

SPECIAL INTEREST TOURISM FOR SMALL SCALE INDUSTRY DEVELOPMENT OF THE NORTH CENTRAL PROVINCE OF SRI LANKA

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Abstract

Special interest tourism, one of the latest touristic trends of the mass tourism industry, focuses the sustainable form of tourism and is steadily attracting worldwide interest. It has emerged as an alternative to the large scale tourism development that has led to environmental, cultural and societal degradation. Over the last few decades, it has provided numerous opportunities to enhance and promote the small scale industries in the peripheral regions of the third world countries.

The main objective of this study is to analysis the present and potential contribution of special interest tourism on the development of small scale industries of the North Central Province (NCP) of Sri Lanka. Further, attention is given to identify the role of tourism related small scale industries on the development of the region.

The methodology of this study comprises a number of steps; a) preliminary survey to select the study area, b) pilot survey to test questionnaires, c) data collection and d) data analysis. After a preliminary survey Anuradhapura historic city, Mihintale and Tantirimale sacred cities of the NCP were selected for the study. Twenty nine villages of the region, where special tourism activities can be seen were selected as the study area. A thirty percent sample from each village, hundred tourists both domestic and foreign and thirty owners of tourist hotels were selected for the in-depth study. Both quantitative and qualitative analytical methods were used in combination for analysis the collected data.

The overall findings of this study are that, special interest tourism of the region has contributed to the development, promotion and enhancement of small scale industries generating income and employment opportunities to the host communities and agricultural and livelihood development of the NCP while ensuring the regional development process of the region.

As this study explores the role of special interest tourism in developing small scale industries of the region, it can contribute to policy formulation for promoting tourism related economic activities and regional development strategies of Sri Lanka.

Keywords: *Special interest tourism, Small scale industries, Regional Development*

1. INTRODUCTION

Tourism is generally considered to be a positive agent in the economic and social development process of developing countries. As an industry, and a useful economic activity, it provides numerous opportunities for peripheral regions of the above countries to acquire wealth and to stimulate the development process. At the same time, it has provided numerous opportunities to reduce the development disparities among peripherals. Since, tourism has been identified as an effective strategy for the development of economically lagging regions it has become a significant tool and an efficient instrument for regional development. As the tourism sector accelerates the development of the other sectors too, it has the potential to solve the problems arising from inter and intra-regional disparities.

In recent years, new patterns of tourism consumption and production have emerged in the field of mass tourism. There are more flexible, sustainable and individual oriented forms of tourism, increasingly evaluated in terms of being rewarding, enriching, adventuresome and/or a learning experience have become the growing trend (Klein, 2001). Variety of terms have been used to describe the new directions that tourism has taken such as ethical tourism, responsible tourism, special tourism, special interest tourism, alternative tourism and tourism niche markets.

During the last few decades, above new forms emerged in mass tourism have been introduced as novel approaches for regional development since it can make a

significant contribution in establishing and promoting small scale industries related to tourism. The new forms of tourism have been highly beneficial to the development of certain types of small or micro scale industries in the peripheral regions (Manyara and Jones, 2005). They are mainly rural, coastal, mountainous, urban and historic regions where special tourism resources are located. Appropriate strategies related to alternative tourism have now been introduced and implemented in all these regions in order to maximize the benefits that the local economy can derive. Development of special interest tourism, under certain circumstances, can trigger general economic growth by creating a new dynamism (Calhoun, 2001).

In developing countries such as India, Indonesia and Thailand, alternative tourism is now being used as a tool to stimulate industrial development process in their less developed regions. In these countries, it has contributed to empower local communities, develop new employment opportunities and enhance local economies while preserving indigenous knowledge and practices through the development and promotion of small scale industries in tourism. Thus, special interest tourism has created positive opportunities for regional development in remote areas of the above countries.

Small scale industries in tourism create job opportunities, promote national productivity, provide materials and components to other industries, promote rural development, reduce rural-urban migration and supply goods and services to

customers at reasonable prices. Furthermore, they use simple technologies that are labor intensive, which generate employment and income. They save money that would have been used to import products and encourage savings among the lower income groups. Similarly, they can be established to supply small segments of the market in remote areas with little developed infrastructure as well as reduce income inequalities and train indigenous entrepreneurs for future manufacturing industry employment (Mshenga and Owuor, 2009).

Tourists visiting any tourist site in a country, region or community, spend money on various activities. Considerable amounts of money are spent on wayside food stalls, purchasing souvenirs and miscellaneous items. Many industries have been established by local communities, especially, at tourist sites, to ensure the provision of certain services. Usually, these industries are small in nature. The services provided by these medium and small scale industries add up to the growth and attractiveness of the tourism industry. Hence, their inclusion in the scope of promoting tourism is vital in developing the tourism sector as well as the region where tourists tend to visit and tourist attractions are located (Chu and Hope, 1993).

