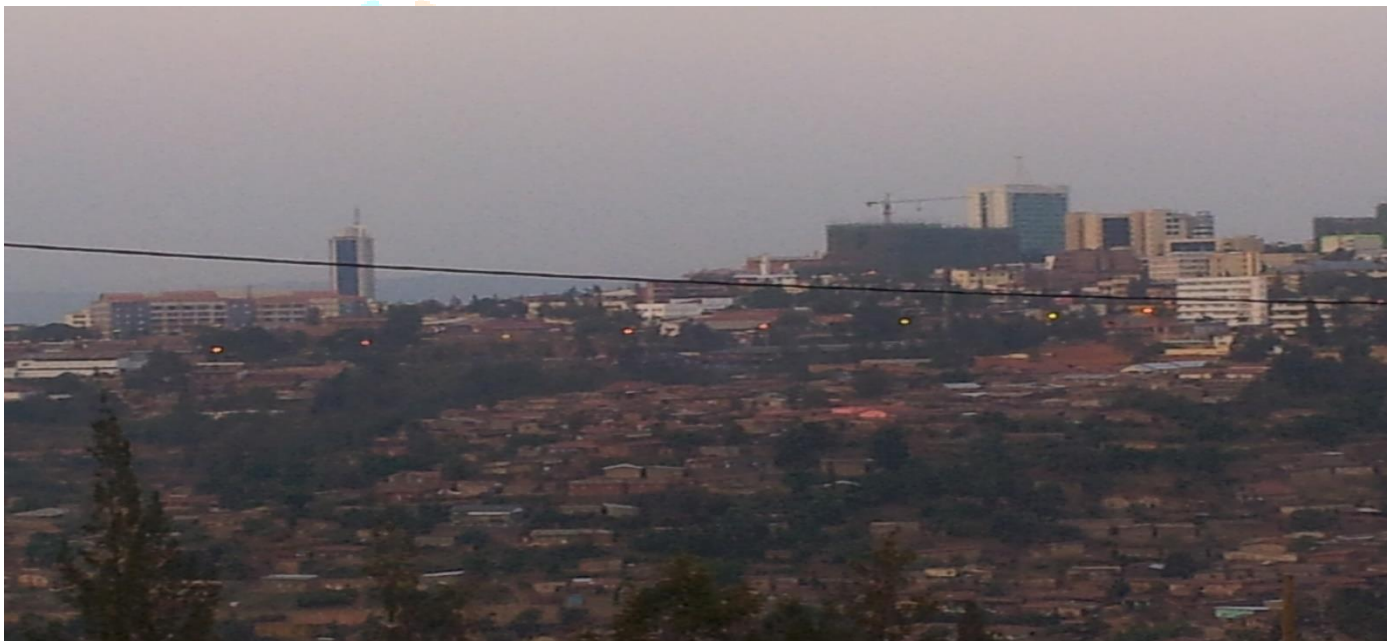




# **"Perception of Local Community to Socio-Economic Benefits of Tourism Development/Hotel Growth in Nyarugenge Sector (Kigali City)".**



**Presented by Pacifique TURATSINZE**

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## ***Abstract***

*In general tourism is considered as one of major socio-economic driving force in today world, it's regarded as a crucial means to benefit local communities. The perceptions of local community can affect directly the development of tourism and hospitality industry. Positive perception from local community can help boosting tourism and hospitality activities; and the negative perception can be harmful toward development of tourism and hospitality. To ensure the success of tourism and hospitality planning,*

*participation and involvement of local community is very crucial. Nyarugenge Sector in Kigali City (Rwanda) has experienced a marvelous growth in hospitality sector since 2000. Many hotels and other infrastructures have been constructed to accommodate local and foreign tourists. However, despite this rapid growth in hospitality industry, the economic and social impacts of tourism on local has been critically discussed and explained in literature review from different academicians.*

*A study was conducted to analyze the socio-economic impact of tourism development especially from hotel growth in Nyarugenge Sector and to assess the local community perceptions regarding this growth. This blended (Qualitative and quantitative) type of study used intrepetism philosophy and deductive approach, convenient non-sampling technics was used to choose participant on this study. As technic this study used questionnaire to collect data and excel was used to analyze them.*

*The findings on this research show that the local community's perceptions about socio-economic benefits tend to be negative as they are influenced by personal or individual perception which is also negative. Majority of Local people in Nyarugenge Sector agree that hotel industry is developed, but they are not involved towards that development, lastly local people's perception support the future development as they believe the error committed before to ignore them will be corrected.*

**Key Words:** *Perception, Local Community, socio-economic benefits, Tourism development and Hotel growth*

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## CHAPTER 1. INTRODUCTION

Tourism and hospitality are the largest and leading industry, they are considered as one of major important service industries in the world (Schumacher, 2007). They play a big role in social, economic and environment levels within many governments' development programs. Tourism and hospitality are used to improve the economic capacity of any country; the developing countries boost tourism development projects for their economic advancement (Hall C. M., 1995). Government views tourism as a tool to develop their infrastructures, to create job, to earn foreign currencies, to enhance balance of payment and generating benefits to local community (Glasson, J., Godfrey, K., & Goodey, B., 1995). Further studies show that tourism and hospitality development will help to boost individual's income and revenue within the host countries (Ahn, B., Lee, B., & Shafer, C. S., 2002).

For third world countries the most crucial aspects of tourism and hospitality industry are income generation, creation of employment, foreign exchange earnings. On each country's perspective, it has various economic and social contribution, in this regards, both macro and micro level of economy are influenced by growth and development of this sector. At macro level, tourism and hospitality is seen as a catalyst in term of income generation, balance of payment enhancement and its plays a crucial role to support Gross Domestic Product (GDP). At micro level, tourism and hospitality involves local community for the improvement of their well fare, contribute to create jobs, income distribution and sustainable development at regional level. However local community are very important as they constitute the major stakeholder of tourism development (Poh Ling, L., Johari, A., & Myint, K., 2011); due to this the number of studies on local perception towards tourism development is increasing.

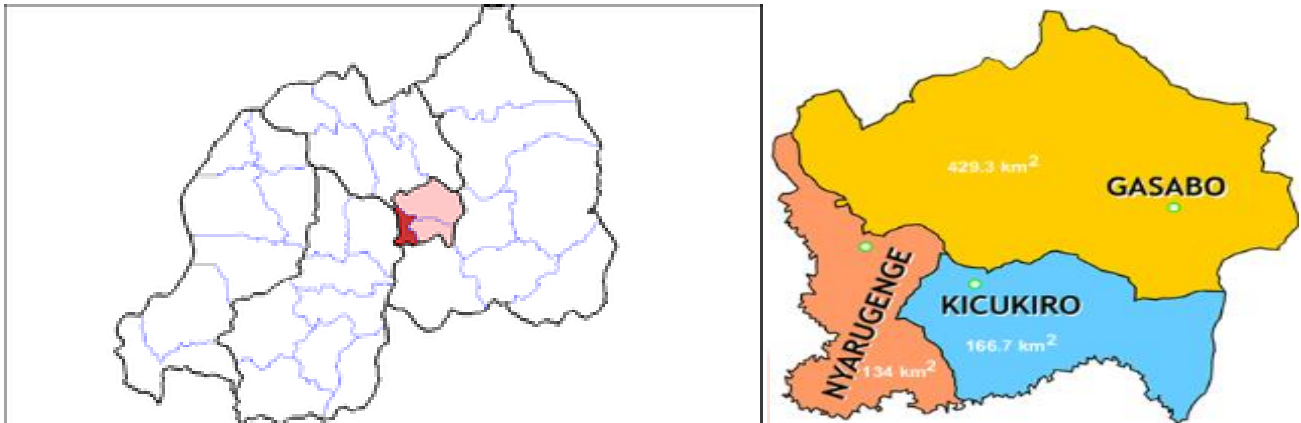
This study has an abstract reference to the actual facts on which this study is based, the first chapter is Introduction which talked about the aim, rationality and research questions of this study. The second chapter is the literature review where secondary data was researched and presented. The third chapter contains methodology used, where methods, technics, philosophy was explained, this was followed by the chapter four and five containing findings and analysis from this study respectively, then come the chapter 6 to conclude the study and suggest some recommendations.

### *1.1. Nyarugenge Sector Profile*

The Sector of Nyarugenge is situated in Kigali City the capital of Rwanda. Nyarugenge Sector has a number of populations totaled at 21,392; among that total population approximately 50% are above 18 years old which is legal age in Rwanda (2012 Population and housing census by Rwanda National Institute for Statistics/NISR) (RNIS, 2012). It has 4 Cells which are as follow: Rugunga, Kiyovu, Biryogo and City

Center. The main activities in Nyarugenge Sector is the business, banking, service and hospitality activities; comparing to other part of Kigali capital Nyarugenge has big number of well-known hotel in Kigali such Serena Kigali, Mille Colline Hotel, Marriot Kigali, STIP Hotel, OKAPI Hotel, Sky Blue Hotel among other and main luxurious restaurants especially situated in Kiyovu (Kiyovu is the area for the rich people in Kigali). Also Nyarugenge has a populated area surrounding the City center, this party is a slum/favela area where most of population are poor (Biryogo and Rugunga). Figure 1 is showing Rwanda and Kigali City where Nyarugenge is located.

**Figure 1: Map of Rwanda and Kigali City**



### *1.2. Purpose of the study*

The purpose or aim of this study is to assess local community's perceptions of socio-economic benefits of hotel growth and tourism development in general in Nyarugenge Sector. Tourism benefits are very complex to approach as such to investigate how resident perceive the impacts in order to analysis the status of tourism/hotel growth within Nyarugenge Sector as a results of tourism and hotel business activities, this helps to know if the local community support or refuse the future development. The purpose of this study is therefore to analyze the impact resulting from hotel growth in Nyarugenge Sector in Kigali city, where hotel and business activities are concentrated. The study explore real if the growth of hotels is really benefiting the local population and what are their perception about that growth, is it a benefits for them or a loss to see hotel developing (positive or negative perception about hotel growth), to examine the future support of tourism and hotel development basing on the perception for which local community in Nyarugenge Sector have.

### 1.3. Rationale

Tourism and hospitality development helps country to increase their Gross Domestic Products/GDP, this measurement take into consideration the whole population within a given country, however the rich and big corporation gain much benefits than poor local population who have run small business or earn small income left by that said development. This study is very important as it help to know how local people perceive the hotel growth in Nyarugenge Sector, so that the gaps found be examined by local authority to adjust the development with the feelings of local people by understanding them as far as decisions and policies making are concerned.

Many studies emphasized on economic benefit of tourism and hotel development only (Fredline, E., & Faulkner, B., 2000), so this study fills this gap by going deeper to explore what the population are thinking, it is a mental study to extract what individual think and feel about the tourism/hotel growth in Nyarugenge Sector. This study is the first time done in Rwanda, no other similar research had been done before

### 1.4. Research questions

In order to achieve the aims of this study, the research questions help as guidelines to arrive there, they has to be rational designed and related to the research topic so that the information gathered based on them give correct the results without bias. For this research we adopt one major question and four objectives associate to it.

