

## Management of Inbound Tourists for Economic Benefits: The Case of Bangladesh

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### Abstract

*Proper management of the tourism sector is one of the ways to raise inbound tourists arrival in Bangladesh which may raise national income. The study has been undertaken to scrutinize effective and efficient utilization of management processes of tourism sector to raise national income through which macroeconomic sustainability over the time period of the country can be enhanced. Time period of the study is from June 2011 to October 2011. The study found that from quantitative analysis and qualitative analysis the country, still it has larger chance to develop and be a focus for tourism sector. Authors' observed that many countries of the world are now dependent on tourism sector for foreign currency earnings. But Bangladesh is lagging behind and tourism sector will have to develop through taking contingent planning for different sub sectors and improvement of management is obligatory. Authors suggested that for attaining core competencies in the tourism sector, SWOT analysis along with confrontation matrix, PESTEL analysis and VRINE model should be used in developing managerial skillness of the country.*

**Key Words:** Tourism, Bangladesh, Economic Prosperity, Management.

### Introduction

Tourism refers to travel for recreation, leisure, religious, medical, sports events or business purposes from one place to another place for maximum one year or less time period. This travel may be domestic or transnational. Tourism is one of the vital service industries and is generating huge revenues for the tourist country. Tourism has become one of the world's most important sources of employment. Initially requires enormous investment in infrastructure but ultimately helps to improve the living conditions of local people. It provides governments with substantial amount of earnings of tax revenues. This also helps for transfer of technologies from one place to another. Bangladesh was also one of the co-hosting countries of ICC World Cup Cricket 2011. Organization of ICC World Cup Cricket 2011 increases Bangladesh's prestige worldwide. Asia Cup Cricket 2012 also brought lot of tourists' arrival from the SAARC member countries.

Tourism related jobs and businesses are specially created in developing countries like Bangladesh can help to equalize economic opportunities and keeping rural residents from moving to overcrowded cities. This will in turn create positive impact on gross domestic product. However, problems such as Rohingya refugees of Myanmar at Bangladesh area have been creating a long outstanding problem for the country and International community is not acting properly to solve the issue.

Bangladesh is a land of scenic beauty. The country needs proper strategic management to attract both domestic as well as foreign tourists. For local tourists change of habit to tour different areas of the country is one of the main important components. And for the foreign tourist environment as well as other related facilities and worthy places are being required. Government as well as private sector may come forward to create the base of

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tourism. In turn this will create employment generation for the country and add value in the gross domestic product. Though Govt. and private initiatives have been taking but still long way has to go for developing tourism sector. Foreign direct investment in the tourism sector is also being required. Efficiency and effectiveness in the tourism sector is necessary to expand this sector for which strategic leadership, strategic formulation and strategic implementations are being mandatory. This will ultimately help to raise national income.

Tourism sector of Bangladesh needs to be boosted up through arranging management to raise national income of the country. As such linkage among vision, mission, goal and objectives are required. Ultimately this will have positive impact on raising national income through improving variables of macro economy of the country. Both growth and equity of the country will improve side by side. As a result economic prosperity of the country may be occurred.

### **Literature Review**

Deegan and Moloney (2007) observed for Ireland west that strong correlation of the tourist success to economic growth and employment. In the context of overall macroeconomic activity there is good reason to believe that tourism can be a significant contributor to economic development in the years ahead if an appropriate emphasis and strategy is developed.

Lee (2007) mentioned that medical tourism is used to refer to travel activity that involves a medical procedure or activities that promote the wellbeing of the tourist. For example, the term 'healthcare' tourism has been used to cover travel and tourism that are related to medical procedures, health and wellbeing purposes.

Rotherham (2007) argued that religious tourism and the visiting of sacred sites offer experiences to meet both demands. They can cater for those demanding spiritual retreats or provide –a priest to accompany a group of pilgrim. They commented that religious tourism-including pilgrimage-is embedded within a complex of heritage tourism and mass tourism activities.

Ali and Mohsin (2008) observed that for Bangladesh- spots and cost of services have positive impact on the tourism sector. Authors 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

Yilmaz (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. To create competitive advantage in this environment, a small tourism enterprise has to choose a powerful strategy.

Baisakalova (2009) argued that the tourism development is a win-win strategy as it leads to creating jobs, developing infrastructure, and improving sustainability of the country. Improving the business environment, eliminating barriers such as visa obtaining procedures, providing incentives for innovations and knowledge development can result in growth of the inbound and domestic tourism.

Haq and Medhekar (2009) observed that India and Pakistan with their combined splendid natural as well as cultural and spiritual beauties are rightly placed to promote spiritual tourism. Since the past few years, the governments of India and Pakistan have undertaken various measures to work in partnership to promote tourism and travel between the two countries but its economic benefits and potential to contribute to the business development, nation's Gross Domestic Product and employment have not been fully exploited.

