FACTORS INFLUENCING TOURISM INCOME AMONG LOCAL COMMUNITIES INVOLVED IN OBUDU MOUNTAIN RESORT TOURISM IN CROSS RIVER STATE, NIGERIA

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Abstract
The study analyzed factors influencing tourism income among local community members involved in Obudu Mountain Resort tourism in Cross River State, Nigeria. A multi-stage sampling technique was employed in the selection of 120 respondents for the study. Primary data were collected through field survey with the aid of structured questionnaire and interview schedule. Data was subjected to descriptive and inferential statistical analysis including mean, percentages and regression. Result showed that local community members were involved in Obudu Mountain Resort tourism mainly in forms of engagement in low-income employments (16.7%), sale of farm produce and general goods (27.5%), and provision of sundry low-level tourism services (48.3%). Tourism receipts by local participants were within the low-income range (Mean = ₦152, 650.00/year) but constituted important addition to those from other sources. Result of Ordinary Least Square regression analysis revealed that tourism receipt was negatively and significantly (1%) influenced by multiplicity of economic activities by locals (-0.337). On the other hand, length of experience (0.421) and sole devotion to tourism business (full-time involvement; 0.562) led to higher tourism income. The study concluded that increase in tourism income among the locals is influenced by focus and consistency. It was recommended that local participants in tourism could limit the number of economic activities engaged and remain consistent in their tourism businesses to increase their tourism income.
Keywords: Obudu Mountain Resort, Tourism, Tourism income, Local communities, Cross River State

Introduction
Tourism provides a major economic development opportunity for many countries and a means of improving the livelihood of its residents (Amalu *et al*., 2017; Onyeabor and Alimba, 2015; WTTC, 2017; UNWTO, 2017; UNWTO, 2018). It is a rapidly growing phenomenon and has become one of the largest industries in the world (WTTC, 2018; UNWTO, 2018). The tourism sector plays a positive role in the socio-economic and political development of destination

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communities, offering new employment opportunities, direct marketing opportunities, and protection of the environment (WTTC, 2015; UNWTO, 2014).

According to United Nations World Tourism Organization (UNTWO, 2018), total contribution of transport and tourism to world GDP was US$ 8,272.3 billion or 10.4% in 2017. It was forecasted to rise by 3.8% to US$ 12,450.1 billion or 11.7% of total world GDP in 2028. Similarly, UNWTO (2018) estimated that transport and tourism contributed 292.200 billion jobs or 9.6% of total world employment in 2017 and will grow by 2.5% annually to 381.700 billion or 11.1% of total world employment in 2028. Tourism is seen as a package and a fast lane vehicle that promotes the workforce of young people, strengthens two-way trade and promotes export income (WTTC, 2017; UNWTO, 2017). It is also a catalyst for the provision of infrastructural facilities (particularly in the rural area), employment and foreign exchange (Ojo, 2014).

According to World Travel and Tourism Council (WTTC, 2017), tourism is able to contribute to development which is economically, ecologically, and socially sustainable because it has lots of positive impact on natural resources and the environment than most other industries. Tourism can play a positive part in increasing consumers' commitment to sustainable development principles through its unparalleled consumer distribution channels (Amalu et al, 2017). Tourism provides economic incentives to conserve natural environment and habitats which might otherwise have been degraded (Amalu et al, 2017). It is based on enjoyment and appreciation of local culture, built heritage and natural environment hence, the industry has a direct and powerful motivation to protect these assets (Nault and Steapleton, 2010; Mensah and Ernest, 2013; Abraham, 2015). Onyeabor (2016A) showed that tourism contributes to a broader cultural understanding by creating awareness and respecting the diversity of cultures and ways of life. Similarly, Eja *et al*., (2012) and Ojo (2014) observed the fact that tourism industry is a vehicle for promoting cultural exchange that enhances international understanding, trust, goodwill and peaceful co-existence among the diverse peoples of the world.

Efforts have been made by the Nigerian Government towards developing the tourism sector of the country. Such efforts have led to the establishment of tourism development organs and structures such as the Federal Ministry of Tourism and Cultural Development, the Nigeria Tourism Development Corporation and the adoption of the Nigeria Tourism Development Master Plan (UNWTO, 2006; Munzali, 2011). Obudu Ranch Resort also known as Obudu Mountain Resort is one among many tourist attractions in Nigeria. Obudu Ranch Resort has experienced increased tourists visit and patronage, and the host people (Beeheve community) who are mainly farmers and hunters are apparently becoming more interested in tourism-related activities (Nwahia et al., 2012).

