

Economic Contribution of Tourism Industry in Bangladesh

Sharmin Sultana

Lecturer, Hospitality and Tourism Management, Department of Business Administration, Southern University
Bangladesh, Chittagong- 4000, Bangladesh

Abstract

Bangladesh is a country of natural beauty, hilly mountains, longest beach, favorable climate, seven seasons which are the key factors to develop eco-tourism, sustainable tourism and rural tourism. Bangladesh has many archeological and historical sites too. And the hospitality of people and local culture, life style is a unique selling point. Tourism is a growing industry in Bangladesh. It generated 1, 25,000 international tourists in 2014 and international tourism generated US\$ 1.5 trillion in export earnings and international tourist arrivals grew by 4.3% in 2014 to 1.133 billion. According to WTTC direct employment support by travel and tourism is forecast to raise by 2.9 percent per annum to 1,785,000 jobs or 1.9 percent of total employment in 2023. In this paper, we tried to show the current scenario of tourism industry and the contribution on GDP.

Keywords: Tourism, Economy, Bangladesh

1. Introduction

Bangladesh is dreaming to be a middle income country within 6-7 years. Many industries are established and contributed in the economy in the last decade and many more will come in the future too. Bangladesh has already passed its tender age and being competitive in international market in many sectors.

After the post liberation period Bangladesh has focused mainly on its agriculture sector and built the backbone of the economy by producing and exporting the golden fiber jute, rice, tea and it comprises about 18.6% (data released on November, 2010) of the country's GDP and employs around 45% of the total labor force. The rate of growth of agriculture and its share in GDP is decreasing. The rate of growth in agriculture came down from 5.24 percent in fiscal year (FY) 2009-2010 to 5.13 percent, and then to 3.11 percent and 2.17 percent in FY2010-2011, FY2011- 2012 and FY2012-2013 respectively. The contribution of agriculture to the GDP growth was 18.36 percent in 2009-10 financial years and it fell to 16.33 percent in the 2013-14 FY. The readymade garments (RMG) industry of Bangladesh started in the late 1970s and became a prominent player in the economy within a short span of time. The industry has contributed to export earnings, employment creation, poverty alleviation and the especially empowerment of women. The Readymade Garments sector plays a role in the economy. This sector accounts for approximately 76% of the total earnings and nearly 10 % of GDP contribution. During 2008 and 2009 the RMG sector was affected by the global recession and turned into financial crisis. (Md. Nazmul, 2013)

Tourism is one of the top five export categories for as many as 83 percent of countries and is a main source of foreign exchange earnings at least 38 percent of countries. Many developed countries like USA, UK, Italy, and France are ruling the industry. But the scenario of many Asian countries like India, Srilanka, Singapore, Maldives, Thailand, Malaysia, Nepal, show that tourist are attracted to the climate, nature, and overall beauty of these spots. Although Bangladesh is in its baby step but according to WTTC The direct contribution of Travel & Tourism to GDP was BDT296.6bn (1.9% of total GDP) in 2014 and to rise by 6.1% pa, from 2015-2025, to BDT 566.3bn (2.0% of total GDP) in 2025.

2. Literature review:

Over the past several decades, travel and tourism has become a key sector in the world economy (Blanke and Chiesa, 2006). Yilmez (2008) commented that one of the largest and fastest growing sectors of the global economy, tourism consists of many small and medium size enterprises which try to be successful in an extremely competitive and rapidly changing business environment.

Tourism is one of the profitable sectors in Bangladesh (Elena et al., 2012). Ali and Mobasher (2004) found that from the ancient period this area is famous for scenic beauty. Foreign tourists praised this country for its wonderful natural beauty, rich cultural heritage and hospitality of the people.

Jahangir (1998), Pennington and Thomsen, (2010) argued that Bangladesh's share in the total arrivals in the south Asian region is too small. Besides, Islam and Islam (2006) argued that Bangladesh is a country of Asian region holding high potentiality of tourism. Since long past, Bangladesh was an attractive destination to the tourists. But at present her position is not significant in terms of international tourism.

