

## **GLOBAL TOURISM TRENDS AND BANGLADESH TOURISM: A NEXUS**

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### **Abstract**

Tourism is one of the most promising sectors for developing countries around the world for their economic development. Bangladesh is no exception to this. But, unfortunately, despite having almost everything including unparalleled natural beauty, historical and archaeological resources, Bangladesh is lagging behind in tourism from its neighbors. This paper has identified the current trends of tourism sector around the world and at the same time portrayed the current situation of Bangladesh as well as its future prospects. Secondary data and statistics supplied by United Nations World Tourism Organization, Bangladesh Economic Review 2010, Bangladesh Parjatan Corporation and World Travel & Tourism Council have been analyzed and discussed in the paper to have a clear view of tourism sector in Bangladesh. Future steps to be taken and recommendations are made for the long-term tourism development in a sustainable manner.

**Keywords:** tourism, developing county, tourist arrival, GDP

### **1. Introduction and Background**

Tourism and hospitality industry is one of the world's largest and fastest growing industries. According to the UNWTO's Tourism Highlights (2012 Edition), international tourist arrivals grew by 4.6% to reach 983 million worldwide in 2011, up from 940 million in 2010. International tourism receipts for 2011 are estimated at US\$ 1,030 billion worldwide, up from US\$ 928 billion in 2010 (+3.9% in real terms), setting new records in most destinations. Tourism exports account for as much as 30% of the world's exports of commercial services and 6% of overall exports of goods and services.

The outcome of tourism results in healthy GDP and creation of employment. World Travel & Tourism Council (2011) claims that Travel and Tourism is expected to generate 1,509,000 jobs directly in 2011 (1.9% of total employment). By 2021, Travel and Tourism will account for 1,951,000 jobs directly, an increase of 442,000 (29.3%) over the next ten years. The total contribution of Travel and Tourism to employment was expected to be 3,326,000 jobs (direct and indirect) in 2011 (4.2% of total employment). UNWTO (2012) estimated tourism's contribution to employment around 6-7% of the overall number of jobs worldwide (direct and indirect) in 2011.

Many developing countries have prepared plans particularly at the central level to guide tourism development, as they have recognized the tourism sector as an important source of foreign currency earning and employment (Tosun and Timothy 2001). Bangladesh is one of the most promising developing countries with all the

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signs of better future. A paper by Majbritt (2010) argues that the six (at present 7) Bangladeshi Divisions offer both individually and combining a variety of natural and cultural destinations suitable for tourist attractions. Tourists from abroad came to see and enjoy the beaches, the scenic beauty of the landscape covered with lavish greens and the waves of rivers, tribal culture, religious rituals, historical places, forests, wild life and hill resorts (Hasan, 2006). For tourists, Bangladesh has the world's longest sea beach Cox's Bazar, the world's largest mangrove forest the Sundarbans (home of the Royal Bengal Tiger), historical ruins, buildings, modern architectural structures, monuments, religious places, hills, river channels to cruise, places of indigenous culture and people.

The Lonely Planet Guide, world's leading publishing travel guide elected Bangladesh as one of the top ten interesting travel destinations of the world in 2009. Moreover, World Travel & Tourism Council (2011) claims that the direct contribution of Travel and Tourism to GDP is expected to be BDT 184.4bn (2.3% of total GDP) in 2011, rising by 6.3% p.a. to BDT339.2bn (2.3%) in 2021 (in constant 2011 prices).

Tourism offers immense scope in employment generation, poverty alleviation and maintaining ecological balance. In recent times the government of Bangladesh realized the importance of tourism in its economic and social life. The many businesses that grow concurrently with the development of tourism include airlines, shipping, hotels and restaurants, finance companies, tour operators, travel agents, car rental firms, caterers and retail establishments and together, they contribute significantly to the overall development of a country's economy and to its cultural diversification and adaptation (Islam, 2009). It is a relatively modern phenomenon, which plays an intensely important role in the economic development of any country. A lot of hotels, motels, resorts and restaurants are here in Bangladesh or being opened almost every day. These hotels and restaurants are catering to the needs and demands of the domestic and international tourists. Though tourism has not assumed a significant role in the national economy of Bangladesh yet, it is hoped that tourism will grow to contribute significantly to the national economy in the future (Ali & Sifat-e-Mohsin, 2008). It is only through organized and structured development and management that the industry can meet the expectations of the tourists.

## **2. Objectives**

The main objective of this paper is to analyze the current trends in tourism around the world. As a result, a scenario of Bangladesh will be evident to understand the real situation of tourism sector in Bangladesh and then necessary steps to take will be easy to propose. For that purpose, specific objectives of the study are to-

- describe and analyze the real scenario of tourism around the world with relevant statistics;
- assess and compare the situation of tourism sector in Bangladesh with other neighboring countries; and
- determine and recommend some future steps to be taken for tourism

development in Bangladesh.

### **3. Methodology**

The methodology used for this study is based on an interpretative analysis inspired by the recent data recorded by some key international and national tourism organizations. These data have been useful to describe the current and future scenarios for the area under investigation. This research has focused on some key international organizations related with tourism for current trend analysis of tourism around the world and also the position of tourism in Bangladesh. Recent data recorded by all related authorities include the United Nations World Tourism organization (UNWTO), World Travel and Tourism Council (WTTC), Bangladesh Parjatan Corporation, Bangladesh Economic Review 2010 and so many other journals, books newspapers, and books are used for this research.

Current trends in international tourism are shown first, and then an overview of the tourism situation in Bangladesh is given in the study. Using some simple graphs and statistical tools, all the data obtained from secondary sources are analyzed and then a review of tourism in Bangladesh is drawn. Subsequently, some recommendations are made for the betterment of this sector.