Srivastava (2009) commented that quality services leave a positive impression in visitors regardless of their overall experience. Quality service delivery also possesses the ability to increase monetary profits.

Islam (2010) depicted that promotional activities through the Internet and other electronic media including TV can be utilised with reasonable costs. Bangladesh Government has taken necessary measures to encourage the private sector to play positive role in the development and diversification of tourist facilities to promote domestic and international tourism in the country.

Quader (2010) commented that Bangladesh as an international destination has a mixed image. People from outside perceive a negative perception of Bangladesh from news media, which is understandable. The country is depicted as a place where the population is living in poverty, where corruption is rampant and the area is prone to natural disasters. But, the new seven natural wonders search 2009 and charting as one of the top ten interesting destinations by new travel books have made the country attractive for tourism.

Thomsen (2010) argued that although Bangladesh is still in the nascent stages of developing an international tourism industry, responsible hospitality industry could be one solution to the many social and environmental challenges that the country is currently facing.

Bhuiyan (2011) observed that Bangladesh may be one of the most lucrative eco-tourism destinations. This can be ensured if there is political stability, positive approach of the government and people's participation.

Das and Dirienzo (2012) depicted that while ethno-linguistic fractionalization negatively impacts tourism competitiveness across nations, this effect is mitigated in wealthier countries. The results suggest that policy makers operating in less developed and more fractionalized countries should make a concerted effort to enhance economic development and strengthen the institutions, infrastructure, and overall business and economic environment needed to support and foster a successful tourism industry.

From aforesaid analysis it reveals that Bangladesh has tremendous potentialities of inbound tourism. Domestic tourists can be motivated for tourism in the country while foreign tourists can also come and visit the country. As such the study wants to observe the reason for motivating tourism in different parts of the country. Some reasons for creating motivations of tourism have been identified from the previous studies.

### **Objectives of the Study**

From the aforesaid literature review, the study has been undertaken with following objectives:

- To assess applicability of management process in the tourism sector of Bangladesh.
- To evaluate strategies ,policies and implementation of government and private sectors for developing tourist sector as a thrust sector for economic development of Bangladesh.
- To find out whether tourism sector can contribute to raise national income.
- To provide some policy implications to raise national income through improving management in the tourism sector of Bangladesh.

### **Methodology of the Study**

The study is based on both primary and secondary data sources. Secondary data has been collected from research reports, journals, newspapers, websites, and statistical report of Bangladesh Parjatan Corporation etc., which are indicated in the references. Porter's five forces competitive model of the tourism sector will discuss. Moreover, one opinion poll also done to identify reason of tourism in different parts of Bangladesh. Total numbers of tourists are 500. Respondents' among tourists and places of taking sample of opinion polls are also selected randomly. Out of these foreign and domestic tourists 335 tourists are domestic tourists and remaining 165 tourists are foreign tourists. Places of data collections are from Cox's Bazar, Teknaf, St. Martin, Sitakunda, Mahastangar, Paharpur, Shahid Minar, National Monument, Apollo Hospital, Dhaka, Square Hospital Ltd. Bisha Ijtema, Sitakunda. In the opinion poll seven reasons are chosen to take survey. Time period of the opinion pool survey is from June 2011 to October 2011.

The study will do two ordinary least square regression equations based on the result of the opinion pool survey considering dependent variable as Domestic Tourists and Foreign Tourists. Independent variables of the regression equation are as follows: Scenic Beauty; Archeological, Historical Places; Cultural; Business; Spiritual, Religious; Medical; Others.

### Limitation of the Study

Only an opinion poll survey is conducted to know the reasons for tourism. On the basis of that survey, regression equations will be done. However, if number of respondents are high than it will be much better but it needs more time and involvement of cost. Study is also extensively used secondary data sources. To collect primary data huge amount of cost and manpower is required and also institutional support is needed. Lack of institutional support cannot give researchers wide range of scope for doing extensive researches. Moreover, some internal information those which are not publicly disclosed by different tourism related organizations cannot be collected.

### Present Situation

**Opinion Poll Survey:** To know reasons for tourism among five hundred respondents, an opinion poll has been done. Out of these respondents three hundred thirty five tourists are domestic while one hundred sixty five tourists are foreigners. On the basis of the opinion poll survey we did the ordinary least square regression equation.