Tourism helps a country directly in building necessary infrastructures which not only facilitate the tourists but also the local community. In a destination country, tourism initiates the development of different relevant physical facilities and infrastructure (Johannesburg Summit, 2002). In addition, tourism can be a great tool for poverty alleviation for the developing countries. Tourism can provide material benefits to the poor in

many forms directly and indirectly. It can also bring long term earnings opportunity, cultural pride, sense of ownership, reduced vulnerability through diversification and the development of personal skills of the poor (WTO, 2002).

Roy and Roy (2015), discussed that, tourism can bring many economic, social and environmental benefits, particularly in rural areas and developing countries, although mass tourism is also associated with negative effects. He has shown that, the variety of tourist spots, tourism policy can contribute in the economy.

Masud (2015), revealed that the country has a positive trend in arrivals and earnings, and it can be increased to a significant level if the country can undertake appropriate promotion measures by increasing the allocation for this purpose. The country also needs to employ creative people for this purpose, and the quality of the promotional materials also needs to be developed.

Sandip (2014) mentioned that the development of service industry will accelerate our economic growth. The study developed some competitive strategies in the light of vision 2021 and therefore achieves sustainable economic growth.

Redwan (2014) highlighted the importance of tourism in Bangladesh along with its benefits in socio-economic development. The gains from tourism are multidimensional, such as GDP contribution, employment generation, foreign currency earnings, infrastructure development, and creation of investment opportunities, poverty alleviation, government earnings and cultural development.

Shamsuddoha and Chowdhury discussed, that there are lots of opportunities to earn foreign and local revenue from this sector. They provided some crucial recommendations for BPC to follow those for developing tourism industry.

Ferdoush and Faisal (2014) showed that the significance of tourism is viewed from many angles like economic, social, cultural, political, etc. At present, in our gross domestic product, the role of tourism is below one per cent. If it could be brought to five per cent then it would generate about five lacs direct and indirect employment, which would move the economic index in the upper direction in all areas.

Ashraful and Shahriar (2012) estimated that based on a conceptual model devise it is possible to explain the leakage and injections of the tourism industry and its actual impact on the economy as a whole.

Ali (2010) depicted that, through improving the efficiency and effectiveness of services of tourism sector, arranging better facilities, cost cutting techniques, technological improvements and infrastructural development, both local and foreign tourists can be encouraged to tour with different alternative causes.

Parveen (2013) investigated the current growth and development of this industry and also examines some limitations and challenges of the industry and suggested some policy measures to resolve its existing barriers as claimed by the aforesaid respondents. Ali and Mohsin (2008) researched various aspects of tourism marketing strategies. Author suggested that tourism should be acted as an important ingredient of economic development of the country for which synergy may be applied between tourism marketing plan and its implementation process. Integrated marketing communications channel should be used to develop tourism sector of the country. Musa (2013) identified that tourism marketing is an integrated effort to satisfy tourists by making the best possible services available to them. It is a device to transform the potential tourists into actual tourists. It is the safest way to generate demand and expand market.

3. Rational of the study

Thoroughly investigating all aspects of tourism development and economic growth is extremely important for all concerns (Leea and Chang, 2008). In this perspective, a clear conception of the economic contribution of tourism on an economy with deficit (largely the cases of the developing and under developed countries) or surplus would not only carry significance for the economic planners, but also would come to test the justification of tourism investments.

In the above context, this study is an attempt by the researcher to evaluate present trend and growth of tourism industry which can contribute a lot to flourish the economy of the country.

4. Research objectives

The specific research objectives of this study are:

- I. To know about the policies for tourism sector development in Bangladesh
- II. To examine the impact of tourism in the GDP of Bangladesh;
- III. To find out flaws and suggest some policy implications for the development of tourism sector.