The analysis of tourism sector based on the data published by key tourism organizations allows the identification of the main issues related to tourism activities and enables us to address the definition of a framework for initiating tourism development activities of a country like Bangladesh.

### **4. Literature Review**

Tourism involves travelling for pleasure, enjoy and education. It is also a business of attracting tourists and providing them with food, enjoyment, accommodation and transportation. The United Nations World Tourism Organization (UNWTO) defines tourism as “the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.”

Tourism is not only one of the world’s largest, but also one of its fastest growing industries. The importance of tourism and the entry of many new destinations into the market have forced all to emulate and compete in the battle at a global level (Riege et al. 2001). Konecnik (2002) defined this competition as battle to win many tourist markets. Hossain (2007) identified that the reason for this competition in global tourism is simply for earning revenue and foreign exchange.

Whereas, UN (2007) recognized tourism not only as a leading industry in the service sector at the global level but also a major provider of jobs and a significant generator of foreign exchange at the national level. Tasci, et al., (2004) added claimed that, tourism is a growing industry not only in developed countries, but also in developing as well as in underdeveloped countries. The World Bank classified developing countries as those having per capita income of less US\$ 2200. Another

concept of developing is that they have a high level of illiteracy; Afghanistan, Pakistan, Bangladesh, India, and Sudan are typical examples. Tourism has become a very important and dynamic sector both in the world economy and particular in the developing countries. Jenkins, (1991) argued that the role of international tourism in generating economic benefits has long been recognized in many developing countries.

United Nations World Tourism Organization (UNWTO) has attempted to develop a firm global agenda for the support of tourism as an approach for development in general, and poverty alleviation in particular, for the developing countries (Ferguson, 2007). As a result, implicitly or explicitly, many developing nations have been considering this sector as a fast track for development. Van hove (2005) claimed that in the last two decades in particular tourism has developed, especially in developing countries by their integrated tourism planning.

Bangladesh is a developing country in Asia, holding high potential for tourism. Bangladesh is a country with rich traditions, natural beauty, beaches, forests, lakes, hills, wild lives, archaeological attractions, monuments, handicrafts, sanctuaries, religious festivals, cultural heritage, tribal culture and architecture, incredible greenery, mighty rivers and attractive river cruises, sunny beaches, colorful tribal life and attractive cultural functions that offer great tourist attractions (Haque, 2005; Hossain and Nazmin, 2006).Islam, (2006) added that Bangladesh having various kinds of natural variations e.g., hilly areas, sea beaches, mangrove forest and many historical places, has a huge potential in the scenario of world tourism. Therefore, as suggested by Hasan (2009), it has become imperative to develop a nation branding campaign to keep Bangladesh in the global limelight for the right reasons.

In recent years there has been an increase of interest in the role of tourism for growth and development for Developing countries like Bangladesh, and they are focusing on economic policies to promote international tourism as a potential source of economic growth. In support to this Jiménez, Pulina, Prunera and Artis (2009) find a relationship between exports, tourism and economic growth which is still ongoing. Though in Bangladesh, since the industrial policy of 1999, tourism has been treated as an industry and termed it as a thrust sector (Islam, 2006), Bangladesh could not develop its various tourist destination sufficiently attractive to the foreign tourists.

But, undoubtedly tourism is one of the leading sources of foreign exchange earnings (Ali & Sifat-e-Mohsin 2008). Whereas the neighboring countries like India, Sri Lanka, Maldives and Nepal attract substantial number of tourists every year and thus generate huge amount of foreign currencies, the position of Bangladesh is not well as it should be. For the lower response from the foreign tourists towards Bangladesh, Ahmed et al. (2010) identified insufficient infrastructural development at various tourist spots, lack of proper facilities for the tourists, scarcity of skilled and professional tour service providers and poor promotional programs responsible.

## **5. Findings and Discussion**

### *5.1 Recent trends in Global tourism*

‘UNWTO Tourism Highlights’ is a World Tourism Organization publication,

which aims to provide an overview of international tourism trends. It is one of the most reliable publications on tourism worldwide. In the following section of the study, 'UNWTO Tourism Highlights- 2012' has been analyzed to give an overview of the tourism sector around the world.

**Table 1. Key trends in 2011 (Source: UNWTO, 2012)**

Year	2010	2011	Growth Rate
International tourist arrivals	940 million	983 million	+4.6%
International tourism receipts	US\$ 928 billion	US\$ 1,030 billion	+3.9% in real terms

*What was in 2012:* According to UNWTO (2012), total international arrivals are expected to reach one billion in 2012 for the first time with a growth rate of 3% to 4%. The number of international tourist arrivals worldwide is expected to increase by 3.3% a year on average from 2010 to 2030. This represents some 43 million more international tourist arrivals every year, reaching a total of 1.8 billion arrivals by 2030. The overall export income generated by inbound tourism, including passenger transport, exceeded US\$ 1.2 trillion in 2011, or US\$ 3.4 billion a day on an average. Tourism exports account for as much as 30% of the world's exports of commercial services and 6% of overall exports of goods and services (UNWTO, 2012).

*Comparison between Advanced Economies and Emerging Economies:* The market share of emerging economies has increased from 30% in 1980 to 47% in 2011, and is expected to reach 57% by 2030, equivalent to over one billion international tourist arrivals (UNWTO, 2012).

**Table 2. Comparison between Advanced Economies and Emerging Economies**

International Tourist Arrivals (million)				
Year	2010	2011	Market Share % (2011)	Change (%) 11/10
World	940	983	100	4.6
Advanced economies	499	523	53.2	4.9
Emerging economies	441	460	46.8	4.3

Source: UNWTO, 2012

Between 2010 and 2030, arrivals to emerging economies are expected to increase at double the pace (+4.4% a year) of those to advanced economies (+2.2% a year).

