar Pradesh (37.8 per cent) and

Figure T.1: Tourist Arrivals in Madhya Pradesh, 2001 to 2012



Source: Ministry of Tourism, Government of India. India Tourism Statistics 2012.

Rajasthan (12.9 per cent). While the overall incidence of overnight trips is the highest from Maharashtra, there is a marked variation when trips are arranged by purpose of travel. Among business-related trips to MP, only 22 per cent originate in Maharashtra, while 70 per cent originate in Uttar Pradesh.

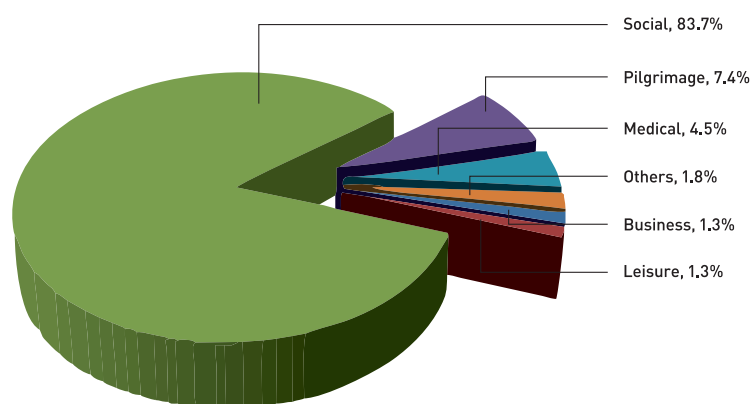
When it comes to expenses incurred during the trip, MP turns out to be much cheaper than many other states of India. This is indicated in the chart (Figure T.3) that compares per-trip expenditure incurred while on a trip in MP with the all-India average. Per-trip expenditure in MP of ₹533 stands at almost half of the all-India average per-trip expenditure of ₹1,038.

With a share of 6.5 per cent in total overnight trips in India, MP ranks eighth among Indian states in this particular category. However, the state has yet to realise its full potential in the tourism sector especially when it comes to foreign tourism. Although, the number of foreign tourists to MP increased from two lakh in 2009 to 2.75 lakh in 2012 (Figure T.1), the overall share of the state in foreign tourists coming to India decreased from 1.4 per cent in 2009 to 1.3 in 2012. This is despite its award winning tourism campaigns, strengths as a desired tourist destination and government initiatives. Recent developments in tourism sector include building tourism infrastructure, focusing on marketing initiatives and development of newer tourism products, which have shown favourable results in domestic tourism but not foreign tourism.

Lack of infrastructure explains MP not achieving its full potential in tourism. The tourist destinations in MP are fairly well connected with road and rail network. As on March 2011, the length of its road network stood at 99,043 kilometre (km) which covered 18 national highways and its rail network covered 4,955 km (Basic Road Statistics, Ministry of Road, Transport and Highways, 2012). However, the state ranks miserably low at the 29th and 18th positions, when compared with other Indian states in terms of road and rail network per square km of state area, respectively.

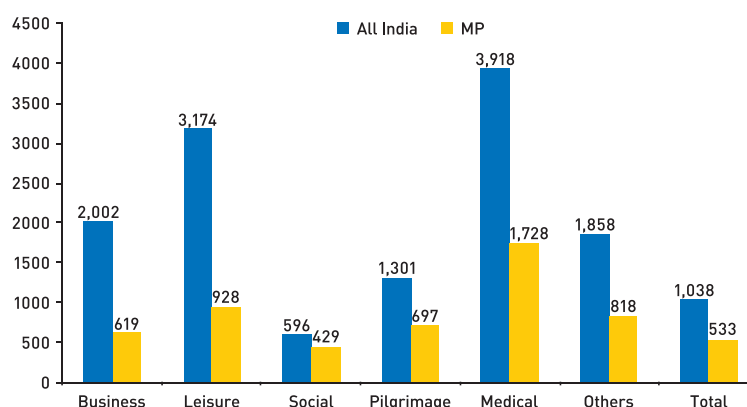
MP has been part of the overall Indian phenomena of waning attractiveness as a tourist destination in foreign markets. India's share in total international tourist arrivals worldwide was minuscule (0.63%) in the year 2011 which increased to 0.64 per cent in the following year. However, India's ranking dropped down from 28 to 29 as the preferred destination in 2012.

Figure T.2: Purpose of the Visitor-trips in the State of Madhya Pradesh (%), 2008-09



Source: Domestic Tourism Survey, 2008-09, NSSO.

Figure T.3: Per-Trip Expenditure (₹), 2008-09



Source: Domestic Tourism Survey, 2008-09, NSSO.

The potential of the tourism sector can be assessed by the empirical evidence that the sector contributed 3.7 per cent to India's Gross Domestic Product and 4.4 per cent to India's employment in 2009-10, when only direct effects are taken into account (NCAER Estimates). With indirect effects added, these numbers go up to 6.8 per cent and 10.2 per cent. In MP, tourism accounted for 2.7 per cent (5.2 per cent after adding indirect effects) in Gross State Domestic Product and 1.9 per cent (7.2 per cent after adding indirect effects) in state employment in 2009-10.

It is important to ensure that the tourists get to India and further to the states. The key to that lies in development of tourism in areas identified in the National Tourism Policy 2002: Swagat (Welcome), Soochana (Information), Suvaidha (Facilitation), Suraksha (Safety), Sahyog (Co-operation), Samrachana (Infrastructure Development), and Safai (Cleanliness).

Although, the number of foreign tourists to MP increased from 2 lakh in 2009 to 2.75 lakh in 2012, the overall share of the state in foreign tourists coming to India decreased from 1.4 per cent in 2009 to 1.3 in 2012.