**Quantitative Analysis:** Following ordinary least square regression equations will be done:

$$DT = f(SB, AHP, C, B, SR, M, O)$$

$$FT = f(SB, AHP, C, B, SR, M, O)$$

Where DT= Domestic Tourists;

FT= Foreign Tourists;

SB= Scenic Beauty;

AHP= Archeological, Historical Places;

C= Cultural;

B= Business;

SR= Spiritual, Religious;

M= Medical;

O= Others

A priori relationship has been considered between dependent and all independent variables as positive.

Now estimated result model for domestic tourists are append below:

Table 01: Descriptive Statistics

	Mean	Std. Deviation
AHP	2.364	1.1957
SB	6.971	1.5852
M	2.665	.7709
SR	4.771	.8556
B	2.916	.7513
C	2.00	.829
O	46.100	8.9888

Table 02: Model Summary

R Square	Adjusted R Square	Standard error of estimate	Durbin-Watson Stat.	F stat.	Sig. of F Stat.
.782	.773	.5129	1.7332	43.373	.000

Table 03: Estimated Result

	<b>Beta</b>	<b>t</b>	<b>Sig.</b>
(Constant)	-.095	-.878	.382
AHP	.388	5.061	.000
SB	.061	.791	.431
M	.204	1.856	.067
SR	.881	9.189	.000
B	.008	.058	.954
C	-.338	-2.346	.021
O	.001	.021	.998

Note: Dependent Variable: Domestic Tourists

From table 01: we observe descriptive statistics. In the table 1B model summary is given. Here R square and adjusted R square both shows above average relationship. Durbin-Watson statistics indicates that there is no autocorrelation. Moreover, F statistics is significant.

From table 03: we observe that Archeological, Historical Places and Spiritual, Religious are significant at 1% level of significance. Culture is significant at 5% level of significance. However, medical tourism is significant at 10% level of significance.

Now estimated result of model for Foreign Tourists are given below:

Table 04: Descriptive Statistics

	<b>Mean</b>	<b>Std. Deviation</b>
SB	47.7857	9.39781
AHP	8.3333	1.14884
B	2.2381	.82075
SR	2.9667	.69059
C	2.5524	.74808
O	.7143	.45723
M	.2857	.45723

Table 05: Model Summary

<b>R Square</b>	<b>Adjusted R Square</b>	<b>Standard error of estimate</b>	<b>Durbin-Watson Stat.</b>	<b>F stat.</b>	<b>Sig. of F Stat.</b>
.917	.920	2.001	1.5561	56.425	.000

Table 06: Estimated result

	<b>Beta</b>	<b>t</b>	<b>Sig.</b>
(Constant)	-1.993	-1.730	.092
SB	.302	2.883	.007
AHP	.645	5.174	.000
B	.420	4.973	.000
SR	.134	1.851	.072
C	.403	4.160	.000
O	.391	4.002	.000
M	.0001	.011	1.271

Note: Dependent Variable: Foreign Tourists

From table 04: we observe descriptive statistics. In the table 2B model summary is given. Here R square and adjusted R square both shows strong relationship. Durbin-Watson statistics indicates that no autocorrelation. Moreover, F statistics is significant.

From table 06: we observe that Archeological, Historical Places ; Business ;culture and others, Scenic Beauty are significant at 1% level of significance. However, Spiritual, Religious is significant at 10% level of significance.

### **Secondary Sources**

The private sector entrepreneurs have invested Crores of Taka for the expansion of enjoyment/theme parks/recreational places such as Foy's Lake, Replica of Tajmahal, Heritage Park, Water Kingdom, Fantasy Kingdom, Nandan Park, Shishu Park and Tourist centers / Resorts such as Jamuna Resort, Lawachara Forest & Resort, Panigram Resort, Nazimgarh Resort, Honeymoon Resorts, Utshab Picnic Spot & Resort, Padma Resort, Bay of Bengal Resort, Foy's Lake Resort etc. for both local and foreign visitors in the country. Foreign Exchange earnings from Tourism and other travels in the year 2008 is Tk. 6122.48 million, which is 16.28% increased than that of the year 2007 in order to encourage private and foreign investment, some special incentives are also allowed by the government such as, tax exemption on royalties: tax exemption on the interest of foreign loans; tax exemption on capital gains from the transfer of shares by investing company; avoidance of double taxation in case of foreign investors on the basis of bilateral agreements; remittance of up to 50% of the salary of the foreigners employed in Bangladesh and the facilities for repatriation of their savings and retirement benefits and personal assets at the time of their return; facilities for repatriation of invested capital, profits and dividends; and guarantee against expropriation and nationalization of foreign private investment (as per Foreign Private Investment Promotion & protection Act 1980).

