Tourism Development and Sustainable Economic Development: Evidence from South Western Nigeria

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ABSTRACT

Aims: The study was done (i) to examine the influence of tourism on sustainable economic development, and (ii) to identify the factors affecting tourism development in South Western Nigeria.

Study Design: Descriptive survey design was employed for the study.

Place and Duration of Study: The study was carried out in seven cities of different states of South Western Nigeria, namely: Erin-Ijesa, Osun Oshogbo Sacred Grove in Osun State; Oyo town in Oyo State, Ikogosi, Ekiti State, Abeokuta in Ogun State, Idanre town of Ondo State and Victoria Island, Lagos.

Methodology: Ten (10) respondents each from all the seven cities were selected and questionnaire and the oral interview was done with them. The obtained data were statistically analysed using SPSS.

Results: Respondents agreed that tourism had improved household income and government revenue tremendously and lack of interest by financial institutions to lend capital to tourism investors are significant challenges confronting tourism. The tourism development has a statistically significant influence on sustainable economic development also.

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Conclusion: The study concludes that development of tourism is an engine room of economically sustainable development, and recommends that government should attract private investors to invest in tourism, to foster the state economy.

Keywords: Tourism; sustainable; economic development; investors; Nigeria.

1. INTRODUCTION

Tourism Industry is one of the backbones of the economy in developed, developing and underdeveloped countries and one of the major sources of foreign exchequer [1]. [2] affirms that the industry represents accounts for 9.9 percent of global GDP, 10.9 percent of world exports, and 9.4 percent of world investment. this industry directly employs nearly 77 million people worldwide, which comprises about 3% of the world’s total employment. The tourism industry also contributes to indirect employment generation to the tune of 234 million or 8.7% of the total employment implying that one in every twelve jobs in the world is in the tourism industry [1]. Contributions of tourism to sustainable development in terms of poverty reduction, promotion of socio-economic development and employment creation particularly for women, youth, migrant workers, rural communities and indigenous peoples in both developed and developing countries, Nigeria inclusive, had been acknowledged by scholars, economists and professionals [3,4,5]. This is evidenced by [6] report, that tourism directly created over 107 million jobs (3.6 per cent of total employment representing 3 per cent of total GDP) and supported a total of 284 million jobs, equivalent to one in 11 jobs in the world.

In Africa, tourism has been a major contributor to sustainable economic development. For instance, the tourism’s direct contribution to Africa’s GDP was $30 billion between 1995 and 1998 and the sector generated 21 million jobs in 2016 and is expected to increase to 29 million jobs in 2026 [7]. In Nigeria, the contributions of tourism to sustainable economic development cannot be overemphasised especially in South West, where over three hundred thousand people across the globe visit Osun- Osogbo festival and Erin-Ijesa waterfalls in Osun State; Old Oyo National Park in Oyo State; the Olumo Rock in Ogun State; the Idanre Hill in Idanre town of Ondo State; the Bar Beach at Victoria Island, Lagos and the Ikogosi Warm Springs located in Ikogosi, Ekiti State. Statistics revealed that the direct contribution of tourism to GDP was NGN1, 861.4 bn (1.7% of GDP) in 2017 and the sector generated 1,818,500 jobs, and this is expected to rise by 3.6 per cent per annum to 2,598,000 jobs in 2027 [4].

Despite Nigeria is blessed with abundant tourism components that could make her achieve its ivory tower of being a leading tourism provider in Africa, the sector has been bedevilled by the collapsed infrastructural facilities and insecurity. The facilities such as good road, stable electricity and basic social amenities to make the visitors around the globe to be comfortable are not there. Also, the activities of the herdsmen, kidnappers, religious extremists, and hoodlums have given a warning signal to the visitors globally to stay away from the country.

This study is justified by the need to investigate the significance of tourism development in the achievement of the sustainable development goals by 2030. This research study will contribute significantly to the existing tourism research literature on the evaluation of tourism impacts from a broader, more holistic sustainable tourism development perspective. More also, this study will serve as eye opener to policymakers, governments at all levels and investors on how tourism development enhances sustainable development in terms of job creation, income generation and poverty alleviation.

Pertinent questions agitating the mind of the researchers are; to what extent does tourism influence sustainable economic development in South Western Nigeria? And what are the factors affecting tourism development in South Western Nigeria?

