

EFFECTS OF TOURISM HOTELS TO LOCAL SURROUNDING COMMUNITIES IN ZANZIBAR A CASE STUDY OF KIWENGWA AND NUNGWI VILLAGES

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ABSTRACT

The main purpose of the study was to assess the impact of tourism hotels on local surrounding communities at Kiwengwa and Nungwi Villages in Zanzibar. The study adopted a descriptive research design as its research design. The data collection methods used in this study were survey, focus group discussion, observation, and key informant interviews. The findings of the study indicated that hotels didn't support social services in the local surrounding community; additionally, the study revealed that tourism hotels have negative social impacts on the local communities. The study findings further revealed that tourists' hotels have changed the behaviours of most of the young generation in the villages, including their living styles, due to intermarriages and mixed cultures, which have maximised the negative cultural behaviours in the community. Despite the negative influence on behaviour, the study found that the hotel industry in the area has provided employment opportunities to some residents of the area, both at the professional and nonprofessional levels, and thus exerted a positive impact in terms of employment creation.

Keywords: Tourist Hotels, Tourist, Local communities, socio-economic, environment.

1. INTRODUCTION

Tourist hotel seems to be a potential socio-economic activity which can contribute significantly to the development of local people surrounding the villages (Kitwana, 2020). Tourist hotels in many countries around the world are built as an investment but, meanwhile, contribute to the socio-economic development of the local community. Several studies on Global, Regional, East Africa, Tanzania and Zanzibar, in particular, have described the socio-economic impact of tourism hotels on local people surrounding communities. The study found these countries experience the negative impacts of socio-economic problems through the hotels, including the increasing Social and cultural effects, especially in infrastructure costs, leakage, seasonality, loss of authenticity, cultural exploitation, crime, child labour, social stress, sex tourism, Also the aspects of and environmental land degradation, air pollution and noise, deforestation, alteration of ecosystems, solid waste and littering, sewage, water pollution.

Evidence of research done by Bramwell (2019), Brown (2022), and Kim (2013) on the socio-economic and cultural impacts of tourist hotels in various regional continents of Liberia, Ghana, Gambia, Sera Leon, Liberia, Angola, Algeria, South Africa Thailand and Indonesia include the deterioration of the social structure, leading to an increase in vandalism and crime, alcohol, and drug addiction and damaging the local culture and language. However, some studies review the relevant literature by Lutz (2019), Pesonen (2018), Nieuwland (2020) and Belarmino (2020) on

the socio-economic impacts of tourist hotels on host communities in some East African countries, including Kenya, Uganda, Burundi, Rwanda, Ethiopia, South Sudan accounted that local economic and business aspects accounted 9% of the total coded data. It suggested that hotels should create more job opportunities by distributing and providing income to other local businesses and commodities prices inflation and economic dependence.

Studies by Russell (2020), (Forum, 2022) and the Pro-Poor Tourism Partnership (2023) show that Tanzania is mushrooming of hotels, resorts, lodges and rest houses. It is not known how the same helps mitigate income poverty in the surrounding communities. Zanzibar has been mushrooming with modern tourist hotels/lodges with high potential for the socio-economic development of the local people surrounding the local communities in Zanzibar (Okech, 2021). They have brought about the positive socio-economic welfare of the community by bringing together the stimulation of infrastructure development, including roads, communication, healthcare, education, public transport, access to drinking water, increasing local or regional safety and security, stimulating the local economy in terms of direct and indirect employment opportunities and foreign exchange of financial income. However, the impact of employment, both direct and indirect, on the local people mentioned that tourist hotels created only seasonal jobs for them; hence, it is difficult to have full-time contracts (Gobena, 2022). There are, however, some notable exceptions to the negative impacts of tourist hotels in Zanzibar, particularly in the cases of Nungwi and Kiwengwa Village. Such negative impacts are, for example, the local people surrounding the tourist hotels have been accused of causing cultural erosion, increase in drug and alcohol consumption that can be mostly observed in young men, crime has also risen, especially muggings and petty theft, but also violent crimes and robberies; these crimes have been directed at foreign-owned hotels or foreigners living in the capital (Tourism Concern, 2022).

The paper focused on assessing the effect of tourism hotels on local surrounding communities, a case of Kiwengwa and Nungwi Villages in Zanzibar. Specifically, it aims to assess the social benefits brought by tourist hotels to local surrounding communities in Zanzibar, to examine the economic benefits brought by tourist hotels to local surrounding communities in Zanzibar and to examine the effects of tourist hotels on the environment to the local surrounding communities in Zanzibar.