5. Methodology of the study:

The present study is based on secondary data and it was taken from various research articles, website and books. Data recorded by all related authority like Bangladesh Parjatan Corporation, Bangladesh Tourism Board and World Tourism Organization. Statistical data are collected from various reports of World Data Bank, World Travel and Tourism Council 2015 and United Nations of World Tourism Organizations 2014. Using some

simple statistical tools, all the data obtained from secondary sources are analyzed and finally a conclusion is drawn.

Besides, characteristics of secondary data also indicate the compatibility of secondary data for the research project in hand. Considering all these facts, the author used solely secondary data for this research project as secondary data would pursue the objective more likely than any other type of data.

Afterwards, some recommendations are made for the development of this sector so that the economy can squeeze absolute benefit there from.

6. Policies for Tourism Sector Development in Bangladesh

The government has several active policies and legislations for the tourism sector namely the Bangladesh Tourism Board Act, the Tourism Policy 2010, the Medium Term Budget Framework (MTBF) and the Perspective Plan 2021. These policies and legislations have been promulgated to develop and promote the tourism sector. Main features from some of these legislations are provided below.

6.1 Bangladesh Tourism Board Act

- 1) To construct various rules under the law where the main objective is to fill in the gap of existing tourism rules and let regulations proceed.
- 2) To develop Tourism Industries through various planning related activities and side by side give advice as well as directions.
- 3) To create general awareness regarding tourism protection, development and exploration.
- 4) To execute responsible tourism through creation of some helping hand on behalf of government like as personal sector, local people, local admin, NGO, women federation, media.
- 5) To create better communication channel for the International Tourists Organizations in Bangladesh with both government and private tourism related organizations.
- 6) To create a strong and safe foothold for the Bangladeshi Tourist by coordinating with respective government organizations.
- 7) To create a tourism friendly environment in Bangladesh and to market its tourism potential in both domestic and foreign nations.
- 8) To develop human resource for tourism sector by creating training facilities and to provide them with the right directions.
- 9) To attract tourists by maintaining quality and relevant material which in turn can provide smooth tourism service and ensuring necessary actions that need to be taken for maintenance.
- 10) To ensure the participation of physically challenged people.
- 11) To protect women rights and ensure their participation in the tourism sector.
- 12) To research on tourism industry, to survey international markets and to analyze the data.
- 13) To support the small tourism based industries and to provide them the right direction.
- 14) To organize tourism related fairs and to encourage tourism through various promotional techniques.
- 15) To create a database regarding tourism prospects.
- 16) To comply with whichever duty imposed by the Government.

6.2 Ministry of Civil Aviation and Tourism- Medium-Term Budget Framework

6.2.1 Formulation and implementation of laws and policies relating to civil aviation

6.2.2 Modernization and rationalization of airports, air routes and air services

6.2.3 Supervision of activities relating to air space control, safe take-off and landing of aircraft, aeronautical inspection, and the issuance of licenses for aircrafts and pilots

6.2.4 Formulation of laws and rules relating to registration of travel agencies and monitoring of their implementation

6.2.5 Formulating, updating and implementing laws and policies for tourism, taking into account global perspectives

6.2.6 Undertaking research for development of the tourism industry, its modern management and creation of skilled manpower

6.2.7 Establishing, directing and controlling associated/service-oriented organizations for the overall development of the tourism industry

6.2.8 Signing of contracts relating to civil aviation and tourism with local and international organizations and supervision of all activities concerned with co-ordination.