2. RESEARCH OBJECTIVES

The main objectives are to examine the influence of tourism on sustainable economic development in South Western Nigeria and to identify the factors affecting tourism development in South Western Nigeria.

2.1 Research Hypothesis

The following hypothesis is formulated for the study.
2.2 Concept of Tourism

The Definition of Tourism varies source by source, person by person. There is no consensus concerning the definition of tourism. For instance, [8] defines tourism as any activity that voluntarily or temporarily takes a person from his usual place of residence, in order to satisfy a need of pleasure, excitement, experience and relaxation. According to [9], tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. [10] describes tourism as a travel to benefit from a particular service or activity that is unavailable at home. According to the British Tourist Authority’s definition, "Tourism is a stay of one or more nights away from home for holidays, visitation to friends or relatives, business conferences or any other purpose except such things as boarding education or semi-permanent employment". [11] also view tourism as a positive tool that can increase local pride, socio-cultural awareness and peace. It can provide shared infrastructure for tourists and local communities as well as direct socio-cultural support. [6] also describes tourism as the temporary movement of people to destinations outside their normal place of residence, for more than 24 hours with no intention of remunerations from point en-route the destination.

According to [7], tourism is no longer a leisure but an activity that has captured the attention of economists as a major source of foreign exchange for developing and developed countries, compelling aspiring nations to develop both tourist sites, standardize operations and improve infrastructures such electricity, airports, rail, roads, seaport, that support tourism. According to [12], tourism is the temporary movement of people to destinations outside their normal places of work and residence, the activities were undertaken during their stay in those destinations, and the facilities created to cater for their needs.

2.3 Tourist Attractions in South West of Nigeria

There are many tourists attraction in south western Nigeria and their contributions to the sustainable economic development of the areas cannot be overemphasised. For example, Osun State is blessed with abundant tourism destinations, such as the annual Osun Osogbo cultural festival that usually comes up in August every year and it attracts thousands of devotees from across the country and beyond. Visitors at the festival include nationals of United States, Brazil, Cuba, Trinidad, Grenada, and other nations in the Americas with a significant Yoruba cultural heritage. Erin –Ijesha waterfalls is another formidable tourist site that located in Erin-Ijesha – a town nearby Osogbo, the waterfalls have about seven layers, and only a few visitors can climb beyond the second layer. The Ikogosi Warm Springs is another tourism centre that attracts people from all hook and cranny of the world. The Ikogosi Warm Springs is located in Ikogosi, Ekiti State of Nigeria. It is a confluence of hot and cold springs meeting together at a point with each maintaining its own thermal properties. Tests reveal that the temperature at the warm spring is about 70 degrees Celsius at the source, and about 37 degrees Celsius at the point where the warm and cold springs merge together.

The Old Oyo National Park is another tourist destination which is located between northern Oyo State and southern Kwara State of Nigeria. It covers an area of 2,512 km2, most of the lowland plains at a height of 330 m and 508 m above sea level. It is a dense forest park reserve that can be accessed from Saki, Iseyin, Igboho, Sepeteri, Tede, and Igbeti; and is forestry rich in plant and animal life. The Olumo Rock is another formidable tourism destination that attracts thousands of people annually to the ancient city of Abeokuta in Ogun State, Nigeria. It is a popular tourist attraction and an ancient fortress used by the Egba people as a refuge during wartimes in the 19th century. Also, the Idanre Hill is another tourism destination that became a UNESCO World Heritage site in Idanre town of Ondo State, on October 8, 2007. Other tourists’ attraction includes Bar Beach at Victoria Island, Lagos, which attracts people from far and near. The beach does not have any plants or coconut trees but is largely sandy. You can have a stroll around the beach, or just stretch out on the white sands to sunbathe. A bar beach is also a place where you can hold picnics or play
outdoor games like football or volleyball on the beach.

2.4 Sustainable Development

[13] define sustainable development as development satisfying the needs of today without endangering the possibilities of coming generations and their needs. According to [14], sustainable development is to satisfy the needs of the present generation, balancing public welfare and environmental and economic development interests and concurrently ensuring the observation of the environmental requirements and the preservation of natural diversity in order to avoid the reduction of possibilities to satisfy the needs of future generations. [15] also describes sustainable development as an organizing principle for human life on a finite planet. It posits a desirable future state for human societies in which living conditions and resource-use meet human needs without undermining the sustainability of natural systems and the environment so that future generations may also have their needs met. [16] argues that sustainable development leads to the fulfilment of societal ideals considered relevant to the needs and aspirations of the society.

