

Definitions and Fundamental concepts of Tourism Demand in the Literature

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Abstract: *The paper aims to serve as a tool for the future researchers on tourism demand with an attempt to identify the definitions, fundamental concepts and dimensions of tourism demand. It identifies the general framework of analysis adopted by various researchers in the existing tourism literature. Moreover, the study highlights the prominent work (most cited) in the tourism literature, kinds of tourism, concept of sustainable tourism versus ecotourism. The paper highlights the substantial role of good governance, political stability, exchange rate, transport and infrastructural development, distance (both travel and cultural) in generating international tourism demand across the globe. Study concludes, based on the findings of various methodological approaches i.e. quantitative, qualitative and mixed method approaches, that there is a need to incorporate rigorous econometric techniques to study the effect of income, demographic and qualitative factors on international tourism demand.*

Keywords: Tourism Economics, Economic Development, Tourism definitions, Tourist Attractions, tourism infrastructure, Travel distance

JEL Classification: L83, O1, Z32

1.1 From insight to Opportunity: Introducing Potential of Tourism Industry

The tourism industry, which is one of the largest and most important industries worldwide, has experienced tremendous growth and development (Smeral, 2003; Barros and Alvis, 2004; Rai, 2017; Saluja et al., 2022). It generates significant economic and social benefits for many countries (Donyadide, 2010; Sofronov, 2018; Hudson and Miller, 2005; Bhatia, 2002). According to UNWTO (2020), tourism is a resilient and leading economic sector that is at the heart of global policies and political recognition, with the aim of fulfilling the 2030 Agenda and its 17 Sustainable Development Goals.

Tourism is defined as the movement and resting of people for less than a year in locations outside of their normal surroundings for leisure, commerce, or other purposes (Frechtling, 2010). Tourism is the practice of millions of people going on brief trips abroad or within the country for enjoyment, leisure, relaxation, sightseeing, or to fulfill their psychological and socio-cultural needs. Despite having both cultural and social components, tourism is primarily a social activity that merits attention because of its overall economic impact (Kar et al., 2004). The swift expansion of tourism boosts household income,

government revenue, enhances the balance of payments, and propels the tourism industry forward (Kreishan, 2010).

Tourism was once considered a therapy for the “happy few” for some days or weeks of the whole year but now it has become a normal activity. It is becoming an important source of revenue for various regions and economies. Previously seen to be a luxury of the wealthy, travel is today thought to be a consumption habit shared by many individuals in both developed and developing countries. The tourist industry is regarded as a significant sector in the twenty-first century due to its economic contribution. As tourism grows, society's wealth rises, and it also contributes to the supply of goods. Tourism is also referred to as “double-edged” sword since it exploits the natural beauty and cultural heritage in order to generate socio-economic benefits for the society. Therefore, tourism not only reaps benefits but it also poses serious ecological problems in the form of negative externalities such as air pollution, noise, water pollution, congestions owing to increased traffic.

Tourism, a key economic activity, contributes significantly to a nation's gross domestic product (GDP). Travelers mostly require four types of products and services from a destination: food, lodging, entertainment, and transportation. Tourism is often seen as a new activity in rural economy with decline in agricultural activities. The willingness of individuals to travel and become customers is what drives the tourism sector. To be successful, the location needs to draw tourists from other areas to its locality (Correia and Kozak, 2010). Travelers' visits to rural areas facilitate the entrance of foreign currency, which boosts household income and spurs economic growth.

The international tourism industry has experienced rapid growth in recent years, with expectations of further expansion. Technology is revolutionizing the way people plan, book, and experience travel, with online travel agencies, social media, and mobile apps playing significant roles (Zsarnoczky, 2018). The tourism industry is a dynamic and evolving sector, constantly experiencing new trends and innovations. As the world recovers from the pandemic, the industry is expected to rebound and continue flourishing in the forthcoming years. However, the path to recovery is intricate and lengthy, requiring adaptation to the changing preferences and needs of post-pandemic travelers (Khan et al., 2020).

Tourism leads to endogenous growth of regions and economies as it provides foreign exchange required for financing other sectors of the economy. In combination with tuned investments, tourism acts as a catalyst for economic growth. Baretje and Defert (1972) revealed that tourism has high-income elasticity. In order to have a balanced economic growth, more attention has to be devoted to determinants of tourism demand as sector linkage with industrial set up is pivotal. Tourism's sector has expanded to become the world's largest industries. It has emerged as the third-largest export industry in the world, surpassing sectors such as food and cars, and ranking behind energy and chemicals.

The number of international travelers has witnessed a significant increase in recent years, reaching a peak in 2016, accounting for 7% of all global exports (Oromjonovna and Eshnazarovna, 2023). The number of visitors in a particular economy is closely linked to its economic growth (Dritsakis, 2012). It has been observed that countries that implement tourism-friendly policies to stimulate economic growth reap greater benefits from this sector. The sector has tremendously changed worldwide economies due to increase in global competition among destinations. Tourism has both negative as well as positive impacts ranging from cultural heritage preservation and impact on local ecosystems, respectively. Demand for tourism depends on the propensity to travel or the willingness of an individual to be a tourist. Economies depending on tourism experience seasonability of tourism related activities, which directly affects their economic performance and tourism revenues. The tourism sector involves a multi-sector activity so it influences different sectors of local as well as regional or international economies. Tourism sector can have a positive impact on economic activity, which is seemed to be a desirable activity for economic growth. The development of tourism has been considered to reap positive benefits for the growth of economies (Lim 1987; Lee and Kwon, 1995; Khan et al., 1995; Oh, 2005).

International Tourism generates economic benefits through different channels. In view of this, empirical research on tourism demand has evolved substantially over the past few years with focus on econometric modeling and forecasting techniques. Transportation costs, income (GDP), environmental sustainability, cultural heritage sites, tourist airfare, destination awareness, average length of stay and kilometric distance are some of the key determinants of tourism demand. The reasons for increased international tourism has been highlighted in the literature by (Bossel-Hunterman et al., 1979; Bull, 1991; Cater and Lowman, 1994, Hunter and Green 1995, De Kadt 1979; Lindberg 1991, Ritchie and Goeldner 1987, and Weierman and Fuchs, 1998). Some of the reasons include improved economic welfare, leisure time, transportation facilities and mobility, rise in telecommunication and improved quality of life in industrialized countries (Klaassen, 1968; Patmore, 1973; Coscossis and Nijkamp, 1005;Tsartas, 1998; Honey, 1999). In addition to these, supply of tourist sites and improved accommodation has stimulated international tourist arrivals across the globe (Eadington and Redman, 1991; Johnson and Thomas, 1990; Lee et al., 1996 and Tribe. 1997).