The research question was as follow:

*“How local community perceive socio-economic benefits towards tourism development/hotel growth in Nyarugenge Sector?”*

Associated Research Objectives:

1. Explore personal perception of local community in Nyarugenge Sector toward socio-economic benefits on hotel growth/tourism development.
2. To examine the local community’s positive and negative perception impacts from that growth
3. Describe the Level of involvement and participation for hotel growth and tourism development in general
4. Determine perception of local community for future support to tourism development/ hotel growth

### *1.5. Dissertation structure*

In this study points and opinions was presented in form of chapter, this is the structure:

- **Chapter 1. Introduction:** This chapter contains an introductory paragraph where different point are presented like the profile of Nyarugenge Sector aim or purpose of the study, research questions, profile of Nyarugenge Sector, the rationality of this study and lastly dissertation structure.
- **Chapter 2. Literature Review:** This part consists of various points discussed by different academicians such as tourism development, local residents' perception towards tourism, positive and negative socio-economic impacts of tourism, etc. Also a brief presentation of tourism and hotel development industry in Rwanda has been tackled on.
- **Chapter 3. Methodology:** Methodology covers the technics and methods, and philosophy that were used to conduct this survey, also limitation for this study was highlighted. This study is qualitative type of study uses intepretism philosophy and deductive approach was used. As technics this study used questionnaire to collect data
- **Chapter 4. Results:** Results are findings from data collected, so this chapter contains findings presented in form of pie chart and in different tables.
- **Chapter 5. Analysis:** This chapter contains discussions of findings based following the objectives fixed in order to answer research questions and prepare solution in the conclusion part.
- **Chapter 6. Conclusion:** This chapter summarises everything, especially mains findings from this study, it identifies solutions to answer research questions and other problems met during the study leading to the concluding word of the study.

To sum up, the introduction showed the reasons of this study/why is it important and presented the gap for which the study has to search solution; now the following chapter is going to be the Literature Review which contains different point view about tourism development, perceptions of local community about impact of tourism development, lastly the review of tourism and hospitality development in Rwanda is presented.

## **CHAPTER 2. LITERATURE REVIEW**

### ***2.1. TOURISM DEVELOPMENT***

In developing countries one of the fundamentals of economic development is to rise the export revenues, the traditional agriculture based economy is now shifting to an industry based economy; in this regards tourism industry can contribute to the overall enhancement of macroeconomic indexes as a revenue

generator in these countries (Akdağ, G., & Öter, Z., 2011). Tourism development brings about another concept of sustainable tourism development which should be considered as an adaptive paradigm aims at contributing objectively to the sustainable development and development in general (Hunter, C., 1997). According to the United Nation World Tourism Organization /UNWTO (2005), sustainable tourism development is regarded as a development which meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future generation. Therefore, UNWTO considers sustainable tourism as a guide of managing all resources in a manner that economic, social and environment needs may be met, by maintaining cultural integrity and supporting wellbeing of the host community in present and as well as for the future (UNWTO, 2005). Tourism sustainability is seen as a series of principle, management methods and political prescriptions that create a path to tourism development tight with protection of the environment, infrastructure and cultural resources of a destination for the future (Lane, 1994). Sustainable tourism requires adaptation to the specific local conditions and needs and local community should be involved and given responsibilities for defining their own needs and participate actively in planning their own course of actions for the development of their areas (Hunter, 2002). According to Sharpley (2002), sustainable tourism is not a means to compete for resources rather it is an appropriate and efficient ways to share resources within an overall development goal (Sharpley, 2002), from this a holistic approach to tourism development is taken into consideration and through dynamic policies for tourism there is an increase in positive impacts whereas negative impacts for tourism is decreased. United Nations Environment Program (1994) commended to all nations that sustainable tourism development should contribute to the reduction of poverty, income redistribution, betterment of less disadvantaged people, local mediation, resolution of conflicts and peace building (UNEP, 2014). Tourism activities must be benefic to both locals and tourists with the help of government in order to protect the scarce resources for which tourism is depended upon, so tourism policies is a way to achieve this (Dodds, 2007).

Tourism growth is the growth in term of infrastructures, tourism facilities, quality of services and products available. Growth even goes further and take into consideration of employees, stakeholders and local community in which that growth is designated to. So local community must actively be involved and be aware of what is going on because their participation plays a crucial role for the sustainability perspective of the tourism growth and for development in general. Being aware is to be informed and let people know the impact even take party and experiencing themselves in what so called tourism growth which is taking place in their usual environment.

Hospitality and Tourism gives new development opportunities like jobs creation and other socio-economic and even environment benefits for local community to many southern Africa countries (Saarinen, J., & Becker, F., 2009). From that, Hospitality and Tourism is considered as an important tools which police markers are using for the community and regional growth and development (Rogerson, C.M. & Visser, G., 2004). It is an instrument for social change and empowerment of local community to help them getting out

of the poverty especially for marginal and disadvantages communities these may happen in rural as well as in urban areas.

The growth and development of hospitality and tourism always bring towards local people and destination in general positive and/or negative impacts. The impacts are generally categorized as environmental, economic and sociocultural (Mathieson, A. & Wall, G., 1982). From a community perspective, they can have multidimensional outcomes in practice. For example the economic impacts, hospitality and tourism generates crucial income and employment opportunities for local people but because of the social and cultural differences between the local community and the guests who stay in hospitality establishments there may also be considerable negatively perceived sociocultural impacts. Those socio-cultural differences may generates other unusual patterns for the host community such changes in believes, new religious systems, new traditions, customs, norms and lifestyle, as well as there can be behavioral changes like how people dress and how they work. As De Kadt (1979) said the connection between local community and guests living in hotels take place in three general contexts: places and situations where tourists go out to purchase goods or services from the local community, places and situations they use or occupy at the same time, and places and situations where they meet and share knowledge, views and ideas (De Kadt, 1979); according to Ratz (2000) the last context is far less common than the first two (Ratz, 2000). The relations between local and guest in tourism and hospitality literature are considered as unequal situations caused by tourists and the needs of industry rather than the needs, perceptions and values of the local community (Britton, 1991). Even though the local community are benefiting socially and culturally from hotel growth, the power relations always give a bid favor to the guests and the hotels establishment in hospitality/tourism and local community relations (Milne, S & Ateljevic, I., 2001).

However, tourism growth and development sometimes bring unacceptable changes in term of values structures, traditions, customs and behavioral forms within a community. As Hall (2000) said these negative impacts have created the need for alternative and more host-friendly practices in tourism development, planning, management and policies (Hall C. , 2000). These are generally labelled 'sustainable tourism', where practices and codes of conduct are highly beneficial for local communities, their well-being and local development (Saarinen, 2006). From a community perspective, sustainable tourism means respecting the sociocultural authenticity of local communities, conserving their cultural and natural heritage and traditional values by ensuring viable, long-term economic processes, and providing socioeconomic benefits that are fairly distributed to all stakeholders (Holden, Environment and Tourism. , 2007).

The local community should also be aware of the protection of environment in which the hotel growth is taking place where local community is living, this plays a big role for the maintenance of present and preservation of future generation as far as sustainable hotel growth is concerned. Thus, as Jones & Murphree emphasized (2004) the sustainable form of tourism strongly put much efforts on the needs of



local people, their environment and world views in natural resource management processes and policies, which have recently been branded ‘community based tourism/CBT’ (Telfer, D. & Sharpley, R., 2007).

The factors to consider here when developing hotels growth policies which protect the community, the environment and which manage the resources available for equitable use without wasting them; for instance recycling of water and other garbage or rubbish from hotels, pollution (air pollution or noise pollution of big music or big noises from hotel customers) which may harm the local population; hotel programs for maintenance and protection of existing fauna and flora, even creating new ones (for instance planting trees, gardening, creating artificial parks for animals, etc.).

The local tourism awareness is most probably not only an outcome but also a catalyst. It can bind the benefits, control and participation together in community based tourism development by empowering the local people. It can also indicate how well the communication channels within the community and between different stakeholders operate. Thus, to create more direct benefits but also critical understanding of tourism and its impacts, specific tourism awareness campaigns and training could be implemented in the regions that are already heavily involved or are aiming to become tourism-dependent in their development. Creating and developing local tourism awareness could help local communities and people to become real agents (e.g. active partners) in tourism development instead of objects, as is still often the case in the tourism–community nexus in peripheries and previously marginalized rural and urban communities in southern Africa.

## ***2.2. THE IMPACTS OF TOURISM ON SOCIETY***

Tourism sector is increasing considerably since the second half of the twentieth century, for instance in 2012 international tourism generated USD1.3 trillion in export earnings (WTTC, 2012). Comparing to other industry sectors, tourism has a capacity which is superior for the distribution of wealth for the promotion of regional development, it has a high multiplier effect and lastly tourism generates a multitude consumption of goods and services. However, as tourism grows some negative impacts associated to the positive impacts may rise in the host regions from three points of view: Economic, socio-cultural and environmental.

Tourism is a complex activity which takes place in a natural and manmade environment. The manmade environment takes into consideration of economic, social and cultural processes, whereas natural environment consists of natural landscape, climate, flora and fauna. According to Mason, there should be a clear delimitation between the two environments, which is very crucial concerning tourism’s impacts (Mason, 2002).

### 2.2.1. The economic impact of tourism

The economic benefits of tourism can be shadowed by negative consequences on the community and environment which were never predicted in the past (Archer, B., Cooper, C., & Ruhanen, L. , 2005). The benefits and expenses extracted from tourism activities can be observed in four dimensions: tourists, local community, authorities and investors. On one hand we have tourists who pay to enjoy different products and services in the destinations and on the other hand local community who enjoy the fruits/benefits from tourist spending, at the same time they have to suffer hidden costs for which tourists leave behind. For the government and the local authorities tourism generates incomes through taxes, employments are created and it contributes heavily to the balance of payments (Goeldner, C., & Ritchie, B., 2012). From investors perspective, based on the money injected in of the tourism businesses in the host-region benefits gained are solely financial.

Tourism is the most efficient of economic activities in term of generation of employment and income in developing countries where the development opportunities are limited, so tourism activities can increase the household income for local people throughout related activities they are doing like agriculture and farming, souvenir shops, etc. According to Archer et al., the regions in which the tourism industry is introduced have a greater effect on the welfare of the local population comparing to a more develop region in the same country (Archer, B., Cooper, C., & Ruhanen, L. , 2005). The basic infrastructures, facilities and services are needed to make tourism successful for instance: roads, airport, sanitations facilities (Hospital, water), hotels and lodges, transport, banks, communications, etc.; these utilities are indivisible because they are provided to the tourism industry and at the same time used by local community. Sadly local community gets little benefits from this development, because the equal distribution for both physical and economic benefits is a problem.

Tourism which is consider as a catalyst for the growth and development as a tools of maximizing the welfare of local people and used as a benchmark in economic development strategy to increase the rate of economic growth, however it was noted that it can create inequalities between regions and social classes due to the problems of resources allocations and irrational use in term of available resources both natural and human. Also lack of planning, management and monitoring of economic activities especially tourism activities cannot be seen as positive impact to the local community.

Also there are other categories of economic impacts which are very crucial which have to be considered; tourism can play a role in changes of prices, sometimes costs of certain services and products changes as a consequences of tourism activities for instance the cost of housing and retail prices expand frequently on a seasonal basis. Tourism brings changes in term of quality and quantity of good and services, as tourism activities increases this leads to a wider collection of goods and services available in a destination. Economic consequences of tourism can be positive or negative for instance roads traffic jam will increase

the costs of transportation for both businesses and households, in contrary the tourism improves amenities that attract people for their amusements especially retired person and other kinds of business which born because tourism activities located in the destination.

### **Direct, Indirect and Induced Effects**

Tourism activities play a big role for a standard economy, as tourist's spending money flows pass through a chain of economic operators generating various effects. The money spent by tourists first goes to businesses and government agencies then to suppliers of goods and services to tourist businesses, earning income generated goes to business owners as profits or to employees (Households) as wages, in return the government get taxes and other charges from tourists, businesses and householders. A distinction between direct, indirect and induced economic effects is observed as Stynes (1997) explained; indirect and induced effects are collectively called secondary effects. The sum of direct and secondary effects (indirect and induced effects) within a region is considered as the total economic impact (Stynes, 1997).