*Purpose of visit and mode of transport in 2011:* In 2011, (see figure 1) travel for leisure, recreation and holidays accounted for 51% of all international tourist arrivals or 505 million arrivals. Some 15% of international tourists reported travelling for business and professional purposes and another 27% travelled for other purposes, such as visiting friends and relatives (VFR), religious reasons and pilgrimages, health treatment, etc. The purpose of visit for the remaining 7% of arrivals was not specified.

Over half of travellers arrived at their destination by air transport (51%) in 2011,

while the remainder travelled over the surface (49%) – whether by road (41%), rail (2%), or over water (6%) as it is shown in figure 1.

**Figure: 1. Purpose of visit and mode of transport in 2011**

Most travel by air and for the purpose of leisure:



Source: UNWTO, 2012

*Share of international tourism receipts:* Europe holds the largest share of international tourism receipts (45% share), reaching US\$ 463 billion in 2011, followed by Asia and the Pacific (28% share or US\$ 289 billion), and the Americas (19% share or US\$ 199 billion). The Middle East (4% share) earned US\$ 46 billion and Africa (3% share) US\$ 33 billion (see figure 2).

**Figure2: Share of international tourism receipts in 2011 by region**



Source: developed and presented by the authors based on the information of UNWTO Tourism Highlights-2012

*International Tourist Arrivals:* In 2011, world tourism continued to rebound from the setbacks of 2008-2009, in a year marked by persistent economic turbulence, major political changes in the Middle East and North Africa, and the natural disaster in Japan. Worldwide, international tourist arrivals (i.e. overnight visitors) grew by 4.6% in 2011 to 983 million, up from 940 million in 2010 when arrivals increased by 6.4% (see Table: 3).

**Table: 3. International Tourist Arrivals**

	International Tourist Arrivals (million)						Market share (%)	Change (%)		Average annual growth (%) '05-'11*	
	1990	1995	2000	2005	2009	2010		2011*	10/09		11*/10
<b>World</b>	435	528	674	799	883	940	983	100	6.4	4.6	3.5
Advanced economies <sup>1</sup>	296	334	417	455	475	499	523	53.2	4.9	4.9	2.4
Emerging economies <sup>2</sup>	139	193	256	344	406	441	460	46.8	8.2	4.3	5.0
<b>By UNWTO regions:</b>											
<b>Europe</b>	261.5	304.0	385.0	440.7	461.7	474.8	504.0	51.3	2.8	6.2	2.3
Northern Europe	25.6	35.8	43.4	56.1	58.0	56.1	59.3	6.0	0.2	5.8	0.9
Western Europe	108.6	112.2	139.7	141.7	145.5	153.8	159.0	16.2	3.0	3.4	1.9
Central/Eastern Europe	33.9	58.1	69.3	90.4	92.6	95.7	103.5	10.5	-3.3	6.1	2.3
Southern/Medit. Eu.	90.3	98.0	132.6	152.5	164.5	169.1	182.2	18.5	2.8	7.7	3.0
- of which EU-27	230.1	265.0	323.7	352.4	356.8	364.9	385.0	39.2	2.3	5.5	1.5
<b>Asia and the Pacific</b>	55.8	82.0	110.1	153.8	151.1	204.4	217.0	22.1	12.0	6.1	5.9
North-East Asia	25.4	41.3	58.3	85.9	98.0	111.5	115.8	11.8	13.8	3.8	5.1
South-East Asia	21.2	28.4	36.1	48.5	62.1	69.9	77.2	7.8	12.5	10.4	8.0
Oceania	5.2	8.1	9.6	11.0	10.9	11.6	11.7	1.2	6.1	0.9	1.0
South Asia	3.1	4.2	6.1	8.1	10.1	11.5	12.4	1.3	13.0	8.0	7.2
<b>Americas</b>	92.8	109.0	128.2	133.3	141.7	150.7	159.6	15.9	6.4	3.9	2.7
North America	71.7	80.7	91.5	89.9	93.0	99.2	101.7	10.3	6.6	2.5	2.1
Caribbean	11.4	14.0	17.1	18.8	19.6	20.0	20.8	2.1	2.2	3.9	1.7
Central America	1.9	2.6	4.3	6.3	7.6	7.9	8.3	0.8	3.9	4.8	4.7
South America	7.7	11.7	15.3	18.3	21.4	23.6	25.8	2.6	10.0	9.4	5.8
<b>Africa</b>	14.8	18.8	26.2	34.8	45.9	49.7	50.2	5.1	8.5	0.9	6.3
North Africa	8.4	7.3	10.2	13.9	17.6	18.8	17.1	1.7	6.7	-9.1	3.5
Subsaharan Africa	6.4	11.5	16.0	20.9	28.3	31.0	33.1	3.4	9.6	6.9	7.9
<b>Middle East</b>	9.6	13.7	24.1	36.3	32.8	40.3	55.4	5.6	14.2	-8.0	7.3

Source: UNWTO, 2012

*World's Top Tourism Destinations:* The top 10 ranking by international tourist arrivals saw only a minor change in 2011. Turkey moved up one position to sixth place (with 29 million tourists) overtaking the United Kingdom. There were no changes in the top 10 ranking by tourism receipts.