According to a report published in The New Nation (2010) that the private sector investment poured in the tourism sector amid growing demand for travelling to tourists' spots by the local and international tourists. Most of the funds went mainly to the development of hotels, motels, resorts, amusement parks and restaurants at popular tourist destinations of the country. Around 500 hotels, 40 resorts and 15 amusement parks were built at popular tourist destinations, including Dhaka, Cox's Bazar, Chittagong, Sylhet, Bogra and Khulna during the period and also created as many as 50,000 new jobs especially for youths. The report of New Nation (2010) also argued that the government should set up a one stop service centre to encourage investors in investing in the industry. As reported by the New Nation, Travel and Tourism Competition Report-2009 released by the World Economic Forum (WEF), indicates that the Switzerland ranked 1st with 5.68 score in terms of tourism beautification out of total 136 countries. The ranking shows that Austria stood second with 5.46 score and Germany clinched third position. Besides, according to the report, India's position is 63 with 4.09 and Pakistan's 111 with 3.33 while Bangladesh's position is 129.

Ahmed (2013) depicted that political environment in a country is crucial for the development of any industry, particularly tourism industry. Unfortunately, Bangladesh's political environment is worsening day by day. The ongoing political unrest and its coverage in the international media are demotivating foreign tourists to visit Bangladesh.

The Bangladesh Parjatan Corporation (BPC) statistics indicates that tourists from India accounted for around 30 per cent of the in-bound traffic, followed by the UK, the USA, China and Pakistan. Interestingly in 2005, amongst the SAARC countries, the in-bound tourists share for Bangladesh was the lowest at about 208,000 against 4.0 million for India and over 669,000 for Sri Lanka. Around 800,000 visitors went to Pakistan and over 400,000 to Nepal and the Maldives each. Bangladesh earned US\$ 78 million, against US\$287 million of the Maldives, US\$ 827 million of Pakistan followed by US\$ 729 million of Sri Lanka. Nepal earned US\$160 million, or more those double that of Bangladesh. India received the largest number of tourists from

Bangladesh. Over 1.5 million tourists from Bangladesh visited India which constitutes over 82 per cent of the total out-bound tourists. The UK, the UAE, Saudi Arabia, the USA and Thailand are the other top tourist destinations for Bangladeshis. A little less than 2.0 million Bangladeshis visited abroad, 23 percent of them for tourism and 14 per cent for business. Tourism for religious purposes accounted for over 3.0 per cent followed by education at 2.0 per cent and official visits at 0.5 per cent. For jobs, over 1.0 million persons went abroad. Of the total out-bound traffic, 21 per cent used surface transportation against 79 per cent who used air travel.

Though Bangladesh is lagging behind in the health sector, but some private initiatives have created some world class hospitals and diagnostic centers. Middle class family members who cannot go outside the country due to various reasons, they normally tour Dhaka to get better treatment. Local patients of Bangladesh who normally tours outside the country for treatment purpose has spent huge amount of foreign exchanges spending which have been repatriated from the balance of payment position of the country, may prefer to take their treatment in Bangladesh.

The Bisha Ijtema which is organized by the World Tabligh Council held each year in Bangladesh is the second biggest annual gatherings of the Islamic minded people after the pilgrimage to Mecca. This is also one of the sources of foreign exchange earnings. According to a news published in The Daily Star(Source: 22 January, 2010) this year, an estimated 2 million Muslims are expected to attend, with more than 10,000 foreign Muslims had already arrived by Friday morning -- nearly the same number of pilgrims who go to Saudi Arabia to perform the annual haj pilgrimage.

According to The Bangladesh Monitor (2010) the Bangladesh Protected Tourism Area and Special Tourism Zone Bill 2010 was passed in the National parliament on June 27, 2010. The bill was introduced with a proposal to declare such areas as tourism protected areas through gazette notifications. The bill proposed special tourism zones and control and run the areas under initiatives of the government or non-government and autonomous organizations, statutory bodies or individuals. According to the bill, a proposal has also been made for undertaking investment activities for constructing and developing special tourist centres under public-private partnership. The bill also proposed punishment for the violators of rules. The bill has been taken consideration to build necessary infrastructure and create amusement and service-oriented facilities for setting up special tourist zone. Bangladesh Parjatan Board Act- 2010 was also passed but still no significant development has been observed. Tourism year has also been observing in the year 2011.

