

Tourist Expenditure Pattern in Kashmir Valley

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Abstract

This paper undertakes an analysis of expenditure pattern of tourists visiting the valley of Kashmir. Efforts have been made to use both primary and secondary data sources that were available on the subject. In this paper, two regression models have been used to examine the relation between the total tourist expenditure and various factors influencing it. The explanatory variables used in these regression models consists of both quantitative as well as qualitative variables. This paper shows that total tourist expenditure is positively and significantly influenced by travel companions, length of stay, age and income. Further, this paper also shows that there is a positive and significant relationship between total tourist expenditure and expenditure on accommodation, transport, food, entertainment and recreation, and shopping. This research paper enables the policy makers to obtain the necessary information for the implementation of more adequate policies in this substantially emerging industry.

Keywords: Kashmir, Tourist expenditure, Travel Behaviour and Expenditure pattern

1. Introduction

For years tourism sector substantially emerged as the fastest growing economic sector in the World and became an important source of foreign exchange receipts among the different economies of the world. Contributing about 10% of global gross domestic product (GDP), 7% of total world exports, 30% of world services exports and provides employment to one in every eleven jobs globally (World Tourism Barometer, June 2017). Tourism industry contributed US\$7.6 trillion to the global economy (10.2% of global GDP) and generated 292 million jobs (1 in every 10 jobs globally) in 2016. International tourist arrivals substantially increases and has reached 1.2 billion in 2016, 46 million more than in 2015 (The Travel and Tourism Competitiveness Index 2017). Global tourism receipts increases by 5% in 2017 than previous period. Middle East led growth in tourism receipts with a 13% increase in 2017 followed by Africa and Europe which both recorded 8% growth. Receipts grew by 3% in Asia and the Pacific and 1% in the

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