**Table: 4. World's Top Tourism Destinations International Tourist Arrivals**

International Tourist Arrivals						International Tourism Receipts								
Rank	Country	Million		Change (%)		Rank	US\$		Change (%)		Local currencies			
		2010	2011*	10/09	11*/10		2010	2011*	10/09	11*/10	10/09	11*/10		
1	France	TF	77.1	79.5	0.5	3.0	1	United States	103.5	116.3	9.9	12.3	9.9	12.3
2	United States	TF	59.8	62.3	8.8	4.2	2	Spain	52.5	59.9	-1.2	14.0	3.9	8.6
3	China	TF	55.7	57.6	9.4	3.4	3	France	46.6	53.8	-6.0	15.8	-1.1	10.1
4	Spain	TF	52.7	56.7	1.0	7.6	4	China	45.8	48.5	15.5	5.8	15.5	5.8 (€)
5	Italy	TF	43.6	48.1	0.9	5.7	5	Italy	38.8	43.0	-3.6	10.9	1.4	5.6
6	Turkey	TF	27.0	29.3	5.9	8.7	6	Germany	34.7	38.8	0.1	12.0	5.3	6.7
7	United Kingdom	TF	28.3	29.2	0.4	3.2	7	United Kingdom	32.4	35.9	7.5	10.9	8.4	8.9
8	Germany	TCE	20.9	20.4	10.9	5.5	8	Australia	29.8	31.4	17.4	5.5	-0.2	-6.2
9	Malaysia	TF	24.6	24.7	3.9	0.6	9	Mexico (China)	27.8	..	53.2	..	53.5	..
10	Mexico	TF	23.3	23.4	4.2	0.5	10	Hong Kong (China)	22.2	27.7	35.3	24.7	35.8	25.0

Source: UNWTO, 2012

*Growth trend in arrival by sub regions:* South-East Asia experienced the highest growth in international arrivals (+10%), benefiting from strong intraregional demand. A large number of destinations reported double-digit figures, with Myanmar (+26%), Cambodia, Thailand (both +20%) and Vietnam (+19%) posting the highest growth in arrivals. In absolute terms, Thailand recorded the largest increase, with over 3 million more tourist arrivals, followed by Singapore (+1 million).

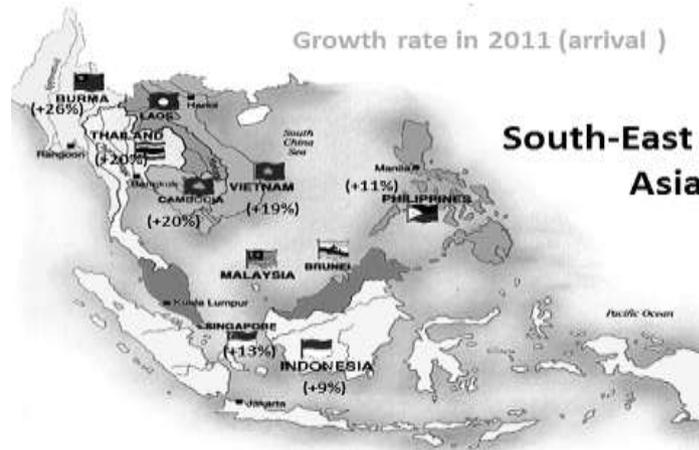


Figure 3: Growth trend in arrival in South-East Asia (source: produced and presented by the authors).

*South Asia:* Bhutan (+39%), Sri Lanka (+31%) and Nepal (+22%) boasted the highest growth in South Asia (+8%), followed by Maldives (+18%). India, the largest destination in the sub region, recorded a 9% increase. Unfortunately, no statistics was available for Bangladesh regarding growth rate in tourist arrival for the year 2011 in the ‘UNWTO Tourism Highlights- 2012’. But in the year 2010, Bangladesh was recorded for a growth rate of +13.4% in international tourist arrival and +15.7% in tourism receipt by the ‘UNWTO Tourism Highlights- 2012’.



Figure 4: Growth trend in arrival in South Asia in 2011. (Source: produced and presented by the authors).

*Long-term forecasts – substantial potential for further growth:* According to *Tourism Towards 2030*, UNWTO's recently updated, long-term outlook and assessment of future tourism trends, the number of international tourist arrivals worldwide is expected to increase by 3.3% a year on average from 2010 to 2030. This represents some 43 million more international tourist arrivals every year, reaching a total of 1.8 billion arrivals by 2030.

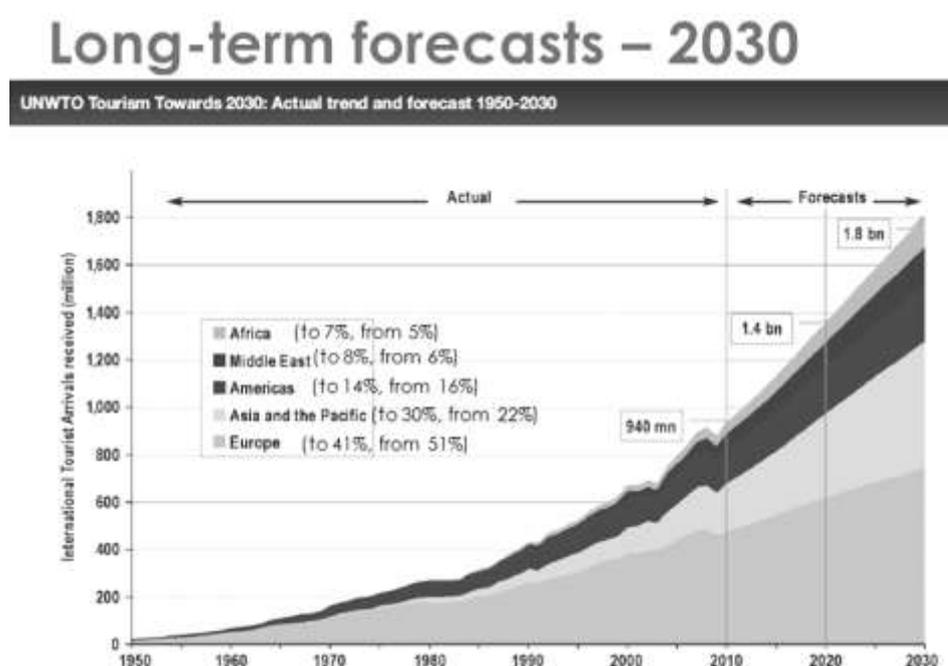


Figure 5: Long-term forecasts- 2030 by region (Source: UNWTO, 2012)

The global market share of Asia and the Pacific is expected to be 30% in 2030, up from 22% in 2010. Whereas, the market share of Middle East (to 8%, from 6%) and Africa (to 7%, from 5%) will also increase during this time period (2010-2030). As a result, Europe (to 41%, from 51%) and the Americas (to 14%, from 16%) will experience a further decline in their share of international tourism, mostly because of the slower growth of comparatively mature destinations in North America, Northern Europe and Western Europe.