According to [9], the Partnership for Global Sustainable Tourism Criteria (GSTC) was formed by the Rainforest Alliance, the United Nations Environment Programme (UNEP), the United Nations Foundation, and the United Nations World Tourism Organization (UNWTO) in 2008, with aim to increase the understanding for sustainable tourism and to set minimum universal criteria for being a sustainable tourism provider. The main pillars of the criteria as of now are; to demonstrate effective sustainable management, to maximize social and economic benefits to the local community and minimize negative impacts, to maximize benefits of cultural heritage and minimize negative impacts, and to maximize benefits to the environment and minimize negative impacts.

2.5 The Relationship between Tourism and Sustainable Economic Development in Nigeria

Prior studies affirm that tourism is a catalyst to sustainable development in Nigeria. For instance, [17] finds out that tourism has significant impact sustainable development such as job creation, improved household income, sales of local crafts, inter-tribal marriages, the formation of friendship ties and increases in government revenue. [18] also confirms that tourism has significantly contributed to economic growth, job creation and domestic capacity. [4] also note that tourism sector contributes significantly to sustainable development through poverty eradication, promotion of gender equality, environmental sustainability, trade and economic growth and fostering partnership for development. [19] also affirm that tourism is a very important instrument to poverty alleviation, attainment of the millennium development goals (MDGs) and sustainable development. Equally, [20] reiterate that tourism development has a significant effect on the sustainability of the socio-cultural lives of the host communities. Findings of [21] also agree with the previous studies that tourism contributes towards alleviating the major political, social and economic problems that characterize the rural areas.

2.6 The Challenges Confronting Tourism Development in Nigeria

Previous studies [22, 21, 4] have divergent views on the challenges confronting tourism development in Nigeria. For example, [22] discovers that the major challenges facing tourism development in Nigeria are; inadequate infrastructure to guarantee security, development of road network, provision and maintenance of water pipes and sewage, solid waste management at the tourist sites, inadequate finance and banking services, absence of effective monitoring and enforcement and lack of adequate awareness.

In another study, [21] identifies that Over-dependent on oil, corruption, inadequate finance and non-implementation of tourism policy are major challenges confronting the tourism sector in Nigeria. In a similar study, [4] demonstrate that the challenges confronting the tourism sector are; lack of adequate infrastructure, insecurity and low level of capital investment in the tourism sector of Nigeria, due to lack of interest by financial institutions to lend capital to tourism investors.

3. METHODOLOGY

Research Design: Descriptive survey design was employed for the study. A descriptive study is undertaken in order to ascertain and be able to
describe the characteristics of the variables of interest in a situation [23].

**Area of Study:** The study was carried out in Erin-Ijesa, Osun Oshogbo Sacred Grove in Osun State; Oyo town in Oyo State, Ikogosi, Ekiti State, Abeokuta in Ogun State, Idaanre town of Ondo State and Victoria Island, Lagos. The seven (7) cities under study were purposively selected because they are the host communities of the tourism destination.

**Sampling Technique and Sample Size:** Purposive sampling technique was used to select ten (10) respondents each from all the selected seven cities totalling seventy (70) respondents.

**Data Instrument:** The instruments used for the study were a questionnaire and oral interview which was guided by an interview schedule.

**Reliability and Validity of the Instrument:** The researchers adopted Split-half reliability test for finding the reliability of the scales. The items on the scale are divided into two halves and the resulting half scores were correlated in reliability analysis by means of SPSS. The correlation value obtained was 0.82. In the present study, to test the validity of the scale, the scale was subjected to face validity. The scale was administered to four experts and got their expertise on the validity of the items in the scales.

**Method of Data Analysis:** Data were analysed with the aid of Mean, Standard Deviation and Chi-Square.

**4. RESULTS AND DISCUSSION**

**4.1 Socio Characteristics of Respondents**

The age summary of the respondents based on five categories of the age bracket, shows that the number respondents under 25 years are 16.7%. Furthermore, respondents in the age bracket of 26-35 years are 41.6%, while age 36 - 45 is 33.3%, whereas respondents of age 46-56 are 9.1%. Invariably, it can be deduced that the lowest frequency of respondent with 9.1% ranged between 46-56 years, while the highest frequency of respondent with 41.6% ranged between 26 years and 35 years. Thus, they form the highest population of respondents.

