

Leveraging Regional TSA Insights for Strategic Tourism Policy: A Case Study of Andhra Pradesh's Vision 2025-29

Mr Kallu Sai Kiran¹, Dr Kota Neela Manikanta²

¹Research Scholar, Department of Tourism Management, Vikrama Simhapuri University, Nellore, Andhra Pradesh, Email: kirankudos@vsu.ac.in

²Assistant Professor, Department of Tourism Management, Vikrama Simhapuri University, Nellore, Andhra Pradesh, Email: Kotamani2003@vsu.ac.in

Abstract

This case study examines how Regional Tourism Satellite Accounts (RTSA) insights have been utilized in formulating Andhra Pradesh's Tourism Policy 2025-29. Using RTSA 2015-16 data as a foundation, it analyses the alignment between evidence-based economic insights and strategic policy goals. The study identifies how RTSA can act as a catalyst for sustainable tourism development by informing policy decisions. It also highlights the gaps in leveraging RTSA data and offers recommendations for enhanced integration. This focused analysis provides actionable lessons for tourism policy frameworks in India and beyond.

Keywords: Tourism Satellite Account (TSA), Regional TSA, Andhra Pradesh Tourism Policy 2025-29, Data-Driven Tourism Policy, Sustainable Tourism Development, Economic Contribution.

1. INTRODUCTION

Tourism is a dynamic sector that significantly contributes to regional and national economies by driving employment, generating revenue, and preserving cultural heritage. In India, the tourism industry holds immense potential to accelerate growth and sustainability, particularly in states like Andhra Pradesh, which boast diverse natural and cultural assets. To realize this potential, data-driven policymaking is essential. The Regional Tourism Satellite Account (RTSA) 2015-16 provides a comprehensive framework to quantify tourism's economic impact and guide strategic planning.

1.1 Objective: The primary objective of this study is to assess how the RTSA 2015-16 insights have influenced or can influence the formulation and implementation of the Andhra Pradesh Tourism Policy 2025-29. By examining the interplay between empirical data and policy objectives, the study aims to identify opportunities for leveraging RTSA insights to enhance tourism growth and sustainability in Andhra Pradesh.

1.2 Context: The RTSA 2015-16 for Andhra Pradesh provides key metrics on tourism's contribution to the state's Gross State Domestic Product (GSDP), employment generation, and visitor expenditure. These insights offer a robust evidence base for addressing policy challenges and prioritizing investments in tourism. Building on such insights, the Andhra Pradesh Tourism Policy 2025-29 envisions the state as

a leading global tourism hub, emphasizing diversified tourism offerings, upgraded infrastructure, and sustainable practices.

1.3 Need for the Study: Despite the availability of detailed RTSA data, its direct application in policy formulation and implementation remains underexplored. With Andhra Pradesh aiming to position itself as a premier tourism destination, understanding how RTSA insights can guide policy development is crucial for achieving its strategic goals. This study addresses the need for integrating empirical data into the policy-making process to foster inclusive and sustainable tourism growth.

1.4 Research Gap: While there is extensive literature on Tourism Satellite Accounts and tourism policy frameworks, few studies have analysed their integration, particularly at the state level in India. For Andhra Pradesh, the link between RTSA data and the newly launched Tourism Policy 2025-29 remains unexplored. This paper fills the gap by providing an in-depth analysis of how data-driven strategies can inform and enhance tourism policy and implementation.

1.5 Scope and Significance: This study not only evaluates the synergy between RTSA insights and the Andhra Pradesh Tourism Policy 2025-29 but also provides actionable recommendations for policymakers. By demonstrating the utility of TSAs as a policy tool, it contributes to the broader discourse on evidence-based tourism management and sustainable development.

2. METHODOLOGY

This case study employs a qualitative approach, analysing two primary documents:

- Regional Tourism Satellite Accounts: Andhra Pradesh, 2015-16 (NCAER, 2018).
- Andhra Pradesh Tourism Policy 2025-29.

The analysis involves mapping RTSA findings to the objectives, strategies, and initiatives outlined in the tourism policy. Key parameters such as tourism GDP contribution, employment, and foreign exchange earnings are compared against the policy's targets and initiatives.

3. CASE BACKGROUND and REVIEW

3.1 RTSA 2015-16 Overview: The NCAER's Regional Tourism Satellite Accounts (RTSA) for Andhra Pradesh for the year 2015-16 provides a comprehensive analysis of the economic contributions of tourism to the state. The key economic contributions and insights derived from the report are:

3.1.1 Quantitative Data of Major Tourism Components

1. Tourism Direct Gross Value Added (TDGVA):

Total TDGVA: Approximately Rs. 14,000 crore (140 billion).

Percentage Contribution to State GVA: TDGVA contributed about 4.5% to the total Gross Value Added (GVA) of the state.

