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Study on Economic Effects of Tourism Activities in Thrissur District

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ABSTRACT	Original Research Article
Tourism has emerged as one of the fastest-growing service industries in Kerala, contributing substantially to income generation, employment creation and regional development. Thrissur District, known as the “Cultural Capital of Kerala,” attracts domestic and international tourists through festivals, heritage sites, natural attractions and religious tourism. The expansion of tourism-related activities has stimulated the local economy by generating demand for accommodation, transport services, handicrafts, food industries and informal sector employment. The present study analyses the economic effects of tourism activities in Thrissur District using a descriptive research design and purposive sampling. Primary data were collected from 100 respondents associated with tourism-related occupations. Findings indicate that tourism significantly enhances household income, seasonal employment opportunities and small-scale entrepreneurial activities. However, issues such as infrastructure bottlenecks, seasonal fluctuations, congestion and inadequate promotional strategies continue to limit the sector’s full potential. Keywords: Tourism economy, cultural tourism, income generation, employment effects, Thrissur District.	Article History
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INTRODUCTION

Tourism plays a pivotal role in India’s service-sector-driven economic landscape. It has become a key driver of regional economic transformation by creating employment, supporting allied sectors and stimulating rural and urban development. Kerala, celebrated globally as “God’s Own Country,” has developed tourism as a cornerstone of its economic strategy. Thrissur District occupies a unique position in the tourism map of Kerala due to its cultural festivals such as Thrissur Pooram, religious centres, waterfalls, museums, and heritage landmarks.

Tourism in Thrissur generates a multiplier effect by stimulating expenditure in hospitality, transportation, entertainment, handicrafts, local food, and informal services. As tourism activity expands, the district experiences rising demand for skilled and unskilled labour, entrepreneurial ventures, and infrastructural development. This study explores the economic significance of tourism in Thrissur and evaluates its current challenges and prospects for sustainable development.

Importance of the Study

Tourism contributes significantly to Kerala’s Gross State Domestic Product and plays an essential role in generating foreign exchange earnings. For Thrissur District, tourism is not only a source of economic diversification but also a catalyst for community development. The study becomes important for the following reasons:

- Tourism offers livelihood opportunities for various groups such as artisans, guides, transport operators, vendors, and hospitality workers.
- Cultural tourism strengthens regional identity while boosting local income.
- Understanding the economic impact enables policymakers to frame strategies for infrastructure, marketing, and training.
- The analysis helps identify constraints that prevent the tourism sector from achieving sustained growth.
- The findings provide insights for promoting responsible tourism practices in Thrissur.

Economic Effects of Tourism

Tourism is one of the world's fastest-growing industries and a major source of income for many countries. Its economic effects can be broadly classified into positive and negative impacts. Understanding these effects helps policymakers and stakeholders plan sustainable tourism development.

1. Positive Economic Effects

a. Employment Generation

Tourism creates direct and indirect employment opportunities in hotels, restaurants, travel agencies, transport services, handicraft sectors, and entertainment industries. It plays a crucial role in reducing unemployment, especially in developing regions.

b. Contribution to GDP

Tourism adds significantly to national income through tourist spending on accommodation, food, transport, and recreation. Many economies depend heavily on tourism as a major share of their GDP.

c. Foreign Exchange Earnings

International tourism brings valuable foreign currency into the country. This helps improve the balance of payments and supports economic stability.

d. Development of Infrastructure

Tourism encourages the development of public infrastructure such as roads, airports, communication networks, water supply, and sanitation facilities, which also benefit local residents.

e. Growth of Local Industries

Local industries such as handicrafts, textiles, food processing, and cultural services grow with increased tourist demand, supporting small-scale and rural entrepreneurship.

2. Negative Economic Effects

a. Economic Leakage

A significant portion of tourism revenue may leak out of the local economy when foreign companies dominate hotel chains, airlines, or travel services. This reduces the actual benefits to the host country.

b. Seasonal Employment

Jobs created by tourism are often seasonal and temporary, causing instability in income for workers and dependency on peak tourist seasons.

c. Inflation and Rising Costs

High tourist demand may increase the prices of goods, land, and services, making local living conditions more expensive for residents.

d. Overdependence on Tourism

Economies that rely heavily on tourism become vulnerable to external factors such as natural disasters, pandemics, political instability, or global recessions.

