

The Role of Spice Gardens on Income Generation of Agro-Entrepreneurs in the Central Province of Sri Lanka

R. A. S. A. Perera and R. H. Kuruppuge

*Department of Management Studies, University of Peradeniya,
Peradeniya*

Keywords: Agro-tourism; Income generation; Spice gardens.

Introduction

Agro-tourism has been defined as a process which attracting visitors and travelers to cultivated areas with educational and recreational aims. Agro-tourism provides rural experiences to travelers while generating indirect revenues for the rural households. Agro-tourism can also encourage primary industry, agriculture as well as tourism sector; and creates a win – win situation for all stakeholders (Singh, 2007). Agro based tourism is one of the optimal solutions to improve the rural communities' living standards and maintains the socio cultural and ecological equilibrium (Silva and Wimalaratana, 2006).

Sri Lanka's rural community has been dominated by agriculture since ancient times and they have produce various kinds of agricultural products such as rice, grains, spices, rubber, coconut etc. (World Fact Book, 2012). On the other hand, Sri Lanka is one of the favorite travel destinations in South Asia for tourism. Hence, the advisory panel on community based sustainable tourism in Sri Lanka (2008) identified that Sri Lanka as a suitable destination for Agro-tourism practices. Spice gardens in Sri Lanka were established for commercial purpose by the Dutch during the colonial period and these were established around the country. Most of them are based on agro-tourism projects. The literature review of the study clearly indicates that the arrival of tourists and the strategies followed by the spice gardens owners have

direct impact on their daily income. However, since tourism sector of the country is not fully explored the spice garden based agro-tourism opportunities are still in their initial stage, while only a few agro-tourism destinations are operating at present with minimal facilities and services (Lakpura, 2013). The issues related to this problem and the role of spice gardens on income generation and its contribution on development of the agro based tourism industry have not been empirically studied.

Objectives

The main objective of this study is to find out the contribution made by the spice garden on the income of the spice garden owner and the development of agro-tourism in the Central Province of Sri Lanka. The sub-objectives are: (i) to determine the relationship between the numbers of tourists visited the spice gardens per day and daily income of the spice garden; and (ii) to determine the relationship between the current strategies used in spice gardens and the daily income of the spice garden.

Methodology

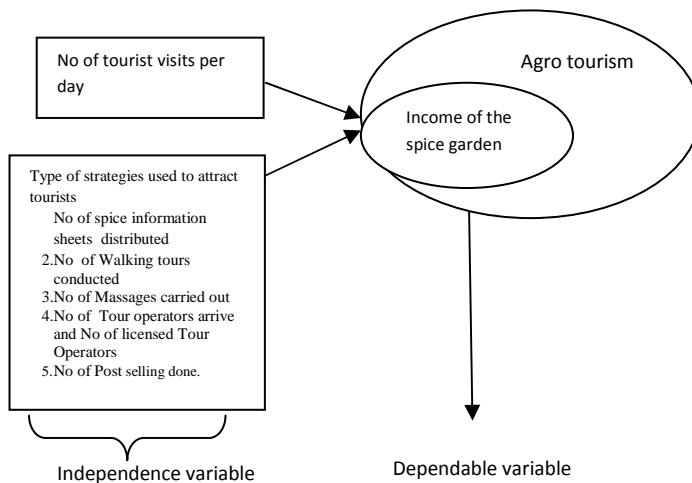
This study uses primary data and adopts a multiple regression technique. The primary data were collected by field survey using a questionnaire, interviewing 30 spice garden owners from Kandy, Matale and Nuwara-Eliya districts of the Central Province in Sri Lanka. Stratified random sampling method was used to select the sample.

The null hypothesis (H_0) of this study is that number of tourist arrivals and the strategies followed by the spice garden owners do not have impact on their daily incomes. The alternative hypothesis (H_1) is that

number of tourist arrivals and the strategies followed by the spice garden owners have impact on their daily incomes.

The conceptual framework of the study is given in Figure 1.

Figure 1: Conceptual Framework for the Study



According to the conceptual model, number of tourist visit per day to the spice gardens and number of the strategies carried out in providing information i.e., time spent in the spice garden, spa facilities, follow up-selling (sales after visit to spice garden) and tour operators' assistance are considered as independent variables. Income of the spice garden owner (in Sri Lankan rupees) is considered as the dependent variable of the study.

Results and Discussions

According to the results of the analysis, the most common type of tourists arriving at the spice gardens are group visitors than couples or individuals. Americans, Russians and Germans have become frequent visitors to spice gardens. Female visitors represent higher percentage

out of the total visitors per day to the site. The owners have been able to generate additional income apart from the main income generation of selling herbal and spice products. The results of the multiple regression analysis are given in Table 1.

Table 1: Results of Multiple Regression Analysis

	<i>Coefficients</i>	<i>Standard Error</i>	<i>P-value</i>
Intercept	37.1	1.027	0.0123
X ₁	528.89	0.09	0.04
X ₂	810	0.068	0.025

X₁ –No of tourists visit per day; X₂ – Types of strategies carry out

Number of Observations = 30, R² = 0.71
Standard Error, 2.204

The estimated regression model is:

$$\hat{Y} = 37.1 + 528.89X_1 + 810X_2 \dots\dots\dots(1)$$

where, X₁–Number of tourists per day, X₂– Number of strategies carried out; and \hat{Y} – Income of the owner of spice garden.

The regression results show that the number of tourist visits per day and the daily income of the spice gardens have significant and positive relationship. A unit change in number of visits per day positively contributes to Rs.528.89 of the daily income of the spice garden owners. The regression results also indicate that the number of strategies carried out by the spice gardens owners and the income of the spice garden owners have a positive relationship. The unit change in the number of strategies is significant which positively contributes to Rs. 810.00 to the daily income of the spice garden owners.

Conclusion and Recommendation

This study confirms that the spice gardens generate considerable income of the spice garden owners which positively contributes to the development of the Agro-tourism through influence by the number of tourists to the site and the strategies carried out by the owners of spice gardens. The study recommends that the spice garden owners should pay attention on getting additional income by developing new strategies to attract more tourists. Introducing strategies such as the green product concept within the spice garden will attract more tourists which will positively affect owner's income.

References

- Samaranayake, H. M. S. (1998) Development of Tourism in Sri Lanka and Its Impact on the Economy and Society in Fifty Years of Sri Lanka's Independence: *A Socio-economic Review*. Sri Lanka Institute of Social and Economic Studies, Colombo.
- Wimalaratana, W and Silva, D. A. C. (2006) Community Based Sustainable Development Tourism with Special Reference to Monaragala District, in Sri Lanka, Olanda Publishers, Arawwala, Sri Lanka.
- Veeck, G. C. D. and Veeck, A. (2006) America's Changing Farms cape: A Study of Agro-cultural Tourism in Michigan. *Professional Geographer*, 58(3).