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# Stakeholder's Perspective on Tourism Development and Its Implications: The Case of Heeloya Knuckles Valley Tourism Village

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## A B S T R A C T

Geographical area of Sri Lanka, with its intact natural beauty, important culture, and historical monuments, has significant potential for tourism development. The study investigated the Heeloya Knuckles Valley Tourism village in Sri Lanka as the research area which conducts tourism activities on a regular basis as one of their main livelihoods. The objective of this study was exploring the stakeholder's perspective on tourism development and its implications. The sample was selected using purposive sampling method, and the sample size consists of 12 tourism stakeholders. The study adapted the qualitative research approach, and data were gathered using interviews conducted through telephone conversations. The study used thematic analysis method. The analysis revealed that tourism has generated positive economic and socio-cultural impact such as revenue generation, women's employment, economic growth, and social empowerment. The finding of this research showed that the stakeholders held a favorable image towards tourism development and that there is a need for a proper mechanism to promote tourism in those places. There is a great potential to develop sustainable tourism concepts as an instrument of multidimensional poverty in rural areas.

**Keywords:** stakeholder's perspective, tourism development, economic development

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## 1. Introduction

Tourism is one of the world's fastest and growing industries, which has experienced continued expansion and diversification. According to the Godfrey and Clerke (1998), community is a focal point of modern tourism development for the supply of accommodation, catering, information, transport, facilities and services. According to the Sinha and wen (2008), the value of the tourist property is explained by geographical location, microclimate

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conditions, natural vegetation and wildlife, geographic structure, local cuisines, festivals and pageants, traditional agricultural systems, local handicrafts, regional dress culture, historical events and people, heritage appeals, architectural verities, folk dance and artistic activities. The Tourism Vision 2025 will transition Sri Lanka into a highly valued tourism destination while capturing full growth potentials, safeguarding and prioritizing the sustainability of natural and cultural assets. Tourism is the largest service industry in the world, and is now recognized as one of the world's most economically significant sectors (Sri Lanka tourism vision, 2025). Currently, tourism is one of the booming industries in many developing countries including Sri Lanka. As the world's fastest growing industry, tourism works as a community development tool. Being a people-oriented industry, tourism provides many jobs which have helped revitalize local economies. Community involvement in tourism has been receiving increasing attention because of the success and sustainability (Mitchell & Eagles, 2001). Bridging the gap between tourism and local economy. Creating and enhancing the existing livelihood strategies by generating employment through developing small enterprises. Developing tourism products not only of revenue generation, but also for contribution towards economic development of the country. Heeloya knuckles valley tourism village is a remote agricultural village in the central province. The village promotes Sri Lankan culture and local traditional activities. As one of the human sensible industries, tourism plays a leading role in the economic development of these rural tourism destinations. Heeloya is the area untouched by researchers.

### **1.1. Problem identification**

Sri Lanka is known as a major travel destination with a variety of resources. Its unique characteristics and strategic placement play a vital role in tourism development. In the current scenario, new tourism concepts are far beyond traditional tourism concepts as tourists' preferences have moved from mass tourism to niche tourism. According to Perera (2016), Meemure, Lakegala, Hiriwadunna, Dambulla, and Heeloya are the popular rural tourism destinations in Sri Lanka. Tourism creates many jobs for poor and unskilled in comparison to other industries due to low usage of technology in term of labor. Further, "Luxury tourism is not always the best strategy" (Muhanna, 2007). Economic and social impact on the local community depends on how much of the income generated by the tourists go to host communities. According to Lewis (1996), tourism works as an effective development tool for destinations. There is little empirical evidence to support this claim. Existing researchers have been dealing with impact attitudes and perceptions of tourism in rural areas from the perspective of tourists and the community. According to Gunarathne (1996), little attention has been paid to tourism development for poverty alleviation in empirical research. Therefore, there is a huge space to do research related to stakeholder's perspective on tourism development.