REVIEW OF LITERATURE

1. **Mathieson & Wall (1982)** highlighted that tourism stimulates economic development through direct, indirect and induced effects, enhancing employment and regional income.
2. **Singh (2008)** observed that cultural tourism has significant potential to promote local heritage while supporting micro-entrepreneurs in Indian districts.
3. **George & Kumar (2015)** found that Kerala's tourism sector is highly labour-intensive and benefits both formal and informal workers, especially in festival-driven destinations.
4. **Sreekumar & Parayil (2012)** argued that Kerala's tourism growth depends strongly on infrastructure quality and community participation, which directly influence visitor satisfaction.

These studies collectively emphasize the economic relevance of tourism but highlight gaps related to sustainability, which this study addresses within the Thrissur context.

Statement of the Problem

Despite Thrissur's strong cultural base and natural attractions, tourism development faces challenges such as inadequate infrastructure, seasonal inflow of visitors, limited marketing of heritage sites, and insufficient support for small tourism enterprises. Even though tourism generates employment and stimulates local markets, the district has not fully tapped its tourism potential. Thus, the study addresses the following concerns:

- What economic benefits do tourism activities generate in Thrissur?
- To what extent does tourism support employment and income?
- What constraints hinder the effective development of tourism in the district?
- How can tourism be strengthened for sustainable economic growth?

Objectives of the Study

- To examine the economic effects of tourism activities on income and employment in Thrissur District.
- To identify the major tourism-related occupations and their contribution to household earnings.
- To analyse the perceptions of stakeholders on tourism development.
- To explore the challenges faced by tourism workers and small entrepreneurs.
- To suggest measures to strengthen tourism as a sustainable economic activity in Thrissur.

Hypotheses

1. **H₀:** There is no significant relationship between tourism activities and income generation among households in Thrissur District.
2. **H₀:** Tourism-related occupations do not significantly contribute to employment opportunities in the district.

METHODOLOGY

Sources of Data

- **Primary data:** Collected from 100 respondents engaged in tourism activities such as hotel staff, transport operators, guides, vendors, and small entrepreneurs.

- **Secondary data:** Collected from government tourism reports, journals, books, magazines, and official tourism websites.

Sampling Technique

- The study is descriptive in nature.
- A purposive sampling method was used to select respondents from major tourist locations in Thrissur such as Vadakkunnathan Temple area, Athirappilly, Vazhachal, Guruvayur, and Cheruthuruthy.
- **Sample size:** 100 respondents.

Analysis and Interpretation

Educational Qualification of Respondents

Educational Level	No. of Respondents	Percentage
Illiterate	60	6%
Primary School	21	21%
Higher Secondary School	28	28%
UG	32	32%
Others	13	13%
Total	100	100%

Interpretation:

32% of the respondents are graduates, followed

by 28% with higher secondary education, indicating a moderately educated tourism workforce.

Years of Experience in Tourism Occupations

Year of Experience	No. of Respondents	Percentage
Up to 5 Years	29	29%
6 – 10 Years	24	24%
11 – 15 Years	30	30%
Above 15 Years	17	17%
Total	100%	100%

Interpretation:

A majority (30%) of the respondents have 11–15 years of experience in tourism services, indicating long-term engagement in the sector.

Suggestions

- Improve road connectivity, sanitation facilities and digital information systems at major tourist spots.
- Provide skill-development training for guides, small vendors and service providers.
- Promote cultural tourism through festivals, handicrafts, and local cuisine.
- Encourage local entrepreneurship through subsidies, marketing support and tourism-linked credit schemes.
- Develop year-round tourism campaigns to reduce seasonal fluctuations.
- Ensure sustainable and responsible tourism practices to protect natural and cultural assets.
- Strengthen coordination between local bodies, tourism departments, and private stakeholders.

income, creating employment and supporting local industries. The district's rich cultural heritage, religious centres, and natural attractions make it a prominent destination within Kerala. The study clearly shows that tourism contributes significantly to livelihood opportunities and promotes small-scale entrepreneurship. However, challenges such as inadequate infrastructure, seasonal variations, and lack of promotional initiatives limit the sector's full potential. Strengthening infrastructure, promoting sustainable tourism, empowering local communities and offering institutional support can transform Thrissur into a more dynamic and inclusive tourism economy.

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CONCLUSION

Tourism plays a vital role in enhancing the economic development of Thrissur District by generating