The contribution of Travel & Tourism to Gross Domestic Product in Bangladesh is expected to rise from 3.9% (BDT265.9bn or US\$3,786.4mn) in 2010 to 4.1% (BDT788.4bn or US\$8,781.7mn) by 2020 ([www.viewson tourism.info](http://www.viewson tourism.info), 2010). Community involvement in the tourism activity is very satisfactory. The people of the tourism products area directly and indirectly are getting benefit out of the tourism activity. Many poor people- from rickshaw puller, day laborer, photographer to small and medium entrepreneurs find tourism as a stable source of income. Except these, implementation of the development projects has been planned phase wise by different prospective areas. Above all, emphasis has been given on the security of the tourists, accommodation facility, improvement of safe communication infrastructure in the country (by Road, Air & Sea) arrangement of clean and hygienic food & beverage, sightseeing tour, publication of brochures, handicrafts marketing. When implementations of the development projects are completed as per target, employment opportunity for men and women will be created. At such all commercial activities of these projects, positive impact would be in the socio-economic areas in particular. In Asia and the Pacific, for the first time ever, inbound tourism arrivals surpassed 200 million in 2010 ([www.unescap.org](http://www.unescap.org), 2011). Overall, the Asia-Pacific regional share of world arrivals rose by 1.2 percentage points in 2010, for a 22% share among the world's regions. The successful marketing stories of India and Malaysia, the massive rail expansion in China, the new resort developments in Singapore and Macao, China and the revitalized policy of Japan towards tourism, as well as the "visit year" campaigns in Bangladesh, Nepal and Sri Lanka, have helped buoy Asia-Pacific tourism.

Lancaster (2004) depicted that in 2003 an estimated 150,000 people traveled to India for treatment purposes and these numbers are growing about 15 percent per year. This report further cites McKinsay Consulting's report that by 2012 the Indian Treasury will earn US\$2.2 billion in revenue from medical tourism. The medical tourists are predominant from Africa, South Asia and Middle East. Bangladesh has gradually developing its health sector but to develop medical tourism the country has to do lot of things.

According to World Travel & Tourism Council (2010) the Travel & Tourism Economy is forecast to grow by 4.4% per annum in real terms between 2010 and 2020, supporting over 300 million jobs by 2020 - i.e. 9.2% of all jobs and 9.6% of global GDP.

On medical ground huge amount of money out flowed from the country. Depending on financial situation as well as connectivity and visa facility patients along with attendance has been going various country including USA, Canada, Australia, UK, Thailand, South Korea, Malaysia, Saudi Arabia, Singapore and India etc. According to BSS (2011) an allocation of Taka 295 crore has been made in the budget proposed for 2011-12 fiscal for Civil aviation and tourism ministry for developing country's aviation system and tourism industry. Of the total amount, Taka 217 crore will be spent under the Annual Development Programme (ADP) and Taka 78 crore under non- development sector. In the proposed budget, Civil Aviation Authority (CAA) got Taka 187 crore and Bangladesh Parjatan Corporation Taka 23 crore under ADP while newly formed Tourism Board got Taka 66 crore from non-development sector. The finance Minister said "We have taken steps to celebrate 2011 as Tourism Year and organise SAARC Tourism Mart in January, 2012 to promote and expand the Tourism industry".

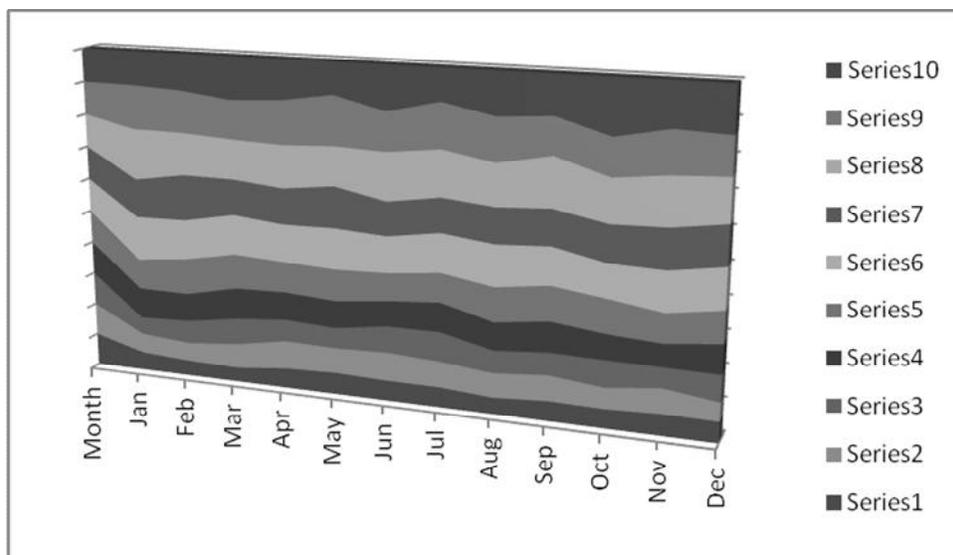
Now below in Table 07 we shall see Foreign Exchange earnings from Tourism and other Travels in Bangladesh for the period of 2001 to 2010.