Number of tourist arrival and tourism expenditure are considered effective but their effectiveness varies and depends on research objectives. The reliability of empirical results depends upon the usage of theoretically sound approaches and application of panel data. Meta-analyses shows that unresolved issues in the field can be resolved with appropriate techniques and tourism proxies. Song, Qui and Park (2023) identified potential areas and flaws in tourism research that may provide a future direction to researchers. Lim (1999) conducted a meta-analysis using seventy studies to identify the effect of income and transportation costs on international tourism demand.

1.2 Global Trends

Tourism is an important industry throughout the Americas, with many countries in the region relying heavily on tourism for economic growth and job creation. The Americas are home to many popular tourist destinations, including the United States, Mexico, Canada, the Caribbean islands, and several countries in Central and South America. According to the Travel and Tourism Development Index (2021), United States, Canada, Chile and Mexico were the top tourist destinations having index score of 4.3 and above out of seven. The warm climate and beautiful beaches of the Caribbean and Central and South America make the region a popular destination for beach tourism. Popular destinations include Mexico, Dominican Republic and Brazil.

Asia-Pacific region is a major player in global tourism industry as it attracts millions of visitors every year from the world because of its rich culture and natural landscapes. Japan, ranked at 5.2/7 in TTD index, Thailand, ranked at 4.3/7 in TTD index, Australia, ranked at 5/7 in TTD index, Singapore, 5/7 in TTD index, China, and Indonesia are the top tourist destinations in this region respectively. The Great Wall of China, the Angkor Wat temple complex in Cambodia, and the historic city of Kyoto in Japan are some famous tourist spots in the region. Bali in Indonesia, the Great Barrier Reef in Australia, and Mount Everest in Nepal are a source of natural tourism in these countries. On the other hand, Thailand, India, and Singapore are known to have thriving medical tourism in the region as well while New Zealand, which has developed a sustainable tourism strategy to promote tourism in the country. Greece is one of the world's most popular tourist destinations, with its stunning landscapes, rich cultural heritage, and history. According to the World Travel and Tourism Council (WTTC), tourism contributes around 18% to Greece's GDP, and the industry supports around 20% of the country's employment.

2.1 General framework

There is a diverse spectrum of tourism demand theories emphasizing the link between tourism promotion, economic growth and development. These theories implicitly address a wide range of tourism related hypothesis. One important and noticeable fact is that these theories share some common variables amongst them. In general, these theories bring forth the relationship between tourism promotion through increased number of tourist arrivals and a set of few explanatory variables that link

tourism demand to the economy and its sub sectors. These theories differ in terms of supply side and demand side mechanism linking economic growth and development. Therefore, an important conclusion that could be drawn from the empirical literature is that the empirical investigation in all selected tourism studies was motivated by a combination of theories.

The literature shows that the demand for tourism has been estimated for aggregate and disaggregate data and with different components as well. As the definition of tourism differs, this study provides most frequently used definitions to analyze tourism demand in the existing literature on the research field. The general specification begins with the following functional relationship for the long-term demand for tourism;

$$Int_D = f(E, SF, PF, DF, TECH_F, TBH, Env_S, GEC, FD, Dist)$$

where;

Int_D = International Tourism Demand

E = Economic Factors

SF = Social Factors

PF = Political Factors

DF = Demographic Factors

TECH_F = Technological Factors

TBH = Tourist Behavior

Env_S = Environmental Sustainability

GEC = Global Event and Crises

FD = Financial Development

Dist = Distance

2.2. Prominent work in the field of Tourism Demand

Most prominent work with highest number of citations is provided in the table below;

Year	Authors	Title	Citations
2008	Haiyan Song, Gang Li	Tourism demand modelling and forecasting—A review of recent research	1287
1995	S. F. Witt, C. Witt	Forecasting tourism demand: A review of empirical research	951
2012	Song, H., & Witt, S. F.	Tourism demand modelling and forecasting	874
1997	C. Lim	Review of international tourism demand models.	753
2011	Schubert, S. F., Brida, J. G., & Risso, W. A.	The impacts of international tourism demand on economic growth of small economies dependent on tourism	653
2005	Gang Li, Haiyan Song, S. F. Witt	Recent Developments in Econometric Modeling and Forecasting	538
2019	Law et al	Tourism demand forecasting: A deep learning approach	410
2014	Morley, C., Rosselló, J., & Santana-	Gravity models for tourism demand: theory and use	413

	Gallego, M.		
1994	G. Crouch	The Study of International Tourism Demand: A Review of Findings	487
1994	G. Crouch	The Study of International Tourism Demand: A Survey of Practice	420
1995	G. Crouch	A Meta-Analysis of Tourism Demand	347
1999	C. Lim	A Meta-Analytic Review of International Tourism Demand	281
2006	Haiyan Song, S. F. Witt	Forecasting international tourist flows to Macau	264
2001	N. Kulendran, S. F. Witt	Cointegration versus least squares regression	248
1992	C. Morley	A microeconomic theory of international tourism demand	226
2020	Li, H., Hu, M., & Li, G	Forecasting tourism demand with multisource big data	200
1984	M. Uysal, John L. Crompton	Determinants of demand for international tourist flows to Turkey.	220
2013	B. Peng, Haiyan Song, G. Crouch, S. F. Witt	A Meta-Analysis of International Tourism Demand Elasticities	211
1987	S. F. Witt, C. A. Martin	Econometric Models for Forecasting International Tourism Demand	210
2000	Haiyan Song, P. Romilly, Xiaming Liu	An empirical study of outbound tourism demand in the UK	194
1987	C. A. Martin, S. F. Witt	Tourism demand forecasting models: Choice of appropriate variable to represent tourists' cost of living	189
1985	M. Uysal, J. Crompton	An Overview of Approaches Used to Forecast Tourism Demand	181
1988	C. A. Martin, S. F. Witt	Substitute prices in models of tourism demand.	179
1992	G. Crouch	Effect of income and price on international tourism	177
1997	C. Lim	An Econometric Classification and Review of International Tourism Demand Models	175
1996	Lee Choong-Ki, T. Var, T. Blaine	Determinants of Inbound Tourist Expenditures	304
1984	J. O'Hagan, M. J. Harrison	Market shares of US tourist expenditure in Europe: an econometric analysis.	144
1996	G. Crouch	Demand elasticities in international marketing : A meta-analytical application to tourism	130
2006	Gang Li, Haiyan Song, S. F. Witt	Time varying parameter and fixed parameter linear AIDS: An application to tourism demand forecasting	128
2005	Robertico R. Croes, Manuel Vanegas	An econometric study of tourist arrivals in Aruba and its implications.	125
1993	P. Sheldon	Forecasting Tourism: Expenditures versus Arrivals	120
2021	Zhang, Y., Li, G., Muskat, B., & Law, R.	Tourism demand forecasting: A decomposed deep learning approach	121
1994	G. Crouch	Demand Elasticities for Short-Haul versus Long-	118