The majority of respondents were male with 58.4%, while female represent 41.6%, nevertheless, the sampling is still said to be gender sensitive. It was noticed that the majority of respondents were married with 55% while single constitute 45% but none of the respondents was divorced.

The level of education of the respondents ranged from school certificate to professional certificates. 5.4% had school certificate; 39.4% had NCE/ND; 47.3% were holders of BSC/HND; 6.6% were masters holders while 1.3% had a professional certificate. Thus, it implies that their responses may not be misleading or borne out of ignorance.

From Table 1 it can be deduced that respondents agreed that tourism has improved household income and government revenue tremendously; tourism has helped trade and economic growth and fostering partnership for development, tourism has contributed significantly to sustainable development through poverty eradication, the revenue derived from tourism has been utilized judiciously for the development of South Western Nigeria, tourism has been discovered as one of the strategies to improve sustainable economic development in South Western Nigeria and tourism has improved the general infrastructure in South Western Nigeria with mean of 4.6571, 4.5429, 4.4857, 4.4714, 4.2429 and 4.1286 respectively. This implies that residents perceived tourism development as a major predictor of sustainable economic development in South Western Nigeria.

Table 2 scores a grand mean of 4.377543 which is above the criterion mean of 3. This indicates that respondents agreed that the above-listed items are the challenges confronting tourism development in South Western Nigeria. Furthermore, results show that over-dependent on oil, Lack of adequate awareness, inadequate infrastructure to guarantee security, and lack of interest by financial institutions to lend capital to tourism investors are major challenges confronting tourism in South Western Nigeria.

The result is similar to the work of [4,21,22] who discover that lack of adequate infrastructure, insecurity and low level of capital investment in the tourism sector, lack of interest by financial institutions to lend capital to tourism investors, over-dependent on oil, inadequate, non implementation of tourism policy and lack of adequate awareness are major challenges confronting the tourism sector in Nigeria.
Tourism and Sustainable Economic Development in South Western Nigeria

Table 1. Influence of tourism on sustainable economic development in South Western Nigeria

<table>
<thead>
<tr>
<th>Statement</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism has improved the general infrastructure in South Western Nigeria.</td>
<td>70</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1286</td>
<td>1.14108</td>
</tr>
<tr>
<td>Tourism has improved household income and government revenue tremendously in South Western Nigeria.</td>
<td>70</td>
<td>3.00</td>
<td>5.00</td>
<td>4.6571</td>
<td>.50750</td>
</tr>
<tr>
<td>Tourism has helped trade and economic growth and fostering partnership for development in South Western Nigeria.</td>
<td>70</td>
<td>3.00</td>
<td>5.00</td>
<td>4.5429</td>
<td>.58199</td>
</tr>
<tr>
<td>The revenue derived from Tourism has been utilized judiciously for the development of South Western Nigeria.</td>
<td>70</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4714</td>
<td>.71670</td>
</tr>
<tr>
<td>Tourism has contributed significantly to sustainable development through poverty eradication in South Western Nigeria.</td>
<td>70</td>
<td>4.00</td>
<td>5.00</td>
<td>4.4857</td>
<td>.50340</td>
</tr>
<tr>
<td>Tourism has been discovered as one of the strategies to improve sustainable economic development in South Western Nigeria.</td>
<td>70</td>
<td>1.00</td>
<td>5.00</td>
<td>4.2429</td>
<td>.96962</td>
</tr>
</tbody>
</table>