2. LITERATURE REVIEW

2.1. Theoretical Literature Review

The study adopted the stakeholder theory. The theory was introduced in 1984 by Freeman. The stakeholder theory is a useful tool for figuring out how stakeholders impact tourism hotel programs and how hotel projects affect stakeholders. The theory explains that if the organisation want to establish any tourist business sector, it must change from a narrow economic focus on creating stakeholder wealth to a broader stakeholder focus on increasing societal benefits (Farmaki, 2018). Stakeholder theory helped to conceptualise the nature of all stakeholders and the goals, ambitions and expectations of the society. The stakeholders indicate that meeting the needs of all stakeholders' expectations is challenging because of the company's limited resources, and it is time-consuming. The stakeholder theory is linked with the objective of the study, which focuses on the impact of tourism hotels on local surrounding communities at Kiwengwa and Nungwi Villages in Zanzibar. According to the theory, communities surrounding

the villages with tourist hotel investments are the most significant stakeholders in the tourist hotel business, which needs to be directly involved in the tourist hotel's success, including the demands of employees, suppliers, and distributors, and therefore their decisions must be implemented because the business may waste resources on ineffective stakeholders' involvement. The stakeholder theory suggests that hotel businesses should consider the perspective of their stakeholders and identify and prioritise their stakeholders to determine what expectations to meet for the most important stakeholders and what expectations will benefit the organisation the most.

2.2. Empirical Literature Review

2.2.1 Social effects brought by tourism hotels on local surrounding communities

Mrema (2019), conducted a study assessing the social sustainability of community-based tourist hotels in Vietnam. In his study, he found that the hotel industry can support socio-benefits to local people's development by promoting actions with agricultural producers. The author highlights the weak local community's financial capacity to undertake professional activities to support hotels, their scarce professional training and educational qualifications to benefit from professional opportunities.

Cain (2019) conducted a study based on Sustainable tourism development and competitiveness in Indonesia. In his study, he found that sustainable tourism development management has to retain a high satisfaction degree of tourists' needs, assure significant experience for consumers, increase their consciousness under issues of sustainability, and propagate practices of sustainable tourism among them. Marco (2021) conducted a study on critical assessment of the social impacts of tourist hotels in selected South African Communities. The finding of the study revealed that the intangible element (community upliftment and pride) was the most important to residents and has implications for tourism planning and development. It is, therefore, a factor that should be taken into account in future research.

Matias (2019) conducted a study on tourist hotels and social empowerment in Senegal. The study covered 10 communities surrounding the National Park in Senegal using survey and interview data. The results of the study found that sometimes, the host communities in developing countries do not have the financial capacity to undertake professional activities in support of the hotel sector or do not have sufficient professional training to provide them with the required quality of services. Aikaeli (2020), conducted a study that explores the contributions of tourist hotels on employment in Bwagamoyo Village. In his study, he found that supplying opportunities and provision of social services to the community welfare at the household level is the immediate solution for a win-win situation.

Rosemary (2019) conducted a study on the Social and Cultural Impacts of Coastal Tourism on Local Communities in Zanzibar. The study was carried out in Bwejuu and Paje villages located in Unguja Island, Zanzibar. Findings from this study observed that the increase in social change, pollution, drugs and alcohol, conflict over resource use and the high rate of immigrants in the villages were the main challenges impacting the local people, hence hindering their participation in the tourism industry. Murray (2009) researched common positive tourist hotel social impacts relating to the social well-being of the community as the stimulation of infrastructure development in Jambiani Zanzibar. In his study, it was found that there are very limited social services (roads, communications, healthcare, education, public transport, and access to drinking

water in nearby surroundings of local people, characterised by low increasing local or regional safety and security.

2.4.2. Economic benefits of tourism hotels in local surrounding communities in Zanzibar

Zhao (2019) conducted a study on the determinants which lead to the economic development of tourist hotels in the local community in Sri Lanka. His study found that determinant economic opportunities in local communities through tourist hotels are very low, and local communities have very little chance to access and take advantage of to change their life. Igiha (2013) conducted a study based on agricultural economic products as the source of household income in an area in Bangladesh. The results of the study indicate that there is still a tendency for households to participate in non-agricultural activities to increase their income through tourist hotels. Although such households received income from tourist hotel supplies, the margin of profit was not very significant. Mwaisumbe (2019) conducted a study on the level of income of community members of tourist destinations in Malawi. The study indicates that there is a positive contribution of tourist hotels in Malawi by local people surrounding the hotels. The study further found that despite the benefits, there was the perception that the government could do more to enable the local communities to tap tourism potentials in their areas.

Ateljevic (2018) conducted a study based on women's income derived from ecotourism in the Tanga region. The study found that most men in the societies control household finances through tourist hotels. In some cases, women's groups use tourist hotels as a source of revenue for community projects. Since visitors are often unaware of local circumstances and of development efforts which are being made, the government needs to work together with tour companies and other development partners to make sure that visitors are made aware of the local communities' income-generating projects.