Tourism in the area has also attracted basic amenities like schools, electricity, road networks, financial and communication facilities, most of

which are found only around the urban area where the Ranch is located (Nwahia et al., 2012). Many researchers have tried to examine the effect of tourism on host communities (Nault and Steapleton, 2010; Nwahia *et al*., (2012); Mensah and Ernest, 2013; Onyeabor and Alimba, 2015; Abraham, 2015). Nwahia *et al*., (2012) demonstrated that host-community involvement in Obudu tourism contributed to poverty reduction. However, little is known about the factors that influence the level of economic benefit earned by participating local community members, particularly as it concerns Obudu Ranch tourism. It is in this regard, that the study found the need to establish the factors that influence the economic benefit gained by Obudu people for involvement in tourism activities in order to know areas where policy action should be targeted. To bridge the identified gap, the study attempted to answer the following research questions; what are the socio-economic characteristics of the local communities surrounding Obudu Ranch Resort? What areas are local communities economically involved in Obudu Ranch tourism? What are the factors that influence their economic benefit? In order to provide answers to these questions, the study sought to achieve the following objectives: to describe the socio-economic characteristics of Obudu communities; analyze areas of economic involvement by local communities in Obudu Ranch tourism; and determine factors that affect economic benefits to local communities involved in Obudu Mountain Resort tourism.

Background Information on the Study Area

The study was carried out in Obanliku Local Government area of Cross River State. The local government area is one of the biggest of the 18 Local Government Areas that make up Cross-River State, Nigeria. The area span about 665km^2 and is located between latitude $5^0$33 and $6^0$65 (Amalu, et al. 2017). The area located in the North East part of Cross River State is bounded in the North by Kwande Local Government Area of Benue State, in the South by Boki Local Government Area, in the East by Republic of Cameroon and in the West by Obudu Local Government Area (Figure 1). The area is made up of six communities which include: Anape, Apagili, Keji-oku, Kigoe, Okpanzenge, and Okinuomo. The population of the area approximates 157,542 in 2019 projected from 2006 Census figures (NPC, 2006).