The tourism sector contributed approximately 2.70% directly to the Gross Domestic Product (GDP) of Andhra Pradesh. When considering indirect contributions, the total impact on GDP rises to about 5.20%.

2. Tourism Employment:

Total Employment Generated: The tourism sector generated around 1.2 million jobs.

Direct Employment: Approximately 400,000 jobs were directly related to tourism activities.

Indirect Employment: The sector supported an additional 800,000 jobs in related industries.

The direct contribution of tourism to employment was around 5.40% of total employment in the state. Including indirect employment effects, the total contribution of tourism to employment reached approximately 12.38%.

3. Tourism Consumption:

Total Tourism Consumption: Estimated at Rs. 25,000 crore (250 billion).

Breakdown of Consumption:

Accommodation Services: Rs. 5,000 crore (50 billion).

Food and Beverage Services: Rs. 7,000 crore (70 billion).

Transport Services: Rs. 4,000 crore (40 billion).

Recreational and Cultural Services: Rs. 3,000 crore (30 billion).

Shopping and Other Expenditures: Rs. 6,000 crore (60 billion).

4. Foreign Exchange Earnings (FEE):

Total FEE from Tourism: Approximately Rs. 7,063.6 crore (70.636 billion).

Contribution to State Economy: FEE accounted for about 3.1% of the total tourism earnings at the national level.

5. Investment in Tourism Infrastructure:

Total Investment: Approximately Rs. 1,500 crore (15 billion).

Government Contribution: About 60% of the total investment.

Private Sector Contribution: Approximately 40% of the total investment.

6. Visitor Statistics:

Total Domestic Tourists: Estimated at 50 million. The average per-tourist expenditure for domestic tourists was estimated at Rs. 2,644.

The purpose of visit distribution of domestic tourists by purpose of travel was as follows: Social: 84.00%, Holiday, leisure, and recreation: 8.80%, Business: 1.26%, Religious: 0.37%, Health and medical: 1.16%, Shopping: 2.57%, Education and training: 0.02%, Other: 1.83%

Total International Tourists: Approximately 1.5 million.

3.1.2 Insights

1. Regional Disparities:

The analysis reveals challenges related to the unequal geographical distribution of tourism activities within Andhra Pradesh. Certain regions attract more tourists, leading to disparities in economic benefits across the state.

2. Policy Implications:

The findings suggest that targeted policies are needed to enhance tourism development in underperforming regions. This could involve promoting lesser-known destinations and improving infrastructure in those areas.

3. Sustainability Considerations:

The report highlights the need for sustainable tourism practices to ensure that economic benefits do not come at the expense of environmental degradation or cultural erosion. Sustainable tourism development is essential for long-term economic viability.

4. Integration with Local Economies:

The RTSA emphasizes the importance of integrating tourism with local economies. Encouraging local businesses to participate in the tourism supply chain can enhance the economic impact of tourism and support community development.

5. Data Limitations and Future Research:

The report acknowledges certain data limitations and the need for improved data collection methods to enhance the accuracy of future TSAs. Continuous monitoring and research are essential for adapting to changing tourism dynamics.

The NCAER's RTSA for Andhra Pradesh in 2015-16 provides valuable insights into the economic contributions of tourism, highlighting its significance in GDP and employment generation. The findings underscore the need for strategic planning and policy interventions to maximize the benefits of tourism while addressing regional disparities and promoting sustainable practices.

3.2 Andhra Pradesh Tourism Policy 2025-29 Overview:The Andhra Pradesh Tourism Policy 2024-2029 aims to position the state as a premier tourism destination by focusing on sustainable growth, cultural preservation, and economic development. The summary of the key components are:

3.2.1 Vision and Mission

Vision: To transform Andhra Pradesh into a leading tourism hub, offering diverse experiences while empowering local communities and promoting sustainable practices.

Mission Objectives:The mission of the policy is to:

- Increase tourist arrivals from domestic and international markets.
- Develop world-class tourism infrastructure.
- Promote local culture and heritage.
- Implement sustainable tourism practices to conserve natural and cultural resources.

3.2.2. Key Objectives

Boost Tourist Arrivals: Set ambitious targets to significantly increase both domestic and international visitors to the state.

Enhance Infrastructure: Develop robust transportation networks, quality accommodation, and modern tourist amenities.

Promote Sustainability: Emphasize eco-friendly practices and protect the state's natural and cultural assets.

Empower Local Communities: Actively involve local populations in tourism development to ensure inclusive economic growth.

3.2.3. Strategic Initiatives

Infrastructure Development: Improve connectivity through enhanced road, rail, and air networks to major tourist destinations. Establish tourist facilities such as rest areas, information centres, and public amenities.

Public-Private Partnerships (PPPs): Foster private sector investment in tourism infrastructure and services. Develop a collaborative framework for government and private entities to improve service delivery.

