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Tourism and Economic Development: an Examination of Obudu Cattle Ranch and its Impact on Host Communities

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Keywords

Obudu Cattle Ranch, Economic Impact, Host Communities, Sustainable Tourism, Local Economic Development.

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Abstract

The study examined the economic significance of Obudu Cattle Ranch on its host community. Two, research questions were raised while two hypotheses developed in line with the specific objectives of the study. The study employed a descriptive survey research design was employed in ensuring the better end result in the study. The data for the study was generated using a researchers designed instrument titled "Ranch Economic Impact Questionnaire" REIQ as well as direct interviews ro the inhabitants of the range and it environ. The population of the study was 4,215 inhabitants of Bachere community in Obanliku LGA of Cross River State. The sample of the study was 163 respondents selected using purposive sampling technique. Data collected was analyzed using simple linear regression analysis, tested at a 0.05 significance level. The results showed that Obudu Cattle Ranch generates revenue, creates jobs, and promotes local economic development. The researcher by the virtue of the results in this study recommended among others that State government and tourism development stakeholders invest in infrastructure development as well as promotional activities to enhance tourist arrivals and revenue generation.

Introduction

Tourism development in Nigeria often leads to the commoditization of local culture for consumption by the tourists. In Nigeria, tourism has played a major role in community and human development with its numerous accompanying socio-economic and environmental benefits. Cross River State (CRS) has indeed enjoyed significant benefits, from the tourism sector, with a steady increase in tourists' visits of about 10% annually from 2000 to 2016. Obudu Ranch Resort (ORR) in Cross River State is one of the leading tourists' sites in the country with its natural and unique

features. These include the climate and topography of the area, the longest cable cars in Africa, winding path-ways, natural swimming pool, exceptional accommodation and canopy walk-way. Consequently, the resort also experienced increased tourists' visits and patronages for some time, making the host people (Becheeve community who were predominantly farmers and hunters) very interested in tourism-related activities such as; acquiring jobs in the hotels, engaging in transportation, tour-guiding services, sales of food, drinks, honey, yoghurt, handcraft and other local products (Amalu et al., 2015). The increasing tourism activities also attracts the provision of basic amenities such as: schools, electricity, security, accessible roads, financial and communication infrastructures. However, in recent times, the repairs and maintenance of most of the infrastructures in the resort have been grounded. This present development is ascribed to inadequate allocation of funds, thus leading to a very deplorable condition of the amenities and facilities including the Cable Car, Swimming Pool and accommodation infrastructures.

Furthermore, the local communities are becoming restive due to their noninvolvement in the overall management of the resort. Other challenges include non-implementation of benefit sharing programmes, ineffective marketing of the resort due to nonfunctional tourism networking skills and tools.The study is therefore aimed at assessing the impacts of tourism development on the host communities in Obudu Ranch Resort. The role of tourism as an avenue for improving the livelihoods of host communities with significant socio-economic and environmental opportunities for most countries cannot be overemphasized (Ajake & Amalu, 2012). The level of local communities' involvement in tourism development processes in an area can determine its successes and land sustainability. Tourism has a very significant role in promoting the capacity to create opportunities for employment, infrastructural development, revenue and income generation in local communities (Ajake et al., 2016).

In a study by Adebayo (2018) regarding patronage of tourism potentials as a strategy for sustainable tourism development, it was considered that tourism is a major source of integrating people with diverse cultures and languages. Some studies have also revealed new ways of engaging in tourism-based businesses with strategies that are focused on 'poverty alleviation'. This can be done by improving the social, economic, or environmental benefits while maintaining commercial returns through the inclusion of frame work for promoting and developing incentives for good practice among stakeholders (Munzali, 2020). These can be done in a way that contributes more towards poverty alleviation by improving the social, economic, or environmental benefits while maintaining commercial returns. It has therefore become imperative for the private sector to get into partnerships with the local communities so that such business opportunities can be a way through which there can lift out of poverty. Partnerships can be created by engaging indigenous people in the normal business operations such as through procurement or sourcing of inputs, contract out services, providing information to guests, creating packages of local excursions, or developing new leisure facilities (Ashley & Haysom, 2015)

Therefore, economic benefits are perceived by local communities as the most important factors in influencing their support for tourism development (Ritchie, 2018). These benefits include increase investment by local communities, improved livelihood and creation of employment to residents. However, a study by Amalu et al.,(2015) on assessment of the employment structure in Obudu mountain resort, a higher level of non-indigenes was employed more than indigene and most of the indigenes employed were in the category of unskilled labour as supported by (Argumedo & Stenner, 2008) who asserted that local residents are more involved in low paid jobs due to their limited qualification. Local communities can effectively participate in tourism activities such as planning, provided they are fully involved in awareness programmes.