## **3. Review of the literature**

### **3.1. World tourism**

According to the UNWTO, tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes, and it is the largest mass migration in the human history. Tourism is an industry that trades products of nature, events, culture, and history, and presents them to the visitor as unique experiences (Craik, 1995). Nowadays, tourists seek more and more memorable experiences and visiting local traditional events is one way of achieving this. Tourists who visit attractions and attend events are more likely to feel that the travel experience has contributed to their cultural enrichment and will therefore be more

satisfied and more disposed to return (Mendes et al., 2011). World Tourism Organization (WTO) defines tourism as activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes. The tourism industry is identified as one of the largest and fastest-growing industries in the globe. Its high growth and development rate, a considerable volume of foreign currency inflows, and infrastructure development activities affect various sectors of an economy. In addition, it will affect the socio and economic development of the country (Nayomi & Gnanapala, 2015). According to the World Tourism Organization (UNWTO), "Tourism toward 2030" stated that the international tourist arrivals worldwide are expected to increase by an average of 3.3 percent a year over the period of 2010 to 2030. Tourism is the generic term to cover both demand and supply. It has been adopted in various forms and used throughout the world.

### **3.2. Tourism in Sri Lanka**

Tourism in Sri Lanka has a long history. The government of Sri Lanka formally entered the tourism industry in 1960. It plays a significant role in the global tourism market. Sri Lankan government sets the two main goals for tourism development and poverty alleviation. The first goal is named as eradication of hunger and hardcore poverty (Ministry of finance and planning in Sri Lanka, 2010). Tourism is the third largest export earner in the economy with more untapped potentials. Further, Sri Lanka is often considered as an increasingly popular destination for international tourists. In 2013, Lonely planet ranked Sri Lanka as the number one destination. Further, in 2015, Forbes magazine declared Sri Lanka among the "top ten coolest countries" and New York Times has identified Sri Lanka as a top location to visit. Tourism is a highly dynamic and competitive industry with an ability to adapt to tourists' rapidly changing needs; satisfaction, safety, and enjoyment. Appropriate policies and investment decisions are more essential to situate Sri Lanka within the global travel and tourism marketplace (Munasinghe et al., 2018). Sri Lanka is known as a major traveler destination with a variety of resources. Its unique characteristics and strategic placement play a vital role in tourism development. According to the Sri Lanka Tourism Development Authority (SLTDA) statistics report, tourists arrival in Sri Lanka during the year 2017 amounted to 2,116,407. Tourists have many purposes when traveling to different destinations. According to the SLTDA, the annual statistical report of 2017 stated that 82.4% of pleasure tourists arrived in Sri Lanka during the year.

### **3.3. Niche tourism**

Niche tourism in marketing terms has two interrelated ideas. There is a market place for the product, and target audience for the specific niche tourism product. In addition, a niche product should meet the needs of a particular market segment. Location with specific niche products is able to establish themselves as a niche tourism destination. Rural tourism is a niche market for the tourism industry. This concept is usually developed based on visitor preferences and needs (Novelli et al., 2005). Rural tourism has been considered as one of the niche tourism sectors.

### **3.4. Rural economy**

According to ILO, the rural economy "holds significant potential for creating decent and productive jobs and contributing to sustainable development and economic growth. It accounts for a significant share of employment and output in many developing countries but is widely characterized by severe decent work deficits and poverty, hosting nearly 80 percent of the world's poor. "The promotion of decent work in the rural economy is critical to

eradicating poverty and ensuring that the nutritional needs of a growing global population are met. This is recognized in the 2030 Agenda for Sustainable Development, which is set to increase attention towards rural development and agriculture and food security in particular.” This is how ILO has defined rural economy (Drum, 2011). As indicated by Kevin Drum, “individuals in rustic territories will probably say that employments and the economy are a major concern, they really feel about it as decidedly as urban tenants. For example, 29 percent of rural people say their community’s biggest problem is jobs and the economy, whereas only 10 percent of urban people state the same. About 30 percent of rural people say job opportunities are good. However, 50 percent of urban people agree on the above.”