Bakari (2023) conducted a study of the contribution of economic sectors to women in the surrounding tourist hotels in Michamvi Village. His study found that economic sectors like tourist hotels employ large percentages of women at comparatively high wages that help them to improve the relative economic well-being of women and their families. Salazar (2019) conducted a study based on employment creation for young people in the tourist hotels in Zanzibar. The study found that Tourist hotels contribute to poverty reduction by creating new jobs and providing income among youth in Zanzibar. In this respect, the study further found that jobs are created, the levels of skills required, recruitment policies, involvement of locals, training facilities, and challenges on grasping opportunities are also accessed for though being employed. Hall (2023) and Benson (2020), the study of business growth in the hotel industry in Holland, pointed out that “Not all businesses are started for growth, profit, profit maximisation or even for performance. Many are established or purchased, with the needs and preferences of the owners and their families being paramount. Businesses operating within this motivational paradigm do not necessarily see phenomena such as seasonality as a problem”; it is an opportunity to wind down for the writer and enjoy lifestyle investing in training and development, for proprietors or family may not be fully recognised so that options of enhancement through human resources development will not be a priority for such operations.

Morrison (2018) on the impact of the hospitality (hotel) industry on revenue, job and employment creation in Mongolia. His indication lies in the tendency to increase the local communities' surplus generation as some hotels would under-pay their tourism levy while some

would evade such payments. This may, in fact responsible for the negative sign of the coefficient of the variable, which did not meet the prior expectation of the variable. However, this is evidenced by the work of Szivas (2019), who conducted a study on community benefits around the tourist industry in Seychelles. The study found that hotel plays a supporting role in human resource development and also enhances productivity and quality at all levels within organisations, destination and counties. The hotel industry is a “multi-product” industry and offers a wide range of occupations with a diversity of capital requirements.

Nwakanma (2022) conducted the study based on accommodation and services around the hotel industry in Equator. The study identified that business around the hotel industry operators by demands of the market of goods fluctuation for the development of tourism destinations. Both the government and private sector must work in partnership if the destination must strive for the price of goods and service fluctuation effectively. This result is indicative that the presence of the hotel industry in the study area has not enhanced urban development; perhaps taxes and levies from the hotel industry may have been misappropriated.

Uysel (2017) conducted a study based on hotel infrastructure development and income-generating facilities in the hotel industry in Taiwan. In his study, he found that larger hotels provide a number of additional guest facilities such as restaurants, a swimming pool, child care and social function services, which encourage an influx of visitors to the destination and thus, local people create their income rapidly. According to him, the hospitality industry is a potential tourist attraction which parades modern facilities, such as a digital satellite television system, internet and garden bar meant for relaxation. According to him, all those facilities have the potential to attract tourists and other fun seekers to any tourism destination. Thus, hotel development is significant in the enhancement of tourism development and job creation opportunities.

3. METHODOLOGY

The paper is based on the research that was conducted in two villages, namely, Nungwi and Kiwengwa, in the North Region of Zanzibar Island. This study was conducted in these villages because the areas are the most popular for tourism activities in Zanzibar, where there are many luxurious hotels, resorts and guest houses. (Johnny,2022). The study adopted a mixed approach to explaining the emerging data issues of the work to allow for in-depth exploration and unpacking of the participants. Through this study, the researcher used both probability and non-probability sampling techniques to choose the respondents. Probability sampling simple random sampling techniques were used to get the respondents from households of Nungwi and Kiwengwa Villages surrounding the hotels, while non-probability sampling through purposive sampling techniques was used for the tourism officials, government officials from tourist hotels, cultural tourism coordinator and village/ward officers.

The study used 389 samples, of which 364 respondents were from the survey, two (2) Focus Group Discussions with a total of 20 respondents where eight (8) were females, and 12 were males, and 5 key informants interviews from the government officials including tourist hotels managers, cultural tourism coordinators and Shehia leaders, The questionnaires, Focus Group Discussion, observation, interview guides were used as data collection methods with the intent of generalising from a sample to a population. The validity and Reliability of the instruments were also tested, and the necessary modifications were made to the instrument to ensure the flow and

ease of administration of the instrument so as to produce stable and consistent results under stable conditions. The two primary methods for data analysis, which include qualitative and quantitative data analysis, were used in this study. Quantitative data would be analysed using statistical software for regression analysis, and qualitative data would be analysed thematically using qualitative data analysis software. These techniques were used in combination to help the researcher to make decisions based on the impact of tourism hotels on local surrounding communities at Kiwengwa and Nungwi Villages in Zanzibar.