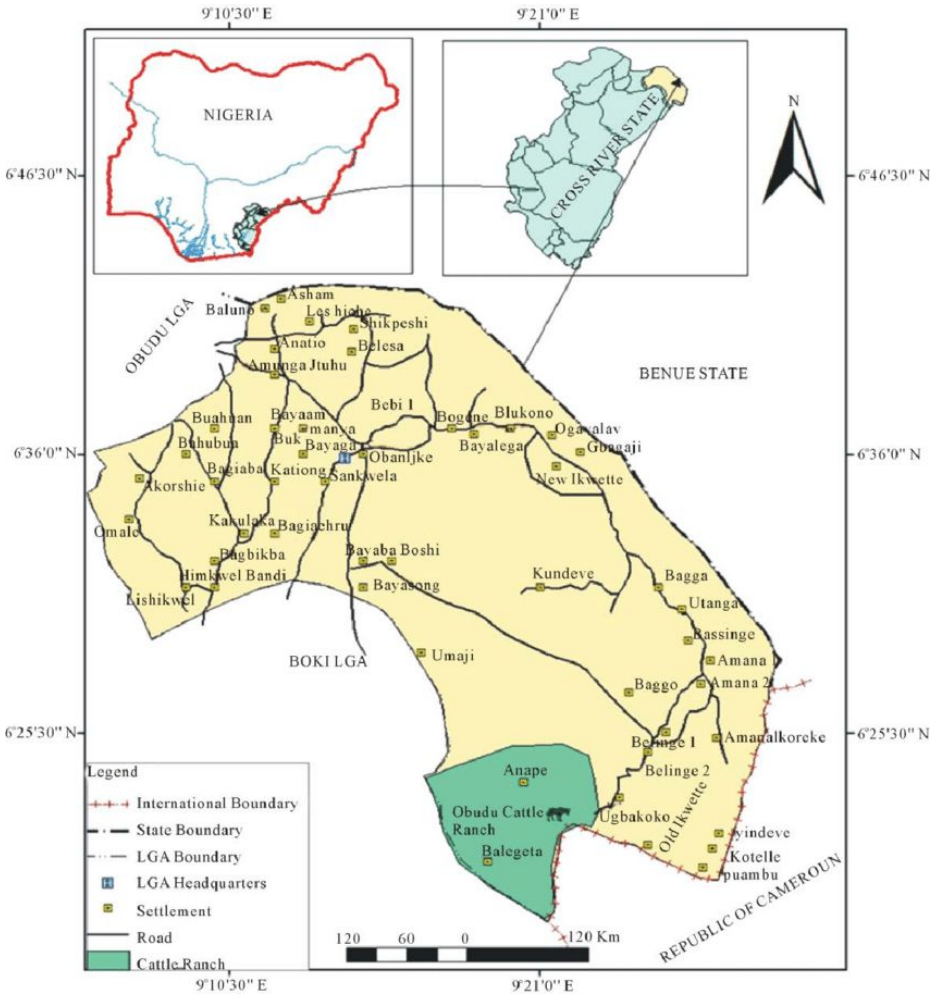


Figure 1: Map of Obanliku Local Government Area, Cross River Sate

There are two seasons prevalent in the area; the rainy season which begins in April and lasts till October while the dry season begins in November and ends in March. There is usually an intermediate dry period in August popularly known as August break (Amalu, et al., 2017). The major occupations of the people include farming, trading and hunting while the major crops produced are yam, cassava, maize, cocoyam and vegetables. Seasonal fruits and other economic trees like mango, orange, peas, cashew and oil palm are also grown in the area. Farming systems in the area include shifting cultivation, crop rotation and mixed cropping, which are usually done on a scattered plots acquired through inheritance or rented.

Research Methods

The research adopted a quantitative survey approach. Multi-stage sampling procedure was used to select respondents for the study. The first

stage involved purposive selection of 3 communities out of the 6 communities in the Local Government Area for reason of closeness to the Ranch. In the second stage, 12 villages were randomly selected proportional to the sizes of the 3 selected communities. In the last stage, 10 locals who were involved in tourism were purposively selected from each of the selected villages, making a total of 120 respondents who were used for the study. Primary data used for the study were collected through a set of structured questionnaire and interview schedule. The questionnaire was distributed and retrieved by the researcher and a team of 6 trained local assistants through physical contact with respondents. The team assisted not-well-educated respondents in filling out the questionnaire and also conducted interviews with illiterate ones. Voice recorders were employed in recording the interview proceedings.

Data were analyzed using descriptive and inferential methods. Means and percentages were used to analyze socio-economic data as well as data on tourism activities carried out by respondents. The Ordinary Least Square (OLS) regression was applied to the determination of the factors that influence involvement of locals in Obudu tourism.

The implicit form of the regression model is as follows:
$Y= f(X_1, X_2,X_3,X_4,X_5,X_6,X_7….X_8)$ …… (1)
The explicit form of the regression model is as presented under:
$Y= a_0 + a_1X_1+a_2X_2 +a_3X_3 + a_4X_4 + … + a_8X_8 +et$ ……. (2)
Where;
Y = Tourism income (Naira)
X_1 = Age (years)
X_2 = Sex (dummy; male = 1; otherwise = 0)
X_3 = Education (years of formal education)
X_4 = Length of involvement in tourism (years)
X_5 = Number of economic activities
X_6 = Type of involvement in tourism (dummy; full time = 1; otherwise = 0)
X_7 = Marital status (dummy; married = 1; otherwise = 0)
X_8 = Household size
a_0-a_8 = Parameters of estimates
et = error

Presentation of Findings

Tourist Attractions in the Communities

Obanliku area is home to tourist attractions including forest reserves, pottery works, numerous waterfalls, rocks and the famous Obudu Mountain Resort. Obudu Mountain Resort formerly known as Obudu Cattle Ranch is one of the most beautiful and pleasant tourist attractions in Nigeria. It has grown over the years to become a choice destination for tourists across the world. The Ranch resort was developed in 1951 by two ranchers: Mr. Hugh Jones and Dr. Crawfield following exploration by a Scottish Rancher, Mr. Mcaughley, in 1949 (http://www.hotel.ng/obuduranchresort). It is located

on the Obudu Plateau, close to the Cameroon border, in the Western part of Obanliku Local Government Area. Obudu Mountain Resort has an attractive landscape, a calming ambience and a temperate climate.



Plate 1: Obudu Mountain Trail

Facilities at Obudu Mountain Resort include Cable car, outdoor games and two river-size swimming pools. Others include a 9-hole golf course, mountain trail for hiking, horses for riding and a s100-meter-long, 70-meter-high swaying bridge that helps in viewing the forest. There are also facilities for watching the over 250 bird species in the resort. The Obudu mountain race takes place every November, which attracts participants and visitors from many countries of the world. Three main kinds of festivals are celebrated in Obanliku area. These include new yam festivals, kingship coronations and religious festivals.