### 5.2 Tourism in Bangladesh

Tourism in its modern sense is a relatively recent phenomenon, and it began in the present Bangladesh area only during the 1960s. Tourism in Bangladesh is mainly based on natural destinations. Here, domestic tourists constitute the main market while some foreign participants are seen to visit Bangladesh for different purposes. After the independence the government established the National Tourism Organisation (NTO) in the name of Bangladesh Parjatan Corporation (BPC) under

Presidential Order No. 143. BPC began in January 1973 with limited assets. The corporation was entrusted with the dual responsibility consisted with developing tourism infrastructure and promoting Bangladesh as a tourist destination. Other responsibilities of the Corporation included with regulation and operation of tourism activities in Bangladesh.

**Table 5: International Tourism Receipts and Tourist Arrivals by South Asian Countries**

Destinations	Series <sup>a</sup>	International Tourist Arrivals					International Tourism Receipts				
		(1000)			Change (%)		Share (%)	(US\$ million)			Share (%)
		2009	2010	2011*	10/09	11*/10	2011*	2009	2010	2011*	2011*
South Asia		10,103	11,479	12,395	13.6	8.0	5.7	14,900	18,532	22,966	7.9
Afghanistan		--	--	--	--	--	--	--	--	--	--
Bangladesh	TF	267	303	--	13.4	--	--	70	81	--	--
Bhutan	TF	23	27	37	14.7	39.2	0.0	32	36	48	0.0
India	TF	5,168	5,716	6,290	11.8	8.9	2.9	11,136	14,160	17,518	6.1
Iran		--	--	--	--	--	--	2,012	2,707	--	--
Maldives	TF	656	792	931	20.7	17.6	0.4	608	714	--	--
Nepal	TF	510	603	736	18.3	22.1	0.3	412	344	386	0.1
Pakistan	TF	855	907	--	6.1	--	--	272	305	358	0.1
Sri Lanka	TF	448	654	856	46.1	30.8	0.4	350	576	830	0.3

Source: UNWTO (2012)

In 1988, the Master Plan for tourism development of Bangladesh was prepared by the United Nations Development Program (UNDP) and the then World Tourism Organization (WTO) jointly (Hall & Page, 2000). Thereafter, the National Tourism Policy (NTP) of the country was declared in 1992. This NTP has been revised in 2010. Despite formulating the Master Plan-National Tourism Policy, two decades before, Bangladesh is yet to achieve any significant progress in terms of international tourism receipts and international tourist arrivals compared to other South Asian countries like India, Sri Lanka, Nepal and Pakistan (see Table 5). But, the growth rate of tourist arrivals is improving constantly (see Table 6). Lack of research between tourism and poverty relationship is considered as one of the major problems for tourism's least contribution in the country's poverty reduction problem (Hall & Page, 2000).

**Table 6: Tourist Arrivals in Bangladesh**

Year	Yearly Tourist Arrivals	
	Number	Growth Rate (%)
1991	113242	-
1992	110475	(-) 2
1993	126785	(+) 15
1994	140122	(+) 11
1995	156231	(+) 12
1996	165887	(+) 6
1997	182420	(+) 10
1998	171961	(-) 6
1999	172781	(+) 0.5
2000	199211	(+) 15

2001	207199	(+) 4
2002	207246	(+) .02
2003	244509	(+) 18
2004	271270	(+) 11
2005	312575	(+)15
2006	343590	(+)10
2007	397410	(+)16
2008	468951	(+)18
<b>Average Growth Rate</b>		<b>+9%</b>

Source: Bangladesh Parjatan Corporation (BPC), 2009

**Table: 7. Current Scenario of Bangladesh and Growth Trend**

	2009	2010	Change (%)
Tourist Arrival	267,000	303,000	+13.4
Tourism Receipt	USD 70 million	USD 81 million	+15.7

Source: UNWTO, 2012

Tourism sector should be properly explored, so that it will have positive contribution towards the increase of Gross domestic product (GDP) (Ali & Mohsin 2008). Bangladesh Economic Review (2010) states that Bangladesh has basically three sectors of generating revenue: Industry, Agriculture and Service. Tourism is a part of service sector which is contributing a vital part of total GDP of Bangladesh. Though the contribution of tourism in GDP is only 7% (Table 8) in 2004-05, it has increased to 9.44% (Table 8) by the year 2009-10.

**Table 8: Growth and Contribution of Tourism and Other Sector in GDP of Bangladesh**

Year	Growth of GDP including Tourism	Growth of GDP excluding Tourism	GDP including Tourism	GDP excluding Tourism	Growth of Tourism (%)	Contribution of Service in GDP (%)	Contribution of Tourism in GDP (%)
2004-2005			266978	248278		47.41	7.00
2005-2006	6.63%	6.14%	284673	263513	13.16	47.31	7.43
2006-2007	6.43%	5.88%	302971	279001	13.28	47.51	7.91
2007-2008	6.19%	5.54%	321726	294466	13.73	47.66	8.47
2008-2009	5.74%	5.31%	340197	310107	10.38	47.92	8.84
2009-2010	6.00%	5.31%	360609	326579	13.09	48.19	9.44

Source: Bangladesh Economic Review 2010, and WTTC Travel & Tourism Impact-Bangladesh 2011

This simple data could be helpful to understand how promising the sector is for Bangladesh.