4. FINDINGS OF THE STUDY

The findings and discussion of the study were done through the demographic information of the respondents. They are also focusing on the specific objectives that were adopted on social and economic benefits brought by tourist hotels to local surrounding communities in Zanzibar as indicated below:

Table 4. 1: The demographic information of the respondents

| Category of Variables | Type/Group | Frequency | Percentage |
|-----------------------------------|--------------------|-----------|------------|
| Sex of the respondents | Males | 202 | 51.9 |
| | Females | 187 | 48.1 |
| Age of the respondents. | 15 years -20 years | 8 | 2.1 |
| | 20 years- 25 years | 85 | 21.9 |
| | 25 years -35 years | 190 | 48.8 |
| | 36+years | 106 | 26.67 |
| Marital status of the respondents | Married | 180 | 46.3 |
| | Single | 91 | 23.4 |
| | Divorce | 48 | 12.3 |
| | Widow | 70 | 18.0 |
| Education of the respondents | Primary school | 230 | 59.1 |
| | Secondary school | 107 | 27.5 |
| | Collage | 6 | 1.5 |
| | University | 10 | 2.6 |
| | Never schooling | 36 | 9.3 |
| Occupation of the respondents | Fishing | 183 | 47.0 |
| | Farming | 65 | 16.7 |
| | Business | 23 | 5.9 |
| | Formal employment | 21 | 5.4 |

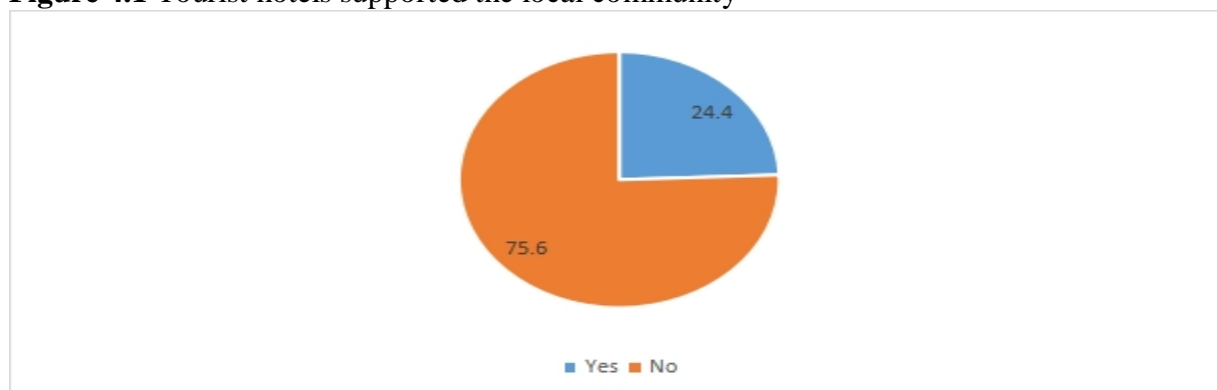
Source: Field Data, August (2023)

From the above table 4.1, the category of sex investigated in the study where the overwhelming majority, 51.9% of them, were males, whereas about 48.1% were found to be females. The evidence from the age of the respondents indicated that an average was from 15 years -20 years, followed by 20 years- 25 years, 25 years -35 years, and 36+years in the orders of 48.8%,

26.67%, 21.9%, and 2.1% respectively. The largest groups of respondents were married, representing 46.3% of the total sample; 23.4% of respondents were single; 18% of the respondents were widows, and the remaining participants were divorced, representing 12.3%, respectively. With respect to educational background, the result shows that 59.1% of the respondents were Primary leavers, 27.5% of the respondents were secondary school leavers, 9.3% of the respondents were never schooling, 2.6% of the respondents were Diploma leavers, and the remaining 1.5% of the respondents were university holders respectively. Finally, it was learned in the study that the main economic activity in both villages is fishing, tourism business and farming, accounting for about 47%, 24.9% and 16.7%, respectively. Other minor economic activities were business, which constitutes 5.9%, and the remaining 5.4% were employed in the government of Zanzibar.

The social benefits of the It was found in the study that the social benefits objective brought by tourist hotels to local surrounding communities in Zanzibar was influenced by understanding whether hotel support community development, the extent to which hotel supports the local community, nature and areas of their supports, understanding whether hotel contribute to deviate behaviour, and the areas of the deviate behaviour hotel on the impact of tourism hotels on local surrounding communities at Kiwengwa and Nungwi Villages in Zanzibar. However, the economic benefits are influenced by the community's standard of living, employment, seasonal jobs and business inflation.