6.3 Implementation Strategy of National Tourism Policy

For a well balanced development of the tourism industry, the following institutional set-up will function from national to local levels:

- 6.3.1 National Tourism Council
- 6.3.2. Cabinet Committee on Tourism
- 6.3.3. Advisory Committee on Tourism
- 6.3.4. Inter-ministerial Co-ordination and Implementation Committee
- 6.3.4. At Divisional and Local Level
- 6.3.5. Involvement the Bangladesh Embassy, Mission abroad

7. Overview of the Contribution of Tourism Industry

International tourist arrivals have increased from 25 million globally in 1950, to 1980, 527 million in 1995, and 1133 million in 2014 and it is expected that the volume of international tourists will reach 1.8 billion in 2030. Likewise international receipts earned by destinations worldwide have surged from US\$ 2 billion in 1950 to US\$ 104 billion in 1980, US\$ 415 billion in 1995 and US\$ 1245 billion 2014.(UNWTO Tourism Highlights, 2015 Edition)

According to UNWTO, the direct, indirect and induced impact of tourism in GDP is 9%; which creates 1 in 11 jobs; 6% of the world's exports worldwide in 2014. The increasing trend of tourist arrivals and earnings is continuing. The market share of emerging economies increased from 30% in 1980 to 45% in 2014, and is expected to reach 57% by 2030, equivalent to over 1 billion international tourist arrivals. This continued growth in tourism business throughout the world is encouraging and nations are becoming concerned to attract more tourists to their own destinations.

Table 1: Tourist arrival and their growth

Year	Tourists arrival (million)	Growth (%)	Year	Tourists arrival (million)	Growth (%)
1991	113242	-	2001	207199	4
1992	110475	-2	2002	207246	0.02
1993	126785	15	2003	244509	18
1994	140122	11	2004	271270	11
1995	156231	12	2005	207,662	15
1996	165887	6	2006	200,311	10
1997	162420	10	2007	289,110	16
1998	171961	6	2008	467,332	18
1999	172781	0.5	2009	267107	-42
2000	199211	15	2010	303386	11

Source: Bangladesh Parjaton Corporation

An international tourist receipt means the expenditure by international inbound visitors, including payments to national carriers for international transport. These payments include any other payment made for goods or services received in the destination country. Against the backdrop of falling tourist arrival, on the other hand, the number of Bangladeshis travelling abroad has increased significantly in recent years. While the number of tourist arrivals grew by 6.8% on average between 1995 and 2009, the number tourist departures grew by more than double at an average rate of 14.8% over the same period (Table.2).

Table 2: Tourist arrival and departure

	Number of tourist		Growth (%)	
	Arrivals	Departures	Arrivals	Departures
1995	156000	830000	-	-
1996	166000	911000	6.4	9.8
1997	182000	866000	9.6	-4.9
1998	172000	992000	-5.5	14.5
1999	173000	1103000	0.6	11.2
2000	199000	1128000	15.0	2.3
2001	207000	1075000	4.0	-4.7
2002	207000	1158000	0.0	7.7
2003	245000	1414000	18.4	22.1
2004	271000	1565000	10.6	10.7
2005	208000	1767000	-23.2	12.9
2006	200000	1819000	-3.8	2.9
2007	289000	2327000	44.5	27.9
2008	467000	875000	61.6	-62.4
2009	267000	2254000	-42.8	157.6
2010	303000	-	13.5	-
Average Growth (1995-2009) (%)			6.8	14.8

Source: World Bank Databank

In recent years, Bangladeshis have been travelling abroad extensively. Two factors have contributed to new trend: (i) rising per capita income; (ii) the myriad of budget carriers which has opened up in Bangladesh. These budget carriers offer extremely lucrative packages for travelling, especially countries like Thailand, Malaysia, Singapore, and India.

8. Economic contribution of Tourism Industry

8.1 GDP

8.1.1 Total Contribution

The total contribution of Travel & Tourism includes its 'wider impacts' (i.e. the indirect and induced impacts) on the economy. The 'indirect' contribution includes the GDP and jobs supported by:

Travel & Tourism investment spending – an important aspect of both current and future activity that includes investment activity such as the purchase of new aircraft and construction of new hotels;

Government 'collective' spending, which helps Travel & Tourism activity in many different ways as it is made on behalf of the 'community at large' – e.g. tourism marketing and promotion, aviation, administration, security services, resort area security services, resort area sanitation services, etc;

Domestic purchases of goods and services by the sectors dealing directly with tourists - including, for example, purchases of food and cleaning services by hotels, of fuel and catering services by airlines, and IT services by travel agents.