Tourism promotion has been described as a prioritized platform that would assist developing countries to boost activities of the small and medium scale industries. It plays a very significant role in the development of small and medium scale industries through income generation,

employment and infrastructural development for the local communities and generates revenues for the regions.

With the growing interest worldwide in special interest tourism, it has the potential to play an important role in the development of medium and small scale industries. There are much more advantages in promoting such industries in peripheral regions. The ultimate advantage of this role is to stimulate the regional development process of the above peripherals. Since, the small and scale industries are labor intensive and provide employments to the host communities of the above regions, it helps to reduce the unemployment and offers opportunities for self-employment. In addition, these industries can be established in domestic environment and women are gainfully employed which help on the women empowerment in new tourism (Sofield, 2003). With the expansion of such industries, the regional disparities in income can be reduced. These industries also meet the local demands for industrial goods and save foreign exchange and finally ensure the regional financial circulation, a plus point of the regional development process. When people, especially youth are employed gainfully in villages, the migration of youth from rural to urban areas will reduce. These industries make effective use of local raw materials which also promotes primary industries like agriculture, fishing and others stimulating the cross linkages among the above sectors which is essential in regional development process of the agricultural regions. Further, small-scale industries do not require much capital and high technology and therefore it is best suited to

the traditional economic set-up of the peripheral regions.

Considering all the above factors, it is clear that new forms of tourism can play an important role in industrial development process of peripheral areas of developing countries. It provides important means and motivations for local host communities to care for and maintain their life sustenance and income security.

As stated by Mshenga and Owuor (2009) the contribution of tourism to the growth of other sectors of the local economy is not well documented especially regarding the small and medium scale industries. Moreover, there is no empirical information about the current and future opportunities for above industries in the tourism sector.

Boyd and Goodwin (2000) contend that tourism is a sector that can promote pro-poor economic growth since it can enable diversification of local economies as well as offering opportunities to small scale enterprises such as earnings from selling goods and services like food, crafts, building materials and guide services. Similarly, the formal sector tourism enterprises like hotels can provide a market for labour and products of the medium and small scale industries.

The relationship between tourism and small businesses was also examined by Page, Forer and Lawton (1999). They looked at the role of tourism and business development in Northland, New Zealand in relation to finance, marketing, human resource issues and the importance of tourism in the annual turnover of these businesses.

When the Sri Lankan context in this regard is concerned, Sri Lanka is now paying attention towards to the development of small and medium scale industries in and around of various tourist attractions of the country. According to the Tourism Development Strategies for 2011-2016, Sri Lanka has emphasized various tourism niche markets such as eco tourism, adventure tourism, cultural and heritage tourism and wild life tourism while highlighting the micro and small-scale enterprises related to tourism (Ministry of Economic Development, 2011). This is important since majority of the rural community of Sri Lanka has engaged in tourism activities in informal ways. They therefore depend on informal employments in small scale industries in tourism sector.

2. OBJECTIVES OF THE STUDY

The main objective of this study is to analysis the present and potential contribution of special interest tourism on the development of small scale industries of the NCP. Further, attention is given to identify the role of tourism related small scale industries on the regional development process of the region. Other specific objectives of the research are to identify the current negative impacts of special tourism and problems that would arise in future with reference to the tourism resources and to the host community by the development of tourism and recommend appropriate measures to weaken negative impacts and strengthen positive ones. The objectives of the study were structured within small scale industry development and special interest tourism in order to identify the role of special tourism on the development small scale and cottage industries of the NCP.

3. METHODOLOGY

The methodology of this study comprises a number of steps; a) selection of the study area, b) selection of the sample, c) methods of data collection and d) data analysis and presentation.

The NCP of Sri Lanka was selected as the most suitable sub national region in the periphery for the analysis of the role of special interest tourism on small scale industry development. After a preliminary survey, the Anuradhapura historic city, Mihintale and Tantirimale cultural cities and traditional villages including Viharapalugama and Tantirimale that have a great potential to develop special tourism, were selected.

A representative sample of both tourist sites and traditional villages of above attractions were selected for the detailed study. It includes above three sacred/historic cities and twenty nine (29) villages in the vicinity of the sacred sites. These villages were selected by using the judgment sampling technique from three DSDs of Mihintale, Nuwaragampalata Central and Mahavilachchiya. A thirty percent (30.0%) sample of host communities was selected from each village using the stratified random sample technique. In addition to above, hundred tourists both domestic and foreign and thirty owners of tourist hotels were selected.

After selecting the sample using the above criteria, primary data were collected through questionnaire surveys, observations, interviews (semi structured and in depth interviews), group discussions,

case studies and event records over a period of two years. A pilot survey was conducted in the sacred cities of Anuradhapura, Mihintale and Tantirimale.