Table 07: Foreign Exchange Earnings from Inbound Tourism & Other Travels (2001-2010)

<b>(Million Taka)</b>										
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
Jun	221.70	313.00	288.00	279.70	301.23	394.96	366.17	509.52	417.71	473.03
Jul	207.10	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
Sep	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	638.46
Total	2653.80	3312.60	3310.00	3967.56	4493.89	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 Parjatan Corporation 2012

**Figure 01: Foreign Exchange Earnings of Bangladesh from Inbound tourists' arrival (2001-2010)**



According to a newspaper report published in The Economic Times of India on 16<sup>th</sup> March 2012 India's tourism sector got an allocation of Rs. 1,282 crore for 2012-13 - a mere 9.5 per cent increase over the previous year. The allocation of that country's previous year in the national budget was Rs. 1,170 crore. The bulk of the allocation announced in the budget has been earmarked for the 'Incredible India' campaign which aims to attract more inbound tourists' arrival to the country. Unfortunately in Bangladesh an allocation of Tk. 348 crore has been made in the budget proposed for 2012-13 fiscal for civil aviation and tourism sector of Bangladesh as reported by New Age on 8<sup>th</sup> June, 2012.

#### **Analysis of the Findings**

From quantitative analysis and qualitative analysis the country still has greater opportunity to develop and attract tourism sector. But managerial inefficiency as well as policy makers' wrong policies are working as a great hindrance. In terms of tourism beautification out of total 136 countries, Bangladesh's position is 129 should be improved. As such massive investment from the private and public sector is required.

Many countries are now dependent on tourism sector for foreign currency earnings. But Bangladesh is lagging behind. The expansion of the tourism throughout the world has increased competition among the tourist destinations, trying to attract more tourists by adopting appropriate marketing techniques and strategies. As an important element of marketing mix, promotion plays the vital role in tourism marketing as like any product and service. Tourists want to know in advance about the attractions and the facilities of a particular destination. They also desire to know other related information of his/her visit to make the same safe, secured and enjoyable. As a result, dissemination of information on travel and tourism-related products and services are highly important. By using the different tools of promotion, marketers attempt to serve this purpose and try to influence the potential tourists' attitudes in favour of the sponsors' destination and grow interest to visit the same. Though promotion plays an important role in tourism marketing, the tourism marketing in Bangladesh is far behind from reaching this goal, which leads to incapacity to attract a significant number of tourists. This is mainly due to inadequate and ineffective promotional measures of the tourism sector of Bangladesh. Both the

private and public tour operators of Bangladesh have the resource constraints and cannot afford the sufficient budget for the promotional purpose. As a result, they cannot conduct the promotional measures for the said industry by using international media which is essential for attracting the foreign tourists. They only depend on the local media which is not sufficiently fruitful for an industry where the location of the target market is diversified and they are located at the different parts of the world. In addition to that the low quality of promotional materials, improper distribution of the materials, the perceived negative image by the potential tourists due to a wrongful and negative reporting from international media adversely affect the tourism of Bangladesh. The research also 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. The promotional activities should also be directed in correcting the present image towards Bangladesh as tourists' destination. By ensuring these measures Bangladesh tourism industry can emerge as one of the major contributing sector of the national economy of Bangladesh. When tourism sector can be developed it will have an impact on national income, which in turn develops the economy as a whole. Bangladesh arranged international tourism fair from 27<sup>th</sup> September, 2012 to 29<sup>th</sup> September, 2012. This may be done in an effective manner for sustainable tourism growth and contribution in the economy. As such management in the tourism sector should be properly done.

### **Concluding Remarks and Policy Implications**

In case of tourism, Bangladesh is far from take-off stage. This stage should be pushed upward. Unfortunately national budget allocation for 2013-14 is still very low. Bangladesh Parjatan Board Act- 2010 of Bangladesh should be properly implemented. Through developing tourism sector economy of Bangladesh, economic condition of the country can be developed. As such all the components of strategic management i.e. strategic leadership, strategic formulation and strategic implementation should work simultaneously so that gross domestic products growth rate can be increased. However, Rohingya issue should be resolved and Bangladesh should not a place of international conspiracy. Govt. should also take special programs through different commercial banks as well as Karmasanghstan bank and Bangladesh development bank ltd. in Hill tracts so that poverty can be reduced through expansionary program of industrialization policies and employment opportunity can be created and no one can use any Bangladeshi to work as an agent of foreign nation. Moreover, entrepreneurship of tourism can be developed especially in the area of hill tracts and other related areas financed through the banking sector.