### **3.5. Residents’ attitudes towards tourism development**

Over the past few years, several studies have been carried out in Europe, to examine the attitudes of local residents towards tourism and its implications on local community. The authors have explored three basic categories as economic, social, cultural and environmental impact. Comprehensive reviews suggested that positive and negative effect and residents’ attitudes are contradictory. According to Catibog et al., (2008), economic impacts of tourism are perceived by residents as job opportunities, local economy development, increase investment in local areas, tax revenue earning and enhancement of economic quality of life. Conversely, the negative causes are increased cost of living, unequal distribution of economic benefits and increase of prices of goods and services. The environmental themes aimed are ecological problem, pollution and reforestation. Such studies demonstrated that residents favor promotion of tourism because the creation of parks and recreations improves the quality of roads and public facilities, and awareness of environmental conservation. As negative impacts, parking problems, traffic cognitions, disturbance and destruction of well-preserved flora and fauna, and illegal construction of building can be stated. According to Chelanalgat (2017), intensive nature of tourism labor facilitates the creation of employment opportunities. Further, diversification through tourism provides an attractive career and business opportunities and also alternatives to reduce rural urban migration. Tourism has to pay for different types of services rendered to the host community. Development of the infrastructure facilities, improvement of the destination image, transformation of local community, revitalization of community pride, preservation of culture and heritage, enhancement of lifestyles and local life,, and conservation of the archeological and historical sites are few impacts gained from the development of tourism (Chelanalgat, 2017).

## **4. Methodology**

The study focused on a tourism destination in Sri Lanka namely, Heeloya Knuckles Valley Tourism Village. The population of this study is stakeholders living in Heeloya. Hence, 10 stakeholders who are engaged with tourism-related activities were selected purposively for the sample. The study has been conducted during the Covid-19 pandemic and due to the pandemic situation, income of the residents dropped drastically. Lesser attraction of visitors, and government rules and regulations negatively affected the livelihoods of residents. The interviews conducted through telephone conversations were used to collect data. This research is based on the qualitative approach, and thematic analysis has been performed to assess the stakeholders’ perspectives on tourism development and its implications.

## **5. Data analysis**

In line with this objective, the purpose was to determine the stakeholders’ perspective on tourism development and its implications on the development of Heeloya Knuckles Valley Tourism Village, Sri Lanka. The study investigated both positive and negative impacts

received by the stakeholders. The information provided by the interviewees was used mainly as the base for the analysis, finding, recommendations and for finally drawing the conclusion. Their information based on both positive and negative comments on the impacts on the stakeholders' livelihood from the two major points of view were economical and socio-cultural.

### **5.1. Positive economic impact on job creation**

- Self-employment opportunities

A number of individual reasons for getting involved in tourism development were discussed in detail. Interview participants claimed the reasons for getting involved in tourism as follows,

*"I didn't want to go to the city to work in another organization. I could start my own business here. It was my dream...but unfortunately in this period there is no benefit"*  
*"Traditional indigenous products and handicrafts are the main products in my business. Before establishing tourism, in here I had to go to Theldeniya town to sell these things. Now I am in this place this is my own business..."*  
*"We wanted to get out of the city. We were always expected peace and quiet.at 2008 I started my own business now it has turned in to a family business."*

- Employment in tourism related business

*"There is no permission to outsiders to start a tourism-related business inside of the village. All the employees here are villagers..."*

*"When we consider the economic benefits, according to our recruiting policy we have targeted 60% of local residents. Otherwise, we have a purchasing policy also. That means a variety of fruits, vegetables, local ingredients we purchased only from the local community in the village. Some special location local cuisines made by the villagers and provide for us. It directly caused to increase their income and create job opportunities for villagers."*

- Women employment

*"At the previous time, we could see a lot of women in the family went abroad to improve their economic condition. Now there is a new trend it has differed. Female started a small business from their households like vegetable cultivations, souvenir shops, handicrafts production, fruits shop like that things..."*

*"Lots of tourists come to this area so, community earns money by engaging different job opportunities. Some get donations from the hoteliers and foreign funds. Women stayed in the home and they can start their own business. It reduced urban relocation by creating locals jobs within the village for women."*