Categories of Tourists Visiting Obudu Mountain Resort

There are two broad categories of visitors to Obudu Mountain Resort, namely: domestic and international tourists. Domestic tourists make up about 80% of the yearly visitor flow while international tourists make up 20%. The main originating country of international visitors to Obudu Mountain Resort is Europe (48%). Others include China (25%), United States of America (10%), ECOWAS (8%) and others (9%). In terms of purpose of visit, the highest percentage of visitors were holiday makers (38%); followed by conference participants (23%) then those on Government businesses such as retreats and trainings. The lowest percentages were for visitors on research or educational tours (11%) and film makers (7%).

Tourism Involvements by Respondents

Table 1 shows percentage distribution of respondents according to their engagements in tourism.

Table 1: Percentage Distribution of Respondents According to Involvement in Tourism

Areas of Involvement	**Frequency**	**Percentage (%)**
Transport	10	8.33
Accommodation	2	1.67
Photographing	12	10.00
Stationery services	7	5.83
Entertainment	8	6.67
Hairdressing	14	11.67
Employed in the ranch	20	16.67
Laundry	5	4.17
Sales of goods	15	12.50
Sales of handicraft/souvenirs	9	7.50
Sales of farm produce	18	15.00
Total	**120**	**100**

Source: field survey, 2019.

Findings show that the majority (16.67%) of the respondents were employed in the Resort. This was followed by those who sold farm produce to hotels as well as directly to tourists (15%).Other areas of involvement in tourism by the respondents included sale of general goods (12.50%), hair dressing (11.67%), photographing (10.00%), transportation services (8.33%), sale of handicraft/souvenirs (7.50%), entertainment services (6.67%), Stationery services (5.83%), laundry services (4.17%), and provision of accommodation (1.67%).

Tourism receipts

Annual tourism receipts by local community people involved in Obudu Mountain Resort Tourism are presented on Table 2.

Table 2: Percentage Distribution of Annual Tourism Receipts by Locals

Tourism Receipts (₦)	**Frequency**	**Percentage (%)**
51,000 – 100,000	25	20.83
101,000 – 150,000	30	25.00
151,000 – 200,000	42	35.00
201,000 – 250,000	19	15.83
Above 250,000	4	3.33
Total	120	100

Source: Field Survey (2019)

Findings show that all of the respondents except 4 (3.33%) earned between ₦51,000.00 and ₦250,000.00 per year. The modal class of tourism receipts among the respondents was ₦151,000.00 – ₦200,000.00. Twenty-one percent (21%) of the respondents earned ₦100,000.00 or less while 60% earned between ₦101,000.00 and ₦200,000.00. Similarly, 16% of the respondents earned between 201,000.00 and ₦250,000.00 while only 3% earned above ₦250,000.00. The average receipt per year from tourism by a local participant was ₦152,650.00.

Factors Influencing Tourism Income

The result of Ordinary Least Square regression analysis of factors influencing tourism receipts among respondents is presented on Table 3.

Table 3: Regression Estimates for Determinants of Respondents Involvements in Tourism

Variables	Coefficient	Standard error	T-value	Significance level
X_1 Age	0.456	0.883	0.516	
X_2 Sex	0.008	0.056	0.143	
X_3 Educational level	0.366	0.231	1.584	
X_4 Length of involvement	0.421	0.094	4.478	***
X_5 Number of economic activities engaged	-0.337	0.006	-56.17	***
X_6 Type of involvement	0.562	0.040	14.05	***
X_7 Marital status	0.033	0.350	0.094	
X8 Household size	-0130	0.842	-0.154	
R^2 = 0.954 (95%)				
Adjusted R^2 = 0.922				
F-ratio = 44.450				
SEE = 0.26214				
DW = 0.486				

Source: Field Survey (2018).
Note *** = Significant at 1%

Result of Ordinary Least Square Regression analysis of factors influencing income made from tourism by local people show that length of involvement in tourism (0.421), number of economic activities engaged in (-0.337) and type of involvement (0.562) significantly influenced tourism income of respondents. On the other hand, marital status (-0.033), age (0.456), sex (0.008), household size (-0.130) and educational level (0.366) had no significant influence on tourism income.

Discussion of Findings

Many natural and man-made attributes combine to make Obudu Mountain Resort a naturalists' haven and a veritable tourism resource. The Resort which spread over an area of over 100km and rises to about 1,600 meters above sea level has a cold temperate climate that sometimes falls lower than 15^0C. It is the only place in Nigeria where snow falls, giving domestic tourists the opportunity to experience the phenomenon without travelling outside of their country. The diverse ecological features, including mountain ranges, valleys and Savannah forests which habour rare species of trees, birds and primate avails tourists rich touristic experience in one stop. Hence, as revealed by our findings, Obudu Ranch Resort has not only become a choice destination for local and international nature-loving tourists, but also prime venue for international and local conferences and retreats.