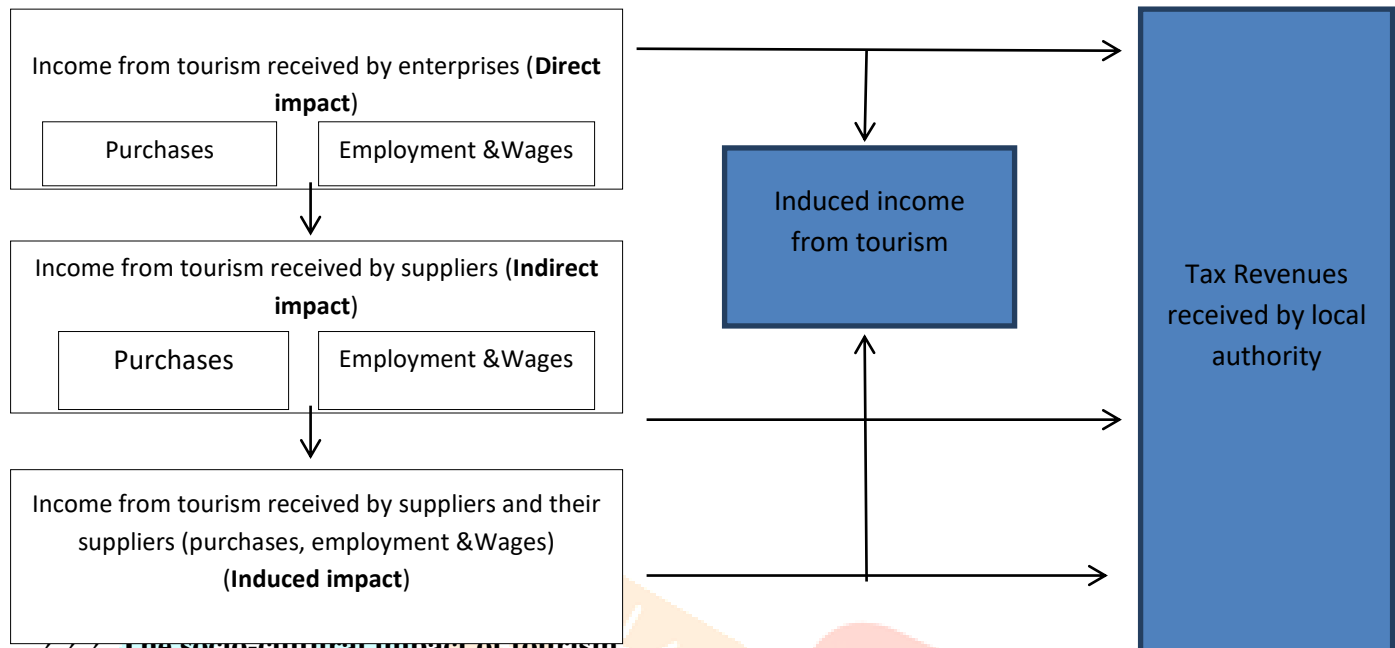
Direct effects are production changes related to the immediate effects of variations in tourism expenditures; for instance, a rise in the number of tourists staying overnight in hotels would yield increased sales in the hotel sector, this bring additional sales to the hotels which in the return have an effect on payment of wages, salaries and taxes, as well supplies and services are directly affected from tourist spending (Mathieson, A., & Wall, G. , 1992).

Indirect effects are production variations resulting from various rounds of re-spending of the hotel or any related tourism activities in other backward linked sectors, for instance variations in sales, jobs and income in the food and beverage shops which supplied items to the hotel represent another round of indirect effects, linking hotels to many other economic sectors within the area.

Induced effects are variations in economic activities obtained from household spending earned income directly or indirectly as a consequence of tourism spending. For example hotel and beverage shop employees depending on tourism directly or indirectly, spend their income in the area where they exercise their activities for rent, transportation, food and beverages, and other products and services to satisfy their needs. The income, sales, jobs, taxes paid, etc. that resulted from household spending of added wage, and proprietor's income are induced effects (Rátz, T., & Puczkó, L. , 2002) .

The indirect and induced effects variations in tourists spending can have an impact considerably every sector of the economy in one manner or other; the degree of the secondary effects depends on the propensity of businesses and households in the area to buy goods and services from local markets. When a big business within a region closed the induced effects are noticed, because a large number of employees lose their job and dependent businesses are affected, as well the whole economy of the destination is affected due to the reduction of in household income and taxes (Stynes, 1997).

The following model of economic impact developed by Rátz and Puczko (2002) is illustrating the direct, indirect and induced effects of tourism.



#### 2.2.2. The socio-cultural impact of tourism

Tourism development always take into consideration the cultures, behaviors, values and traditions of the host community, this involve the active interaction between tourists and local community. This interaction generates the emergence of new ideas, values and motivations for social and economic progress (Bersales, 2005).

Local People's perceptions on tourism crosses four stages as defined by Doxey, he presented the possible stages of cultural reactions that the local people may have towards the tourists. Firstly there is the **euphoria**. It occurs when the community welcomes the tourists and is happy to meet them and to offer their services with their own facilities. The second stage is the **segregation**. This stage means that tourists are more abundant at the destination and the local residents prefer to live in separate areas, not to interact a lot with them. The third stage is the **opposition**. At this stage, tourism increases more and more at the destination and the tourism market is shaped by foreign operators, it will also irritate local people because their resources are less accessible due to the invasion of tourists. Lastly there is the **antagonism**, which creates a conflict between the community and the tourists, and the local people show openly their annoyance within the presence of tourists (Holden, A., 2009).

The social impacts arise once tourism brings about changes in value systems and behavior and therefore threatens indigenous identity. Moreover, changes frequently happen in community organization, family relationship, traditional lie styles, events and morality. However tourism can bring positive impacts in case it can serve as a supportive force to build peace among local people, it can also increase cultural and tradition pride by helping to avoid urban relocation by creating local jobs. This often occurs when different

culture meet, and the impacts are perceived as beneficial to some groups, and seen as negative or creating negative aspects by other stakeholders (UNEP Socio-Cultural Report, 2014).

Globalization has a big effect on socio-cultural impacts resulting from tourism as it is accused of destroying socio-cultural identity of local community's values, traditions and lifestyle. For instance investors transform local areas into tourist resorts which doesn't match with the local norms/ charm; as well as beauty of landscape, peace and tranquility are destroyed, this automatically bring about change on the way of living of local population, according to Macleod, as a result the culture might dilute and dissolve (MacLeod, 2004). New technology plays an important role in order to sharpen the values, opinions, modern life and fashion of local community within the developing countries.

### **2.2.3. The environmental impact of tourism**

The environment quality for both natural and man-made is very crucial to tourism and hospitality development. Though, tourism and hospitality's connection with the environment is complex, it involves many activities that can be hostile to the environment, such activities include construction of infrastructures like roads, airports and other tourism facilities like hotels, resorts, restaurants, shops, golf courses, etc. These can have a negative impacts resulted from tourism development by destroying the resources from the environment in which that development depends. On the other hand tourism has the potential to create positive effects on the environment by trying to contribute to the environment protection and conservation campaigns to rise the voice and awareness of environmental values which will serve as a tool to finance the protection of nature and increase their economic significance role to local community (UNEP Environment Report, 2014).

Different actors are involved in tourism activities such as tourists, private sectors (local and external), local community, authorities (central and local), non-government organizations. The man is the common denominator of these actors, within the relationship between tourism and the natural environment, the human is interacting with the nature. According to Holden, to determine the effect of tourism on the natural environment the following should be taken into consideration: the price we attach nature, cultural stereotype and the ethical relationship of man with the nature (Holden, A., 2009). The environment is a crucial element as far as tourism activities are concerned; tourists are interested in attractive natural resources, different and special allowing the diversity of activities. The development of tourism consumes resources within the natural environment and the consequences are huge, it creates waste, pollution (noise, water and air pollution) and other form of environment degradation and destructions, the reparation of this is going to be high; the local population is one that pay the cost resulting from environment degradation caused by tourism activities, it is most of time observed after a period of time (Beeton, 2006). On the other hand tourism the environment can get benefits from tourism through conservation and protection of nature;

here we can say for instance creations of parks, protected areas, Conservation and Non-government organizations are attracted by tourism activities to come to the site, etc.

Tourism development has positive and negative consequences influenced by a quite number of factors, specifically the local population's ability and willingness to accept changes. Tourism participate actively in economic growth of many regions even though the unpleasant situation for which local population is not ready for may happen, to avoid this a good planning and strict control under supervision of community itself and central government has to be done, by doing so benefits from tourism sector will compensate the costs.

#### **2.4. PERCEPTION OF IMPACT BY LOCAL COMMUNITY**

Local community plays a big role in tourism development, normally community is defined as a group of individual living and/or working within the same geographic of residence (Brehm, J. M., Eisenhauer B. W., & Krannich R. S., 2004). Thus, the economic benefit expectations from tourism will have the largest positive effect on the impact evaluation; residents who gain the highest economic benefits will favor tourism more than those who receive less or no benefits (Akis, S., Peristianis, N., & Warner, J., 1996). Tourism benefits like individual or family job opportunities, business opened, additional income, etc. may affect the manner in which people look the impacts of tourism. Members of the community with business or employment interests in tourism will be generally more inclined to it because they exchange resulting costs with benefits (Ap, 1992). In contrary, people who are not involved in the tourism and not get direct benefits to tourism are more likely to hold negative perceptions towards tourism. There is a relationship between socio-demographics of residents and perception of tourism impact (Teye, V., Sonmez, S. F., & Sirakaya, E., 2002). The age is assumed to influence perceptions of residents of impact, so young are likely to be more positive (Haralambopoulous, N., & Pizam, A., 1996); whereas old people are most of time less positive about the tourism impacts. As far as gender is concerned, female tend to be more negative toward tourism impact than males (Harill, R., & Potts, T. D., 2003). The research found that a person is educated, more likely he/she has a positive perception impacts on tourism. However other studies found the contrary, for instance Sharma and Dyer (2009) did not find how age, gender and level of education influence residents' perception of tourism impacts (Sharma, B., Dyer, P., Carter, J., & Gursoy, D., 2008), as well Akyeampong (2011) could not find a relationship between gender and perception of residents on tourism impacts in the Kakum National Park Area in Ghana (Akyeampong, 2011). As far as occupation is concerned, Husband (1989) found that the executive workers are more favorable aware to tourism than lower managerial class workers (Husbands, 1989). On the other hand marital status unmarried persons are more negative about tourism impact than married residents perceived the impacts of tourism (Amuquandoh, 2009).

Local community play their roles in influencing tourism development, they have to organize and act more effective with the good collaboration with the government, however they should be actively involved in activities to support themselves for their daily surviving to ensure that they can gain positive benefits from tourism development. Research conducted on the role of personal benefits of local community towards tourism development show that benefits and cost/negative benefits obtained from tourism development has to be more carefully evaluated, if benefits exceed cost, residents' perceptions tend to be more positive to tourism, when costs exceed benefits residents' perceptions tend to be more negative toward tourism development (Wang, Y., & Pfister R. E., 2008). Local Resident's perception of tourism benefits become less positive as the level of tourism in the community increases (Allen, 1993), however the local community with high tourism economic activities perceive tourism as favorable than community with low tourism economic activities.