Source: Data Analysis, 2018

Challenges Affecting Tourism Development in South Western Nigeria

Table 2. The challenges affecting tourism development in South Western Nigeria

<table>
<thead>
<tr>
<th>Statement</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of adequate awareness</td>
<td>70</td>
<td>1.00</td>
<td>5.00</td>
<td>4.4714</td>
<td>0.63065</td>
</tr>
<tr>
<td>Lack of maintenance of sewage and solid waste management at the tourist sites</td>
<td>70</td>
<td>3.00</td>
<td>5.00</td>
<td>4.2286</td>
<td>1.03799</td>
</tr>
<tr>
<td>Inadequate infrastructure to guarantee security</td>
<td>70</td>
<td>1.00</td>
<td>5.00</td>
<td>4.4429</td>
<td>.75442</td>
</tr>
<tr>
<td>Low level of capital investment in the tourism sector</td>
<td>70</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4571</td>
<td>.71598</td>
</tr>
<tr>
<td>Over-dependent on oil</td>
<td>70</td>
<td>2.00</td>
<td>5.00</td>
<td>4.4814</td>
<td>.60724</td>
</tr>
<tr>
<td>Non implementation of tourism policy.</td>
<td>70</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1571</td>
<td>1.05824</td>
</tr>
<tr>
<td>Lack of interest by financial institutions to lend capital to tourism investors.</td>
<td>70</td>
<td>3.00</td>
<td>5.00</td>
<td>4.4143</td>
<td>.57717</td>
</tr>
<tr>
<td>Grand mean</td>
<td></td>
<td></td>
<td></td>
<td>4.377543</td>
<td></td>
</tr>
</tbody>
</table>

Source: Data Analysis, 2018.

4.2 Testing of Hypothesis

H₀: Tourism development has no significant influence on sustainable economic development

H₁: Tourism development has a significant influence on sustainable economic development

Confident level: 5%

Decision rule: Reject H₀ if the significance value is less than the confident level. Otherwise, do not reject the H₀.

The result shown above indicated that the result is statistically significant as the \( \chi^2 \) (245.03) = 0.000 < 0.05. Therefore, H₀ would be rejected and we conclude that the tourism development has a significant influence on sustainable development.
Chi-square test result

<table>
<thead>
<tr>
<th>Statistical test</th>
<th>Value</th>
<th>Degrees of freedom</th>
<th>Significance value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>245.030</td>
<td>5</td>
<td>0.000***</td>
</tr>
</tbody>
</table>

***:1%, **:10%, *:5%

economic development. This result is in line with the studies of [17,18,4,19,20,21] that tourism sector contributes significantly to sustainable development through poverty eradication, promotion of gender equality, environmental sustainability, trade and economic growth and fostering partnership for development.

4.3 Discussion

This study establishes that tourism development is the catalyst to sustainable economic development. Thus, tourism development improves household income and government revenue; it helps trade and economic growth and fostering partnership for development. This study corroborates [17,18,4,19,20,21] findings that tourism development contributes significantly to sustainable development through poverty eradication, promotion of gender equality, environmental sustainability, trade and economic growth and fostering partnership for development.

The study also confirms that over-dependent on oil, Lack of adequate awareness, inadequate infrastructure to guarantee security, and lack of interest by financial institutions to lend capital to tourism investors are significant challenges confronting tourism in South Western Nigeria. This is consistent with [4,21,22] that lack of adequate infrastructure, insecurity and low level of capital investment in the tourism sector, lack of interest by financial institutions to lend capital to tourism investors, over-dependent on oil, inadequate, non implementation of tourism policy and lack of adequate awareness are significant challenges confronting the tourism sector in Nigeria. The study of [24] argues that the natural, economic, and social-cultural environment, as well as infrastructure, age, gender and education, are factors that influence the sustainable development of tourism.

5. CONCLUSION AND RECOMMENDATIONS

Tourism is recognized as a catalyst to sustainable development in terms of poverty reduction, promotion of socio-economic development and employment creation particularly for women, youth, migrant workers, rural communities and indigenous peoples globally. However, the sector has been bedevilled by terrorism especially in Africa and Asian countries. This research study, therefore, seeks to examine the influence of tourism development on sustainable economic development in South Western Nigeria. The study establishes that tourism development in South Western Nigeria contributed significantly to the sustainable economic development via poverty eradication, jobs creation, income generation for the household and improving the standard of living and their social lives. The study also reveals that over-dependent on oil, Lack of adequate awareness, inadequate infrastructure to guarantee security, and lack of interest by financial institutions to lend capital to tourism investors are major challenges confronting tourism in South Western Nigeria.

The study, therefore, concludes that development of tourism is an engine room of economically sustainable development. Subsequently, the study recommends that the government should attract private investors to invest in tourism, which will go a long way in fostering the state economy. Also, tourism stakeholders should create awareness programs on the significance of tourism. This will help host communities to protect their traditional values and prevent the erosion of their cultural heritage.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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