

An Empirical Study on the Stakeholders Support on Rural Tourism and Sustainable Growth in Community Business -A Case Study of Karaikudi, Tamilnadu, India

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Abstract

This study tests the impact of stakeholders opinions about the impacts of tourism development and community participation and further to determine their willingness to support rural tourism and marketing strategies for sustainable growth of business using Structural Equation Modeling (SEM). The social exchange theory and stakeholders theory provide the theoretical background for this study. The study is descriptive in nature, and is based on both quantitative methodology to investigate the relationships between different constructs. The research study used survey questionnaires for quantitative data collection. The study area is a rural tourism spot Karaikudi, Sivaganga District in Tamilnadu, India. Convenience and quota sampling methods were adapted to collect quantitative data from different tourism stakeholders such as government authorities, businesses, residents, tourism faculty and students. The sample size is 320. The data was then analyzed using the statistical package SPSS and model was tested using SEM. The research shows some statistical positive relationship between tourism development impacts people may experience, their desire for more participation in the decision-making process and tourism support. The result helps the rural tourism planners, governments and support organizations in other areas to better evaluate and understand the stakeholders' attitude and perceptions before implementing the project.

Keywords: Rural Tourism, Tourism Developmental Impacts, Community Participation, Tourism Support, Structural Equation Modeling (SEM).

Introduction

Identification of stakeholders' involvement in destination tourism planning and development, as well as the factors that might influence their level of involvement, is not only important for tourism destination planners, but also the host community's support for destination tourism development and competitive strategies. Tourism destinations need to plan their development strategies and actions to succeed internationally and gain a competitive advantage (Dowling, 1993; Riege & Perry, 2000; Ritchie, 1993; Yuksel et al., 1999). Places that do not develop strategic planning of their destinations can suffer from economic, social, and environmental problems, as well as a decline in their competitiveness as a tourism destination (Dowling, 1993).

Rural tourism is a vital means of developing employment and income, can assist social and economic development of rural communities (Sharpley, 2001). The development of strong platform around the concept of rural tourism is definitely useful for a country like India, where almost 74% of the population sites in it 0.7 million villages (Ministry of Tourism, Government of India). Each village has its own distinctive performing arts and handicrafts, the customs and traditions, colorful festivals, cuisine as well as different cultures and historical heritage. The project is being implemented at 31 rural locations in 20 states with community participation through NGO or Panchayat Partners, District Collectors as focal points and specialized stakeholders.

This study was approached from the tourism stakeholders' perspective about support for rural tourism destination competitiveness. Their perceptions, attitudes and behaviors in terms of tourism were assessed in this study. The model was tested using Structural Equation Modeling (SEM).

Literature Review

Rural Tourism

Negrusa et al., (2007) defines rural tourism as that form of tourism offered by people from rural areas, with accommodation on small-scale and with the implication of important components of their rural activities and customs of life. According to Roy A. Cook et al., (2007), tourism should be blended with the environment and the local culture of an area. Tourism should evolve from the area's natural and historical/cultural attractions. According to Garcia Ramon et al. (1995), tourism would be the 'saver' to improve the quality of life in the countryside and slow down the rural migration especially in less developed regions. Tourism would generate additional income for farm and rural families and create new jobs, lead to the stabilization of the rural economy, provide support to existing business and services, and contribute to creating new ones.

Theoretical Background of Tourism Theories

The Social Exchange Theory

The social exchange theory explains how people react to and support tourism development (Ap, 1992; Jurowski et al., 1997; Perdue et al., 1990; Yoon et al., 1999, 2000). Most of the studies have focused on how residents assess the benefits and costs of tourism development and have explained residents' support for future tourism development in particular region based on their evaluations of the benefits and costs of tourism (e.g. Jurowski et al., 1997; Yoon et al., 2000). Social exchange theory can be applied to residents' attitudes on the basis that residents seek various benefits in exchange for what they are able to offer to different tourism agencies, such as resources provided to tourism developers, tour operators, and tourists; support for tourism

development; and being tolerable towards the negative impacts created by tourism (Teye et al. 2002).

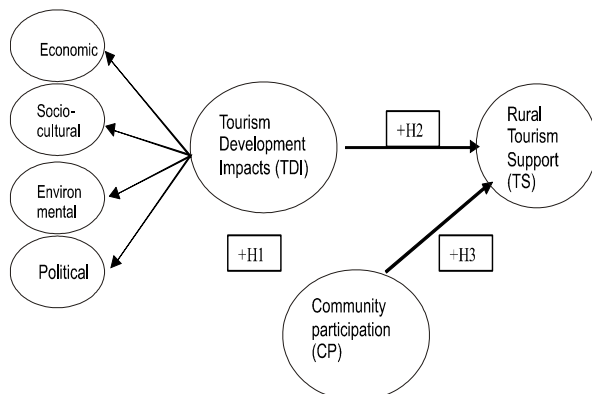
Stakeholder Theory

Loannides (2001) applied a stakeholder framework concept to analyze varying stakeholder attitudes toward tourism and sustainable development at different stages of destination development. Stakeholder identification and involvement has been recognized as a key step toward achieving partnerships and collaboration within tourism in the studies of both Jamal and Getz (2000) and Bramwell (1999). The application of Stakeholder theory to tourism so far has been mostly superficial, with the exception of Hary and Beeton (2001) who applied Stakeholder theory to identify stakeholder groups and understand their perceptions of sustainable tourism.