Haul Tourism			
2000	Manuel Vanegas, Robertico R. Croes	Evaluation of demand US tourists to Aruba.	110
1989	C. A. Martin, S. F. Witt	Accuracy of econometric forecasts of tourism	98
1995	Theodore Syriopoulos	A dynamic model of demand for Mediterranean tourism.	89
1997	H. Seddighi, Df Shearing	The demand for tourism in North East England with special reference to Northumbria: an empirical analysis.	67
2002	A. Tan, C. McCahon, Judy L. Miller	Modeling Tourist Flows to Indonesia and Malaysia	65
1998	P. Lathiras, C. Siriopoulos	The Demand for Tourism to Greece: A Cointegration Approach	61
1987	S. F. Witt, C. A. Martin	International tourism-demand models — inclusion of marketing variables	51
1992	S. F. Witt, G. D. Newbould, A. Watkins	Forecastin Domestic Tourism Demand: Application to Las Vegas Arrivals Data	44
1995	A. Morris, K. Wilson, S. Bakalis	Modelling Tourism Flows from Europe to Australia	33
1997	A. Athiyaman	Knowledge development in tourism: tourism demand research	21
1994	G. Crouch	Price Elasticities in International Tourism	20
2002	A. Tan, C. McCahon, Judy L. Miller	Stability of Inbound Tourism Demand Models for Indonesia and Malaysia: The Pre-and Postformation of Tourism Development Organizations	18
2006	Hailin Qu, Yin-Sik Or	Determinants of the Travel Demand Model for Canadian Tourists to the U.S.	12

3.1 Defining Tourism: A Broader Perspective

Tourism itself is a global phenomenon and there is no debate over it. However, the real debate is on “tourism” itself. The word tourism exists in English lexicon for two centuries now (Lew and Williams, 2008). The very first recorded use of tourism was in Oxford English Dictionary (OED 1971:3363) and appearing in Sport Magazine of England in 1811. The magazine article used the word with negative connotation and indirectly referring to growing Working-class English families seeking pleasure in traveling referred to as “sublime Cockney Tourism” (Smith, 2008).

Tourism industry may be defined as “the aggregate of all business that directly provide goods or services to facilitate business, pleasure, and leisure activities away from the home environment” (Smith, 1988). International Tourism industry has flourished at a very rapid rate over the few years and tourism is expected to increase further. Technology is changing the way people plan, book, and experience travel. Online travel agencies, social media, and mobile apps are all playing a role in shaping the future of tourism (Zsarnoczky, 2018). The literature has mostly used the definition of a tourist as a person staying away from his/her home for more than 24 hours.

The definition of tourism has changed in literature on tourism as shown in the table below;

Time	Definition	Defining Body
1937	defined an “international tourist” as anyone visiting a country other than his/her usual residence for more than 24 hours, excluding workers, migrants, commuters, students, and travelers who did not stop while en route through a country on their way to a third country.	The Committee of Statistical Experts of the League of Nations
1950	Revised 1937 definition and included students on study tours as “tourists” and introduced two new terms “international excursionist” (an individual visiting another country for pleasure for less than 24 hours) and “transit travelers” (persons traveling through a country without stopping en route)	The International Union of Official Travel Organizations (IUOTO)
1953	Revised 1950 definition by setting a maximum stay of six months	The UN Statistical Commission (UNSC) organized a Convention Concerning Customs Facilities for Tourism
1963	Modified the definition and drew a distinction between “tourists,” who stayed 24 hours or more, and “excursionists” or “day visitors,” who stayed less than 24 hours. The combination of tourists and excursionists was called “visitors.”	UN Conference on International Travel and Tourism a
1968	endorsed the term “tourist” and suggested dropping “day visitor” in favor of “excursionist” for those staying less than 24 hours. They also recommended classifying “transit travelers” as “excursionists.”	the Expert Statistical Group of the UNSC
1978	Ratified recommendations proposed in 1968	Representatives of the World Tourism Organization (WTO), the UN Conference on Trade and Development, the Conference of European Statisticians, the East Caribbean Common Market, and the Caribbean community
1993	New narrow objectives were considered to be identified that could help understand tourism as a global phenomenon	UNSC in 1993 (WTO 1994)
1995-1988	Tourism Satellite accounts were developed by various economies (TSA’s) and struggle continued to explore the potential of TSAs	Eurostat, the WTO, and the OECD
2001	A concept called comptes satellites was developed which referred to subset of national accounts that contained data on an economic activity	French National Accountants

Table 1: Definitions of Tourism in Literature on Tourism Economics

Source: Google Scholar citations, Litmap and Connected papers

3.2 Kinds of Tourism

Tourism is categorized into various types such as medical or health tourism, religious tourism,

ecotourism, cultural tourism, business and sports tourism, rural tourism, culinary tourism and dark tourism. These categorized have been made based on the purpose of travel. Popular regions for adventure tourism are Latin America, Africa and South East Asia. Economies famous for Cultural tourism are China, France and Italy. These site are famous for cultural and heritage sites, museums and festivals. Moreover, medical tourism has greatly expanded over the past few years. Some of the destinations visited for health care and treatment are India, Turkey and Thailand. Religious tourism is also a major attraction for some economies, for instance, approximately 20 million people from around the world visit the city of Makkah during Hajj. Israel, Iran, Rome and India are also known for attracting religious or spiritual tourists (Kim, Kim and King, 2020). Rinschede (1992) identified various form of religious tourism as short-term where tourists visit a destination for a very short time and long-term religious tourism where tourists spend days or weeks. Rashid (2018) highlighted that religious tourism is nothing new but its financial impact is tremendous and this is acknowledged by Wilkening (2007, 2008) as well. Sports tourism also attracts millions of spectators in countries hosting global sports such as Olympics or FIFA World Cup. On the other hand, U.K, Australia, Canada and U.S host educational tourists and generate \$30 billion globally (ChatGPT, personal communication, October 31, 2024). Moreover, there is a need for collaboration in the adoption of ecological sports management or to arrange events in natural environment (Mascarenhas et al., 2021). Recently, rural tourism has gained much importance in the literature, primarily because of its rule in improving the standards of living of rural communities at destination. (Karali, Das and Roy, 2024; Yanan, Ismail and Aminuddin, 2024). The debate on rural tourism in the developed world has matured due to issues pertaining to power struggle, resource control and community politics (Karali, Das and Roy, 2024). Wu et al., 2024, proposed a similar idea that the role of government in resource mobilization enhances an individual's knowledge about environmental consciousness and waste sorting behavior in communities.