### **5.2. Negative economic impact on job creation**

- Poor quality jobs

*"In this area at the season time create a high level of part-time job opportunities for first time workers and young people with little or no work experience. Further, they hired workers under the low paying rates' think it is good as supplementary income avenue for locals. But it is not a permanent solution to rural depopulation and poverty. According to the opinion job, creation must be decent."*

*"Most of the time local people work as a cleaner, kitchen hands cook likewise... very few of our people are employing in a management position. Because of that young generation prefer to urban employment."*  
*"According to the above statement low wages, part-time jobs and low-level positions created by rural tourism indicate that it fails to create jobs*

for sustainable livelihood and poverty alleviation. *“When tourists came by public transportation mainly tuk-tuk, Three wheels use by them to reach Heeloya from the Theldeniya. Normally we charge Rs.450 from per person. But some are charge more than it. Sometimes tourists make complaints about them.”* At that situation, the first impression was bad, and the dissatisfaction of tourists negatively impact tourism.

- Seasonality of tourism-related jobs

Seasonality is a major problem for many rural tourism destinations. They are prejudicing profitability and rendering them inefficient in terms of their use of the capital assets (Chi, 2005).

*“This is my own business.at the off-season times I am in a problematic situation.my family basically depend on this business.at the off-season tourists not come for this village. Due to this bad situation, my husband joined as a worker at the small hotel near to the Poddalgoda. Unfortunately, he also works during only peak season. But unemployment during the off season. We try to reduce this problematic situation. We hope to found permanent employment in this area “According to the Chelangat (2017), there are seasonal fluctuations in the demand for tourism services.*

### **5.3. Positive impact on economic growth**

- Income generation

*“The main idea for starting this tourism concept in here was income generation to the local residents. There is a family-based system all the income equally divided through the household which engages with the tourism activities. There are 22 households directly or indirectly engage with us. Some are proving accommodation facilities, Food, and beverages, etc...”*

*“We are eco-wave travels in Theldiniya. We offer tourists to experience the local cuisines, traditional rice and curry lunch with a village family. A large number of people economically benefiting from tourism. Percentage of income goes to the village society. So that not only the individual family whole villagers who engage with the rural tourism they economically benefitted.”*

*“When tourists came to Heeloya they prefer to stay with local residents in the village. There is plenty of extra room in our home with local row materials. Most of them are staying with us. We earn income from rented by accommodations”. “Previously, our source of income was farming. I am a vegetable farmer in this area. Now with rural tourism, our income has improved. Because we have an additional source of income. I work as a tour guide on part-time. I earn extra income from this.”*

- Generating supplementary income for residents

Due to low agricultural incomes, farmers no longer depend on one activity. Therefore, they establish a new small business in order to supplement their income and to save the population from job losses and poverty. According to, *“Rural tourism is a way of supplementing the income from the farming activities in rural areas. Diversification through rural tourism provides an attractive business supplement of an alternative to rural-urban migration”.*

*“We organize Sinhala and Tamil new year celebration with foreigners. There are 45 foreigners engage with us. We organize some activities for them. We haven't time to prepare all the meal by our hand because all the women engage with us. So we provide our order to another family for catering. It will be easy for both parties. They also can get supplementary income from us.”*

- Infrastructure development

The development of infrastructure has numerous spin-offs for rural communities because it is one of the ways in which the livelihoods of the poor in rural areas can be influenced. Key challenges of tourism development in rural areas are infrastructure, connectivity, and sanitation.

*“At the previous time, there was no proper accessibility facility for the village. After converting this village to modern village because of village based tourism, basic infrastructure facilities were developed.”* Tourism development has improved the infrastructure and living conditions of the community especially through construction and upgrade of main roads. The upgrading of the road has greatly facilitated the sales of vegetables.

- Introduction of a new market for tourism products

*“I prepare some products using local raw materials (Hana, Wewel), I sell hats, carpets, flower baskets, mats for the visitors. Before established tourism in here I went to the Theldiniya town to sell these things. Now I have my small business within the village. I earn money from my own business.”*

*“I also have a small stall for sell fruits, vegetables, and spices which are growing my home garden...”* . *“Traditional and indigenous products, local handicrafts supply by us.”* Dawar and Chandra (2010) argue that tourism in rural areas creates rural markets which present opportunities for the profitability of small scale businesses. At the local level, tourism has great potential for creating markets for local products. Travelers enjoy the pleasure of visiting rural crafts markets, and wondering.