The 'induced' contribution measures the GDP and jobs supported by the spending of those who are directly or indirectly employed by the Travel & Tourism sector

The direct contribution of Travel & Tourism to GDP primarily reflects the economic activity generated by industries such as hotels, travel agents, airlines and other passenger transportation services (excluding commuter services). But it also includes, for example, the activities of the restaurant and leisure industries directly supported.

The total contribution of Travel & Tourism to GDP (including wider effects from investment, the supply chain and induced income impacts) was BDT 627.9 bn in 2014 (4.1 % of GDP).

Table 3: The economic contribution of Travel & Tourism: Growth (Bangladesh)

Bangladesh Growth	2009	2010	2011	2012	2013	2014	2015E	2025F
1. Visitor exports	40.3	5.6	0.0	6.1	11.0	5.8	3.7	5.7
2. Domestic expenditure (includes government individual spending)	0.4	3.8	5.8	5.1	4.9	5.3	5.9	5.9
3. Internal tourism consumption (=1+2)	0.9	3.8	5.7	5.1	5.1	5.4	5.9	5.9
4. Purchases by tourism providers, including imported goods (supply chain)	6.8	5.3	8.6	4.9	3.1	4.5	5.8	5.6
5. Direct contribution of Travel & Tourism to GDP (=3+4)	-2.7	2.9	3.6	5.2	6.5	5.9	5.9	6.1
6. Other final impacts (indirect & induced) Domestic supply chain	-2.6	2.9	3.6	5.2	6.5	5.9	5.9	6.1
7. Capital investment	3.2	5.3	6.3	7.4	2.2	0.2	2.7	7.8
8. Government collective spending	6.0	7.4	5.9	8.1	8.3	6.6	6.8	6.3
9. Imported goods from indirect spending	7.0	6.4	8.6	5.6	4.5	5.0	5.0	5.7
10. Induced	-0.3	-1.1	0.5	7.3	8.0	5.6	6.8	7.0
11. Total contribution of Travel & Tourism to employment	-3.0	1.7	2.4	5.9	6.8	5.5	6.0	6.5
12. Employment impacts (000) Direct contribution of Travel & Tourism to employment	-8.3	-0.5	-0.6	2.0	2.3	2.5	2.1	1.4
13. Total contribution of Travel & Tourism to employment	-8.5	-1.9	-1.9	2.6	2.6	2.0	2.2	2.1
14. Other indicators Expenditure on outbound travel	-20.2	31.8	-8.3	14.4	31.4	2.3	3.1	5.7

Source: World Travel and Tourism Council (WTTC)

8.1.2 Tourism Expenditure and Receipts

Tourism also has other impacts on the economy in the form of income generation. Table below shows the international tourism expenditure as percentage of total imports and international tourism receipts as percentage of total exports for Bangladesh.

Table 4: International Tourism Expenditure and Receipts for Bangladesh

	2005	2006	2007	2008	2009	2010	2011	2012
International Tourism Expenditure as % of Total Imports	2.57	2.67	2.74	2.93	2.82	2.83	2.16	2.20
International Tourism Receipts as % of Total Exports	0.76	0.63	0.55	0.43	0.45	0.48	0.36	0.40

Source: World Bank Databank

These two indicators are defined by the World Bank as follows:

International tourism, expenditures (% of total imports): 'International tourism expenditures are expenditures of international outbound visitors in other countries, including payments to foreign carriers for international transport. These expenditures may include those by residents travelling abroad as same-day visitors, except in cases where these are important enough to justify separate classification. For some countries they do not include expenditures for passenger transport items. Their share in imports is calculated as a ratio to imports of goods and services, which comprise all transactions between residents of a country and the rest of the world involving a change of ownership from non-residents to residents of general merchandise, goods sent for processing and repairs, nonmonetary gold, and services.'