**Table 9: Growth of Tourism, Total GDP and GDP Excluding Tourism**

Growth	2005-06	2006-07	2007-08	2008-09	2009-10
Growth of Tourism contribution	13.16%	13.28%	13.73%	10.38%	13.09%
Growth rate of GDP excluding Tourism	6.14%	5.88%	5.54%	5.31%	5.31%
Growth rate of GDP	6.63%	6.43%	6.19%	5.74%	6.00%

Source: *Bangladesh Economic Review 2010*, and *WTTC Travel & Tourism Impact-Bangladesh 2011*

From the above statistics in Table 9, we can see that tourism is a promising sector in Bangladesh having a steady growth rate of around 13% except in 2008-09 which has a growth rate of only 10.38%. Earning from tourism has a slow rising growth trend till 2007-08. Though there is sudden fall in tourism growth in 2008-09, total GDP growth is almost unaffected. Since the 1990s, tourism has been a small but rapidly growing sector of the economy in Bangladesh. Still, Bangladesh is one of the countries in the South Asian region with the least arrivals with the lowest revenue earned from the tourism industry. Due to the potential of fast expansion in the tourism sector, it was identified as the Thrust Sector by the government.

## 6. Tourism Policies & Strategies in Bangladesh

### 6.1 National Tourism Policy (2010)

The National Tourism Policy (NTP) of the country was first declared in 1992. Recently it has been revised and updated in 2010. The main objective of the 'National Tourism Policy-2010' is to develop tourism industry as one of the major sectors for the development of Bangladesh by employment generation, socio-economic development through involving local government institutes and local people, sustainable tourism development by maintaining ecological balance and conserving biodiversity.

**Table 10: Some of the key objectives of The National Tourism Policy-2010 of Bangladesh**

<ul style="list-style-type: none"> <li>• Including tourism in different governmental development policies, programs and strategies</li> <li>• Developing tourism for poverty-alleviation through employment generation</li> <li>• Supporting private sectors for capital investment by the government and public private partnership for tourism development</li> <li>• Enacting and updating tourism law to ensure tourism attraction and service standard</li> <li>• Involving local government institutions in tourism development, expansion and management</li> <li>• Promoting local culture and tradition tourism attractions</li> <li>• Establishing standard training institutes for human resource development</li> <li>• Formulating tourism master plan, marketing plan and conducting tourism research</li> </ul>
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Source: GoB, 2010.

The National Tourism Policy-2010 determined the following programs and activities for its implementation

- Enacting tourism law to ensure quality tourism services for tourists from home and abroad and to regulate governmental and private tourism organizations and/or institutes.
- Identifying tourist-zones and tourism attractions.
- Involving local government institutes in tourism development and management, including in Chittagong Hill Tracts.
- Capital investment in tourism sector from local, non-resident Bangladeshi and foreign investors.
- Inter-ministerial coordination.
- Developing and promoting Eco-tourism.
- Expanding tourism where tourism is not still expanded despite potential.
- Establishing 'one stop service' for providing tourists with information and services quickly.
- Emphasizing on handicraft and souvenir.
- Short-, mid-, and long-term planning for achieving future tourism development vision and implementation of these.
- Regional and international cooperation.

### *6.2 Bangladesh Tourism Vision 2020*

WTO forecasts at least 500,000 visitors' arrivals in Bangladesh by 2020. But BPC estimates that total arrivals to Bangladesh would reach about 900,000 (0.9 million) or even the number may exceed 1.30 million provided that the favorable market situation prevails. Based on the past experiences, present condition and futurological analysis, the research team has come to a conclusive perception that tourism sector will become a real industrial sector capable of influencing the economic development of the country by the year 2020. The Tourism Vision 2020

would cash in on the following critical factors:

- A positive image will exist and prevail.
- Political stability is firmly established.
- Bangladesh will become a single destination like Maldives, Malaysia and Singapore.
- Approximately 1.30 million tourists will visit Bangladesh each year by 2020 and the growth rate continue to rise.
- Target to contribute to the GDP of Bangladesh, at least 4-5 percent from the Tourism Industry.
- The communication network will be well established both internally and externally.
- The investment for the sector will come from both the government and private sector.
- The product will be diversified and improved and marketing system will develop.
- Liberal and easy travel system will be introduced by Bangladesh and other countries.

### *6.3 Who is responsible to promote Bangladesh*

The task of promoting Bangladesh as tourist destination does not lie on a single agency. Everyone concerned with tourism development is responsible to promote the destination. The concerned parties are

- Tourism body of the government
- Owners of attraction
- Owners of accommodation
- Owners of transportation
- Owners of food and beverage service establishment
- Tour operators
- Travel agencies
- NTO, DMO and local government institutes (BPC, BTB)
- Media (electronic and print)

## **7. Recommendations and Policy Implications**

### *7.1 Developing a theme at first*

Unfortunately still now, international tourists don't know what for they will come to Bangladesh and even we don't know what for we are inviting tourists from abroad, that is, what is the theme of our tourism. International tourists, those come to Bangladesh at present do not come here for leisure and recreation but for business purpose. For example, one of the South Asian countries, Maldives has been successful to promote itself as 'A Winning Destination', as an island resort and diving destination. They made themselves famous for

- World's leading dive destination
- World's leading resort destination
- World's leading spa destination
- Top beach destination

Tourism Master Plan of Bangladesh 1988, suggested major product development strategies for-

- River tourism
- Village tourism
- Cultural tourism
- And forest and wildlife tourism

Bangladesh must promote herself with what she has by herself. Bangladesh can promote local cultural events of international standard to create an atmosphere of carnival, festival and continuous merriment of the country. It can be a winning destination for life style. Bangladesh is the land of fishermen, wood-cutters, honey-collectors and boatmen. This is the land of exciting natural areas that are unusual and unparalleled.