The literature also showed that events and other festivals in famous destinations generate demand for culinary tourism, for instance, Italy and Turkey have elucidated the fact that local cuisine and local restaurants have an immense potential to attract international tourists (Liberato, Mendes and Liberato, 2020). Differentiation in destination or destination branding is trending because of mounting importance and need of gastronomic tourism in resourceful regions (Rocha et al., 2020). However, gastronomic tourism is less widely used typology in academia than culinary tourism (Liberato, Mendes and Liberato, 2020) because gastronomic tourism focuses more on professional hospitality and the way food is consumed while culinary tourism relates the touristic destination with its wider lifestyle, culture and festivals. Tourist's Visit in view of cultural experience is greater in culinary than in gastronomic tourism.

An emerging niche within tourism categories is dark or thanatourism (Death Tourism) where tourists visit certain destinations that share dark experiences or events (Dale and Robinson, 2011; Lennon, 2017; Light, 2017), however, the field is very much in its infancy (Stone, 2013). For instance, over two million tourists visit Auschwitz, now considered as world heritage site by UNESCO. It was the site of largest mass murder in the history of humankind, a place historically known for terror, genocide and holocaust. People visit the place to learn how the prisoners and victim from war II and Soviet war were imprisoned there and sent to death in Birkenau gas chambers (Video history | Auschwitz-Birkenau, Youtube, July 11, 2020). International tourists also visit Chernobyl Exclusion Zone in northern Ukraine, a technological disaster resulting due to inexperienced staff and week security backups, to see buried village near by the explosion of the reactor (Yankovska and Hannam, 2014). Tourists visit the exclusion zone in different times of the year despite that the ecological harm was 400 times more than Hiroshima Nagasaki nuclear bombs.

Business tourism is another kind of tourism where individuals travel for professional purposes including meetings, conferences, and exhibitions (Kulendra, 2003; Tichaawa, 2017; Ahmed, 2020). (Abuseridze, Agapova and Petrova, 2024) highlights the role of WTO in promoting business tourism in view of the

impact of pandemic on business tourism. South Africa's rural community was adversely affected by the pandemic, as the rural economy was reliant on tourism sector. Almost 100000 tourists travelled to Chernobyl in 2019, which was record high, but after travel restrictions and Russian invasion of Ukraine in 2022, the number of visitors has dropped (ChatGPT, personal communication, October 31, 2024).

4.1 An Overview of Fundamental Concepts in Tourism Demand Studies

The literature on tourism demand studies has expanded rapidly after 2002. With ever-rising international competition resulting from globalization, destination countries have devoted their resources on construction as well as expansion of tourism related infrastructure. The rapid expansion and development of the tourism sector has now attained the status of being called as an industry.

The concepts of demand and supply have remained of immense importance in economics. The interaction of both contributes to the market efficiency and economic balance. Researchers and practitioners can gain valuable insights from literature on tourism demand. Both the, origin and destination economies, can gain from increased tourism under certain circumstances. This review considered almost 160 studies on tourism demand (Menchenko and Javed, 2024). Demand for tourism depends on the political, economic and social conditions of the origin countries. Out of these 160 studies, some included a comprehensive review of the factors that influenced demand for tourism including environmental, social and economic factors such as climate change, ecotourism, income levels and exchange rates, respectively. Despite a comprehensive view of tourism trends and influencing factors, these studies suggest that future research should focus on sustainable tourism practices and community centered tourism (Song and Lin, 2022).

Given the role of information, communication and technology (ICT), the demand for tourism has been shaped by not only the socio-political or economic factors but psychological and motivational as well. Such factors are also referred to as psycho-demographic factors. Tourists visit destination when they believe it is secure, free of terrorism and war like situations, has flexible visa policies and is tax friendlier. Income and leisure are driving forces of tourism demand but the geographical factor plays a substantial role in generating tourism demand in the destination country. Existence of cultural sites and adventurous activities such bird-watching, fishing, swimming with dolphins, whale watching and safaris attract tourists to particular destination (Shani and Pizam, 2009). Availability of hotels, distance, and travel related transportation and improved quality of service and accommodation attract international tourists to a particular tourist spot.

Studies conducted so far are mostly time series and panel studies as national level databases in developing economies are not well equipped with systematic and regular tourism related statistics.

4.2 The concept of Sustainable Tourism vs Ecotourism: Which one is broader, comprehensive and meaningful?

Sustainability is defined as the capacity to provide continued support, process or service provision to the society over a period without depletion of existing resources. The Brundtland Commission in 1987 defined sustainability as follows; "*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*" The concept of sustainability is applied widely in various fields related to growth and economic development. Similarly, sustainable tourism is a concept widely discussed in the literature of tourism economics. Economically, socially and environmentally sustainable destination economies attract more tourists than destinations lagging in these three pillars of sustainability. Research based on sustainable tourism focus on terminology like wildlife conservation, travel ecology, coast monitoring for tourism and optimal waste, beach restoration, greenery, enhancing access to tourism resorts, promotional strategies (Facebook, Instagram, podcasting, blogs, ticket sales, festival information) on media, (Harris, 2012; Guzzo et al., 2013; Rosilawati, Daffa, and Ariyati, 2021) in view of a shared and participatory approach. The concept also involves educating local inhabitants and visitors on ecolodges designed to protect

environment and nature from harm.

Research on ecolodges in tourism studies is limited and performance of ecotourism depends largely on it. The term ecotourism considers broader aspects such as nature conservation and community involvement as compared to previously used term of sustainable tourism. An ecolodge is defined as '*a nature-dependent lodge that meets the philosophy and principles of ecotourism*' (Russel et al., 1999). It is different in terms of its design, food, activities and other dimensions. The design is like that of an enclave, food is good and hearty and activities are nature based. Hotels in tourism industry will be termed as sustainable ecolodge or "green-hotels" if their impact on physical environment is positive, promotes local culture, treats grey water, use biodegradable soaps and conserve energy (Osland and Mackoy, 2010).

Improvement in environmental performance not only help economies achieve sustainable development goals but also generates tourism income while economies where environmental quality is poor in terms of higher carbon emissions have tend to have increased number of threatened species (Lodhi et al., 2023). Land use, community engagement and economic viability are essential to achieve sustainable tourism under umbrella of equitable development (Jamshed, & Lodhi, 2024). Previous research has categorized ecotourists as hard ecotourists and soft ecotourists where the former focus more on less accessible places while latter place more value on service (Osland and Mackoy, 2010).

Moreover, idea of locavore movement is deeply linked to ecotourism as it enables tourists to experience the taste of local food at destination economies or tourists resorts. Local agricultural system and supply chain can be of great value to boost tourism industry (Hall and Gössling, 2016). Local cuisines can positively affect rural areas as tourism can play a substantial role as a means of economic diversification. Therefore, promotion of local food is important to revitalize the rural regions at destination economies e.g. Swiss Alps are known for vine and Niagara Culinary Trail, Niagara Agritourist circuit, Niagara Wine Route, the Greenbelt and numerous festivals and events that feature local food all highlight the link between food tourism and sustainability (Hjalager and Johansen, 2013). Destination branding can attract tourists in a particular economy and in region since food tourism goes beyond culinary experiences as global food production interacts with tourism (Che, 2006; Telfer and Hashimoto, 2004; Everett and Aitchison, 2008; Kunwar, 2017; Bristow and Jenkins, 2018).