#### **5.4. Negative impact on economic growth**

- Cost of living

Most of the host community and tourist stakeholders mentioned cost of living as a negative economic impact of tourism. They emphasized that the increase in prices and rates of goods badly affect the community. Further, some mentioned that their salaries are not enough to buy goods and services.

*“Not arguments, at the peak seasons all the product’s prices increased. It negatively affects our day to day life. Residents of the village, they haven’t more money for consumption. According to my opinion pricing strategy should be flexible for local residents”*

#### **5.5. Positive socio-cultural impact**

- Improvement of destination image and community pride

*“Previously most of them were not heard about us. We are in an exotic rural place. There were not proper accessibility facilities in past decades. After established tourism concept in here immediately turn to the model village. All the infrastructure facilities were improved. Destination image was increased.”*

*“According to my opinion, when tourists came here, they highly satisfy with our kind hospitality. They always admire our service quality. Tourists provide satisfy feedback in anytime. They didn’t get any bad experiences from their village tour. Their favorable feedback is very important for our success. It is a very useful tool to build our destination image”* Majority of the interviewees’ (87%) opinion was that tourism builds reputation of the areas. Especially, people in the measure had pride in the reputation of what they gathered via

locality and traditional lifestyle. Host community interviewees mentioned their opinion about destination image and community pride.

- Protection of culture and local tradition (lifestyle, traditional festivals, arts, and crafts)

Tourism encourages people to preserve and protect the cultural heritage and local tradition, customs, historical monuments, local handicrafts, traditional festivals arts and crafts. “we conducted traditional festival to show our local culture as Sinhala and Tamil new year.. We started with the opening ceremony. We invited tourists to lighting oil lamps. They were highly enjoyed. They always tried to respect our culture.” “We offer people to experience the local cuisines, Traditional rice and curry lunch with us while sitting on the “pila”. We offer vegetables, fruits, and grains with lotus leaf. During this, one of us makes cooking demonstrations on how to prepare traditional meals how to use traditional kitchen utensils (Kulla, wangediya, hiramanaya) and my husband demonstrate how to make a roof out of the coconut leaves. we show our traditional farming methods for Visitors. Still,we have to show our Govi gedara,Wee bissa, Bolaththa, Kamath, etc.....”

“This is a free hut or “pela”.The purpose of building this was farmers staying at night to protect the cultivation from wild animals. If the visitors like, it is a rare opportunity for them to climb up the tree hut. We show our locality for tourists.” According to the responses, the researcher can identify that there are many activities available within the rural tourism destinations to demonstrate the local tradition and culture. Majority of them stated positive impact on destination image.

### **5.6. Positive impact on cultural exchange**

Under the section on social and cultural impact, cultural influences were measured by the researcher based on answers interviewees gave. According to the personal interviews, some events have transformed tourism in rural areas socially and culturally and in both positive and negative ways. The interviewees expressed their opinions based on their experiences and the changes they have felt through the years. The researcher identified some indicators of culture as religion and beliefs, and tradition, rituals and customs. The opinions of the host community varied according to their perception. Some people thought that tourism in rural areas acts as a positive contributor to their culture, and others thought that it brings a negative effect on culture. Some of the host community interviewees commented positively about events. Other interviewees argued about bad cultural influences of tourism development in rural areas.

### **5.7. Social relationship**

Social relationship links contribute to build a strong connection between tourism stakeholders and tourists. In this research, the researcher found that most of the host communities have any kind of connection with the tourists. Some directly link with tourists, i.e., tour guide. Some parties – accommodation providers, F & B suppliers, etc.. – have an indirect connection with them. For example, the stakeholders gain positive benefits from the social relationship. “We have a good opportunity to share our value of the culture and traditional value among the different people. We can gain value to our local resources....” “Village and tourism establishments like homestays, hotels have a strong relationship. All the employees work in here are villagers. I also live in here we build a strong relationship with tourists.