#### ***2.4. LOCAL EMPOWERMENT AND PARTICIPATION IN TOURISM***

Developing countries' governments initiated tourism and hospitality projects like convention centers, high ends hotels and lodges through foreign and multinational investments and have a tendency to exclude local participation in term of project design, planning and management; tourism policy, planning and decision making are centralized, most of time senior officers are involved and foreign consultancy firms hired by the government. Local people are not involved in the provision of key and more productive tourism and hospitality projects. Goodwin (1998) tried to comment on the tourism of developing countries by saying that "Local people are denied any significant opportunity to participate in the tourism market development. Tourists are not accessible to the local community when they are within their hotels, coaches, and safaris vehicles or inside sites and attractions such as museums. These are all enclave forms of tourism, where those wishing to sell to tourists are often reduced to hawking at the enclave entry and exit point. Cruise ship passengers and tourists on all inclusive packages are particularly difficult for local entrepreneurs to access" (Goodwin, 1998). According to Mbaiwa (2005) enclave tourism is a form of colonialism whereby resources from tourism in a destination mostly benefit foreigners while the majority local people gain insignificant or get no benefits at all because there is repatriation of revenue to developed countries or to the same rich local people (Mbaiwa, 2005). Because tourism and hospitality businesses are managed and controlled by few people significantly aggravate the gap between rich and poor local people as a consequence poor people are usually incapable to challenges the functionality of existing tourism structures, they do not have enough knowledge on tourism product development and what is going on in their area.

The more vulnerable local people such as youth, women, etc. have to be given a chance to build individual and collective force in order to gain access to economic opportunities and good living conditions, there

should be a strong social organization to make this happens. As Pyakuryal (2000) said, the legislation alone cannot empower people they need an enabling environment through education, motivation, empathy and help from tolerant political and professional organizations that work with them on their behalf (Pyakuryal, 2000).

## **2.5. TRAVEL MOTIVATION**

Motivation is one of the most important components of tourism studies; it initiates important issues like why people travel, where to travel and overall satisfaction of the travel (Devasa, M., Laguna, M. & Palacios, A., 2010). International tourists are attracted by push and pull factors together both factors are considered very crucial for international travel flow, push factors represents supply side attractions that play much influences motivation to travel (Pike, 2004). Seven socio-psychological push motivations to a particular destination which are follows: Escape, self-exploration, relaxation, prestige, progression, kinship-enhancement and social interaction; and two pull motivations cited as uniqueness and education (Hsu, T., Tsai, Y. & Wu, H. , 2009). According to Devasa (2010) cultural and natural features of any destination are very important pull factors that separate itself from other similar product. The image of the destination is considered to be a vital party of pull factor, because the visual image of a destination has a big impact on decision making process of a tourist. The selection of a place is influenced by image as a favorable image outlooks greater chance to be selected by travelers (Bonn, 2005). Seddighi et Al., (2001) mentioned three elements which help in long term survival of a destination: World of mouth reporting, image making of media and governmental policies and interests of a destination. In generally, three sources of information can influence the consumer/travelers mind for the formation of destination image, firstly personal experience (Likes and dislikes), secondly, extrinsic factors which can be socially influenced by experience of others and lastly the supply side communication network (Seddighi, H.; Nuttall, M. & Theocharous, A., 2001). The image of the country can generated from general knowledge or feelings of an individual, influences from friends and relatives, advertisements and the past experiences the travels had (Beerli, A., & Martin, J., 2004).

## **2.6. TOURISM DEVELOPMENT IN RWANDA**

Tourism and hospitality plays a crucial role for the economy of any country to recover. In Rwanda this sector remains one of leading foreign currency earns, as tourist arrival flows in the country increased in each year with an exception of 2009. According to the World Travel and Tourism Council (WTTC), tourism and hospitality total contribution to National Growth Domestic Product (GDP) was amounted up to 291 Billion Rwf (448 Million USD), this constituted 8% of the total GDP and supporting approximately 130,000 jobs representing 7% of total employment created within the country (WTTC, 2012).



In 2012 IMF projections show that Rwanda is expecting its GDP increasing by 6.5% in 2013 and 7% in 2016 and tourism and hospitality will play a big role in the development of the national economy, this contribution will continue to the economy of the country as the forecast of 10 years shows (IMF, 2012). According to WTTC the total contribution of tourism and hospitality to Real GDP rise will observe a Compound Annual Growth Rate (CAGR) of 6.7% for a period going to ten years from 2012, reaching approximately 555 Billion Rwf (854 Million USD) which will represent 9% of GDP in 2021. The employment will see a growth of 4% per year to reach 191,000 jobs or 7.5 % of total employment within the same period of ten years from 2012 up to 2021 (WTTC, 2012).

The global recession was not much impacted the country's tourism and hospitality sector due to its geographical location. Rwanda continues to take measures in order to minimize the damage from future recession by setting plans to manage its spending with care and also Rwanda has prioritized certain sectors including tourism to boost country's economic growth in the coming years, it tends to increase the number of international tourists arriving in the country which will enable tourism and hospitality to become the country's top foreign exchange earner. Rwanda Development Board (RDB) under Tourism and Conservation division is working hard to develop tourism and hospitality in a sustainable way, by encouraging community based tourism (CBT) activities to involve local community in the development campaign. RDB has recently joined International Council of Tourism Partners for its marketing strategies and to gain trust from international institutions with the target to develop the Meetings, Incentives, Conventions and Exhibitions (MICE) segment, in this regards a ten year tourism master plan is being established (RDB, 2014).

### 2.6.1. Foreign Direct Investment/FDI

FDI is seems to be among the major factor as strategies for sustainable tourism development in developing countries especially in Africa, through New Partnership for Africa's Development (NEPAD), leaders from Africa have assured peace, good governance and security in term of return in order to attract and increase foreign investment. NEPAD pledged to build confidence among investors and try to change the bad image of Africa characterized by instability, low or lack of infrastructures and widespread corruption (Tsheola, 2002).

However the main beneficiaries of FDI flows are still developed countries because they are main source of outward FDI stocks. For instance, 65% of international investment in hospitality sector has been directed to developed countries. FDI directed to developing countries has increased from 1% in 1999 up to 10% in 2002 (UNCTAD, 2004). As well developing countries are trying to increase FDI among themselves instead of sticking to the developing countries, South-south FDI is expending considerably, by year 2010 most FDI flows will be originated from within developing countries like China, India, Brazil and South Africa.

Large hotel investments in Africa are mainly concentrated in South Africa and other countries in the north of the continent including Morocco, Algeria, Tunisia, Egypt and coastal regions of sub-Saharan Africa like Kenya, Mauritius Islands. However well-known hotel chains are also looking other regions of Africa because the potential in term of natural resources associated to businesses or to tourism activities; for instance Hilton, Marriot, Radisson Hotel, Intercontinental Hotel Group, Accord Group, Starwood Capital Group, they come under different form of hospitality investments when they operate as Joint Ventures, Franchising, Management contracts, et. However some African businessman and governments invest into different hospitality projects, they work together with financial institutions to lend them money because many of them they cannot afford alone big investments, also Insurance and Social Security firms are nowadays interested to invest in high end apartment hotels.

In Rwanda FDI is an essential element for economic growth, regardless of global financial crisis the country registered an important increase in FDI inflows, this is due to incentive packages put into place by the government to help attract investments and facilitate the development of the major sectors of the country's economy. According to the World Bank report, Rwanda's economy saw consistent growth for the last 10 years period partly on the back of strong domestic and FDI inflows to the country, among the major sectors of economy that attracted international investors were tourism and hospitality, construction, agriculture, telecommunications and energy (World Bank, 2014).

For instance, Rwanda Development Board (RDB) registered investment projects worth USD 500 million in 2010, the number was increased to more than USD 598 million in 2011 where tourism and hospitality projects evaluated at USD 109 million and hospitality sector proved to be the most appealing sector for investors (RDB, 2012).

### **2.6.2. Hotel growth in Rwanda**

An increase in tourism arrivals led to new construction and upgrading of existing hotels to meet international standards, as well a meet growing demand for travel accommodation, these investment projects helped to boost the performance of the hotels and also helped the development of country economy in general. Rwanda continue to register a continuous increase in number of inbound arrivals, this is due to the reform made for easy climate in doing business within the country, tourism policy, infrastructure development, marketing strategy and Visa legislations was improved. Since January 2013, it has been offering a free entry visa to all African citizens, in additional to that a single tourist visa for international visitors to Kenya and Uganda was set starting January 2014 for attracting more visitors. Tourism and hospitality has helped the Rwanda to achieve its economic targets through creation of employments and revenue earnings. It has been reported by World Travel and Tourism Council (WTTC) that total contribution to GDP from tourism and hospitality was evaluated at RWF 329 billion (USD 506 million) in

2012, this figure was expected to increase by 6% in 2013. As far as employment is concerned, this sector in 2013 generated directly or indirectly some 138,000 jobs representing 6% of the country's total employment (Euromonitor, 2013).

According to euro monitor, hospitality industry in Rwanda is growing quickly, many international hotel chains already established outlets in the country. Their presence in the country is helping to raise the profile in term of hospitality investment which will increase the number of guest rooms and attracting a wider range of international tourists. With the continued support from the government the growth in tourism and hospitality will remain positive during the forecast period, this will help the country to achieve its targeted development goal. Hotels saw an increase of 5% in term of sales and total number of hotel properties increased by 4% in 2013, the reason behind this growth was the big number of inbound arrivals, as a consequence new hotels were constructed to meet the growing demand; the occupancy rate increased above 43% in 2013 compared to 42% registered in 2012. Also tourism and hospitality is booming because of favorable business climate initiated in Rwanda has encouraged international hotel brands to invest in the country, these include Marriot, Hilton, Radisson Blue, Park Inn, Sheraton, Kempinski, Protea Hotels and Aman Resort. To improve the service quality those leading hotels are offering training to their personnel in order to enhance skills and improve experience across the hospitality sector; also tough regulation boosted hotel growth in term of international standardization. According to Euromonitor (2014) the forecast shows that the hotel business will continue to increase until 2018 for both values in terms of sales and number of outlets. Strong economic growth, peace and stability are expected to prevail in Rwanda, hotels which meet international standards will allow the country to be able to attract a big number of tourist and help to achieve the country's ambition to become the tourist hub within the region of East Africa. However there are some threats to future growth such as poor services because of unskilled staff and lack of technology in hospitality industry, also hotel rooms to accommodate growing number of tourists are still insufficient which pose a big problem for the hotel growth of the country (Euromonitor, 2014).

Different Tables (Table 1 up to Table 4) summarizing what we saw above (travel accommodation statistics for Rwanda) provided by Euromonitor (2014) are found on Annex 2 at the end of this study.

### **2.6.3. Hotel Investment in Rwanda**

Rwanda as a landlocked country in central Africa continent is doing well in term of economic development. It ranked amongst top business climates reformers in 2011 and 2012, according to the World Bank in term of ease of doing business Rwanda is ranked 45<sup>th</sup> out of 183 countries worldwide and 4<sup>th</sup> in Sub-Saharan Africa. Also it score high in business, fiscal and labor freedom; foreign projects are invested to all sectors with no restrictions on equity or ownership (World Bank, 2013).

According to Rwanda Development Board (RDB) new investments worth USD 1.254 billion has been registered in the first half of the year 2013, this include 89 new projects translating 96.4% target of 2013, comparing to the previous year of 2012 where investments amounted USD 1.1 billion were registered generating 4001 direct jobs. Form above projects hospitality investments were evaluated at USD 232.8 million creating more than 300 direct jobs. Among the projects invested 58 are domestic worth USD 509.1 million, 22 projects are foreign direct investment evaluated at USD 406.9 million from which 505 are from Asia investors and 9 remaining projects are joint projects worth USD 338.1 million (RDB, 2013).