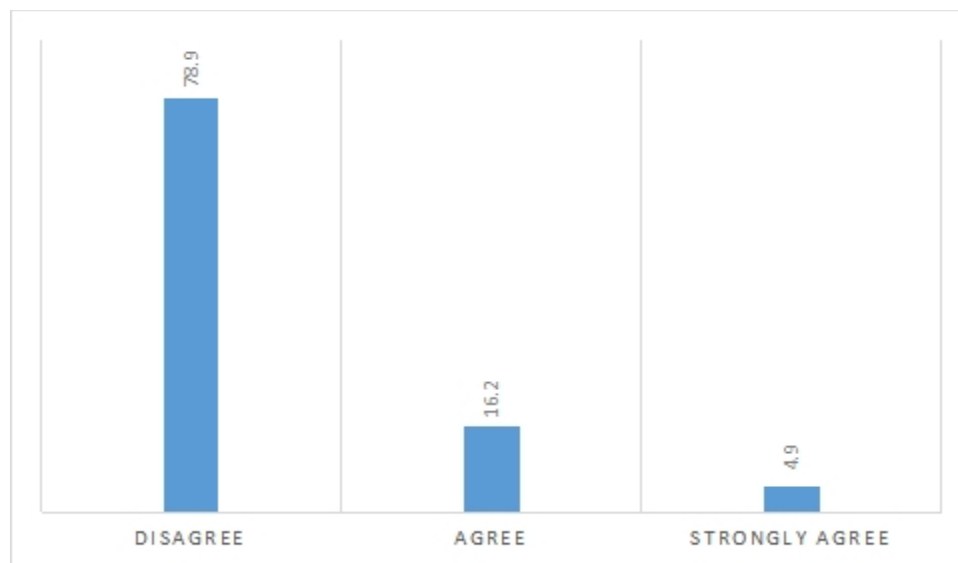
Figure 4.1 Tourist hotels supported the local community



Source: Field Data, August (2023).

It was found in the study that the social benefits of tourist hotels were to support the local community. The study found that the majority of the respondents, about 75.6% of the respondents, disagreed that tourist hotels support local people surrounding the community at Nungwi and Kiwengwa in Zanzibar, while 24.4% of the respondents indicated on the basis that they agree. This finding implies that tourist hotels have negative social impacts on the local communities. It also has some negative consequences.

Figure 4.2. Community Perception of Tourist hotels supports the local community



Source: Field Data, August (2023)

It was found in the study that the community had different perceptions regarding the understanding of the social services support from the tourist hotel surrounding the community at Nungwi and Kiwengwa, which indicated much difference. Their perception is 78.9 disagree, 16.2% agree, and 4.9% strongly agree. This finding implies that communities have developed a highly negative perception of the tourist hotels to support local community social services in both Kiwengwa and Nungwi Villages.

Table 4.2. Kind of social services support to the local community from tourist hotels

| Responses | Frequency | Percentage |
|----------------------------|------------|--------------|
| Hospital and health centre | 18 | 4.6 |
| Road transport network | 8 | 2.1 |
| Sports and leisure | 32 | 8.2 |
| Schools | 184 | 47.3 |
| Pipe water supply | 83 | 21.3 |
| Basic sanitation Aids | 64 | 16.5 |
| Total | 389 | 100.0 |

Source: Field Data, August (2023)

It was found in the study that there are different kinds of social development services supported by tourist hotels in the last 10 years to the local people surrounding the community at Nungwi and Kiwengwa. The majority of respondents, 47.3%, indicated school buildings, 21.36% of respondents indicated piped water supply, 16.5% indicated basic sanitation aids, 8.2% indicated sports and leisure, 4.6% of the respondents indicated hospitals and health centres and the remaining 2.1% of the respondents indicated on roads transports network. The empirical review

of Murray (2009) indicated that the community needs social well-being of the community as the stimulation of infrastructure development, including roads, communications, healthcare, education, public transport, and access to drinking water, in nearby surrounding local people, characterised by low increasing local or regional safety and security. Tourist hotels of the surrounding villages had to provide favourable responses towards the expanding basic social services in the local community, including education, water supply and health.

The respondents to the research interview data collected through Religious leaders and Village elders were asked based on the social services supported to the local community by tourist hotels in Nungwi and Kiwengwa Village. It was reported that 67.3% of the respondents indicated that school buildings, 6.6% of the respondents indicated piped water supply, 4.3% of the respondents indicated basic sanitation aids, 2.1% of the respondents indicated on sports and leisure, 8.3% of the respondents indicated on hospitals and health centres and the remaining 11.4% of the respondents indicated on roads transports network. This finding implies that the communities have lost their interest in tourist hotels as they thought that the presence of hotels could change our lives by sustaining the community's well-being, but the experience we are getting is different from what we thought. The interview responses indicated that the community suffer from basic needs, including clean water, as all the water is directed to the hotels, leaving them with nothing. The communities had this to say: The hotel supplies water for us once per week or after 5 days, which is not enough". It is unbelievable to see many hotels in our village, but still, the villagers are suffering".