Places of scenic beauty, archeological, historical and cultural reasons should be well developed so that foreign and domestic tourists can be attracted to tour. Moreover, international standard hospitals should be arranged under joint venture program or in collaboration with developed nation's hospitals so that local people can get better medical treatment. As such investment for development of infrastructure of hospitals and also to develop human capital i.e. doctors, nurses also needed more investment. And doctors, nurses must do their duty with utmost care. Business reasons are also one of the reasons for tour.

Policy makers of the country should consider Deegan and Moloney (2007) findings for Ireland west that strong correlation of the tourist succor to economic growth and employment. This will help to enhance gross domestic product through improving tourism sector. At all level of the organizations leadership should be built so that each person willing to contribute the society and give proper guidance. Image of Bangladesh in abroad should be improved. Bangladesh Embassies in abroad should work in this respect. To develop tourism culture in this region - combined cooperation among the SAARAC countries are required. Ali and Mohsin (2008) recommended for developing infrastructure as well as integrated marketing communication channel which may be considered by the policy makers, public sector authorities, private sector entrepreneurs and stakeholder of this sector.

World Tourism day on September 27<sup>th</sup> may be declared as a holiday to create a culture of tourism in Bangladesh and different types of programs may be arranged to mark the day. Product differentiations may be

arranged based on the income level of the tourists'. Entertainment facilities and recreational facilities may be arranged for tourists. However, violation of the code of ECPAT should be strictly prohibited.

Most potential areas include developing river based tourism centering rounds the Sunderbans forest, Rangamati, beach resort in Cox's Bazar, Patanga sea beach, Kukatakata, St. Martin; cultural tourism based on Buddhist and Islamic archaeological and historical -monuments, general interest features in the Dhaka region and tea plantation in Sylhet area and bird watching tours in the Jahangiranagar area. Conservation of archaeological and historical monuments starting from ancient Bengal to till to date and the important natural environments are essential. Recently the new seven wonders in the world, Cox's Bazar and Sundarbans are being promoted for being the natural wonders of the world. Special attention should be given to preserve the environment so that the natural beauty and ecological balances of Cox's Bazar and Sunderban are not impinged upon. Other areas of the country should also be developed to attract tourists and eco-tourism should be well established so that natural areas which preserve the environment can be maintained and from tourism it can help to do welfare of domestic inhabitants.

Historical places related to independence of the country should be well preserved and may be arranged for showing to attract the tourists. Those who are pilgrims and spiritual tourists must be well entertained and to fulfill their level of satisfaction religious spots and arrangements should be properly done so that tourists are satisfied. But policy makers also take preventive measures so that nobody can create any negative use of religion as all religion has the basic theme that religion is used for humanity, mankind, peace and discipline.

Health management must be improved so that medical tourists can be raised. Proper arrangement with visionary and missionary zeal and strategic leadership in the arena of the health management sector is required. This will also save valuable foreign exchange as outbound tourism will be reduced.

The biggest barriers standing in the way of developing Bangladesh into a buzzing international tourist location are political instability, low level of managerial skills, unwillingness to provide good services, rent seeking and insecurity. In view of tourism's vast potentiality to become a lucrative business, opening the door for enormous employment opportunities and positive contribution towards increasing gross domestic product of the country, it is expected that both public and private should be more serious about overcoming existing barriers. Rules, regulations and infrastructure planning done by the govt. will be effective when it is implemented. The problems like, political instability, social unrest, security for the tourists, facilities for the tourists, has to be solved. If Bangladesh can follow the guideline for infrastructure development provided by WTO, Bangladesh can definitely attract international tourists and also domestic tourists will be encouraged to tour different corners of the country.

Fayissa et al. (2007) findings can be a good lesson for the policy makers of the country. Through strengthening Bangladesh's tourism sector, the country can raise its economic growth which requires productive investment in physical and human capital. Baisakalova's(2009 ) suggestions should be taken by the private and public sectors to prepare a holistic approach for the development of tourism sector as it can ensure Pareto optimality in the economy through creation of job opportunities, rising infrastructure, utilization of resources and attaining economic sustainability of the country. Das and Dirienzo (2012)'s comment should be considered by the policy makers so that inbound tourism can be utilized for economic development of the country.

### **Policy Implications**

To increase employment generation, redistribution income effects, increase of purchasing power to raise national income a contingency planning should be done. Bangladeshi artistic handicrafts and monuments can be popularized. The local people adjacent to the tourism products are reaping benefit of the tourism business. In Cox's Bazar, the world's longest sea beach, various number of tourism activities are taking place. The rate of unemployment is almost negative. The poor people may find tourism as their livelihood through producing and selling handicrafts, monuments etc. to the tourists. Small entrepreneurs should come with the ventures. Similarly people of the Kuakata can also enjoy positive benefits for tourism. They may get employment

opportunities as well as business opportunities. Long term policy should be taken to develop health sector and to utilize religious tourism. Investment for establishing International standard hospitals and preparing doctors, nurses, technologists are essentially required. Religious spots and gathering should be arranged. Safety and security should be provided for which law and order situation should be improved.