### 7.2 Product differentiation

Different countries are selling their sea-resorts and sandy beaches to the tourists as their tourism product, it does not mean that tourists are coming merely to see and be fascinated by the scenic beauty of the destination and the blue seas around them. For that purpose they may go to many other similar destinations around the world. So, what is the competitive factor here for tourists to visit a destination is its competitive advantage as additional benefit and emotional benefits.

	Basic Benefits	Additional Benefits
Differentiation advantage in basic benefits	Competitive advantage	Don't exist/ not decisive
Differentiation advantage in additional benefits	Essential prerequisite	Competitive advantage

For example, in Maldives, the *basic benefit* is the coral islands with underwater beauty and beaches. In addition to this they provides so many water sports winds surfing, water skiing, Para-sailing, snorkeling, big game fishing, Catamaran sailing, etc. There has been introduction of a host of other newer games such as catamaran travel, knee board, banana boat ride, screamer and big 'O' and so on. Besides, two very popular activities here are the *glass-bottomed boat tours* and *night fishing*. But the most important thing behind the differentiation of Maldives is its *emotional*

*benefits.* Imagine having your own island as your holiday home. A short barefoot walk from your bungalow takes you to every little corner of the island, whether it be the restaurant, bar, or the dive school. All resorts have deserted white sandy beaches and translucent clear lagoons enclosed by the rich house reefs. Every island has its individual charm, character and ambience.

For Bangladesh, we must ensure the basic benefits and add and enhance some other exclusive additional benefits for the foreign tourist to justify reasons for coming to Bangladesh for them. Our competitive advantage can be achieved by introducing competitive package to foreign tourists by lowering down the cost of room rates, and other tourism services. But it is now, relatively more expensive to spend holidays at places of tourist attractions within Bangladesh than to spend it in Maldives.

### *7.3 Tourism Master Plan*

Any development program must be planned for smooth development process. If we don't know what to do and how to do, the concept of development will be vague. Any country, developed in tourism sector, is doing its tourism development activities according to the direction of its tourism master plans from the very beginning of its tourism development and they are updating and improving their development programs continuously. But for Bangladesh, tourism master plan was formulated in 1988 with the help of UNDP/ILO, but it was neither implemented nor was reviewed and updated. More frustratingly no further master plan was formulated after that. Now we are going to develop our tourism without knowing anything about what to do. We need to have a timely and tourism industry friendly tourism master plan for the clarification and specific development actions in tourism sector for a particular period of time and of course with fund for development by the government.

### *7.4 Country Branding*

The intense global competition in the tourism industry forces destinations to develop strong, unique, and competitive destination brands. Most tourist boards spend lots of money on 'selling' the country around the world. Blue skies, golden sands, and green forests are only a tiny part of the reality of a country, but because these images are often so aggressively promoted, they have a disproportionate effect on people's perceptions of the country as a whole (Klooster 2004), so branding is the best solution for tourist destinations. The concept of branding a tourist destination is not well known in Bangladesh until now. According to Islam (2010) it will be helpful to brand Bangladesh with five new themes: 1) adjacency to India and China; 2) a young, dynamic and entrepreneurial population of 164 million people; 3) a land of innovation in micro finance; 4) untapped opportunities for global investors looking for a new economic platform in the heart of Asia; 5) substantial and largely untapped intellectual/commercial capital from the NRB platform.

### *7.5 Inviting WTO Representative, Foreign Tour Operators, Journalists, Photographers*

Bangladesh should invite experts of Tourism Management Institute of Holland, UK and Canada along with prominent Journalists of news media like CNN and BBC, travel writers of magazines like Times, Wall Street, News Week and tour operators

like TUI, Kuoni and prominent tour operators of target countries for familiarization trip. As such, on return to their countries, they could effectively recommend our country to travel agencies, readers, and tourists to visit Bangladesh. Moreover, we can appoint endorsee from them for projecting the positive image and potential of our destinations. Besides, we should motivate international tour operators to include our destinations in their itinerary.

#### *7.6 Segregation Approach for Tourism and its stakes in a Muslim country*

As a political and religious decision, tourism development is based on further specialization, i.e. segregation. To preserve Maldivian Muslim inhabitants from western tourists and to avoid a dreaded contamination of Maldivian identity, tourism (and tourists) is contained on different islands. Actually the social, economic and cultural background of tourists and inhabitants are different but spatial separation increases that difference. In the Maldives, for example, there are about 20 islands that have a population of more than 2000, 50 islands about 1000-2000, 80 islands less than 1000, but more than 500, and 50 islands with a population less than 500. In addition to these 200 inhabited islands, additional 100 islands have been developed exclusively as tourist resorts. A one-resort-per-island policy separates guests from locals and from other tourists, giving a sense of isolation that is one of the Maldives' main selling points.

Bangladesh is also a Muslim country and our religious views don't support some aspects of tourism, especially some basic requirements by the foreign tourists. For that reason, we can learn from Maldives and segregate foreign tourists' zone from local tourists' zone by implementing the idea of Exclusive Tourist Zone (ETZ). ETZ can separate foreign tourists from local community and so that conflicts between culture and religious values can be avoided.

'The Bangladesh Tourism Vision 2020: Steps, Plans and Programmes' suggested the following programs for developing ETZ

- Develop communication system;
- Set-up light structure keeping in mind the protection of Bio-diversity
- Create facilities only for the foreign tourists
- Install light offshore and water game facilities
- Keep provision for alcohol
- Establish Casino

#### *7.7 Tourism Training and Education*

As a part of the largest and fastest growing sector of the global economy there is need for more highly qualified and trained personnel in tourism and hospitality industries. In Bangladesh, millions of young people are unemployed, and it is getting more and more aggravated day by day. We can develop their skills to transform them into assets for the country by providing them sound intellectual, entrepreneurial, and practical skills to make them able to meet the real needs of the industry. 'The Bangladesh Tourism Vision 2020: Steps, Plans and Programmes' also suggested for training of trainers on the following discipline:

- Tourism Marketing Planning.
- Tourism Management.
- Hotel Management.
- Food Production Technology.