Another concept discussed in tourism literature to promote ecotourism is promoting off-season travel. Some researchers have considered "off-season as "no season" but it is true for cold water resorts and destinations having harsh climate (Lundtorp, 1999; Lundtorp, 2001) while others identify that it has potential to boost rural tourism. Tourists enjoy visiting Bornholm Island in sunshine; hence, it is visited less in off-season. On the contrary, it is observed that the travel agencies in Mauritius have played a significant role in promoting off-peak tourism through seasonal pricing, product and market diversification, and promotional activity. The agencies provide extra convenience to tourists such as travellers' cheques, visa and passport facilities accompanied with travel insurance (Medlik, 2003).

Having discussed the difference of sustainable and ecotourism and activities that may boost these, the study observes that ecotourism is a broader and comprehensive concept and widely accepted as compared to sustainable tourism these days. Ecotourism refers to responsible travel and ensures wellbeing of the locals and its promotion requires proper planning and monitoring. However, the two ideas co-exist in the literature (Diamantis and Ladkin, 1999).

4.3 Role of ICT in Promoting Sustainable Tourism

Spasojevic, Lohmann and Scott (2017) revealed that research needs to be done in themes of passenger experiences, aviation and tourism as well as impact of low-cost carriers on tourism in future research studies. Law et al., 2018 revealed that ICT plays an important role in terms of finding information about travel bookings, shopping online, payment mechanisms and food and restaurants as well.

Economic growth and ICT are greatly linked to each other (Jorgenson, 2001; Jorgenson and Vu, 2011; Kumar, 2014; Kumar and Kumar, 2012; Kumar et al., 2015, 2016; Madden and Savage, 1998; Pohjola, 2002; Ward and Zheng, 2016; Stiroh, 2002; Strobel, 2016). Ardakani and Estehlaji (2020) came up with an important finding that commitment of senior managers in promoting or implementing ICT in Ardabil province of Iran was hindrance in expansion of tourism. Although, it is a complex issue to establish ICT but an effective government and good will of senior managers. This idea was also supported by another research where senior managers at destination played a pivotal role in application of ICT in tourism (Ali, 2009). The idea that role of ICT promotes sustainable tourism is not new but is still under-researched. Website analysis and internet marketing can make use of ICT tools (Standing et al., 2014). Researchers interested in determining role of ICT should focus on meta-analysis of Internet usage in travel and tourism.

Travel companies with hybrid automobiles, hoteliers with appropriate conservation programs, restaurateurs with large-scale recycling plans, and other ecoentrepreneurs are using new technologies to reduce the toll that travel and tourism take on the environment.

The idea of virtual tourism, also considered as smart or digital tourism in the literature, has emerged soon after the pandemic. Virtual tourism facilitates tourism without travelling (Neuburger, Beck and Egger, 2018). Individuals can visit any place using smartphones in a 3-D atmosphere.

4.4 Political Instability and its Impact on Tourism Activities

Various studies conducted in Latin America stated that political instability has played a big part in keeping the developing countries from reaching their potential (Wood, 1992; Sanatana, 2003; Wilson, 2008; Gonzalez and Lionetti, 2011). Political events decrease tourist arrivals and investors (Henderson, 2006). Many of these countries have beautiful coastal lines, and a major chunk of their economy depends on the revenue generated from these areas and islands to keep the country afloat. Constant political uncertainty leads to underutilized and unfair distribution of resources. Tourists are more willing to visit and experience a country's culture where they do not feel a threat to their lives. The consequences of such actions lead to further economic problems that are keeping these countries from utilizing their natural resources. Tourism can be a great source of income, but such issues do not allow this and thus make evolution in the market and financial development halt. Countries with instable political, social, and economical problems discourage foreign investments (Sanatana, 2003). The literature revealed that institutional quality, corruption control and political instability generates positive impact on growth and development in destination countries (Tang & Tan, 2018). Antonakakis (2019) also argues that the relationship between growth and tourism is largely dependent on the political status of the destination. It is observed that developed countries have more likeliness of attracting international tourists as they are politically and economically stable than developing countries (Sönmez, 1998; Ryu, 2005; Causevic and Lynch, 2013; Yap and Saha, 2013; Bayar, and Yener, 2019; Rosselló-Nadal, and Santana-Gallego, 2020; Nguyen and Nguyen, 2021; Fourie, Detotto, Giannoni and Goavec, 2021). Researchers of tourism demand in its existing literature (Eid, El-Kassrawy and Agag, 2019) have established link of destination image and political stability with tourist arrivals. Good governance, destination image and political stability also determine intention to recommend and tourist loyalty towards the destination economy. Saha and Yap (2014) observed moderating effects of political stability on tourism demand using cross-country panel data. It was observed that negative effect of political instability was more severe than the impact of one-off terrorist attack, hence, terrorist attacks were likely to increase in countries with higher levels of political risk. Absence of violence in African countries observed to attract tourism demand as shown in literature (Adeola, Boso and Evans, 2018). However, this area is under-searched and given limited attention in tourism demand studies (Saha and Yap, 2014; Fletcher and Morakabati, 2008; Adeola, Boso and Evans, 2018; Athari et al., 2021;). Therefore, it is clear that the political risk has damaging impact on tourism industry.

4.5 Tourism Demand, Good Governance, Institutional Quality and other Qualitative factors

Good governance and institutional quality holds seminal place in tourism promotion and its sustainability. Good governance leads to development of infrastructure and production. Number of tourist attractions and international tourist arrivals may experience a hike if tourism sector is considered as the priority at state level. Control of corruption, rule of law, voice and accountability,

Inclusive governance is more relevant towards the development as it includes the collaboration of public sector, private sector and civil society to achieve socio-political, economic and environmental goals. Moreover, policy coherence demands involvement and coalition of these stakeholders and parties. Rural and urban disparities can be reduced with good governance, which not only ensures economic sustainability or access to electricity but also ensures environmental sustainability and socio-cultural sustainability (Pazoki, Sheikhi and Zand, 2021).

Good governance is expected to promote economic growth through effective policy making while governance has been neglected in tourism research. Sustainable economic development among economies is well defined by the existence of accountability, corruption control and quality of institutions (Tang, 2018). Bad governance is considered a structural problem, which hampers economic growth and development while good governance attracts tourists (Detotto, Giannoni and Goavec, 2021). Governments can promote pro-poor tourism as there is a need to apply the concept of “just governance” to tourism (Jamal and Camargo, 2018). There is a need for reconciliation for the protected areas or areas needing conservation (Phong, 2014). Research also showed that higher levels of tourism, lower levels of corruption are associated with economies that manage forest in sustainable fashion (Cozma et al., 2023).

