

## ABSTRACT

Tourism is considered as a non-smoking industry which plays an important role in development of many economies. The recent growth of tourist arrivals indicates that there is a main potential for tourism development in Phnom Penh, Cambodia. It has an emerging economy with relatively high economic growth and political stability.

The tourism industry is the third largest sector of the economy after agriculture and the garment industry, and the second largest income contribution after the garment industry in Cambodia. It plays an important role in shaping the country's political and economy development and it has created capability of consuming goods and services, boosting other industries to develop, restoring many traditional festivals and craft villages, boosting economic restructuring of the whole country and each locality, expanding exchange among regions and the foreign countries, ensuring security, national defense and social order.

Tourist arrivals have increased remarkable to more than two million in 2007 and the member is expected to go up yearly by about 20 to 30 percent. In recent years, in 2013 and 2014, tourist arrivals shifted away from western countries towards Asian ones partly reflect the rising prosperity in Asia, Europe and others. Vietnam, South Korea, China, Thailand, Japan are the major sources of tourist arrivals to Cambodia. Based on a data of Ministry of Economic and Finance of Cambodia, it's seen that Cambodian economic still continued to gather momentum and remain robust, as a result of tourism development of Cambodian which is a great potential to attract more international tourists, but depends on marketing and promotion strategies by both the government and private sector.

The conservation of heritage and cultural remains is important to attract tourists while natural parks need to be developed and maintained. Cambodia tourism can also increase its market share quickly if the country works more closely with its neighboring countries that have cultures, heritages, and tourism objective in common to promote its destinations. Moreover, its government has to implement an open foreign cooperation to attract foreign and local investment to produce the facilities for tourism destination and development of tourism infrastructure. Tourism products are lacking, because of the visitors continue to grow up year to year, so all accommodations were not enough to meet the tourists demand.

**Key words:** tourism development, tourism supply, tourism market, tourism site, economic growth, GDP growth.