International tourism, receipts (% of total exports): 'International tourism receipts are expenditures by international inbound visitors, including payments to national carriers for international transport. These receipts include any other prepayment made for goods or services received in the destination country. They also may include receipts from same-day visitors, except when these are important enough to justify separate classification. For some countries they do not include receipts for passenger transport items. Their share in exports is calculated as a ratio to exports of goods and services, which comprise all transactions between residents of a country and the rest of the world involving a change of ownership from residents to non-residents of general merchandise, goods sent for processing and repairs, nonmonetary gold, and services.'

International tourism expenditures as percentage of imports increased from 2005 onwards till 2008, from 2.57% to 2.93%, remained stable around 2.8% for two subsequent years and dropped sharply in 2011 and 2012- the average rate for the period being 2.62%. This is in line with the decline in inflow of tourists discussed before and thus is a trend that should analyzed further in order to reverse it. International tourism receipt as percentage of exports was at a high of 0.76% in 2005 and since then has been on a declining trend, eventually reaching 0.4% of total exports in 2012. This decline can again be explained through the decline in inflow of tourists which resultantly lead to lower income receipts from international tourism. During the period under consideration, the export earnings of the country grew substantially due to the booming ready-made garments exports. As the earnings from international tourism did not grow at the same rate, its share in the export earnings declined.

8.2. Impact on Employment

One of the major macroeconomic issues that plague the Bangladesh economy is unemployment. While the official unemployment rate of the country is 4.5% according to the Labor Force Survey (LFS) 2010, the main problem remains underemployment and employment in the informal sector. Out of the economically active population of 56.7 million in 2010, 47.3 million or 83.4% of the population is employed in the informal sector. Additionally, according to LFS 2010, out of all the people who are employed about 20.8% are underemployed which is quite a large number of people working at jobs that are below par to their abilities and qualifications. Bangladesh is in dire need of formal sectors of employment and tourism has the potential to rise as one of those sectors. Tourism generates jobs from the hospitality industry, to transportation, to backward-linkage industries develops in response to the industry.

Travel and Tourism generated 903,500 jobs directly in 2014 (1.6 % of total employment). This includes employment by hotels, travel agents, restaurant, leisure industries, airlines and other passenger transportation. The total contribution of Travel & Tourism to employment was 1,984,000 jobs in 2014 (3.6 % of total employment). By 2025, Travel & Tourism is forecast to support 2,492,000 jobs, an increase of 2.1% pa over the period.

8.3 Capital Investment in Tourism

Like almost all other sectors, investment is the key to the growth of the tourism sector. However, investment in this sector has been low which perhaps explain unsatisfactory performance in income and employment fronts. More specifically, capital investment in 2013 has been reported to be 41 billion or only 0.39 percent of GDP. Another important observation is the continuous decline in tourism investment onward 2009.

8.4 Foreign Exchange Receipts

International tourist inflow into the country also leads to increase in foreign exchange earnings. Bangladesh has

earned BDT 8.6 billion in foreign currency from inflow of tourism in 2013 and the figure has been consistently increasing from 2010 onwards indicating an encouraging sign as shown in Table below.

Table 5: Foreign exchange earnings from tourism as % of Foreign Exchange Reserve of Bangladesh (BDT million)

Year	Foreign Exchange Reserve (a)	Foreign Exchange Earnings from Tourism and other Travels (b)	(a)/(b)
2008	421318.2	5780	1.4%
2009	515940.4	3920	0.8%
2010	746469.9	5472	0.7%
2011	809087.5	6094	0.8%
2012	847971.7	7674	0.9%
2013	1190899.2	8579	0.7%

Source: Bangladesh Bank and Author's own calculation

It can also be noted that more than 60% of the foreign earnings from tourism comes from tourists from the United States of America, while the United Kingdom and all other countries' tourists account for 40% of the earnings. Bangladesh's foreign exchange reserve has experienced a healthy gain in the past few years and tourism has contributed only 0.7% of the total reserve. The ratio was 1.8% in 2008 but since then it has been hovering between 0.7-0.8 percent.