4.6 International Tourism Demand and Exchange Rates

Exchange rate is defined as the price of one currency in terms of another, which is calculated as an annual average based on monthly average. The total number of studies devoted towards analyzing the impact of exchange rate in tourism flows is fewer (De Vita, 2014). According to Thompson and Thompson (2010), exchange rate is an important determinant of tourism demand as financial liberalization tends to have a positive impact on tourism revenues. However, Chadee and Mieczkowski (1987) observed moderate effect of exchange rate on Canadian tourism demand while a recent research showed insignificant impact of exchange rate volatility on tourism in Mauritius (Imamboccus et al., 2024). Maiyo, Atitwa and Morris (2024) concluded that major exchange rate fluctuations had a significant effect on tourism demand in Kenya while Sharma, Vashishat and Rishad (2019) found adverse effects of exchange rate changes on tourism demand in India. The impact of exchange rate on tourism is mixed. Thanh (2024) also showed a rise in exchange rate rises income in the short term but negative impact on tourism in the long-term. Therefore, it can be concluded that exchange rate effects vary from economy to economy and countries with higher dollar borrowing are relatively more sensitive to changes in exchange rate that influence hotel pricing and tourist arrivals. Lower exchange rate also affects tourism revenues as domestic tourists' preference to visit abroad increases (Sarchami, Zayandehrodi and Jalaei, 2021).

Despite that exchange rate effect is different for different origin and destination countries, it must be considered in tourism demand function as it not only allows capturing the economic impact by measuring travel cost but also reflects tourists' willingness to spend.

4.7 Linking Transport and Infrastructural Development with Tourism Demand

The position of destination and its image depends largely on its transport and infrastructural development (Mandić, Mrnjavac and Kordić, 2018). Availability of transport facilities promotes domestic as well as international tourism demand (Khadaroo, 2008; Apriyanti, 2024). The development of new attractions and the growth of existing tourist spots requires transport infrastructure. A recent

study highlights that tourists from Europe, Asia and America are sensitive to island's transport infrastructure (Khadaroo and Seetanah, 2007). The study analyzed the data on air, sea and land transport capital to reveal that availability of transport infrastructure in Mauritius played a significant role in attracting tourists to the destination. Number of repeated visits are also influenced by the improved transport facilities at the destination country.

4.8 Distance as an Independent Factor determining Tourism Demand

Distance in tourism studies is as important as it has been in studies on international trade. The relevance of distance for destination and origin countries is that the lesser distance will increase demand for international tourism. There are two kinds of distances considered while determining demand for tourism in the existing literature i.e. cultural distance and travel distance or kilometric distance.

4.8.1 Cultural Distance

Cultural difference is considered one of the major factors in tourist motivation to visit the destination. It refers to the customs, knowledge and beliefs which are shared by individuals in a society influence the choice of destination selection by the tourists (Tylor 1871; Triandis, 1994; Crofts, 2004; Ng et al., 2007; Ahn and McKercher, 2015).

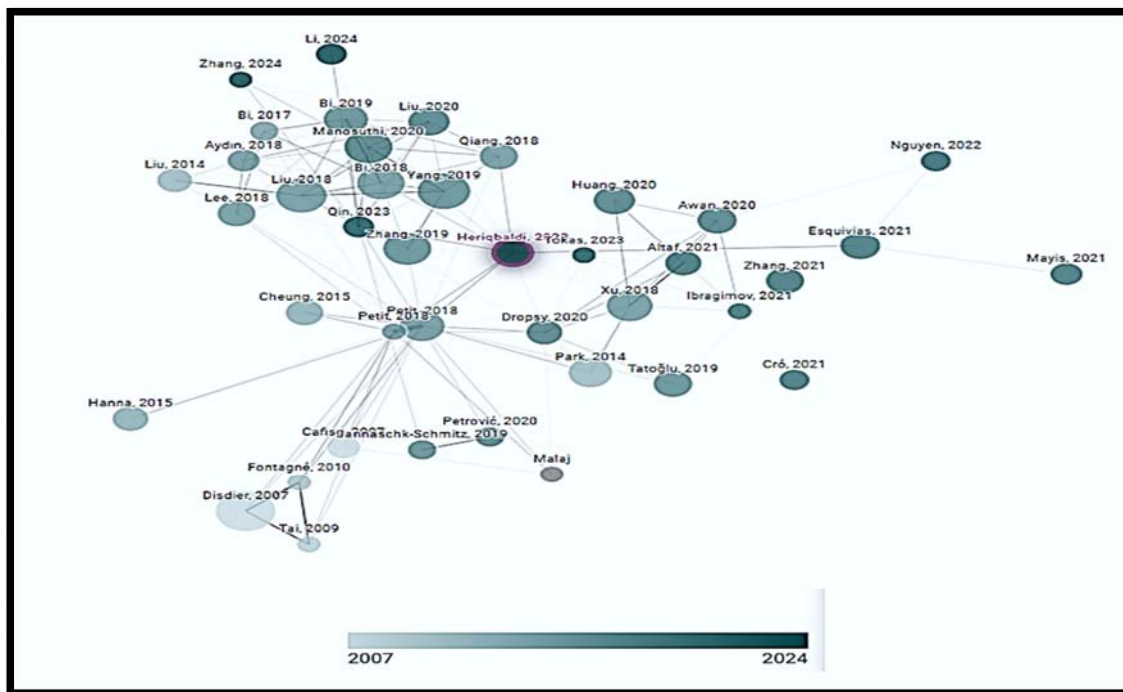


Fig: Studies in Literature on the role of cultural distance in boosting international tourism arrivals

Source: Created using connectedpapers.ai

Higher cultural difference influence tourists' willingness to visit a particular place negatively (McKercher and du Cros, 2003). Tourists find it easier to cope in destinations with similar culture. The figure shown above draws attention to the fact that distance between destination and origin countries have remained of great value in attracting international tourists. The research papers have been arranged in terms of their similarity and node size represents the number of citations. The last two decades have shown that tourism literature considers distance as an important element in determining tourism demand and the economies have reaped benefits from of globalization as well. Countries trade with each other considering the distance between them and travel costs involved. For instance, Liu (2020) observed a

negative impact of cultural distance and tourism demand reflecting lower sensitivity of tourism demand to change in cultural distance. Cultural distance is considered to be more meaningful than Travel distance in studies on tourism demand.