During field visits, the researcher conducted a non-participatory observation method through these villages and observed many women at Nungwi village gathering and lining their buckets at the water tap, waiting to fetch some water donated by *Sister Island* and *Isc-Como*. This gathering of women indicates that some of the services donated by tourist hotels are not enough for the communities.



These results are supported by the Focus Group Discussion (FGDs) in both Nungwi and Kiwengwa Villages, indicating that hotels do not support social services perpendicularly, as most of the interior areas of the villages suffer from groundwater. The scarcity of water in the village

makes villagers spend much time on such activities, which could be used for other income-generating activities. Some women in the discussion complained about health services, poor street roads and sanitary Aids (Toilets).

Table 4.3. Hotels contribution towards immoral behaviours, Social disruption and cultural change

| Responses | Frequency | Percentage |
|------------------|------------------|-------------------|
| Yes | 311 | 79.9 |
| No | 78 | 20.1 |
| Total | 389 | 100.0 |

Source: Field Data, August (2023)

The study found that tourist hotels contributed towards the dissemination of antisocial cultural behaviours to the local people surrounding the community at Nungwi and Kiwengwa in Zanzibar. The findings highlight about 79.9% of the respondents agree that tourist hotels contribute towards the dissemination of antisocial cultural behaviours to the local people surrounding the community at Nungwi and Kiwengwa in Zanzibar, while 20.1% of the respondents indicated on the basis disagree. This finding implies that tourist hotels have changed the behaviours of most of the young generation in the villages, including their living styles due to intermarriages and mixed culture, which has maximised the negative cultural behaviours in the community, including the dressing codes lifestyle to resemble tourists, plaiting hair, wear earring, walking with short pens and other inappropriate garments according to the local traditions and culture.

Table 4.4. Common Social disruption and cultural change influenced with tourist hotels

| Responses | Frequency | Percentage |
|------------------------|------------------|-------------------|
| Drug abuse | 76 | 19.5 |
| Commercial sex workers | 57 | 14.7 |
| Crime | 225 | 57.8 |
| Child abuse | 31 | 8.0 |
| Total | 389 | 100.0 |

Source: Field Data, August (2023)

The study found that the common antisocial cultural behaviours influenced by tourist hotels to the local people surrounding the community at Nungwi and Kiwengwa in Zanzibar. The results found that about 57.8% of the respondents indicated a crime as the common antisocial cultural behaviour of the local people surrounding the community at Nungwi and Kiwengwa in Zanzibar, 19.5% of the respondents indicated drug abuse, 14.7% of the respondents indicated commercial sex workers and remaining 8% of the respondents indicated on child abuse. This finding implies that tourist hotel has settings and situations that attract antisocial cultural behaviours, and in this case, tourist hotels have the potential to foster an environment where such behaviours are practised and thrive. The respondents indicated the negative cultural effects associated with tourism activities, including wearing styles, drinking and smoking haphazardly and young boys wearing earrings, thieves, and prostitution, which is against the culture in these

villages. However, this is evidenced by the work of Rosemary (2019), who observed that the increase in social change, pollution, drugs and alcohol, conflict over resource use and the high rate of immigrants in the villages were the main challenges impacting the local people hence hindering their participation in the tourism industry.

The data collected through interviews with tourist tour operators at Nungwi and Kiwengwa Villages based on Common Social disruption and cultural change influenced by tourist hotels stated The results found that about 57.2% of the respondents indicated a crime as the common antisocial cultural behaviours to the local people surrounding the community at Nungwi and Kiwengwa in Zanzibar, 24.6% of the respondents indicated drug abuse, 11.5% of the respondents indicated commercial sex workers and remaining 6.7 of the respondents indicated on child abuse. This indicates that tourist hotels devalue Islamic culture and disrupt cultural change among the local communities surrounding the hotel.

The observation methods conducted during the field visits observed that many young women and men were handed out through the hotels' beaches, waiting for the tourists and beach boys. Most of them are from Kenya, Uganda and Tanga. It was also observed through the study that some women from Tanga came to Nungwi for sexual lust, and they have been engaging in such activities purposefully. They further indicated that if these practices continued and expanded to other destinations in such a visible manner, the consequences would be extremely dangerous because it would destroy the village norms and values of the tourist hotels' surrounding environment.