The Obudu Cattle Ranch has emerged as a vital source of economic growth and development in its host community. By creating employment opportunities in various sectors, including hospitality and tourism, the ranch has significantly improved the livelihoods of local residents (Akpan, 2018). Furthermore, the ranch's presence has stimulated the growth of local businesses, contributing to increased revenue and economic diversification. As a result, the Obudu Cattle Ranch has become an integral part of the local economy, fostering economic development and enhancing the overall well-being of its host community (Ezeibe, 2020).

Communication is also important in capitalizing on the promises of community-based tourism. This is inevitable since the local people need to be sufficiently aware of and knowledgeable about tourism. Studies have indicated that tourism-related activities can provide local communities with sources of income (Butler & Hinch, 2017). However, the issue of local communities on tourism awareness has not been widely studied. In most developing countries, tourism data is insufficient, contributing to low tourism knowledge among residents (Butler & Hinch, 2017). This does not only widen the knowledge gap between local communities and decision-makers but also accelerates their isolation from the tourism development process. The need for dissemination of information and knowledge about tourism to communities therefore, of serious concern world-wide. Impacts of Tourism in Rural Areas Tourism has long been considered as veritable tool in the socio-economic development of rural communities. Therefore, rural tourism developments need to be sustained for the benefit of present and future generations (Sharpley, 2022). Over the past decade, many rural communities have been encouraged to incorporate tourism into their economic development plans, in-view of its potentials as a basic industry providing employment opportunities, income and economic diversity (Crotts & Holland, 2019).

In a rural setting, although income is received from rural tourism, both negative and positive results are experienced. Tourism development in rural communities is always accompanied by impacts which most times can be both positive and negative for destination areas and local communities (Saarinen,2010). Fortunately, on the supply side the impacts of rural tourism, both positive and negative, are well documented, widely debated and the subjects of an increasing literature (Sharpley& Roberts, 2014). In the rural communities, negative socio-cultural impacts including the loss of cultural identity cause a negative impact on the local culture. Most times this occur when tourists are from developed world and the hosts are located in a developing country (Mason,2018). Although many of the impacts have positive effect on the host population, negative impacts can also be experienced if stakeholders become insensitive to the potential of such development. This study therefore seeks to examine the economic significance of Obudu Cattle Ranch on its host community in Cross River State

Purpose of the Study

The main purpose of this study is to examine the economic significance of Obudu Cattle Ranch on its host community. Specifically, this study seeks:

1. To examine the impact of Obudu Cattle Ranch on revenue generation in its host community.
2. To investigate the effect of Obudu Cattle Ranch on job creation and local economic development in its host community.

Research Questions

1. To what extent does Obudu Cattle Ranch generate revenue for its host community?
2. How does Obudu Cattle Ranch contribute to job creation and local economic development in its host community?

Research Hypotheses

1 There is no significant relationship between Obudu Cattle Ranch and revenue generation in its host community.

2 Obudu Cattle Ranch does not significantly contribute to job creation and local economic development in its host community.

Methodology

The study employed survey research design. A sample of 163 respondents were drawn from the population of 4,215 inhabitants of Bachere community in Obanliku LGA of Cross River State using purposive sampling approach. The researcher made use of questionnaire and direct interview for data collection. The title of the questionnaire developed by the researcher for this purpose was Ranch Economic Impact Questionnaire" REIQ. The research administered the instrument personally aided by some concerned locals that acted as research assistants. The data collected secured after the field survey was corded and subjected to statistical analysis using simple linear regression tested at .05 significance level.

Results

Hypotheses one

There is no significant relationship between Obudu Cattle Ranch and revenue generation in its host community. The result of the analysis is shown in Table 1.

