

IMPACT OF TOURISM DEVELOPMENT ON SMALL AND MEDIUM ENTERPRISES IN OBUDU CROSS RIVER NIGERIA

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Abstract

Tourism as an industry has multiple and significant impacts on the socio-economic development of any nation on which small and medium scale businesses (SMEs) have predominantly been centered. Thus, this research is aimed at investigating the impacts of tourism development on SMEs in the Obudu cross river in Nigeria. The study employed both quantitative and qualitative methods of data collection and data analysis. Based on a structured questionnaire, 70 SMEs owners were purposefully sampled for quantitative data collection. Additionally, 10 informants were interviewed through video calls. Descriptive techniques were used to analyse the qualitative data, whereas Pearson parametric correlation was used to find the relationship between tourism development and SME's. The qualitative findings of this research highlight benefits which SMEs enjoy in participating in tourism activities such as job creation, poverty reduction, income generation, infrastructural development, and community development. The quantitative results revealed that the Pearson correlation ranges from (0.262- 0.519, significant at $p < 0.05$ level). This result means that there is a significant relationship between tourism development and tourism impacts on SMEs in the Obudu cross river area. The findings further imply that tourism activities, government policies to avoid leakages in tourism activities, the contribution of tourism activities to business income generation, the impact of tourism on employment opportunity, and the continuity of tourism in promoting businesses irrespective of challenges are facing tourism development in the Obudu cross river. This research is the first study that fully addressed all ten territories in the Obudu cross river in Nigeria, where the impact of tourism development on SMEs was researched. This study recommends that the federal government, state government, and local government should work together to address the market and SMEs challenges for tourism by introducing innovations and consumption practices that will enhance tourism development.

Keywords: Obudu cross river, SMEs, Tourism development