Research Methodology

The stakeholders' perceptions, opinions, and demographic attributes were collected from both secondary and primary sources to resolve the research problem. The study is explanatory and descriptive in nature, and is based on both quantitative and qualitative analysis to investigate the relationships between tourism development impact factors (economic, socio-cultural, political, environmental), community participation (stakeholders' perceived power), and in turn the support of stakeholders for rural tourism competitive strategies.

The Conceptual Framework and Hypothesis



Source: Developed for this research with parts from Jurowski et al. (1997) and Yoon (2002)

Figure 1: The initial conceptual framework for Rural Tourism Support

Objectives of the Study

To find the impact of tourism development and community participation on tourism support.

Research Hypotheses

H1: There is a relationship between tourism development impacts (economic, social-cultural, environmental and political,) and the community participation.

H2: There is a relationship between tourism development impacts (economic, social-cultural, environmental and political,) and the support for rural destination competitive strategies.

H3: There is a relationship between community participation and the support for rural destination competitive strategies.

Research Design

The study is explanatory and descriptive in nature. The quantitative analysis was used to investigate the relationships between tourism development impact factors (economic, socio-cultural, political, and environmental), community participation (stakeholders' perceived power) and in turn the support for rural tourism destination competitive strategies.

Study Population

The objective of this study was to investigate Karaikudi's tourism stakeholders' perceptions, attitudes, and behavior toward tourism and its development, the population of this study was tourism stakeholders. In particular, the target population includes members or groups that are related or are not related to tourism activities in the state Tamilnadu and in Karaikudi. Examples include state and local government officials, tourism, local tourism agencies, private businesses, residents, tourists and tourism faculties and students (researchers).

Sample Size

The research proposed to supply the instrument to 365 respondents in which only 320 respondents were

willing to turn back with fully filled questionnaire. Therefore the response rate was 87%.

Sampling Technique

Convenience and quota sampling methods were adapted methods from identified and independent sample frames to collect quantitative data from the respondents.

Data Collection

This study utilized a self-administered survey method and face-to-face interviews personally administered surveys with the selected tourism stakeholders in Karaikudi. However, prior to collecting the main data for the study, a pilot study was conducted to test the measurement.

Measurement Scales and Research Instrument

For this study, the survey was divided into six parts: a) the socio-demographic items b) tourism development impacts to measure the perceived impacts of tourism development, c) community participation, to measure the stakeholder' perceived power d) support for tourism e) overall community satisfaction, and f) tourist opinion. . The rating method, with a 5-point Likert scale (ranging from 1=strongly disagree to 5=strongly agree, 1=strongly oppose and 5=strongly support) was used for the measurement of perceived tourism development impacts, community participation (stakeholders' perceived power) and support for competitiveness strategies.

Data Analysis

The statistical analyses were done using SPSS 16 and the conceptual model was tested using (Analysis of Moment Structures) AMOS.

STRUCTURAL MODEL FOR TOURISM SUPPORT

The Structural model consists of three exogenous variables: Economic impacts, socio-cultural impacts, and political impacts (Tourism development impacts), and two endogenous variables community participation and Support for tourism destination (Figure 2).The exogenous variable Environmental impact has been eliminated in Confirmatory Factor Analysis (CFA), since it has no major impact on

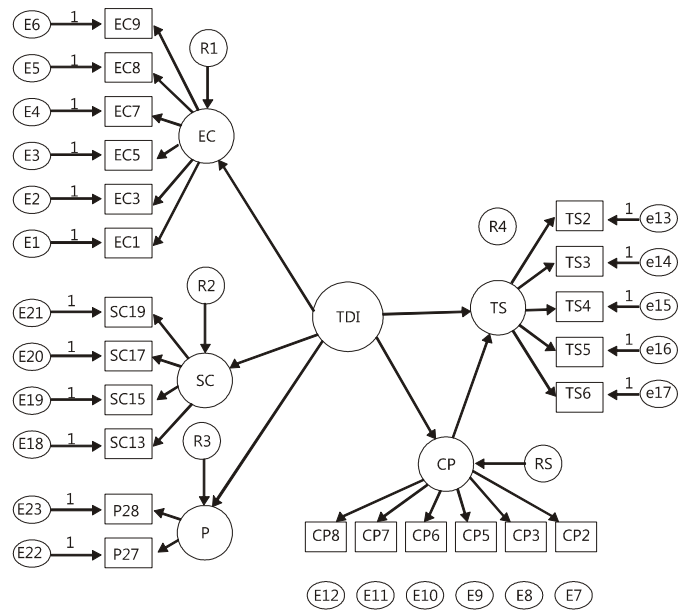
Tourism Development. The goodness-of-fit statistics for the structural model produced reasonable results, as shown in Table 2. The results of the structural equation modeling indicate an adequate model fit to the data.