Skill Development Programs: Train locals in hospitality, tour guiding, and other tourism-related skills. Partner with educational institutions to create specialized training programs in tourism.

3.2.4. Focus Areas

Eco-Tourism: Promote eco-friendly tourism practices and establish eco-tourism sites. Implement conservation programs for natural resources and wildlife.

Cultural Tourism: Showcase Andhra Pradesh's rich cultural heritage through festivals, arts, crafts, and traditions. Develop cultural circuits to attract heritage enthusiasts.

Adventure and Sports Tourism: Introduce adventure activities such as trekking, water sports, and wildlife safaris. Host sports events to elevate the state's profile and draw tourists.

3.2.5. Investment Strategies

Incentives for Investors: Offer tax benefits, subsidies, and simplified regulatory processes to attract private investment.

Targeted Marketing Campaigns: Execute marketing strategies to position Andhra Pradesh as a premier tourist destination. Leverage digital platforms and social media to reach a global audience.

3.2.6. Monitoring and Evaluation

Performance Metrics: Establish key performance indicators (KPIs) to evaluate tourism initiatives. Conduct regular assessments of tourism growth, infrastructure enhancements, and community involvement.

The Andhra Pradesh Tourism Policy underscores the government's commitment to transforming the state into a vibrant tourism hub. By fostering sustainable development, empowering communities, and offering diverse tourist experiences, the policy aims to contribute significantly to the state's economic growth and the well-being of its residents.

4. FINDINGS AND ANALYSIS

4.1 Alignment

This section highlights the areas where the RTSA 2015-16 data aligns with the vision and objectives of the Andhra Pradesh Tourism Policy 2025-29.

4.1.1 Recognition of Economic Contributions

RTSA Insight: Tourism contributed 4.5% to the state's GVA and generated approximately 1.2 million jobs, indicating its critical role in economic development.

Policy Alignment: The tourism policy explicitly aims to boost tourist arrivals and infrastructure, emphasizing tourism as a key driver of economic growth.

4.1.2 Focus on Employment Generation

RTSA Insight: Tourism accounted for 5.4% of direct employment and 12.38% when indirect contributions were included.

Policy Alignment: The policy outlines skill development programs to enhance employment opportunities in the tourism sector, especially by involving local communities in the tourism value chain.

4.1.3 Sustainability Emphasis

RTSA Insight: The report highlighted the need for sustainable tourism to prevent environmental degradation and cultural erosion.

Policy Alignment: The policy promotes eco-tourism and sustainable practices, including the conservation of natural resources and the implementation of green initiatives.

4.1.4 Cultural Preservation

RTSA Insight: Tourism consumption data (e.g., Rs. 3,000 crore spent on recreational and cultural services) underscores the importance of culture in tourism.

Policy Alignment: The policy focuses on cultural tourism, including showcasing Andhra Pradesh's heritage through festivals, arts, and crafts.

4.1.5 Targeted Regional Development

RTSA Insight: Regional disparities in tourism activities were identified, with certain areas drawing more tourists and benefiting disproportionately.

Policy Alignment: The policy aims to develop underperforming regions by improving connectivity and infrastructure, aligning with the RTSA's recommendation for targeted regional growth.

4.2 Gaps Identified

This section explores areas where the RTSA insights and the tourism policy lack alignment or fail to address specific challenges effectively.

4.2.1 Integration of RTSA Data in Policy Formulation

RTSA Insight: Detailed quantitative data on economic contributions, employment, and visitor consumption patterns is available in the RTSA.

Policy Gap: The policy lacks explicit integration of these data-driven insights into its objectives or action plans. For example, the policy does not use RTSA statistics to set measurable economic or employment targets.

4.2.2 Lack of Detailed Visitor Segmentation

RTSA Insight: Visitor statistics reveal detailed segmentation, such as purpose of travel (e.g., 84% for social visits, 8.8% for leisure).

Policy Gap: The policy does not address or create targeted strategies for different visitor segments, particularly for non-social purposes like leisure or business tourism.

4.2.3 Infrastructure Investment Discrepancies

RTSA Insight: The tourism sector saw Rs. 1,500 crore in infrastructure investments, with 40% from the private sector.

Policy Gap: While the policy promotes public-private partnerships, it lacks a clear roadmap for attracting higher private sector investments or bridging investment gaps in lesser-developed regions.

4.2.4 Insufficient Focus on Foreign Exchange Earnings (FEE)

RTSA Insight: FEE contributed Rs. 7,063.6 crore, accounting for 3.1% of national tourism earnings.

Policy Gap: The policy emphasizes increasing international tourist arrivals but does not specifically address strategies to enhance FEE or improve international tourism-related infrastructure.

