



Economic Impact Of Tourism On Residents Of Alibag Town In Raigad District

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Abstract:

Alibag is a coastal town in Raigad district, Maharashtra, has emerged as a popular tourist destination in recent years. Tourism is fastest and growing industry in the world, which is effect on the local economy of country. Tourism alters the economic structure of a destination. Tourists spend their money on a wide variety of goods and services and related tourism products. Tourism is encouraged to the local people due to ability to generate employment in hotels, resorts, transport, etc. Also change their lifestyle. Tourism is the engine to create the employment opportunities for the local people, Positive economic impacts always change the positive behaviour of residents. Revenue or taxes were collected from tourists' expenditure and other sources from tourism. It is found that, the overall impact is positive as increases total income of residents, generate employment and tax revenue and infrastructural facilities need to be improved. The influx of tourists has led to concerns about the economic impact on local residents. This study aims to investigate the economic impact of tourism on residents of Alibag, examining the effects on their income, employment, and overall standard of living.

Keywords: Tourism, Revenue, Expenditure, Development, Residents

Introduction:

Alibag, a small coastal town in Raigad district, Maharashtra, has witnessed a significant surge in tourism in recent years. Once a quiet and peaceful destination, Alibag has become a popular getaway for tourists from across India, attracted by its picturesque beaches, historic temples, and vibrant cultural heritage. The influx of tourists has led to an increase in tourist-related activities, such as accommodation, food and beverage services, and recreational

activities. However, the rapid growth of tourism has also raised concerns about its impact on the local residents.

Economic development of any tourist place depends on nature of tourism and infrastructural facilities provided to the tourists. Tourists and local people of the destination can play an important role for the development of tourism and ultimately popularity of the destination. In 2022, the tourism industry supported over 22 million jobs. When people think of

tourism-related jobs, they usually think of travel agents, hotel staff, and workers at tourist attractions. However, there are also millions of people around the world who work in tourism and related industries. “The impact of tourism activity on economic development is determined by the current multiplier mechanism created by the existing revenue-expenditure flow in the sector due to international tourism movements.” the economic impact of tourism is not limited to the tourism industry but spreads across various sectors of the economy. The expenditure of international tourists on tourism can generate income that may result in new revenue streams, investments, savings, and consumption. From an economic perspective, tourism development can raise residents' income, increase jobs, and add value to the land. Tourism brings with it huge economic potential for a destination that wishes to develop their tourism industry. Employment, currency exchange, imports and taxes are just a few of the ways that tourism can bring money into a destination. There are many economic impacts of tourism, and it is important that we understand what they are and how we can maximize the positive economic impacts of tourism and minimize the negative economic impacts of tourism on residents.

In many cases, local residents may experience negative impacts, such as displacement from traditional occupations, increased costs of living, and changes to their way of life. The economic impact of tourism on local residents is often

overlooked or underestimated, leading to concerns about the sustainability of tourism development. This study aims to investigate the economic impact of tourism on residents of Alibag town in Raigad district. Specifically, it seeks to examine the effects of tourism on residents' income, employment, and standard of living. The study also explores the distributional effects of tourism, including the impacts on different segments of the local population. By understanding the economic impact of tourism on residents of Alibag, this study hopes to contribute to the development of more sustainable and equitable tourism practices that benefit both tourists and local communities.

OBJECTIVES:

1. To examine the infrastructural facilities provided by the tourists.
2. To assess the economic impact on residents at destination.

RESEARCH METHODOLOGY:

The present study is based on primary data, intensive field visits have been conducted for collecting the primary data through questionnaires. These questionnaires were filled by the tourists and local people during the holiday, weekend time. After getting the questionnaire, the measuring the attitude of the tourists and residents has been computed by ‘Seven Point Likert Scale’ which is ranging from -3 strongly disagree to +3 strongly agree with ‘0’ (zero) no response or undecided (-3, -2, -1, 0, +1, +2, +3). A questionnaire was designed for

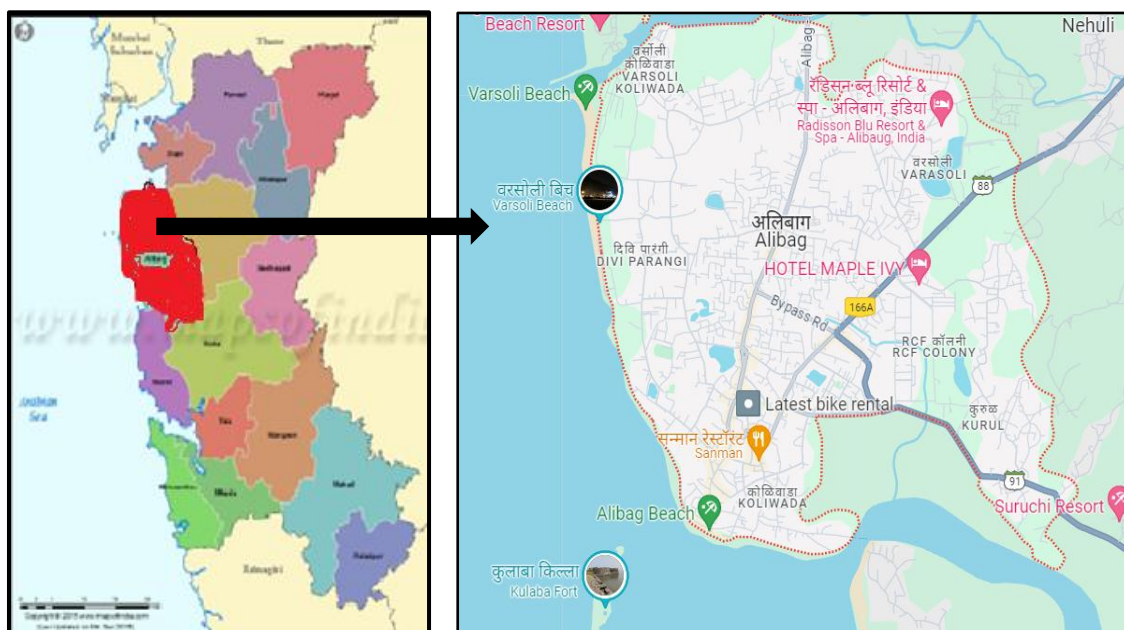
the assessment of economic impacts consists of 11 questions or indicators. The total 50 questionnaire were filled up by them. The response of each question or indicators was rated.