These results are also supported by the Focus Group Discussion (FGDs) which revealed that During Focus Group Discussion, it was revealed that 74.3% of the respondents indicated a crime as the common antisocial cultural behaviour of the local people surrounding the community at Nungwi and Kiwengwa in Zanzibar, 12.2% of the respondents indicated drug abuse, 9.1% of the respondents indicated commercial sex workers and remaining 4.4% of the respondents indicated on child abuse tourist hotels that the rate of prostitution in the villages has increased significantly. The results indicated that a lot of factors, including crimes, drug abuse and prostitution, have become an observation phenomenon.

4.2. The economic effects of tourist hotels in surrounding communities

The multiple regression Analysis was used to assess the joint contribution of the hospitality (hotel) industry in the diversified economy of the surrounding communities with measuring various variables as illustrated in the results analysis.

Table 4.5 Economic benefits of tourist hotels

| Economic Variables | Coefficients | Std. Error | t-value |
|---|---------------------|------------|---------|
| Constant | 31.363 * | 12.529 | 2.503 |
| Hotels to buy local products | -7.411E - 005 * * * | 0.000 | -2.821 |
| Hotel employment creation | 0.312 | 0.309 | 1.009 |
| Increased of the life standard | -18.975 * * * | 7.025 | 1-2.701 |
| Inflation of prices of goods and services | 32.708* * * | 9.081 | 3.602 |
| Seasonal employment | 22.606 | 8.150 | 2.774 |
| Diagnostics: | | | |
| R2 | 0.215 | | |

| | |
|--------|------------|
| Adj.R2 | 0.182 |
| F-test | 6.567* * * |
| DW | 0275 |
| SE | 33.31532 |

* = Significant at 5% level: *** = Significant at 1% level

From Table 4.5 above, the results show that hotels in the area have significantly contributed to the community-related business, generating more income in high seasons, forcing people to engage themselves in multiple activities for diversifying and increasing their income through selling their crops to the hotels as shop sellers, local food supplier and fruit sellers (t-value = -2.821), with a coefficient of -7.411 and significant at the 1% level. This indicates that the communities of these villages (Nungwi and Kiwengwa Village) generate their incomes steadily and have the tendency to increase the local communities' surplus generation as some hotels would under-pay their tourism levy while some would evade such payments. This may, in fact, be responsible for the negative sign of the coefficient of the variable, which did not meet the prior expectation of the variable. However, this is evidenced in the work of Hall (2023) and Benson (2020) in the study of business growth in the hotel industry in Holland point out that "Not all businesses are started for growth, profit, profit maximisation or even for performance many are established or purchased with the needs and preferences of the owners and their families being paramount businesses operating within this motivational paradigm do not necessarily see phenomena such as seasonality as a problem", rather it is an opportunity to wind down for the writer and enjoy lifestyle investing in training and development, for proprietors or family, may not be fully recognised so that options of enhancement through human resources development will not be priority for such operations.

Unarguably, table 4.5 above indicates that the hotel industry in the area offers employment opportunities to some residents of the area both at the professional and nonprofessional levels. From our results, it has exerted a positive impact in terms of employment creation, albeit not statistically significant, but with the expected sign conjuncture (t-value = 1.009). With an increase in the number of hotels in Nungwi and Kiwengwa Village by 5%, it is capable of creating employment for residents in the area. This is what Morrison (2018) said about the impact of the hospitality (hotel) industry on revenue, job and employment creation in Mongolia. His indication lies in the tendency to increase the local communities' surplus generation as some hotels would under-pay their tourism levy while some would evade such payments. This may, in fact, be responsible for the negative sign of the coefficient of the variable, which did not meet the prior expectation of the variable. However, this is evidence that the work of human resources development will not be a priority for such operations.

These results are also supported by the interview conducted by Beach boys and young entrepreneurs in both Nungwi and Kiwengwa Villages, which indicated 68.3% of the respondents found that tourist hotel employment opportunities are significantly low compared with 27.4% of the respondents, which accounts to be high while 4.3% of the respondents indicated to be higher. This finding implies tourist hotel employment opportunities in the surrounding communities are absolutely few, and most of the chances are covered by foreigners from Europe, Kenya, Uganda and Tanzania mainland. However, employment to the local people is limited to casual jobs such as cleaning, gardening and tour guide services; the rest of the jobs

are employed youth outside of Zanzibar.

The Tourist hotel managers' interviews conducted at Double Tree Helton of Nungwi Kiungani and Kiwengwa Beach Resorts of Kiwengwa Simba Urembo had these to say:

“We know most villagers complain a lot that their children are not given priority for hotel jobs despite having these resources in their villages. We always encourage them to apply just like any other Tanzanians or Kenya. But you know, they want us to simply give their children employment even if they don't qualify...just on the grounds that they live close to tourist hotels. We always say no to this, and that would be unfair, to be honest! ... So what about those who don't have tourist hotels in their area? Do you mean they should not dream about being employed by tourist hotels? “

There are also evident that the development of hotels in the area significantly contributed to the upswing in the local communities' life standards through the local economy (t- value =2.701). With the expected positive sign met, it has an implication that an increase in the number of hotels by 5% is capable of enhancing the upswing in the local economy of the communities near the hotels in the study area. This has been indicated by the work drawing from the works of Szivas (2019), who found that hotel plays a supporting role in human resource development and also enhances productivity and quality at all levels within organisations, destination and counties. The hotel industry is a “multi-product” industry and offers a wide range of occupations with a diversity of capital requirements.