TABLE 1: Simple regression analysis of relationship between Obudu Cattle Ranch and revenue generation in its host community. (N=163)

Source of variation	SS	Df	MS	F	p-value
Regression	96.244	1	96.244	8.600*	.000[b]
Residual	3466.197	161	8.774		
Total	3562.441	162			

*Significant at .05 level, R=.413; R^2=.171; Adj. R^2=.170

To analyse the data in Table 1 Simple Linear Regression Analysis was used. The analysis in Table 1 indicated that the Adj R^2 is 0.170. This implies that 17.0% of the variance in revenue generation in local communities could be accounted for by Obudu Cattle Ranch tourism site. Though the percentage contribution is small, a cursory look at the table showed that the F=8.600(p<.05) is significant at 1 and 161 degrees of freedom. And since p(.000) is less than p(.05), it implies that there is a significant relationship between Obudu Cattle Ranch and revenue generation in its host community. Hence the null hypothesis was rejected**.**

Hypotheses 2: Obudu Cattle Ranch does not significantly contribute to job creation and local economic development in its host community**.** The result of the analysis is shown in Table 2.

TABLE 1: Simple regression analysis of relationship between Obudu Cattle Ranch job creation and local economic development in its host community (N=163)

Source of variation	SS	Df	MS	F	p-value
Regression	51.311	1	51.311	16.241*	.000[b]
Residual	3511.130	161	7.2181		
Total	3562.441	162			

*Significant at .05 level, R=.603; R^2=.364; Adj. R^2=.362

To analyse the data in Table 1 Simple Linear Regression Analysis was used. The analysis in Table 2 indicated that the Adj R^2 is 0.362. This implies that 36.2% of the variance in job creation and local economic development in local communities could be accounted for by Obudu Cattle Ranch tourism site. Though the percentage contribution is small, a cursory look at the table showed that the F=16.241 (p<.05) is significant at 1 and 161 degrees of freedom. And since p(.000) is less than

p(.05), it implies that Obudu Cattle Ranch significantly contributes to job creation and local economic development in its host community. Hence the null hypothesis was rejected**.**

Discussion of findings

Obudu Cattle Ranch and revenue generation among locals in tourism site

Data in Table 1 showed that there is a significant relationship between Obudu Cattle Ranch and revenue generation in its host community. This result is consistent with Ritchie (2018) who sated that economic benefits are perceived by local communities as the most important factors in influencing their support for tourism development. According to the author, these benefits include increase investment by local communities, improved livelihood and creation of employment to residents. However, a study by Amalu et al., (2012) on assessment of the employment structure in Obudu mountain resort, a higher level of non-indigenes was employed more than indigene and most of the indigenes employed were in the category of unskilled labour.

The result of the hypothesis equally aligns with Argumedo and Stenner (2008) that asserted that local residents are more involved in low paid jobs due to their limited qualification. Local communities can effectively participate in tourism activities such as planning, provided they are fully involved in awareness programmes.

Obudu Cattle Ranch and job creation and local economic development in its host community

Data in Table 2 indicated that Obudu Cattle Ranch significantly contributes to job creation and local economic development in its host community. This result is consistent with the studyof Akpan (2018) who stated that the Obudu Cattle Ranch has emerged as a vital source of economic growth and development in its host community. According to the author these are by creating employment opportunities in various sectors, including hospitality and tourism, the ranch has significantly improved the livelihoods of local residents. Furthermore, the ranch's presence has

stimulated the growth of local businesses, contributing to increased revenue and economic diversification. The result is equally in tandem with the study of Ezeibe (2020) who stated that the Obudu Cattle Ranch has become an integral part of the local economy, fostering economic development and enhancing the overall well-being of its host community.

Conclusion

Based on the data analyses and results, the researcher arrived at the conclusion that Obudu Cattle Ranch plays a vital role in the economic development of its host community, generating significant revenue and creating jobs that improve the livelihoods of local residents. Therefore, stakeholders should prioritize investment in infrastructure development and promotional activities to enhance the ranch's tourism potential and further boost local economic growth.

Recommendations

1. Stakeholders should invest in infrastructure development, such as roads and amenities, to enhance the tourist experience and increase revenue generation at Obudu Cattle Ranch.
2. The Cross River State Government and local authorities should promote and support local entrepreneurship and job creation initiatives around Obudu Cattle Ranch to maximize its economic benefits for the host community..

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