To raise interest in tourism activities and creating low-cost tourist facilities, development, preservation and maintenance of tourism resources of the country is being required. Investment for private and foreign direct investment without hindrance can be arranged. Many Tourist Information Center are going to establish in different important points of the country especially at Airports and land ports.

Various types of accommodations and a mixture of facilities are being established like: Construction of Parjatan Motels at Cox's Bazar, Kuakta, Bogra, Dinajpur, Rajshahi, Chittagong, Rangpur, Chittagong Hill Districts (Rangamati, Khagrachhari, Bandarban) and Teknaf, Heron point. Construction of world class hospitals and establishment of medical colleges under joint venture or outer campus of high ranking Medical colleges of the developed countries and recruiting doctors, nurses and technologists by the initiatives of private sector is essential.

Creating a favorable image of Bangladesh at abroad is required. As a part of publicity & marketing activities, regular basis integrated marketing communication should be introduced. Colorful Brochures and folders have been printed describing the tourism products/ places of attractions in Bangladesh. Aggressive marketing is needed not only within the country but also outside the country. Bangladesh Embassies at abroad should work as a publicity campaign to encourage foreigners to tour.

Generate recreational facilities for foreign tourists have been vital. Special entertainment arrangements may be allowed for the tourists in special areas. Only those who are foreign tourists can enjoy these recreational facilities.

Conservation of eco-system in coastal zone and islands and build up eco-tourism in the area based on the natural bio-diversity for tourism is required. The world's largest mangrove forest has been designated only for the eco-tourism activities. Bangladesh has formed a taskforce, which determined five objectives for the development of tourism in Bangladesh. However, negative repercussion should be cautiously handled.

To develop the infrastructure at tourist sites BPC, NTO should take active role. Private and foreign initiatives and investment also required. BPC has been promoting and creating various tourist facilities across the country. It has created as many as 29 tourism units at different places of tourist attractions of Bangladesh in order to facilities to the tourists. BPC's vacant lands are being leased out to private sector investors to create tourist facilities. Private sector and foreign direct investment is required to establish world class hospitals, preparing good patient friendly environment, management of hospitals hiring doctors and nurses and others from not only Bangladesh but also from abroad. They can consider establishing outer campus of the high ranking and well reputed medical colleges of the developed nations. Bishwa Ijtema and other religious festivals can be more systematically arranged to attract both domestic and foreign tourists. As such religious places infrastructure should be developed with greater vision and mission.

To develop, improve easy and best traveling system is necessitate. Improvement in road communication should be connected north to south and east to west cities without much trouble and hindrance. Bus services should be improved; Rail-way intercity train service has considerable network to cover the major cities with the capital city. However, services of the railway should be better; Railway line should be established up to Taknaf from Chittagong; Hill tract area should be come under well connected by Railway and air system. Alternative system should be developed for transportation of products of the whole country by the river system which will help to reduce traffic jam. Of river transportation can be improved then it can act as an attraction towards tourists. The inland waterway facilitates easy and cheaper sources of transportation and possesses a great potential for tourism development. The government should maintain international standard of airport in Chittagong, Sylhet, Syedpur and Cox's Bazaar for easy movement of tourists. Private airlines should come

forward to cover different tourist spots; Heron point should be well connected not by only sea transport but also air system.

Human Resource Development in tourism sector is necessary to develop quality tourism professionals and products. Actually strategic leadership should be developed in all sorts of organizations at three different layers such as junior level, mid level and upper level related to tourism sectors to enhance tourism and work as a source of income generations for the individual organization as well as national level of the country. Practical knowledge along with academic acquaintance and skill in speaking of multiple languages manpower are very important for foreign tourists.

Under private sector initiatives some good hospitals and diagnostics centers has been established. But these hospitals numbers should be raised at least ten times. The country needs highly qualified doctors, good nurses and technologists who can also be recruited from abroad. Especially nurses should be recruited from abroad unless the quality and behavioral attitude of the nurses of the country cannot be developed.

To raise national income of the country, tourism sector should be used for which efficient and effective management is required. Functional level with line management should work to create distinct competencies in this sector. To attain core competencies in the tourism sector, SWOT analysis along with confrontation matrix, PESTEL analysis and VRINE model should be used in developing managerial skillness of the country. Appropriate measures should be taken to execute any policy formulation which will be beneficial for the tourism sector of Bangladesh.

#### NOTE

- i) Bangladesh Currency: Taka
- ii) 1 Crore: 10 Million

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