According to Rwanda Development Board, Rwanda has more than 200 registered hotels with the capacity of 4,500 rooms all over the country, but only 31 among then are graded; by the year 2019 the country is targeting the total number of 10,000 rooms. Domestic investors dominate the investment in the hotel industry where they are representing three quarters of all hotel investors; since 1999 until 2007 South Africa and India were the foreigners dominated hospitality investment. In 2007, Dubai World which is a major holding company from United Arab Emirates invested USD 200 million in hospitality industry. From 2002 the government decided to privatize a big number of the hotel for which had owned or had majority of shares (for instance Akagera Hotel, Diplomat Hotel, etc. were privatized), however the government still own 16.7% and 8.3% are owned by foreigners. The investment in hotel and restaurants have attracted more investments than other subsectors in tourism, in term of location, most of the hotels are situated in Kigali representing almost 70% of all hotel around the country.

The majority of the hotel properties are private company businesses, other have partnership with the government under management contract (for instance Kigali Serena is operated under management contract with the government investment company called Prime Holdings, also Hotel Novotel is managed by Libyans, to know who are investors in Rwanda, some examples are provided (See Annex 1).

## **2.7. SYNTHESIS**

To conclude the Literature Review the summary is presented below:

- Tourism and Hospitality activities gives new development opportunities like jobs creation and other socio-economic and environment benefits for local community.
- The growth and development of hospitality and tourism always bring towards local people and destination in general positive and/or negative impacts.
- The economic benefit expectations from tourism will have the largest positive effect on the impact evaluation; residents who gain the highest economic benefits will favour tourism more than those who receive less or no benefits.

- Local Resident's perception of tourism benefits become less positive as the level of tourism in the community increases (Allen, 1993), however the local community with high tourism economic activities perceive tourism as favourable than community with low tourism economic activities.
- Local people are not involved in the provision of key and more productive tourism and hospitality projects.
- According to Euro monitor the increase in tourism arrivals in Rwanda led to new construction and upgrading of existing hotels to meet international standards, as well a meet growing demand for travel accommodation, these investment projects helped to boost the performance of the hotels and also helped the development of country in general.

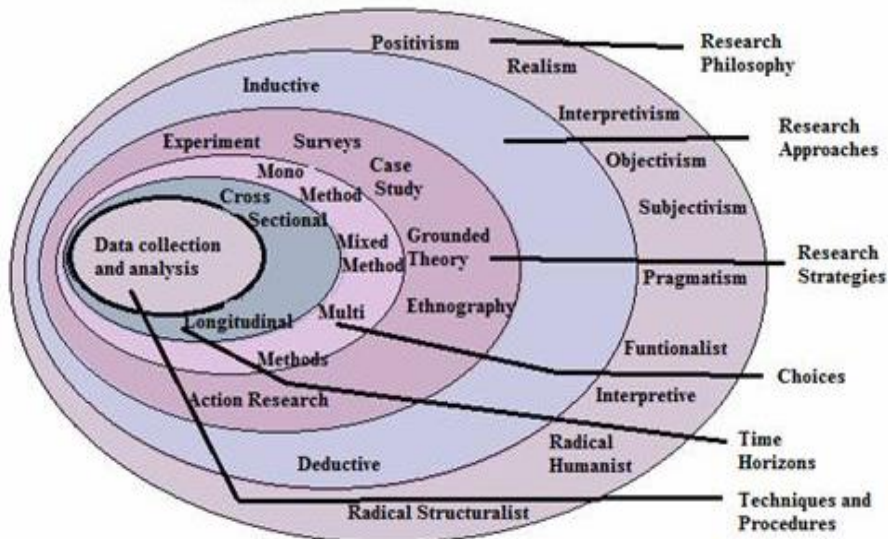


### CHAPTER 3. METHODOLOGY

Research methodology is one of the fundamental area of any research work. It elaborates on the ways in which data were collected, the methods used, the sampling technics and methods used for analyzing data, as well as it gives an indication about the limitation of the study. It offers a chance to approve and explore new facets of the research topic. The approach adopted in the research is an important point in order to increase the rationality of the research (Creswell, 2007). The common methodology is “research onion” which was developed by Saunders. According to the research onion the whole process is in the form of an onion having different layers which are research philosophy, research approaches, research strategies, time

horizons and the data collection methods. The process consists of peeling each layer at a time to reach the center which is in the actual question of the study (Saunders, 2012).

**Figure 2: Research Onion**



Source: (Saunders, 2012)

During this chapter the details of research process is shown and continue with the explanations on how data were collected as well as the methods used to analysis data including justification for the approach and methods used.

### ***3.1. Research Type: Qualitative and Quantitative***

There exists two type of research both qualitative and Quantitative methods. Qualitative research design depends on how people feel and reflect on certain issues and why people take certain decisions, for this approach, the researcher tries to interpreter and develop an understanding of social life by discovering how people construct meaning in their environment, while quantitative research is described as a formal and systematic process where numerical data are utilized to obtain information (Neuman, 2005).

For this research **Qualitative and Quantitative Research Approaches** have been blended and adopted as it consists of social life of local population in Nyarugenge Sector and how they feel about hotel growth in this area and numerical data to obtain information within Nyarugenge Sector was utilized.

### 3.2. Research Philosophy

The first layer of research onion is the Research Philosophy; it helps to develop the understanding and the knowledge about the topic. At every stage of the research the assumptions are made, the assumptions about human knowledge and about the nature of the realities encountered during the research process, obviously this will shape how the researcher understand the research questions, the methods used and how findings are interpreted (Crotty, 1998). The important issue is not how much the research should be philosophically informed, but how well the research is able to reflect upon the choices of a philosophy to use and to defend among different alternatives he/she could have adopted (Johnson, P. and Clark, M., 2006). The research philosophy has three major philosophical position such as positivism, realism and interpretivism.

Positivism Philosophy adopt the philosophical stance of the natural science and is highly based on the structured methodology which enable the generalization and quantifiable observations, the results are evaluated using statistical methods. It includes various philosophy of natural science like philosophy of unchanging, universal law and the view of everything that occurs in the nature. The research prefer to collect data about reality and search regularities and causal relationship in order to create law like generalization by using existing theory to develop hypotheses. The researcher plays a role of an objective analysis to evaluate the collected data and produces an appropriate result in order to achieve research aims and objectives.

Realism Philosophy is refers to the scientific enquiry; it reflects the reality quite independent of human mind and assume a scientific approach to the development of the knowledge. There are two form of realism: Direct and Critical realism. Direct realism says that what you see is what you get, what we experience through our senses portrays the world accurately. Critical realism argue that what we experience are sensations, the image of things within the real world, not the thing directly, it point out how often our sense deceive us (Saunders, 2012).

Interpretism philosophy believes that the social world of management and business is too complex as to be formulated in theories and law such as in the natural science. Interpretive philosophy represents critical thinking about positivism philosophy. Interpretivists argue that there are many truths and meaning of simple fact which are suitable for every situation and for every research problems. In interpretivism philosophy is quite necessary to understand differences between humans in their role as social actors; this emphasis conducting research among people rather about objects

This research study adopts the **Interpretivism Research Philosophy** as it applies to the society and their role in the hotel growth, it just going to interpret their role as the principal actors in the hospitality and tourism industry in Rwanda. Local community in Nyarugenge Sector rely upon their experiences, memories and expectations from situations occurring in the society caused by the socio-economic impacts

of tourism development and hotel growth in particular, so it is essential to determine and understand the factors that impact, govern and affect the interpretations of individuals by approaching them in order to get the reality of the situation.

### ***3.3. Research Approach***

The research approach is the next of layer of the research onion; the research study involves the use of the theory; that theory may or may not be made explicit in research design, even if it will often be made explicit in the presentation of the findings and conclusions. If the research involves developing a theory or/and hypothesis then the approach is classified as deductive. On the other hand the inductive approach involves data collection and developing theory which is based on the analysis of the data.

Deductive approach works from the more general to more specific, it is sometimes called top down approach, and conclusion follows logical available facts; whereas Induction approach works other way moving from specific observations to broader generalizations and theories. It is sometimes called bottom up approach and the conclusion is based on evidences where the degree of uncertainty is higher.

In this research study **Deductive Approach** was adopted. According to Robson (2011) the deductive approach is a theory testing practice which come from an established generalization and tries to validate the theory in context to specific instance (Robson, 2011). In deductive approach, data collection is less time consuming and works on one time basis which is very benefic to the participant of the survey (Creswell, 2007).

### ***3.4. The purpose of the research design***

The researcher has to think about the study in term of question that he/she wish to answer and research objectives he/she want to achieve, the way research question is asked involve exploratory, descriptive and explanatory research mean to tackle the problem. The purpose of the study may vary over time, so the researcher has to choose which one or combination of the mentioned purpose careful depending on the nature of the study.

Exploratory study is used to better discover and clarify the understanding what is happening and gain the new insights about the problem. It has the advantage of being flexible and adoptable to change, there is a willing to modify directions as a result of new data that appear and new insights that occur. And the Descriptive study consist to gain an accurate profile events, persons and situation, it is often followed by exploratory study. Lastly explanatory study is that one which establish casual relationships between



variables. It consists of studying any problem in order to explain the relationships between variables and see the causality on how they behave like that.

For this study the **exploratory** means was used as interpretive researcher has to develop the better understanding of social life and discover how people feel and think about the hotel growth and tourism development in general in their natural settings which is Nyarugenge Sector. The deeper exploration about the impacts of hotel growth on local community within Nyarugenge Sector and about their present and future sensation of hotel growth was gained.

### ***3.4. Research Strategy***

The research Strategy is considered as a plan to go through by answer research question in order to achieve the goal, in the other word is the methodological link between the philosophy and the choice of the methods to collect and analyze data to achieve a reasonable level of consistency which will enable answering the research question and meet the research objectives (Denzin, N.K and Lincoln, Y.S., 2005).The research strategy choice is guided by research question, objectives, the research approach and purpose, the extent of existing knowledge, the time and other resources available, and lastly the possibility to reach to potential participants and other sources of data. The most used strategies are experiment, survey and case study among other; and the important problem is to choose a time horizon so that those strategies become effective and efficient.

Experiment is a research that has roots to natural science, and its purpose is to study the probability of change in independent variable causing a change in dependent variable. It uses predictions knows as hypothesis rather than research questions, the researcher is anticipating whether or not a relationship will exist between variables. Case study explore a research topic or phenomenon in its context, within the case study the boundaries between phenomenon and the context are not always apparent. Survey strategy always is linked to deductive approach, it is very popular in business and management research. It tends to be used in exploratory research. The questionnaires are the most used tools in survey as they permit the researcher to collect data in standardized form, very economic, easy to explain and to understand, it also give to research more control over research process.

Time horizon of a study depends upon whether a research is depicted in a snap look alike or diary like perspective. A snapshot horizon is known as Cross Sectional study at a particular point in time, it most of time employ the survey strategies whereas diary perspective over a period of time is known as Longitudinal study and is useful in human development and development studies. Longitudinal has limitation when time is a constraint.

**Survey strategy** is being used for this study. As we saw it earlier are employed depending upon the research approach adopted which are deductive or inductive, so this research adopts deductive approach, survey is well suitable for this approach. According to Saunders (2012) surveys allows collecting data and address to audiences in a very cost effective way (Saunders, 2012).

As the time is a constraint for this study because of academic calendar, the **Cross Sectional** studies is adopted, so this study was conducted at a particular point in time.