These results are supported by the Focus Group Discussion (FGDs) of Nungwi and Kiwengwa Villages, whose perception accounts for 79% strongly agree, 11.3% agree, and 9.7% disagree. This data indicates that local communities in the two villages have engaged in delivering economic benefits to the tourist hotels from various joint venture partnerships. The communities in these villages have established community desks in the hotels to support orphans and the most vulnerable people, including elders, to sustain their basic needs.

Table 4.5 above shows the Inflation of the price of goods and services as an indicator of the economic benefits of tourist hotels with both positive and negative effects within surrounding communities. The variable has an estimate of a coefficient of 32.708 with a t-value of 3.602 and was statistically significant at the 1% level, albeit it has not met the prior expectation. This finding implies that market forces are driven by price fluctuations between high and low seasons. This means that local people would earn a small price of goods and services from a particular number of tourists during the low season as prices would go down due to low demand; meanwhile, the price of goods and services increased during the high seasons. This result is shown in the works of Nwakanma (2022), who identified that business around the hotel industry operators by demands of the market of goods fluctuation for the development of tourism destinations. According to him, both the government and private sector must work in partnership if the destination must strive for the price of goods and service fluctuation effectively. This result is indicative that the presence of the hotel industry in the study area has not enhanced urban development. Perhaps taxes and levies from the hotel industry may have been misappropriated. In recent times, the government has reduced the conditionality through investment where many tourist hotels were established in the country, given its far-reaching catalytic economic implications (Larry, 2005). From our results, Nungwi and Kiwengwa Villages have significantly contributed to tourism hotel development, and hence, many local people are involved in the seasonal local people job opportunities (t- value = 2.774), though with the expected sign

conjuncture. It has an elasticity of an increase in the hotel industry by 5% to boost seasonal employment in nearby villages. This also affirms Uysel (2017), who found that larger hotels provide a number of additional guest facilities such as restaurants, a swimming pool or, child care and social function services, which encourage an influx of visitors to the destination and thus, local people create their income rapidly. According to him, the hospitality industry is a potential tourist attraction which parades modern facilities, such as a digital satellite television system, internet and garden bar meant for relaxation. According to him, all those facilities have the potential to attract tourists and other fun seekers to any tourist destination. Thus, hotel development is significant in the enhancement of tourism development and job creation opportunities.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1. conclusion

Investments in the tourism sector tend to also benefit the local people due to the multiplier effects of the activities. Although tourism investors focus on generating income for their companies, the livelihoods of local people and their involvement in the sector are also important. It was examined in the study that the awareness of local people regarding tourism policy and regulations is still low. The involvement of local people in the formulation of tourism policy and regulations was not participatory, making the local communities unaware of their rights regarding tourism. For achieving sustainable livelihoods in the communities, the involvement of local people in making decisions is very important.

It was noted in the study that the benefits that local people get from coastal tourism activities depend on individual efforts to generate more income from multiple sources. The increasing rate of negative impacts from tourism-related activities makes local people prefer engaging themselves in other income-generating activities than tourism-related ones. Engaging in multiple income-generating activities is important for improving the living standard and ensuring that the livelihoods of local people become sustainable.

5.2. Recommendations

It was recommended to the government to mainstream coastal tourism in the education system in the lower level classes and considered in the curriculum for educating local people to create awareness on utilising the potentials in the sector and minimising the negative impacts associated with tourism activities.

During the formulation of tourism policy and regulations, it was highly recommended to involve all stakeholders, starting from local levels to the national level. All community members should share their ideas and feelings through regular meetings about the ongoing tourism development in their villages.

The study recommended that there is a need to increase the scholarships for training local people at all levels of education in tourism-related skills to make them competitive in the labour markets, especially for managerial positions. Meanwhile, emphasis should be on the government to ensure that all hotels registered under the Revolution Government of Zanzibar operate under the stipulated laws and regulations.

It was recommended to the government to ensure that each village has a natural resource committee working closely with Non-Government organisations and tourism investors to support

village development projects. Meanwhile, it needs to focus on people's ability to respond to changes through self-organisation, traditional knowledge for protecting the environment, and collaboration with other tourism stakeholders.

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