8.4.1 Visitor Exports

Money spent by foreign visitors to a country (or visitor exports) is a key component of the direct contribution of Travel & Tourism. In 2014, Bangladesh generated BDT10.2bn in visitor exports. In 2015, this was expected to grow by 3.7%, and the country is expected to attract 463,000 international tourist arrivals. By 2025, international tourist arrivals are forecast to total 652,000, generating expenditure of BDT18.4bn, an increase of 5.7% pa.

8.5 Increased Spending (Multiplier Effect)

The cascading effect of tourist's money being spent throughout the host country begins at front-line tourist establishments, e.g. hotels, restaurants and taxis. The effect of this spending then permeates throughout the economy (Matheison & Wall, 1982), creating impacts at three levels: at the direct, indirect and induced levels. This is the multiplier effect.

Table: 6 Foreign Exchange Earnings from Tourism and Other Travels (Million Taka)

Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Jan	273.80	297.50	259.00	457.00	450.42	653.71	561.13	749.28	649.24	495.98
Feb	218.10	260.60	327.00	393.70	502.73	554.11	624.04	585.06	579.46	496.98
Mar	196.10	336.20	355.90	425.90	468.50	538.94	471.90	527.79	518.90	565.97
Apr	219.00	312.50	241.10	309.40	335.56	411.62	387.22	459.35	473.85	427.37
May	240.50	282.70	226.30	305.00	347.95	452.02	449.95	423.06	538.21	342.11
June	221.70	313.00	288.00	279.70	301.23	394.96	366.17	509.52	417.71	473.03
July	207.19	267.50	302.30	303.60	296.98	398.14	346.63	461.98	453.03	320.97
Aug	170.50	251.50	232.00	285.90	354.61	424.16	363.72	417.30	439.32	431.37
Sept	193.40	245.90	217.30	293.10	334.14	362.29	342.54	464.46	350.65	368.06
Oct	187.00	205.00	265.10	247.90	332.67	327.95	359.68	415.67	361.99	525.26
Nov	234.80	277.70	224.20	250.42	324.45	444.50	440.25	519.39	461.28	477.14
Dec	291.80	262.50	371.80	415.94	444.65	568.25	551.96	591.66	518.60	638.70
Total	2653.80	3312.60	3310.0	3967.56	4493.49	5530.65	5265.19	6124.52	5762.24	5562.70
% change	1.02	24.82	-0.08	19.87	13.27	23.07	-4.80	16.32	-5.92	-3.46

Source: Bangladesh Tourism Board

9. Recommendations

9.1 Job Opportunity

More jobs creating through investment will eradicate poverty by a significant percentage. This will help country to achieve "Millennium Development Goals".

9.2 Infrastructure

Country's infrastructure will be developed significantly. More roads and highways will be built. More hotels and restaurants will be established. Rail connection between Cox's Bazaar and Chittagong is necessary.

9.3 Superstructure

After infrastructure, developing superstructures like hotels, motels, inns, restaurants, amusement parks, theme parks are also important for tourists in the destinations. In Cox's bazar there are plenty of hotels and motels. But

in other destinations like Kuakata, Rangamati, Khagrachari very few quality hotels are established. Besides, theme parks, game zone, sports zone like parasailing, paragliding, scuba diving etc. are need to be established for adventurous tourists.

9.4 Entrepreneurship Development

In the tourism sector we need entrepreneurial activities. As such both public and private sector partnership may be developed in the tourism sector of Bangladesh. Young entrepreneurs and tribal people may be encouraged to prepare various types of goods and services reflecting rich cultural heritage including art- craft of the country for selling to the foreign tourists.

9.5 Foreign Exchange

Foreign tourist will bring valuable foreign exchange earnings. Tourism market should be segmented on the basis of income level. This is not only applicable for foreigners but also domestic tourists. On the other hand upper class people of the country who tours abroad can be inspired to tour within the income group and lower income group of people of the country, tourism facility should be created within their purchasing power capability.