### ***3.5. Data Used***

For any research study the source of data used to answer the research question(s) or meet the research objectives has a big important and impact on the whole study carried on. The researcher can use data that are already been collected for some purpose which are known as **Secondary Data**; these include both raw data and published summaries, once obtained secondary data pass through further analysis in order to provide additional or different knowledge which will allow the interpretation and drawing conclusion. On the other hand the researcher may think to collect its own data which are known as **Primary Data**, to collect primary data different tools are used such as questionnaires, interviews, focus groups, participant observations, etc.

#### **3.5.1. Primary Data Collection**

Primary data was collected with the help a colleague at different locations of Nyarugenge Sector. The survey questionnaires was being involved for primary data collection. A questionnaire is considered as a primary data instrument that each respondent fills out as part of participating in research study (Johnson, P. and Clark, M., 2006). Primary data collection was done within two days starting from 4<sup>th</sup> August and 5<sup>th</sup> August 2014. In total 20 questionnaires was distributed and all 20 were filled representing 100% response rate.

#### **3.5.2. Secondary Data Collection**

Secondary data was also referred to, these existing sources included journals, books and different reports from World Bank, Rwanda Development Board (RDB), Rwanda National Institute of Statistics, different websites like Euro monitor etc.

### 3.6. Methods and Technics

These are tactics and procedures used by researcher to collect and analyse data which have to be coherent and adequate with the research question(s) or problem(s) for the effective and efficient achievement of results. Methods and technics consist of the following:

#### 3.6.1. Sampling Methods

The essential elements within the targeted population are illustrated in what is called a sample. The sampling technics can be divided into two categories; **probability sampling** where the chance of each case being selected from the population is known and is usually equal to all cases, and for **non-probability sampling** the chance of each case selected from the total population is not known, it is impossible to make statistical inferences about characteristics of the population.

For the purpose of this research the **non-sampling method** was adopted and the selected sample were respondents above 18 years old in order to reduce risk of getting wrong information. The convenient sampling technique was applied which is part of non-sampling technics, the selected case were chosen because of their convenient accessibility and proximity to the researcher. The convenient sampling was adopted because it was impossible to test the population of Nyarugenge Sector as whole, is too large and is impossible to include every individual. Additionally, convenience sampling is too fast, cheap, easy and respondent are readily available. With the help of the questionnaires what were presented to local residents and filled by the researcher or by his colleague in order to save time. Shops, restaurants and hotels owner, people available on streets, people in their residential homes, local authority/government staff were reached during this study. If an individual refused to participate another individual were approached and kindly requested to participate and the reason of this survey was explained to each and every respondent. This study was only dedicated to Nyarugenge sector residents where a sample size of 20 questionnaires was used to collect data among local residents. During this survey the researcher and his aid colleague explain the whole questions in local language (Kinyarwanda) for better understanding to local people who do not know English.

#### 3.6.2. Study Area

Our study focused on locals living in Nyarugenge Sector mainly where hotel growth is concentrated namely City center, Rugunga, Kiyovu and Biryogo, these areas were identified because they attract many tourists to stay in the hotels built there, the local community living there perceive tourism impacts differently and they have frequent contact with tourists. Beside that these areas are different in term of living conditions, area like Kiyovu is populated by rich whereas Biryogo and Rugunga a big part of the population are poor.

For better exploration of local resident's perceptions about tourism development/hotel growth socio-economic benefit these area were identified.

### 3.6.3. Data Collection design

This research study used a **structured questionnaire** as survey instrument, this tool was chosen because the rate of responses is very high comparing to other methods (Anderson, 2010). The questionnaire was designed in a simple way, easy English to allow easy understanding from local community. The questionnaire comprised three sections. An introductory note explaining the reasons of this study was put at the top. Section A had demographic related questions about the respondent without no name mentioned on questionnaire to retain the privacy of the respondents. Section B contained questions concerning the perception of local people about hotel growth and tourism development in general, this section had questions related to the positive and negative impacts of hotel growth, hence the respondent were required to indicate their level of agreement on Likert scale points (strongly Agree to strongly disagree), this was Miller idea who recommended the use of Liker-scale in tourism impact study (Miller, 2002). Lastly Section C composed by questions regarding future perspective about hotel growth in Nyarugenge Sector, the questions in this section consist the close ended questions where the respondent answered Yes or No to different statements presented to them; close end questions allow easy collection, analysis and interpretation.

### 3.6.4. Questionnaire pilot testing

A pre-test was carried out to get an idea on how response would be obtained before carrying on the major collection exercise. Five individuals were chosen for pilot test to test the validity of the questionnaire. It was noted that certain questions was difficult to understand for them, after test most of questions were simplified to allow easy understanding.

### 3.6.5. Ethical Aspects

Respondents were ensured and their ethical aspects were considered during the survey. The total assurance were given to them as the information collected would remain confidential and would be used for academic purpose only. For not confusing them the purpose of this study was explained to them before asking them to respond to the questionnaires. Respondents were not forced to participate in this study, so it was their own agreement to get involved.

### 3.6.6. Reliability and Validity

The reliability helps to access if the results are consistent over time and has no repeatability. It also check the accurate answers will be given by respondents, answers that are free from random errors. A study that lacks reliability will be invalid. For the validity, it determines if the research is truly measured and how trustful the results are. It enable the research to see if the objectives were attained. For this research survey the data obtained was true and was obtained from good sources, the researcher worked hard with trustful people to obtain required data.

### 3.6.6. Data Analysis

After collecting data, data collected was analysed using excel spreadsheet, then results were illustrated by the use of bar charts, tables and graphical representations.

### 3.7. Limitation of the study

Several difficult were encountered during this survey like some people refused to participate, other were annoyed by our presence feeling that the researcher is investigating on them. Furthermore, the time was not the best friend and the lack of financial supports; due to those mentioned reasons the researcher was unable to take larger sample size.

To sum up, this study is blended type of research which adopted interpretism research philosophy meaning it is applied to social studies, Convenience as non-sampling technics was used to design people who participated in this study and data was collected using questionnaire for which results was analysis using excel spread sheet. The following chapters are going to illustrate and describe findings got from the field and discuss them.

## CHAPTER 4. RESULT

The results found based on the questionnaires which were distributed to liable local resident of Nyarugenge Sector are being presented on this chapter. It provides the outcomes got from the perceptions of local community about the hotel growth and tourism development in general.

### 4.1. Demographic and Profession Profile of Respondents

This section is subdivided into two parts, demography profiles of respondents have been studied information about gender, range age and marital status were gathered from them, on the other hand questions to gather information about the profession where questions to know education level, current job/occupation, type of companies work for, the level of income etc. of respondents were asked.

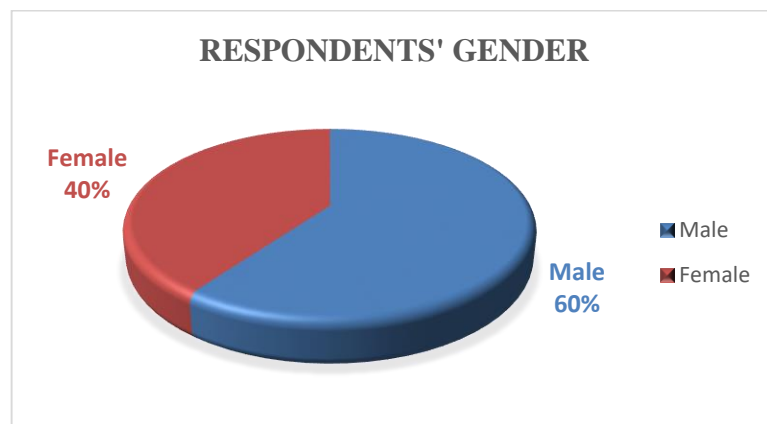
#### A. Demographic profile

For demographic profiles of respondents the results are presented in pie chart.

##### 1. Gender

From the total number of local people (n=20) in Nyarugenge Sector involved in this study as shown in Figure 3, 40% were female whereas Male were presented 60% of the whole respondents.

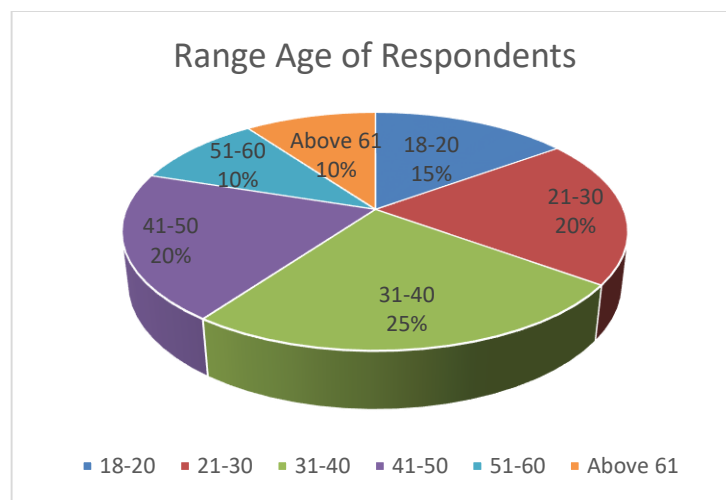
**Figure 3: Gender of Respondents**



## 2. Age Group Distribution

The age of respondents ranged from 18 age old up to 61 years old and above, in Rwanda the official maturity age is from 18 age old. The big number of the people who were involved in this study were the age between 31-40 years old representing 25%, second and third were local people aged between 21-30 age old with 20% as well as people between 41-50 age old had the same representation of 20%, the fourth group of age were that of 18-20 age old with 15%, lastly the fifth and sixth groups were those between 51-60 age old and local people above 61 age old each representing 10%. The following pie chart (Figure 4) is giving more details.

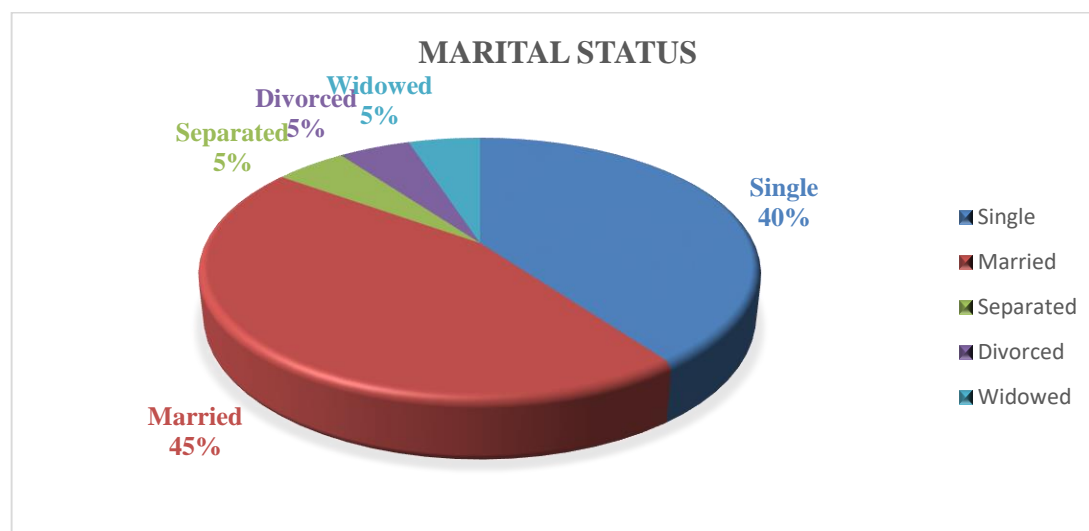
**Figure 4: Range Age of respondents**



## 3. Respondents' Marital Status

The marital status of the responded, the results showed that the highest number were married (45%), followed in ascending order by Single (40%), then separated, divorced and widowed with 5% each, as illustrated in the Figure 5.