In summary, the examinations of the absolute fit statistics indices suggested that the hypothesized model represented a mediocre fitting model to the data. The result of AGFI for this study is close to 1.00 and it is within the acceptable level of model fit. The values of CFI is 0.90, suggesting that this values are sufficient to support a well fitting model.

Table 2: Model Fit Indices - Structural Model

Model Fit indices	Structural Model	Standardized Values
Absolute Fit Measures		
Chi-square of estimate model	661.717	
d.f	206	
(X ² /df)	3.212	<3 (Byrne 1990)
Probability	0.049	p<.05 (Joreskog & Sorbom, 1996)
Goodness-of-fit index (GFI)	0.848	0-1.Value close to 1 is good fit (Byrne, 1995; Hu & Bentler, 1995)
Root mean square residual (RMR)	0.087	<1 (Hu & Bentler, 1999)
Root mean square error of approximation (RMSEA)	0.08	0.08 (mediocre fit) (MacCallum, Browne & Sugawara, 1996)
Incremental Fit Measures		
Adjusted goodness-of-fit index (AGFI)	0.80	0-1.Value close to 1 is good fit (Byrne, 1995; Hu & Bentler, 1995)
Parsimonious Fit Measures		
Comparative fit index (CFI)	0.90	0-1.Value close to 1 is good fit (Byrne, Hu & Bentler, 1995)

Note: All t-value were significant at the level of 0.05.



Note:

Economic Impact (EC)

- EC1-Tourism increases job opportunities for the local people
- EC3-Wider promotion of handicraft items made in the village
- EC5-Local labour, technology and resources being optimally utilized
- EC7-Tourism creates more jobs for outsiders than for local people
- EC8-Host community getting trained on different types of hospitality management, cuisine preparation, tourist handling
- EC9-Collaboration with different business institutions for market tie-ups.

Socio-Cultural Impact (SC)

- SC13-Mobilization of women artisans in the active participation in the tourism programme
- SC15-Effective skill building of the women community
- SC17-Documentation of the crafts, arts and folk lore
- SC19-Tourism encourages a variety of cultural activities by the local population

Political impact (P)

P27-Tourism brings political benefits to society

P28-The community should have authority to suggest control and restrictions of tourism development in the country.

Community Participation (CP)

CP2-I would be willing to attend community meetings to discuss an important tourism issue

CP3-The government usually consults us about tourism planning

CP5-Public involvement in planning and development of tourism

CP6-Active Participation of the local community and youth

CP7- willing to invest talent or time to make the community an even better place for visitors

CP2-I would be affected by whatever happens (positive or negative) in the community

Tourism Support (TS)

TS2- Development of cultural or historic-based attractions.

TS3- Development of supporting visitor services.

TS4- Development of small independent businesses.

TS5- Development of cultural and folk events.

TS6- Development of infrastructure for tourists.

Table 3: Summary of Hypotheses Testing

Hypothesis Relation			Beta	c.r	Results
ship estimate			Estimate	value	
H1-CP	<---	TDI	0.897	9.218	Supported
H2-TS	<---	TDI	0.520	2.257	Supported
H3-TS	<---	CP	0.994	4.065	Supported

In this proposed model, 3 hypotheses were proposed and tested by using structural equation modeling. From the outcome structural equation modeling the hypotheses were tested and the results are reported (Table:3). The final model has been tested

and found to be a good fit the data and the possible model for this study.

FINDINGS RECOMMENDATIONS

The '**Tourism Development Impacts**' constructs shows significant positive relationship with the construct of '**Tourism Support**'. It was evident from the empirical data that the younger generation people and elderly people are less supportive for tourism than the middle aged people. It was hypothesized that tourism stakeholders who have a desire and interest in participating in tourism planning and benefits are more likely to support tourism development. In addition, the results showed a significantly strong positive relationship between the constructs 'community participation' and 'stakeholders' support for destination competitive strategies'.

Rural tourism can help in creating sustainable development in some of our villages in rural areas. Governments should recognize importance of rural tourism at priority and help in creating healthy competitive business environment. Government should try to generate data for decision-making bodies investing for developing the human resources, create adequate facilities and suitable infrastructure like accommodation, roads, airport facilities, rail facilities, local transport, communication links and other essential amenities become essential for development of rural tourism.

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