McKercher (2002) identified five different types of cultural tourists. For instance, purposeful cultural tourists are the ones whose urge to learn about different cultures is high. On the other hand, sightseeing cultural tourists are more involved in entertainment than culture while casual cultural tourists' decision to visit a destination is not driven by culture. Additionally, incidental cultural tourists participate in cultural activities accidentally at destination. Lastly, for serendipitous cultural tourist, culture was not meaningful in destination selection but deep experience after visiting cultural attractions. The impact of cultural distance is varying in the literature, thus, yielding inconclusive results.

However, it is crucial to note that the cultural distance is measured through micro data and household level surveys so their modelling is relatively easier in micro level studies. Cultural distance changes over time while it stays constant over short period, therefore, macro level studies with large sample size provide limited information than cross-sectional studies with large sample size.

Hofstede's theory of national culture supports the incorporation of this variable as a determinant of tourism demand. Research scholars have used different dimensions of cultural distance but the most commonly used dimensions are that of Hofstede National Cultural Dimensions (HNCDC; Hofstede, 1984). Some of the dimensions include power distance (PDI), uncertainty avoidance (UAI), masculinity-femininity (MAS), individualism-collectivism (IDV), long-term orientation (LTO) and indulgence versus restraint. Inbound tourist arrivals and outbound tourist arrivals both are influenced by these factors. Studies revealed that greater physical distance between destination and origin pair reflects larger cultural distance as well (Håkanson and Ambros, 2010; Joo et al., 2017). The section 4.9 discuss tourist behavior and the factors, which influence their behavior in detail.

4.8.2 Travel or Physical Distance

The travel or physical distance is defined as the geographical distance between the capitals of the origin and destination country in tourism studies. The literature takes a dummy variable for distance in econometric modelling by coding geographically neighbored countries as 1, zero otherwise. Kilometric distance between destination and the origin country has also been used in econometric modeling in tourism literature.

Travel and cultural distance are highly correlated to each other. Previously, researchers have used two-stage Bayesian median regression approach to control for such collinearity between the two.

4.9 Factors influencing Tourist behavior

Psychological and motivational factors are deeply connected with the tourists' choice of destination selection. The behavior of the tourist is influenced by geographical factors, social factors, place of origin, tourism destination and education of the tourist (Djeri et al., 2017). (Djeri et al., 2017) observed that the tourist's level of education influence how they gather information about destination and travel arrangements. Their education also influence the way they spend time at destination and how they substitute between available destination alternatives. Apart of education, other geographical factors such as climatic conditions at the destination, availability of service and accommodation, marketing and advertising by destination countries or promotional activities by travel agencies play an important role in the decisions regarding destination selection (Rompf, Breiter and Severt, 2008; Mutinda and Mayaka, 2012; Kumar and Hussian, 2016; Seyidov and Adomaitienė, 2016).

Moreover, tourists' selection of destination and behavior depends on the place they belong to, since, some tourists visit places they feel culturally closer with while others visit destinations in groups. The effect of cultural distance is measured using aggregate data while most of the conclusions are drawn on specific destination markets (Yang and Wong, 2012; Esiyok et al., 2017; Bi and Lehto, 2018). Curiosity

and the level of knowledge about a destination drives the decision-making process and tourism demand at destination market. Availability of clean water, electricity, greenery, transport facilities and accessibility to near markets or other amenities attract tourists. There are other qualitative constructs such as noisy-quiet, pleasant-unpleasant, trendy-not trendy, boring-interesting, unappealing-attractive, commercialized-not commercialized, arousing-sleepy and relaxed pace of life-fast pace of life that affect tourist behavior (Walmsley and Young, 1998).

4.9.1. Extrinsic Behavior

Extrinsic tourists consider tourism as an activity of enjoyment. Tourists with extrinsic behavior exhibit higher level of satisfaction as they see an activity as a source of entertainment and means of enjoyment itself. Therefore, time passes quickly for them, as they prefer saving time, travel comfort and relatively fast transactions. They look forward to similar experiences in future as well where they visit financially developed destinations with more facilities.

4.9.2. Intrinsic Behavior

Intrinsic tourists are the ones who are more concerned with the travel experience. They consider level of comfort more important than enjoyment itself at destination market. Disruptive transactions and travel discomfort may negatively influence their sense of belonging and loyalty to the destination. These factors may hinder their length of stay, relaxation and enjoyment at the destination where fewer facilities are available.

5. Discussion on Variables, Methods and Econometric Techniques

Given the general framework provided above, the paper will now focus issues related to variable selection and representation of variables along with their modeling and estimation. Pablo-Romero and Molina (2013) represented a detailed overview of this issue pertaining to the selection of tourism proxies and causality results obtained by researchers.

Statistical techniques have been used in quantitative tourism economics to understand the behavioral characteristics of consumers in the context of tourism. Mok (1990) observed how advertising of the destination influenced tourists using hypothesis testing of Neyman-Pearson. Parametric tests are commonly used in analyzing tourist behavior such as t-tests, correlation tests and variance covariance analysis. Correlation tests has been used to determine the relationship between tourist loyalty and satisfaction, quality of alternatives and brand investment in cruising context (Li and Peter, 2008).

The last two decades have seen an increasing use of quantitative techniques in tourism studies mainly due to expansion of the industry, improved methods of data collection and reliance of destinations on tourism. Governments and stakeholders including destination managers tend to take more informed decisions, thus, pay more attention to result driven quantitative research in the field. Tourism researchers have observed to understand the behavioral characteristics of society in terms of their travel preferences, destination awareness and satisfaction on hotel accommodation and service quality. Therefore, statistical techniques, both parametric and non-parametric have their pros and cons. Parametric tests are considered more robust and powerful in handling complicated designs of research. (Li, 2008). Rosselló (2023) emphasize that correlation does not imply causation while Cang and Seetaram (2012) discuss the properties of data and issues of seasonality, structural breaks and stationarity. Research has shown that terrorist attacks can permanently effect destination if the data on number of tourist arrivals is non-stationary. There is, however, no single class of model is best for forecasting and prediction.

Structural Equation modelling (SEM) has also gained importance as it allows for multiple dependent and independent variables in the model with latent construct as well. Lee and Kyle (2012) have identified advantages of SEM over other methodologies since it requires theoretical foundation and works well in cases where measurement structure is not stated or is not guided by theory. However,

SEM requires large data sets. The research in tourism also shows a widespread use of discrete choice models where tourists make many decisions that are intrinsically multinomial. These models are commonly used in estimating tourist's willingness to pay for attractions and substitution rates where they will substitute one destination for another. In addition, panel data modelling is also used extensively to study the dynamics of tourism with both temporal and spatial dimensions, however, data requirements are large despite that it is powerful and yield reliable estimates. Use of micro data is preferred by the tourism researchers to avoid the problem of attrition, which may result, with macro data or panel data. Apart from these techniques, researchers in the field also use Almost Ideal Demand System (AIDS) modelling as this model satisfies axioms of choice. The AIDS model allow for studying consumption behavior of tourists or their spending behavior on goods and services at destinations. Transportation costs are modelled less by the researchers rather consumer price index is used as a proxy for tourism prices which has the drawback of overestimating or underestimating the real cost of tourism goods and services. Hedonic pricing is another method to look at tourism demand with a multi-sector or multi-attribute tourism industry. As compared to Hedonic Pricing, factor analysis is more complex as it is based upon strong theoretical foundation and latent constructs.