**Figure 5: Respondents' Marital Status**



## **B. Profession Profile**

The results regarding this profession profile are grouped in one Table (Table 5) and are expressed in percentage.

### **1. Education**

The highest number of respondents involved in this study in term of education background were local people who have the secondary certificates (30%) and the following people ascending order were as follow: local people with no education background (25%), College Degree holders (20%), other people hold professional certificates or Vocational training like culinary, masonry and another one had primary certificate (20%), Master's Degree holder (5%), lastly PhD holder (0%).

### **2. Occupation**

The highest number of respondents were involved into business (40%), second were employees (25%) into different companies (restaurant, hotel, etc.), at the third place come students (10%), Government official (10%) and jobless (10%), and lastly retired representing 5%.

### **3. Types of business**

Those who are involved into business the findings showed that were totaled 8 people (40% of the whole participants), among them 15% were in hospitality business, 5% in tourism and rest 20% representing others (who are in informal businesses, shop owner/souvenir shop and business intermediary/or commissioner).

### **4. Place of Employment**

Also some responded were employees in different places here and there in Nyarugenge Sector; the results showed that 7 (35%) respondent were employees. Among them 15% worked in the restaurants, 5% in hotel, also 5% in Souvenir Shop and lastly 10% worked in Government Institutions.

### **5. Origin of the Company/Business**

For the respondents who worked in or owned different companies or institutions, the findings shows that 87% are domestic were 13% are international/foreigner companies.

### **6. Ownership of the Company/Business**

In term of ownership of the businesses the results shows that 67% are private, 13% are owned by the government, 13% are joint venture, and lastly 7% representing other (which were an International Hotel Chain).

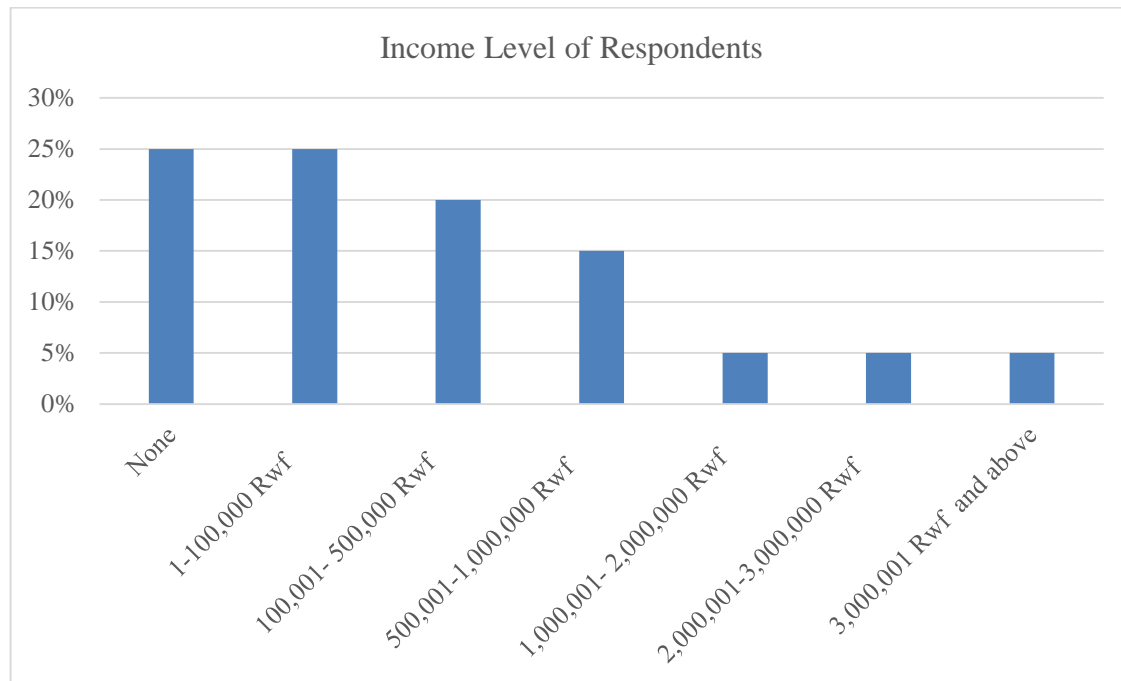
### **7. Level of Income per year Related to Hospitality and Tourism Activities**

Regarding the income level from hospitality and tourism related activities, Figure 6 shows that people who do not get income from hospitality and tourism activities are 25%, and 25% get income between 1-100,000 Rwf, 20% get income from 100,001 up to 500,000 Rwf, 15% get income between 500,001-1,000,000 Rwf,



5% get income between 1,000,001- 2,000,000 Rwf, 5% get income from 2,000,001-3,000,000 Rwf, lastly 5% get income of 3,000,001 Rwf and above.

**Figure 6: Income Level per year of Respondents**



The following table (Table 1) is summarizing the above information concerning respondents' profession profiles.

**Table 1: Respondents' Profession Profiles**

Variables	n =20	Percentage
<b>Education</b>		
None	5	25%
Secondary Certificate	6	30%
College Degree	4	20%
Master's Degree	1	5%
Doctorate	0	0%
Other	4	20%
<b>Total</b>	<b>20</b>	<b>100%</b>
<b>Occupation</b>		
Business	8	40%
Employee	5	25%
Student	2	10%
Government Official	2	10%
Jobless	2	10%
Retired	1	5%
<b>Total</b>	<b>20</b>	<b>100%</b>
<b>Business involved in</b>		
Tourism	1	5%
Hospitality	3	15%

Other	4	20%
<b>Total</b>	<b>8</b>	<b>40%</b>
<b>Employed in</b>		
Souvenir Shop	1	5%
Restaurant	3	15%
Hotel	1	5%
Travel Agency	0	0%
Tour Company	0	0%
Airline	0	0%
Other	2	10%
<b>Total</b>	<b>7</b>	<b>35%</b>
<b>Origin of the Company</b>		
Domestic	13	87%
International	2	13%
<b>Total</b>	<b>15</b>	<b>100%</b>
<b>Ownership of the Company</b>		
Private	10	67%
Government	2	13%
Joint Venture	2	13%
Other	1	7%
<b>Total</b>	<b>15</b>	<b>100%</b>
<b>Level of Income per year related to Tourism &amp; Hospitality</b>		
None	5	25%
1-100,000 Rwf	5	25%
100,001- 500,000 Rwf	4	20%
500,001-1,000,000 Rwf	3	15%
1,000,001- 2,000,000 Rwf	1	5%
2,000,001-3,000,000 Rwf	1	5%
3,000,001 Rwf and above	1	5%
<b>Total</b>	<b>20</b>	<b>100%</b>
*1 USD= 650 Rwf		

## 4.2. Local Community's Perception about Socio-Economic benefits of Tourism Development/Hotel Growth

Different statements were presented to the participant, and the respondent has asked to tick the corresponding Likert scale corresponding to its perception about given statements. And the following results were found:

### 4.2.1. Respondents' Personal perception about Socio-Economic benefits of Hotel Growth

Statements concerning the local community's personal perceptions about socio economic benefits of hotel growth in Nyarugenge Sector, the level of impacts based on five point Likert scale from 5= Strongly Agree to 1= Strongly Disagree has been measured and presented in Table 2.

The results about the personal perception show that the majority of respondents agree that Nyarugenge Sector is safe and secured (Mean= 4.15), followed by a number of respondents who are satisfied by the cost of basic necessity products, the result shows that they are not sure (Mean= 3.10), also respondent who are not sure (Mean= 3.05) whether they are satisfied by the level of social life in Nyarugenge come at the third place, at the fourth place come respondents who are also not sure (Mean= 3.00) if they are generating extra income from hotel growth because they do not see any relationship of their usual activities and hotel growth, other respondents disagreed about getting extra facilities, are unhappy to live in Nyarugenge as the life is not good and feel unsecured on their current job as a result of hotel growth as shown in Table 2.

**Table 2: Respondents' Personal perception of Socio-Economic benefits from Hotel Growth**

Statements	Mean	S.D	Ranking
I feel personally that Nyarugenge Sector is secured and safe	4.15	0.813	1
I am satisfied with the cost of basic necessity services and goods	3.10	1.483	2
I am satisfied with the level of social life in Nyarugenge Sector	3.05	1.276	3
I am generating an extra income from hotel growth	3.00	1.487	4
I am getting the extra facilities as a result of hotel growth	2.80	1.576	5
I am happy to live here because the life is good	2.40	1.314	6
I feel secure of my current job	2.25	1.293	7

Scale= 5= Strongly Agree 4= Agree 3=Not sure 2= Disagree

1= Strongly Disagree

#### 4.2.2. Local community's perception about Positive Socio-Economic benefits of Hotel Growth

As the Table 3 shows, the average Mean of positive socio-economic benefits from hotel growth in Nyarugenge Sector is 3.12 (Average of Overall means), this shows that local community in Nyarugenge are not sure about positive impacts of hotel growth. However majority local community strongly agree that there is an increase in tax revenue from hotel growth (Mean=4.50), also creation of new business opportunity score a big number (Mean=4.15) which mean that they are agree, this is followed by bringing more investment in Nyarugenge Sector (Mean= 4.15) and the list continue as the table 3 is showing and lastly people are totally disagree on how the expropriations from the properties of local is done when new hotels are being built.

**Table 3: Local resident perception about positive socio-economic benefits of hotel Growth**

Statements	Mean	S.D	Ranking
Increases tax revenue	4.50	0.607	1
Create new business opportunity	4.15	0.587	2
Bring more investment in the local area	4.15	0.489	3

It improve public utilities infrastructure	3.85	0.621	4
Hotel growth help to improve local economy	3.55	0.999	5
Local people gain employment opportunity	3.05	1.146	6
Local resident earn greater income	2.95	1.234	7
Local people earn more money from selling local products	2.60	1.273	8
Local residents gain benefits from selling land at a higher price	2.40	1.046	9
Income from Hotel and Tourism business is equally distributed	1.70	0.657	10
Local people are happy about how expropriation from their properties is done	1.45	0.945	11

Scale: 5= Strongly Agree 4= Agree 3=Not sure 2= Disagree

1= Strongly Disagree

#### 4.2.3. Local community's perception about Negative Socio-Economic benefits of Hotel Growth

The perception of negative socio-economic impacts of hotel growth by local people in Nyarugenge Sector, is illustrated by the results got from participants which are summarized in Table 4. The results shows the overall average of 3.42 about negative benefits. The majority of respondents agree that the land and housing prices are being increased (Mean= 4.00), salary paid by hotel are low (Mean= 3.90), rich people get big profits (Mean= 3.80), foreigners investors exports profits (Mean= 3.75), prices in goods and services are being increased (Mean= 3.65), as a result also the cost of living increased (Mean=3.60 ), etc. However respondents are not sure about the increases of prostitutions (Mean= 3.40) and local people disagree about the increase of crime due to the hotel growth (Mean= 2.30)

**Table 4: Local resident perception about negative socio-economic impact of hotel Growth**

Statements	Mean	S.D	Ranking
Increases price of land and housing	4.00	0.918	1
Hotel may pay low wages	3.90	0.968	2
Only big fish/rich people benefit from hotel growth	3.90	0.912	3
Competition for land with other economic uses	3.80	1.056	4
Profits may be exported by foreign investors	3.75	1.070	5
Increases price of goods and services/cost of living	3.65	1.348	6
Increases local residents' cost of living	3.60	0.821	7
Increase imported foreign labor	3.60	0.995	8
Increasing the prostitution number as a result of hotel growth	3.40	0.940	9
Hotel growth took over the local community businesses	3.25	1.251	10
Increases transportation system costs	3.05	1.050	11
Increasing unfairly taxes on properties because of hotel growth	3.00	0.973	12

Increase cost for additional infrastructure like water, power, etc.	2.70	1.174	13
Increasing number of crime as a result from tourism development/hotel growth	2.30	0.865	14

Scale: 5= Strongly Agree 4= Agree 3=Not sure 2= Disagree

1= Strongly Disagree

### 4.3. Involvement of Local Community

For the local community involvement three point Likert scale used was 3= Agree, 2= Neutral, 1= Disagree. The results from the respondents are presented in Table 5. Even if the majority believe that the hotel in Nyarugenge Sector is developed (Mean= 2.50), other are neutral about tourism policies which involved local community (Mean= 1.50), other disagree about the improvement of welfare of local people, projects initiated by hotels, financial means to afford hotel products/services, hotels' approaching local to give them jobs and lastly people are not involved in decisions and policy makings regarding hotel development (Mean= 1.10).