9.6 Market Share

The country can increase market shares in the tourism sector through creating its competitiveness. Technological innovations in the communication sector especially media can contribute towards cross boarder cultural and spread of global ideology. E-marketing strategy may be followed.

9.7 Investment

The commercial banks need to provide the credit at reasonable terms to make tourism industry as an industry viable and thrust sector. There should be allocation of money for equity participation funding to develop the sector.

9.8 Training

Unskilled tour operator should get proper trainings. Though Bangladesh Parjatan Corporation has been taking initiatives to train manpower in different trades of the tourism industry but most of their trained people are not up to the mark. Recently in some public and private universities opened Dept. of Tourism and Hospitality. This will definitely encourage creating skilled manpower in the tourism sector and as a result new generation may use innovative ideas to capacity building and opportunities to attract tourists in the country.

9.9 Political Stability

Political stability is also one of the crucial preconditions to attract tourists. Infrastructure should be developed with a target oriented planning, which must be properly implemented.

9.10 Education

Develop the management education on tourism marketing and prepare marketing or sales people to sell the product properly to the right place in local and global perspectives as well.

9.11 Rules and regulations in visa

Rules and procedures for foreign tourists may be changed so that tourist visas on arrival at airport can be given to the tourists. For domestic tourists those who are working in public and private sector, leave with full pay for one month per annum may be provided by the authorities.

9.12 Policy implementation

Bangladesh Parjatan Corporation (BPC) should create pressure on Govt. to implement her policy more strictly regarding the quality of service. As a result, private service provider will be able to face competition on an even ground.

9.13 Public-Private Partnership

Development of tourism industry means heavy investment from both private and govt. sector. This will create an industrial base. More investment will create more jobs. Countries economic growth will accelerate. Therefore country will achieve 7th objective which is basically sustainable economic growth.

9.14 Environment

Environmental sustainability which is on the major concerns of today's world can be achieved.

9.15 Eco tourism

Bangladesh is a country of natural beauty. By developing eco-tourism here tourists can discover its beauty without harming the local people's lifestyle and the nature's gifts. It will also maintain the sustainability of the environment and local culture.

9.16 Religious Tourism

Bangladesh is a country of lots of spiritual spots like mosque, shrines, and temples. We can promote these places to foreigners. The world second largest congregation "world ijtema" is also held here. So there are lots of scopes to develop religious tourism.

9.17 Local Technology

Almost all the technologies (i.e. machineries, software) of tourism industry of Bangladesh are imported. Policies and initiatives should be taken so that, these technologies can be produced locally as there are sufficient demands in the local levels. To deliver information to the foreign tourist through online or website and information technology is necessary to research about new tourist spots.

10. Conclusion

Tourism is a promising sector in Bangladesh. It is a growing sector with an increasing contribution in GDP. Mere some infrastructural development can make the sector sustainable. This paper has examined the extent of tourism in GDP and at the same time how positively it is growing. Without maintaining proper growth in the sector, it may be lag behind in making its future contribution in national economy. From statistical test, it is found that the contribution is already significant. But it can contribute further by creating more employment, generating demand for accommodations and food, improving transportation, and as whole branding Bangladesh to the world. This is a big sub-sector of the national economy. There is a good research scope on country branding and the tourism.

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A. Author:

Birthplace: Chittagong, Bangladesh.

Birth date: 06.09.1990

Educational Qualifications:

Year	Degree	Major	Institution	City	Country
2005	School Secondary Certificate	Business Studies	Dr. Khastagir Govt. Girls High School	Chittagong	Bangladesh
2007	Higher Secondary Certificate	Business Studies	Haji Mohammad Mohsin College	Chittagong	Bangladesh
2012	Bachelor of Business Administration	Tourism & Hospitality Management	University of Dhaka	Dhaka	Bangladesh
2014	Masters of Business Administration	Tourism & Hospitality Management	University of Dhaka	Dhaka	Bangladesh