Cluster analysis in tourism studies is also considered one of the multivariate techniques, which help compare homogeneous clusters or groups, segregated based on psychographic and demographic variables including motivations, attitudes and perceptions of tourists as well as the host communities. Since, all tourists cannot be treated equally because of their heterogeneous needs, clustering allows a better analyses to reach at a viable solution. Furthermore, Input-Output (IO) analysis have been used by economists since 1960s in international tourism studies to identify the backward linkages of tourism , relevance of importance of tourism and exports, imports needed to satisfy tourist needs and other multipliers of tourist services. However, IO models have criticized for their restrictive assumptions, hence, economists have used social accounting matrix (SAM) models, which are observed to have more power to analyze distributive consequences of injections and are considered conceptually satisfactory than IO models.

Computable General Equilibrium (CGE) models are commonly used in tourism research to model simultaneous relationships within the economy. This model is supposed to represent the whole economy as a system of flows of various goods and services between different sectors of the economy. Both, dynamic and static versions of the model are used but dynamic CGE models help economists determine the adjustment path of the economy by explicitly tracing each variable at annual intervals. The economists use this model when the impact of exogenous policy related shocks or alternative policy scenarios on tourism expenditure and income are to be observed. CBA is used when there is clear tradeoff between benefits and costs of a project and projects related to tourism promotion and expansion involve comparison of costs and benefits in the form of damages avoided.

The techniques of estimating tourism demand have been largely dependent on the objective of the research. Cost and Benefit Analysis (CBA) is one such technique where costs and benefits are modelled using willingness to pay (WTP) and willingness to accept (WTA) to evaluate public policy decisions regarding issues such as beach or any tourism site restoration or for both physical projects and regulatory programs. Hence, officials and policy makers commonly conduct cost-benefit analysis in scenarios where decisions regarding the provision of "public goods" to the society are taken.

System dynamics model is one the new methodologies employed in tourism research field, which uses simulation model to test the destination's hotel value chain and profitability. Smith and van Ackere (2002) , Png (1988) and Scott et al., (1995) have employed system dynamics model combined with an economic model to conclude that optimal strategy leaves unused capacity. In data envelopment analysis (DEA) model, room prices are regressed on attractiveness of destination, tourism hedonics and hotel accommodations. DEA model has been extensively used to compare and evaluate educational departments, hospitals, banking, courts, transport and agricultural production but its application in

tourism industry became widespread after 2000s. The DEA model's primary objective is to investigate the path followed by hotels as they move towards the efficient frontier. The results of the simulation model showed that whenever input variables were changed, there was redistribution of total demand among hotels; hence, the implemented policies are not effective to push all hotels towards efficient frontier.

There exist a wide range of estimation techniques used in published work on the tourism demand modeling. These models can be classified based on panel data model, single-equation estimations techniques, log-linear and cointegration analyses (Kulendran, 1996; Kim and Song, 1998; Lathiras and Syriopoulos, 1998; Song and Witt, 2000; Vanega and Croes, 2000; Dritsakis, 2004). The most recommended functional form is the log-linear form because of its easier interpretation as elasticity and its empirical power to yield correct sign of the coefficients. The tourism demand studies have mainly focused on the models involving tourism expenditures, relative prices, income, exchange rates, and transport costs (Sinclair and Stabler, 1997).

7. Conclusion

Tourism was once considered a therapy for the "happy few" for some days or weeks of the whole year but now it has become a normal activity. It is becoming an important source of revenue for various regions and economies. The field of tourism economics has gained tremendous importance in the existing literature. The technological advancements and globalization has turned the world into a global village. The increased number of international tourist arrivals indicate the expansion of this sector which is now valued as an industry. Developing and developed economies alike are focusing on enhancing tourism infrastructure, building tourism resorts, tourism and adventurous activities, improving quality of service and accommodation to boost the growth of this ever-rising industry. Tourism leads to endogenous growth of regions and economies as it provide foreign exchange required for financing other sectors of the economy.

Definition of a tourist changed from time to time from being an excursionist or day visitor to someone staying away from their home longer than 24 hours. Destinations aiming to attract tourists must focus on ways to increase average length of stay at destination, which may yield positive affect on tourism revenues, and expenditures at destination economies. There are different kinds of tourism and all these kinds i.e. religious, sports, medical or health tourism, adventure and cultural tourism are gaining importance. Destination economies can reap benefits in terms of promoting tourism in areas that need focus or are a strength to the economy. Infrastructural development and tourism transport can boost tourism revenue as it attracts the tourists and plays a major role in selection of a destination before the travel. Cultural and physical distance between the destination and origin country also affects the number of international tourist arrivals. Some tourists prefer visiting places with cultural similarities while others look for place with maximum number of adventurous activities irrespective of cultural similarity. Researchers have used both cultural and physical distance as an explanatory variable in tourism demand studies.

Moreover, good governance and political stability in destination economies attract more and more international tourists, therefore, countries depending on tourism revenues may ensure safety and security for the international tourists. Finally, the study concludes that panel data estimations with rigorous econometric techniques and appropriate tourism, income, demographic variables and qualitative variables will provide researchers with useful results for forecasting and policy analysis.

8. Way Forward

Researchers interested in contributing towards tourism demand studies are suggested to incorporate all the relevant tourism related variables in tourism demand function. The most important determinants of tourism demand are income, psychological and motivational factors, tourist loyalty, destination image, travel cost or airfare, length of stay, exchange rate, distance (cultural or physical), tourism

infrastructural development, political stability and good governance, heritage sites, qualitative factors like visa facilities, control of corruption and voice and accountability, environmental sustainability and information and communication technology (ICT). The time series data is available on most of the variables stated above but for qualitative factors, researchers might have to use dummy variables. Most of the research conducted in the field of tourism demand are focused on a particular destination. However, there is a need to do research using panel data and strong econometric methods like gravity model and structural equation modelling should be used to attain meaningful results for policy formulation. There is no doubt that national level surveys are not available for most of the developing countries due to which most of the literature concentrates on European region or other developed economies and tourist destinations where data on household level or disaggregated level is available. Hence, reliable, powerful and robust results can be achieved using techniques having predictive power and forecasting strength at the same time. The usage of technique depends on the nature of data as well but micro data is more informative and useful as compared to the macro level data.

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