Collecting secondary data was the second step of this study. Main sources of collecting secondary data were books, research publications, journals and other secondary sources of information related to special interest tourism and small scale industrial development.

In order to analyze the collected data, both qualitative and quantitative analytical methods were employed. Most of the information collected through the informal discussions, case studies, life histories, event records, photographs and observations cannot be numerically analyzed. Therefore, the qualitative analytical methods such as using photographs, summarizing and rearranging the data, making list of important facts and drawing visual displays were employed. Quantitative analytical methods were employed for the analysis of measurable data collected through the questionnaire survey and other secondary sources. Simple statistical methods were used for analysis of the data relating to income, demographic data, tourist arrivals and other related data. In addition, the advanced statistical methods were applied.

4. RESULTS AND DISCUSSION

Alternative or special interest tourism of the NCP has contributed to establish, promote and develop the small and medium scale industries of the region. Those include the cottage industries such as

producing handicrafts, mushroom, yogurt, souvenirs and food processing and agro based small industries such as producing packeted dry food items and fruit productions. On the other hand, these small scale industries are eye catching tourist attractions. Especially, foreign tourists like to visit, enjoy experience and participate in these types of traditional activities. Further, alternative tourism has contributed to establish and develop revamping industries including; repairing of cycles, motor cycles used by tourist to travel in the region and three wheelers which provide domestic transport facilities for the tourists both domestic and foreign. Table 4.1 illustrates the nature of small and medium scale industries related to special interest tourism of the NCP.

According to table 4.1, the total number of persons involved in small and medium scale industries in tourism is 290. Out of the total, 69 persons have engaged in cottage industries. They include producing of handicrafts, mushrooms, yogurts, souvenirs, food processing and wood carvings. The highest number of persons who owned their own small agro based industries or working in same establishments is 144. Further, there are 46, who own or work in revamping industries which provide repairing services in an around the tourist attractions. Number of persons engages in other type of small industries in special interest tourism of the NCP including tailoring, picture framing and planting of flower pots are 31.

Table 4.1 - Nature of Small and Medium Scale Industries Related to Special

Interest Tourism of the NCP

Nature of the Industry	Number of Person Involved In
Cottage industries	69
Agro based small industries	144
Revamping industries	46
Other	31
Total	290

Source: Field Survey, 2011-2013.

In this way tourism related small, medium and cottage industries has contributed to generate numerous opportunities for the regional community of the NCP. Development and promotion of such aspect in a lagging area is a positive indication of the regional development process. Figure 4.1 illustrates the advantages have been accrued by small and medium scale industries related to special interest tourism of the NCP.

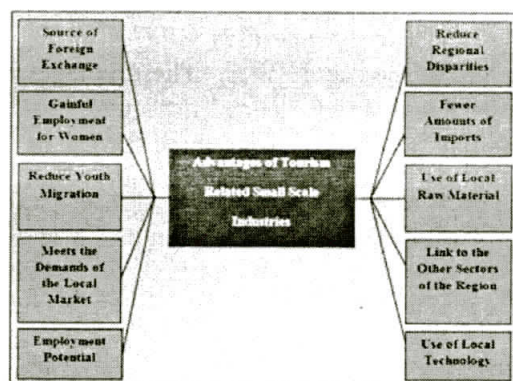


Figure 4.1 The Advantages of Prevalence in Small and Medium Scale Industries

Source: Adopted from Various Sources.

As stated by Britton (1982) income distribution, wealth and savings are some of

the basic economic determinants of the economic aspect of tourism development. The contribution of tourism related economic activities and special interest tourism on personal savings of the regional communities have been less studied in tourism literature. It contributes to increase the general improvements in living standards of the rural communities involve in tourism related activities.

The level of personal savings of the small business community engaged in tourism related small scale industries is a profound impact of the NCP. Table 4.2 depicts a clear elucidation of the annual personal savings of this business community.

According to table 4.2, there are 137 persons (47.2 percent) who save hardly any money as monthly savings. But 52.8 percent (153) save some of the money ranging from less than Rs 1,000 or more than Rs 3,500 as their monthly savings. It is more than half of the amount of tourism related business community. Accordingly, 20.7 (60 persons) percent out of the total employees save less than Rs 1,000 where as 18.3 (53 persons) percent entitles to the range between Rs 1,001 to 2,000 as their personal monthly savings. Out of the total employees, 03.4 percent (10 persons) save between Rs 2,001 to 3,000 and the rest between Rs 3,001 - 4,000 per month. As the last resort, 15, (05.2 percent) out of the overall employees

account for between Rs 4,001 to 5,000 and 05 persons (01.7 percent) to above 5,000 rupees as their personal monthly savings.