The need to attend to the comforts and necessities of visitors to Obudu Mountain Resort provided income-yielding opportunities to local communities. Hence, local community dwellers engaged in Obudu Mountain Resort tourism in three main ways namely; employment with the Resort, supply or sale of diverse goods and provision of sundry services. Local community members took up employment with the Resort as cleaners, gardeners, security personnel and guides. Also, community members supply food items to the Resort, and sell fruits, vegetables and other goods to visitors while they come or leave the Resort. Local community members also provide transport, photography, laundry and beauty services while some provide accommodation to visitors who prefer not to be accommodated within the Resort. These findings agree with Shuibu, Ogunjinmi and Adeyemo (2017) who reported on assessment of residents' awareness and participation in sustainable rural tourism development in selected destinations in Southwest Nigeria. The authors found out that residents of communities where tourism took place were significantly aware and participated through provision of services and sale of goods to visitors. Similarly, the findings as afore discussed, agree with Chikezie (2019) who in his assessment of tourism entrepreneurial ventures towards economic growth in Bamba, Boki Local Government Area of Cross River State, Nigeria ranked employment as number one contribution of tourism entrepreneurship to economic growth. He also reported transportation and sale of food and drinks as some of the tourism entrepreneurial ventures found in the studied area.

Average annual tourism receipt by a community member who participated in tourism around Obudu Mountain Resort, which is ₦152, 650.00 (₦418.22 per day) fall within the low income or poverty range as it falls below the $1.90 per day threshold. This finding ties up with the established fact that poor local communities, in most cases, only benefit from low-income tourism employments and services delivery due to their competitive disadvantages (Drum and Moore, 2005; Onyeabor, 2016). Nevertheless, as reported by Nwahia, et al., (2012), tourism often provide essential additional rather than only income to local people, and according to Manyara and Jone (2007) and

Jiang, Delacy, Nkiramweni and Harrison (2011), this helps to alleviate or reduce income-poverty among participating local community members.

Result of Ordinary Least Square regression analysis showed $R^2 = 0.954$, which implied that about 95% variation observed in the dependent variable (income) was explained by the explanatory variables included in the model. The fitness of the model was further confirmed by the low value of the standard error of the estimates (SEE = 0.26214), which constituted about 5% of the total variations that was not explained. The low value of Durbin-Watson constant (DW = 0.486) shows that the model was of good fit and there was absence of autocorrelation. All these mean that the important variables were not omitted in the regression model and the forecasting power of the model was very strong. Again, the overall significance of the model was depicted by the F-statistics (44.45) which was significant at 1% level of significance. The significance of F-ratio shows that the regression result was statistically reliable.

Among the included variables; Length of involvement in tourism (0.421), Number of economic activities engaged in (-0.337) and Type of involvement (0.562) significantly influenced tourism income of respondents while marital status (-0.033), Age (0.456), Sex (0.008), Household size (-0.130) and Educational level (0.366) had no significant influence on tourism income. Number of economic activities engaged by respondents had a negative and significant (1%) influence on tourism income. Thus, keeping other variables constant, an increase in number of economic activities by 1 will decrease the amount realized from tourism by 0.337. This is in line with *a prior* expectation and agrees with the finding of Nwahia et al., (2012).

Explanation to this finding may be found in the fact that the more the number of other economic activities engaged by respondents, the less time and perhaps, capital devoted to tourism business. Length of involvement in tourism (experience) and Type of involvement of respondents had positive and significant relationship with tourism income, implying that as these variables increase, the income generated from tourism by households will increase, and vice versa. Furthermore, results showed that keeping other factors constant, a one-year increase in tourism business experience will increase tourism income of the respondent by 0.421. Likewise, keeping other factors constant, being full-time engaged in tourism work increases tourism income by 0.562.

Conclusion

The study concluded that Obudu Mountain Resort is a veritable tourism resort offering diverse touristic experiences in one stop to both international and domestic visitors. Furthermore, local community members participated in tourism around the Resort mostly in form of engagement in low-income employments, sale of farm produce, and provision of low-level tourism services. Tourism receipts by local participants were within the low-income range but constitute important addition to those from other sources. Tourism receipt was negatively influenced by multiplication of economic activities by

locals as well as inconsistency in engagement in tourism businesses, which in itself led to lack of experience. On the other hand, sole devotion to tourism business (full-time involvement) led to higher tourism income. While it is generally not advisable for locals to limit themselves to one economic activity, it is recommended here that for locals who are involved in tourism businesses to increase their tourism income over time, they would need to limit the number of other economic activities engaged in and remain consistent in tourism businesses.

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