According to the overall facts of participants, tourism in rural areas creates initiatives for improved lifestyle and local life. Besides, tourism in rural areas provides social and cultural benefits such as social contacts between the local population and tourists, and an augmented perception of the importance of stronger communication among local people. During the interviews, participants were able to provide a more detailed description of their perceptions on the impacts of tourism. Many participants spoke (interviewee 1, 2 and 5) very positively about how tourism affected their lives. They mentioned that residents are able to interact with others. However, some mentioned that loss of privacy, increased noises, over crowdedness, drug abuse, and misbehavior negatively affect their living culture.

### **5.8. Negative impact on cultural exchange**

When a rural tourism destination becomes popular, the culture of the community can also change rapidly. *“Warigasabhawa is the main place in the Heeloya. Elders in the village gather to Warigasabhawa and solve administration problems. Most of the tourists prefer to see this. But, there is some harmful effect on our culture, previous time period there was a restriction, Women can't enter to the Warigasabhawa. But, now changed that tradition. Women also come with foreigners. They are not considering our rules or traditional value. They came here, get photos with us, and say “Bye uncle” and go. Village tradition is also changing”. “Youngest in the village quickly adapt to the western tradition. They like to engage with the various tradition beyond our culture and locality. They always try to add new things to their lives. Sometimes, it will be negatively affected our rural tradition.” “Most of the boys and girls are trying to imitate the western culture...”*

- Drug abuse, misbehavior

*“I don't know properly, about that, but most of the young people are addicted to drug consumption. I think it is going as a trend among the young generation. Little boys are working there and I think they also addicted to it...” “Some situation, the younger generation is addicted to drugs. They think they are socializing by using drug...tourism is the main reason for that...” “Some are created disruption for residents. Use alcohol inside of the children. Behave of some people not suited for village tradition...”*

Misbehavior happened in both visitors and host community according to the data gathered in personal interviews.

*“Sometimes misbehaviors are happening but those are not very big incidents. Mostly it happens with the local people, not foreigners. Foreigners know how to behave”. “Some foreigners are difficult to handle* “Negative aspects of rural tourism development were evident in these rural tourism destinations. 64% of the respondents chose to leave this question. They could not think of any negative impacts that were present. Further, 30% of respondents did not the answer. Majority of them told “I don't like to talk about that,” none, I don't know, etc.

### **5.9. Positive impact on living standards**

Due to the numerous economic benefits of tourism, tourism helps in the increase of living standards of people by offering new jobs for villagers, which in turn helps them to improve the quality of life and their whole families. *People living in Heeloya engage with few more jobs. Some are engaging with the tourism-related businesses, some do private-sector job and few people do the government jobs. Tourism-related businessmen are richer than the others. They earn direct financial benefits also non-financial benefits. Because of the tourism villagers enhanced their livelihood.*

### 5.10. Positive impact on social empowerment

*“When we doing agricultural activities like farming, Plough, reap we all are working together. After finished some activities in our paddy field I also engage with the others work. We work as a group it helps for us to minimize time wastage in our work”*

*“We practiced harmonious activities within the day to day activities”* According to the responses, the researcher has identified that there is a community equilibrium within the village. Majority of respondents (67%) have mentioned that social empowerment positively effected their livelihood. According to Scheyvens (1999), social empowerment in terms of enhanced community equilibrium means residents feeling more connected and beginning to work together, and he described it within the context of tourism. Social empowerment occurs when tourism helps increase a community’s cohesion. Further, Dicastrì (2004) sees tourism as having an important role in helping to bring people together to work on common interests. Social empowerment occurs when a community’s sense of cohesion is confirmed or strengthened by involvement in tourism (Scheyvens, 1999).

