

ABSTRACT

This paper investigates the significance of infrastructure as a factor in destination development in India for the period 2005-2012. The classical demand for international tourism function is extended to include a proxy for infrastructure. Here tourist arrivals from top 18 countries are modeled. The findings show that tourists are sensitive to the infrastructure of the country. Tourism infrastructure, income of tourists, distance and relative prices are important ingredients in their own respect in the tourism demand equation.

Keywords: Infrastructure, Tourism, Panel data, India