Government and private sector should take the responsibility of providing training and education in tourism. It will certainly help young people for their employment and self-employment in Tourism and Hospitality sector both nationally and internationally.

#### *7.8 Increasing Opportunities for Tourists to Visit Local Communities*

Social and spatial segregation is the only principle organizing tourism but contrary to what one might think, this is not enough to create a touristic destination or to avoid influences on the way of life of local people. Thus it supposes some adaptations and exceptions. For Bangladesh, the importance of community involvement is much more important for the maximum benefit of tourism for economic development and poverty alleviation of the local people. Our culture and people are another important attraction for the foreign tourists and it must be utilized for the better benefit of tourism industry and local community as well. Foreign tourists should be given access to the local and ethnic society for meeting their culture and learning purpose in a sensible way so that both parties are tolerable to each other.

#### *7.9 Attracting foreign investment*

In different neighboring countries (e.g. Maldives, Sri Lanka, Nepal) tourism is open to Foreign Direct Investments. Embassies or High Commissions of these countries in other countries organize seminars, meetings, exhibitions, and invitation for investment.

The objectives of these events should be to

- Provide information on the tourism product and new developments in the industry.
- Discuss opportunities open for foreign businesses in the country's tourism industry.
- Explore the possibility of collaboration with other countries in the promotion of tourism between the two countries.

Bangladesh can do it by its embassies and the Ministry of Civil Aviation and Tourism for discovering new investment opportunities from abroad for its tourism sector.

#### *7.10 Role of Government and Partnership in Tourism Ventures*

There is a clear distinction between the ownership of the property created on a site and the ownership of the site itself. This distinction or the nature of the

transaction sets out the Ministry in partnership with the developer/operator of the tourist resort, to a certain extent putting into question the function of the Ministry as the regulatory authority of the tourism industry. Bangladesh Government must be cooperative and must realize and recognize the importance of tourism for the overall development of the country and act accordingly. Maldives Government is doing these heartily, because they have realized the value of tourism for the development of their country.

Our government must invest some early moneys for tourism development and allocate fund for initial development of tourism infrastructure. BPC is doing that for the Government.

#### *7.11 Coordination among ministries*

Tourism development should be a coordinated and combined process of different relevant ministries. For the tourism development in Bangladesh, following ministries should work together in a coordinated manner.

- Ministry of Environment and Forest
- Ministry of Cultural Affairs
- Ministry of Communication
- Ministry of Land
- Ministry of Chittagong Hill Tracts Affairs
- Ministry of Information
- Ministry of Shipping
- Ministry of Foreign Affairs
- Ministry of Local Government, Rural Development and Co-operative
- Ministry of Youth and Sports
- Ministry of Education
- Ministry of Home Affairs
- Ministry of Religious Affairs
- Ministry of Industries

Ministry of Civil Aviation and Tourism will coordinate activities with others. In Bangladesh, National Tourism Council is established headed by the Prime Minister combining relevant ministries and departments. For coordinated development in tourism sector in Bangladesh the National Tourism Council must play a vital and active role.

#### *7.12 Maintaining tourism database and Research*

Other countries around us are very rich in terms of tourism statistics and data regarding the tourism activities in their countries. They know well about their market, investors, tour operators, constructors, foreign governments, potential stakeholders and prospects of their tourism products. This is because of the continuous database maintaining and analysis of relevant information. In Bangladesh, tourism database is not maintained and thus we don't have enough

statistics regarding tourism and thus no findings and recommendations for future growth and development in this sector. Bangladesh must invest money, time, and effort to maintain tourism database and more research and analysis on the sector should be motivated and funded.

### **Conclusion**

The world has dramatically changed. Today, countries are competing daily with their neighbors. To achieve a competitive edge over the neighbors and rival nations, promoting a nation's image through showcasing and highlighting its people, trade, tourism, infrastructure, government system, heritage and culture i.e. marketing and promotion is a must. European countries as destinations have positioned themselves as inexpensive, affordable, modern, sunny and welcoming countries. Even many developing countries are doing the same. Tourism in the Maldives began in 1972 and it then evokes the image of a lost paradise. From Maldives we can learn how to develop and establish a country as a world class tourism destination. It is widely recognized that Bangladesh is very rich by the natural beauty and panoramic views, what a tourist wants to enjoy. Bangladesh is a veritable country. She has vast natural beauty and a glorious historical background. But there is lack of effective initiatives, proper management plan, and quick & sincere effort from responsible authority. Since liberation Bangladesh has progressed a lot and has achieved a remarkable development in a good agro-based, industrial and service-based economy. Tourism is a part of service. The impact of tourism on economy and society is obvious. To make a knowledge based society, tourism is essential. It strengthens the country both economically and socially. A large number of employment opportunities are being created by this sector. Moreover some other induced impact of tourism results in economic progress in local area and the country as a whole. Communication, throughout the country, is developed because of tourism. As a result, other economic activities are augmented. But, for Bangladesh, tourism development is still a vague concept. We only know that, we should develop our tourism industry, but never know who will do it, and when, how, where to develop. Policy makers are just confined to some limited activities. There is no specific long term policy for sustainable tourism development. Bangladesh needs a more holistic and creative approach. Initiatives can be taken by government or ministry, a national chamber of commerce, investment promotion agency or all of them at the same time. But at the end of the day it is the responsibility for all Bangladeshi to make their country as an attractive and successful tourist destination.

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