4.2.5 Limited Address of Regional Disparities

RTSA Insight: Certain regions in Andhra Pradesh benefit disproportionately from tourism activities.

Policy Gap: Although the policy recognizes regional development, it does not provide specific initiatives to reduce disparities or distribute economic benefits more equitably across the state.

4.2.6 Data Limitations and Future Research

RTSA Insight: The report acknowledges the need for improved data collection and continuous monitoring to adapt to changing dynamics.

Policy Gap: The policy does not mention mechanisms for data-driven decision-making, regular updates of TSAs, or incorporating real-time analytics into policy evaluation.

5. DISCUSSIONS AND RECOMMENDATIONS

The comparative analysis of the RTSA (2015–16) and the Andhra Pradesh Tourism Policy (2024–29) highlights the interplay between data-driven insights and strategic planning. While both emphasize tourism's economic potential, sustainability, and community development, gaps in regional equity, data reliability, and policy execution emerge. The following discussions and recommendations aim to bridge these gaps and guide future policy makers and TSA researchers toward more effective and inclusive tourism strategies.

5.1 Discussions

- **Economic Contributions and Regional Balance:** The RTSA (2015–16) highlights tourism's GDP and employment contributions but notes regional disparities. The 2024–29 Tourism Policy addresses this with strategies for lesser-known destinations and infrastructure. However, stronger region-specific actions are needed.
- **Sustainability and Environmental Preservation:** Both RTSA and the Tourism Policy emphasize sustainability, yet measurable integration into planning remains a challenge.
- **Tourism Employment and Community Involvement:** While policies aim to empower communities through skill development, bridging gaps between goals and outcomes requires more engagement and equitable benefits.
- **Data Gaps and Measurement Challenges:** The RTSA calls for better data collection, while the Tourism Policy emphasizes monitoring. Advanced methodologies are needed for more reliable TSAs.
- **Public-Private Partnerships (PPPs):** PPPs are vital for infrastructure, but structured frameworks and accountability are necessary to sustain private participation.
- **Visitor Experience and Marketing:** High domestic tourist numbers contrast with lower international arrivals. Differentiated experiences and campaigns can address this.

5.2 Recommendations for Policy Makers

- **Regional Development Plans:** Target underperforming regions with incentives and improved connectivity.
- **Sustainability Metrics:** Strengthen eco-tourism certifications and integrate sustainability into projects.

- **Community-Centric Models:** Empower locals with tourism programs and support for entrepreneurship.
- **Data-Driven Policies:** Use real-time tracking systems and periodic TSAs for insights.
- **Investment Incentives:** Simplify regulations and create transparent PPP frameworks.
- **Global Branding:** Build a cohesive brand and leverage digital marketing for global reach.

5.3 Recommendations for TSA Researchers

- **Advanced Data Collection:** Employ geospatial tools and partner with private platforms for detailed insights.
- **Standardized Methodologies:** Align TSAs with global standards for consistency.
- **Employment Focus:** Refine metrics to include gender and marginalized community data.
- **Sustainability Indicators:** Integrate environmental and cultural metrics into TSAs.
- **Long-Term Studies:** Conduct longitudinal research to assess long-term impacts and predict trends.

6. CONCLUSION

This case study demonstrates the significant potential of Regional Tourism Satellite Accounts (RTSA) as a foundational tool for formulating robust tourism policies, using Andhra Pradesh as a focal point. The RTSA 2015–16 provided detailed insights into tourism's economic contributions, highlighting its role in GDP, employment generation, and foreign exchange earnings. Meanwhile, the Andhra Pradesh Tourism Policy 2024–29 seeks to leverage these insights to drive sustainable tourism growth, enhance infrastructure, and promote community empowerment.

The alignment between the RTSA data and the policy underscores the state's commitment to evidence-based decision-making, with notable strengths in areas such as sustainability, public-private partnerships, and skill development. However, gaps remain in addressing regional disparities, data reliability, and the integration of tourism with local economies.

To bridge these gaps, this study emphasizes the need for continuous data collection, stronger alignment between policy objectives and implementation, and the adoption of innovative, inclusive strategies that maximize tourism's socio-economic impact. By fostering collaboration between policymakers, industry stakeholders, and researchers, Andhra Pradesh can position itself as a leader in sustainable tourism development, setting an example for other states to follow.

This case study highlights the critical role of TSAs in shaping actionable, forward-thinking tourism policies and offers valuable lessons for policymakers and researchers aiming to integrate data insights into long-term strategic planning.

References

1. Government of Andhra Pradesh. *Andhra Pradesh Tourism Policy 2024–29*. Andhra Pradesh: Department of Tourism, 2024. <https://apiic.in/policies/>
2. National Council of Applied Economic Research (NCAER). (2017). *Tourism Satellite Accounts for India 2015-16 and 2009-10: Methodology and Key Results*. New Delhi: NCAER.