**Table 1: Summary of the Thematic Analysis**

Parent theme	Sub theme	Sub themes
Economic impact	Job creation	Positive impacts Self-employment opportunities Employment in tourism related business Women employment  Negative impacts Poor quality jobs Seasonality
	Economic growth	Positive impact Income generation Generation of supplementary income for residents Infrastructure development introduction of a new market for tourism products Negative impact Cost of Living
Socio-cultural	Destination image and community pride Protection of culture and local tradition Cultural exchange	Positive impact social relationship  Negative impact Drug abuse, misbehavior
	Living standards Social empowerment	

## 6. Discussion

The purpose of this section is to interpret the findings of this research and explore how they relate to existing literature. The economic impact of tourism has been reported by the

interviewees as both positive and negative when examining the respondents' attitudes towards how tourism contributes to the economy of villagers. Some researchers have agreed that those who personally benefited from tourism perceived it as generating more positive economic impacts than negative. Williams and Lawson (2001) and Harrill (2004) have suggested that more communities depend on tour dollars, and they have more positive attitudes towards tourism development. According to the researcher's findings, residents perceived more positive impacts on economy such as job creation, infrastructure development, economic growth, income generation etc. Tourism has proven to act as source of additional income rather than the main income source. Further, according to the research findings, equal distribution of economic benefits was mentioned by some stakeholders. According to Janecka (2009), development of infrastructure and superstructure was identified as the positive economic benefits from tourism in rural areas. The researcher has also found some drawbacks in job creation such as poor quality jobs and seasonality of the tourism-related business. Few of the respondents mentioned the above drawbacks from their bad experiences. In this study, the researcher identified lack of residents' support to tourism development in their respective areas has brought negatively impacts. Seasonality, poor quality jobs and cost of living negatively affect their livelihood. According to the responses investigated, the majority of the benefits received by the local community, the researcher identified, are generated through tourism, and therefore they have positive attitudes about tourism development. According to the results, the majority of the community (80%) are engaged in tourism-related businesses. From the socio-cultural impacts, the most important aspects were increasing pride through exhibition of local culture, and enhancing living standards and social empowerment. Further, the main negative impacts were misbehavior, drug abuse, and social influences. Most of the respondents' opinion was to remove the above negative impacts. Respondents mentioned that if they collaborate and work together, they can minimize the negative impacts, and it can maximize the positive impacts. According to Scheyvens (1999), the importance of tourism's impact on economy has resulted in the personal economic benefits from tourism and is to become one of the most consistent predictors of residents' support for tourism. The nature of engagement in tourism industry is identified as accommodation supplier, guide services, souvenir and handicrafts, fruits and vegetable seller and transport supplier in those rural tourism destinations. With tourism development came improvements to village infrastructure, the creation of a handful of employment opportunities, increased recreational opportunities and flux of new habitats" (Aslam, 2011). However, the researcher can identify that the benefits of tourism outweigh the negative impact of tourism development in Heeloya Knuckles Valley Tourism village in Sri Lanka. The findings of this study will enable to understand, the way in which tourism initiatives contribute to livelihoods, and thus be able to help responsible authorities to develop various plans to ensure that the local community in Heeloya benefits more from tourism. The other importance of this study is that it may act as a reference for students, scholars, and any researcher with similar interests.

## **7. Conclusion**

The purpose of this study was to determine stakeholder's perspective on tourism development in Heeloya Knuckles Valley in Sri Lanka. The results of the study were identified as producing both negative and positive economic and socio-cultural impacts through tourism. Job creation, economic growth, and infrastructure development are the positive impacts on economy and seasonality of tourism related business, poor quality jobs, and increase living costs are the negative impacts on economy. From the socio-cultural impacts, the most important aspects were increasing community pride through exhibition of local

culture and tradition, and enhancing living standards and social empowerment. Hence, the main negative impacts were misbehavior, drug abuse, and social influences. According to Dipietro and Condly, (2007), positive socio-cultural impacts are increasing self-esteem, developing positive attitudes about each other's culture and customs, and improving community pride. Gannon (2009) also mentioned that tourism fosters pride in place, and sense of place, helps to build community infrastructure, promote the spirit of team community, and these are some of the positive socio-cultural impacts. Moreover, as the final outcome of the study, the researcher can clearly see that most of the respondents are affected economically and socially in a positive way than otherwise.

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