STUDY REGION:

The beautiful attracting coastal town Alibag or Alibagh, is located in the Raigad district of Maharashtra. Alibag is the headquarters of the Raigad district. The beautiful sandy beaches of Alibag and its historical heritage, has made the place immensely popular among tourists from all parts of India and abroad. Geographically, Alibag town is situated at coordinates of

18°38' North latitude and 72°52' East longitude. Alibag town is at the tip of the ridge that goes into the Arabian Sea. The town covers an area of 1.813 Square kilometer. The Alibag town is under the Alibag Municipal Council of the Raigad district with a total population of 20,743 as per the 2011 census. Male population is around 51% (10,646) and women consisting of 49% (10,097) of the total count. The average literacy rate is around 84% which is higher than the national average of 59.5%. The literacy rate for men and women are 54% and 46% respectively.

Location of Alibag Town in Raigad District



Map1: Location of Alibag Town in Raigad District

ECONOMIC IMPACT OF TOURISM:

Copper and et al (1999), the economic impact of tourism on a host economy is generally positive but also carries with it some negative aspects. The literature is biased towards the positive

aspects of economic impacts. It is important to establish how significant tourism spending is to an economy because this allows policy makers and planners to determine dependency and to develop strategies for the future. The

tourism development at a destination induces both positive and negative impacts in that area. The positive or negative impacts depend largely on the nature of planning of the tourism development at the destination. Some of the positive impacts of tourism development at conceptual level include the multiplier effects of rising income and employment, higher GDP growth, reduction of balance of payment deficits, and poverty alleviation.

PERCEPTION OF RESIDENTS RESPONSE TO ECONOMIC IMPACT OF TOURISM AT ALIBAG TOWN:

Tourism has major effect on the local economy of Alibag. Tourism brings

foreign earnings, tax revenue and income of local people, which is beneficial for the development of tourism at Alibag. The economic impacts of tourism more is known about the economic benefits of tourism than the associated costs. Tourism can create employment opportunities, earn foreign exchange, produce return on investment for emerging economics, bring technology and improve standard of living. Tourism can also help to generate jobs and increase revenue to local people and shopping facilities. Tourism can cause major effect on economic of destination area for price of land to rise rapidly.

ECONOMIC INDICATORS:

Table 1. Residents Response to Economic Impact of Tourists at Alibag Town

Sr. No.	Indicators	Scale of Impact							Total	Sum	Mean	S.D.
		-3	-2	-1	0	1	2	3				
1	Increase in the income of Residents	0	0	0	0	9	13	28	50	120	2.4	0.77
2	Opportunity for shopping	0	0	0	0	10	19	21	50	111	2.22	0.76
3	Opportunity for jobs	0	0	0	0	12	15	23	50	111	2.22	0.81
4	Increased Demand for female labour	9	22	19	0	0	0	0	50	-90	-1.8	0.72
5	Increased cost of land and housing	0	0	0	0	10	14	26	50	116	2.32	0.79
6	General prices of goods and services increased	0	0	0	0	11	15	24	50	113	2.26	0.80
7	Rental houses as source of Income	1	0	0	0	6	10	33	50	122	2.44	1.04
8	Scarcity of essential goods during season	13	23	14	0	0	0	0	50	-99	-1.98	0.73
9	Degradation of cultural goods to commercial goods	9	26	15	0	0	0	0	50	-94	-1.88	0.68
10	Increased in the numbers of hotels / Resorts	0	0	0	0	12	14	24	50	112	2.24	0.81
11	Commercial view of local people	7	2	0	6	9	15	11	50	47	0.94	1.97

Source: Compiled by Author

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Table 1 reveals that, residents of Alibag town, the effects of tourism is found in increase in the income of residents, increasing opportunity for shopping, increasing opportunity for jobs, increase cost of land and housing, general prices of goods and services, rental houses as source of income, increased in the number of hotels, and commercial view of the local people.

Tourism has the higher effect on the commercial view of the local residence 1.97, rental houses as a source of income 1.04, increased the number of hotels 0.81, more opportunities in jobs 0.81, and general prices of goods and services has been increased 0.80, Overall, the higher economic impact of tourism effect of tourism on residence of Alibag town. Around the vicinity of Alibag town, there are large number of tourists places like Sasawane, Varsoli, Zirad, Nagaon, etc.

CONCLUSION:

Alibag is of the more attraction of tourism. Due to natural scenery, beautiful sandy beach, wind mill, and most of the attraction of Colaba Fort. Therefore, a large number of tourists were attracted and tourists made maximum spent money on different tourism product. The impact of tourism on the economy of Alibag town are very good effects, which can be develop and support economy for the local residents of Alibag town. Day-by-day number of tourists has been increased, so the local people has engaged in tourism

related jobs. Behaviour of the local people should be change, provide the facilities to the tourists without commercial point of view. But in some cases, the economic effects are very low because a resident shows moderate effects of these parameters on the economy of Alibag town.

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