Table 4.2. Monthly Personal Savings of Business Community Engaged in Tourism Related Small Scale Industries

Range of Savings (Rs)	Number of Persons	Percentage
No personal savings	137	47.2
Less than 1,000	60	20.7
- - -	53	18.3
2,001 - 3,000	10	03.4
3,001 - 4,000	10	03.4
4,001 - 5,000	15	05.2
More than 5,000	05	01.7
Total	290	100

Source: Field Survey, 2011-2013.

When the residents of the NCP spend their income earned by tourism related businesses to purchase the domestic goods including furniture, kitchenware and electrical items, the derivative effects of economic and income multipliers occur. A little amount of this money will be saved and leak out of the system, but majority of it will be spend on goods within the regional economy and this will generate further rounds of economic multipliers. This additional activity and its subsequent effects reflect the induced multiplier effects. Table 4.3 reveals the various domestic items purchased by the persons engaged in tourism businesses.

Table 4.3. Items Purchased by the Business Community Engaged in Tourism

Item Purchased	Number of Persons*
Electrical items	176
Kitchenware	143
Items of furniture	263
Telephones	158
Jewelries	290
Miscellaneous items	290
Ornaments/ Arras	46

*Out of the total 290

Source: Field Survey, 2011-2013.

As depicted in table 4.3, out of the total of 290, the number of persons expensed the income earned from tourism related business to purchase various household items vary from 290 to 46. The maximum number of persons (290) has disbursed their initial income to purchase jewelry and miscellaneous items such as linens and brassware. Another 263 have expensed on items of furniture while 176 persons bought electrical items including televisions, refrigerators and tape recorders. There are 158 business persons who have purchased telephones either mobile or fixed lines. When this situation is critically analyzed, it is clearly evident that special interest tourism of the NCP has contributed to reflect the induced multiplier effects. This induced multiplier has been contributed to uplift the living standards of the host community of the NCP while enhancing the internal money circulation of the region which is a positive effect on the development of the region.

There is a greater demand for the regional agricultural products among tourists both domestic and foreign and the tourist hotels, tourist bungalows, guest houses and rest houses. The tourist hotels and other related lodgings are willingly interested in purchasing the regional agricultural products such as rice from the new harvest, fresh vegetables, fruits, animal products such as curd, eggs, milk and bee honey, other fresh cereals and spices from the slash and burn cultivation. Out of the total (290) interviewed families, 173 (39.31) of people sell their agricultural and other subsidiary products to tourist hotels and guest houses or directly deal with the domestic and foreign tourists. Table 4.4 explicits the various products sold to the tourists and tourist hotels and the number of persons engaged.

Table 4.4. Miscellaneous Items Sold by the Regional Business Community

(I). Direct Selling to Tourist Hotels	
Item Sold	Number of Persons
Rice	28
Vegetables	34
Fruits	11
Green leaves	09
Dried products	16
Animal products	05
Other	11
Sub Total	114
(II). Direct Selling to Tourists	
Item Sold	Number of Persons
Earthen products	08
Ornamental products	12
Handicrafts	18
Vegetables	09
Fruits	05
Dried products	07
Sub Total	59
Grand Total	173

Source: Field Survey, 2011-2013.

According to table 4.4, the number of persons selling agricultural and animal products to the tourist hotels is 103, while 11 persons sell earthen products, flower pots, floral plants, souvenirs in the form of carvings, cameos and agricultural products of slash and burn cultivation. It is an attractive source of income to sell these items to the hotels and the guest houses in the NCP notwithstanding their original prices to be decided on daily basis. Fifty nine (59) wayside sellers have engaged in selling clay vessels, souvenirs, cameos, handicrafts and indigenous ayurvedic products.

Even though this new forms of tourism of the NCP have contributed to the development in the small scale industries of the region, the business community faces a number of problems. Direct arrival of tourists to the cities of Anuradhapura, Mihintale and its outskirts is evident here, especially of domestic tourists. Poson full moon poya day and the next few months are the target time of domestic tourists to visit Anuradhapura and Mihintale the cradle of Buddhism where they converge to perform devote religious activities. It is a well knownfact that most of the domestic tourists visit the historic city during the weekends and public holidays. This situation creates some indirect problems such as fluctuation of the income of the small business community. Perishables such as fresh vegetables and fruits, pulses and nuts get destroyed. This is a loss and damage to the small business community and even to the peddlers. The continuous incomes of the small business communities become irregular instead.

5. CONCLUSION

As discussed above, it is clear that special interest tourism industry in the NCP has lead directly to the development of small and medium scale industries while generation of employment and income opportunities, livelihood creation, agricultural development, women's empowerment, and other myriad positive impacts on the NCP. In conclusion, it can be said that the tourism sector plays an important role on the development of the small and medium scale industries. In detailed analysis, it is further evident that, this new form of tourism has stimulated the benefits spill over to other economic activities of the region. However, when implementing tourism plans and projects, the full impact on such activities must be assessed in terms of tourism resource degradation and other impacts.

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