**Table 5: Local Community involvement and their ability in the tourism development/hotel growth**

Statements	Mean	S.D	Ranking
I believe there is a hotel growth in Nyarugenge Sector	2.50	0.946	1
Government's policies are appropriate and involve local community to protect them from high speed of hotel growth and tourism development in general	1.50	0.688	2
The welfare of local population are good due to the tourism development/hotel growth	1.35	0.489	3
Hotels initiate some projects which help local people to improve their welfare and the development of their area	1.35	0.587	4
Personally, I have the ability to afford hotel products and services because I have financial capacity	1.20	0.523	5
Hotels contact local people for training in order to give them jobs	1.15	0.489	6
Local population are being involved in policy and decision making of tourism and hospitality development	1.10	0.447	7

Scale: 3= Agree 2= Neutral 1= Disagree

#### 4.4. Local Community's future support for Tourism Development/Hotel Growth

To know whether tourism development and hotel growth are supported by local community in Nyarugenge Sector. Responded were asked to answer Yes or No (2= Yes and 1= No) against different statements, and the results are illustrated in Table 6.

The majority supported (Mean= 2/yes) that tourism and hospitality has to be supported, new hotel facilities will continue to attract more visitors, promotion of hotel by the Government, long term planning of hospitality industry which will boost other sectors, local community will continue to support hotel, positive benefits of hotel growth outweigh the negative impacts and hotel sector will continue to play a major role in the economy of the local residents if they are considered. However, some respondents see the future of hotel growth in Nyarugenge not sustainable (Mean= 1.40). The table 6 which is below summarized the information provided above.

**Table 6: Local community's perception about the support for future tourism development/Hotel Growth**

Statements	Mean	S.D	Ranking
Tourism and hospitality industry should be actively encouraged in my local community	2.00	0.000	1
New hotel facilities that will attract more visitors in my area should be supported	2.00	0.000	2
The government should support and encourage hotel promotion in Nyarugenge Sector	2.00	0.000	3
It is very crucial to manage the growth of hotels in Nyarugenge	2.00	0.000	4
Long term planning of hospitality industry would boost other businesses in general	2.00	0.000	5
I support future involvement of local people in the hospitality planning and policy making decisions	2.00	0.000	6
I support hotel growth and would like to see it becomes more important in my community	1.90	0.308	7
In general positive benefits of hotel growth outweigh the negative impacts	1.90	0.308	8
Hotel sector will continue to play a major role in the economy of the local residents if they are considered	1.85	0.366	9
The future of hotel growth in Nyarugenge is sustainable	1.40	0.503	11

Weight: 2= Yes 1=No

## CHAPTER 5. ANALYSIS

The tourism development in general and hotel growth in particular at the face value by looking statistics showed by different institutions may appear successfully benefit to local community who live in Nyarugenge Sector, the major business centre of Kigali the capital of Rwanda. However as the findings showed the local community within Nyarugenge Sector are faced with challenges to seize and to perceive the good essence of the socio-economic benefits created by the said tourism development/Hotel growth. The following issues are discussed below:

### 4.1. Respondent Profiles

The gender representation of this study is 40% for Female and 60% for Male, this was done on purpose as the government of Rwanda is encouraging female to participate in decision making policies at least at 30%, so 40% for this study is a good representation. The work force age of the Rwanda is between 18 years old and 60 years, at 65 years old people retired, above the age of 18 years is the legal one for the country. For this study the majority are the people raging between 21 and 50 years old representing 75% of the whole participation; this is because the people below 21 are still students and local above 50 are not much working for productive projects so their perception about tourism and hospitality activities are much lower. In term of education the secondary certificate holders dominate the number of respondents (30%), this is because most of people do not have much financial support to continue the studies, also a big majority in developing country do not attend school that is why also 25% of respondents do not possess any education background.

Due to the insufficient education background most of people in Nyarugenge sector involve into business here the 40% are doing small businesses, also a small portion of local people is employed somewhere in town of Kigali (25%). Those who are involved into business 15% run small restaurant businesses, 5% in tourism especially in travel agency, the big portion (20%) is constituted by local people who run informal business around the city in Nyarugenge Sector, most of local do not possess the financial mean to run business in formal way as to get license and other charges like renting a house to install the business is very expensive in town. Statistics from RDB (Rwanda Development Board) shows that most of hotel outlets are owned by domestic people (above 80%), so the findings are confirming this, because the results shows that 87% of business are domestics while 13% are international ones. According to Ogorelc the impacts on local community are economic and socio-cultural (Ogorelc, 2009), however the findings from this study shows the contraire, so 25% of the respondents do not get any income from tourism and hospitality, other 65% get an income between 1 to 1,000,000 Rwf ( USD 1,540) per year which is insignificant to survive.

## 4.2. Local perception about socio-economic benefits of tourism Development

The findings in Table 2 which consist of Individual/personal perceptions of Local Community about socio-economic benefits of hotel growth, most of people feel secured and safe, the mean of 4.15 confirm that they are agree on that statement, so the government decided to take serious measures to protect business areas and its surroundings especially the area of hotels where tourists stay, for local people it is also a benefits, this is the only things which personally is good for them, because if we look at overall average/mean (Average of all means) which is 2.96 local people in Nyarugenge Sector personally they are not sure if the hotel growth is giving them benefits in term of socio-economic activities, exactly it coincides with what we saw above, few people are educated and the income they get as a result of hotel growth is still very low, this also confirm what Jurowski, Uysal and William (1997), they found that local residents' do not enjoy direct economic benefits from tourism, that is why they are neutral in their attitudes towards tourism (Jurowski, C., Uysal, M., & Williams, D. R. , 1997).

Table 3 and Table 4 present the responses from local community's perception in Nyarugenge Sector about positive and negative benefits from hotel growth/tourism development. The literature review shows that benefits and cost/negative benefits obtained from tourism development has to be more carefully evaluated, if benefits exceed cost, residents' perceptions tend to be more positive to tourism, when costs exceed benefits residents' perceptions tend to be more negative toward tourism development (Wang, Y., & Pfister R. E., 2008). The findings from this study showed that the overall mean from positive benefits is 3.16 and that from negative benefits is 3.42 for both people are in neutral position, however negative perception is greater than positive perception, this shows that what the local people loose is greater than what they get, if we look at those tables we can see that taxes are being increased and the people are losing their properties because of hotel owner are giving little money for expropriation. The economy of the area is developing, but in contrary local people individually their life is going to be bad, on the table statement regarding the development of the economy in general score high mean, for instance increasing revenue (M=4.50), creating new opportunity in business (M= 4.15), bring more investment in the area (M=4.15), usually rich and capitalist governments are getting much benefits than local people from this statement listed, this is the case with Nyarugenge Sector, big fishes are getting richer while small more ones are suffered.

## 4.3. Involvement of Local community

Table 5 presents results which show how local community in Nyarugenge Sector perceive their involvement in hotel growth in particular and tourism development in general. Yes people agreed that there is hotel growth in their area as the mean scored of 2.50 shows (remember scale used, 3= Agree, 2= Neutral, 1= Disagree). However, from that development local people are not involved as results in Table 5 shows; the literature findings mentioned that tourism development has to involve local participation in project tourism design, planning and management ( (Sindiga, 2000), but score in Table 9 are showing the contrary, the majority of respondents disagree with statements regarding their involvements in hotel growth, for



instance the following statement score less than  $M=1.5$  meaning they are not agree: the participation of local community in policy and decisions making, Contact from hotel to get training for future job opportunities, local can afford products and services within hotels because they have means, hotel initiate projects benefiting local community, etc. this show that the local are not considered as party of hotel development.

#### **4.4. Local perception about Future support about Tourism Development/Hotel Growth**

Table 6 present finding from local residents of Nyarugenge Sector, they had to answer no or yes against different statement given to them. The majority of statement was supported by respondents which show that local people in Nyarugenge Sector support future tourism development/hotel growth, as the literature said that the importance of gaining local community support for tourism development/hotel growth is a vital components in achieving successful tourism and hospitality industry, some local community perceptions may be positive whereas other perceived it as negative (Sirakaya, E., Teye V., and Sonmez, S., 2002). Many people support hotel growth in future, however they still doubtfully about its sustainability because their involvement and benefits got from hotel growth are still little, as the question about the sustainability of Hotel growth in Nyarugenge Sector scored  $M=1.40$ , showing that their perception about future sustainability of hotel growth is not ensured much has to be done so that people can feel part of tourism development in Nyarugenge Sector and for the development of the whole country (Rwanda) in general.

## **CHAPTER 6. CONCLUSION**

Local community's perception toward hotel growth/tourism development depends on two factors positive and negative benefits expecting from tourism and hospitality activities. Benefits and cost obtained from tourism development has to be more carefully evaluated, if benefits exceed cost, residents' perceptions tend to be more positive to tourism, when costs exceed benefits residents' perceptions tend to be more negative toward tourism development. Local community are the major partners for hotel growth, their perceptions towards future growth increased due to the role to participate in decision and policy making for the appropriateness development practices as tourism and hotel growth are concerned. The local community in Nyarugenge sector has different perceptions about socio-economic benefits towards tourism development/hotel growth as summarized in the following sections

### ***6.1. Main Findings***

For this study the main findings shows that the local community in Nyarugenge Sector do not get much benefits from tourism and hospitality activities, that is 25% of respondents do not get any income from tourism and 65% get an income from 1 up to 1,000,000 Rwf equivalent to USD 1,540, due to this their perceptions about socio-economic benefits tends to be negative as they are influenced by personal or individual perception which was negative. The overall mean from positive benefits is 3.16 and that from negative benefits is 3.42 for both people are in neutral position, however negative perception is greater than positive perception, this shows that what the local people loose is greater than what they get, taxes are being increased and the people are losing their properties because of hotel projects owners are giving little money for expropriation.

Majority of Local people in Nyarugenge Sector agree that hotel industry is developed (score the mean of 2.50), however they are not involved towards that development, the score is lesser than 1.50 of mean showing the ignorance of them in term of policy and decision making, as well lacking financial support from projects initiated by hotels to boost the wellbeing of local population

Local people's perception support the future development even though their perception toward hotel growth is negative, however they still doubtfully about its sustainability because their involvement and benefits got from hotel growth are still little, as the question about the sustainability of Hotel growth in Nyarugenge Sector scored M=1.40, showing that their perception about future sustainability of hotel growth is not ensured. They support future development because they believe that the error committed before to ignore them will be corrected in the future as the government is now informed about findings from this study.

### ***6.2. Recommendations for further research***

From the findings, discussions and useful critics in above sections, the good advices and recommendations are very important and constructive to rise the degree of positive perceptions of Nyarugenge Sector about tourism and hotel development in their area and the whole country in general.

- The perception of local community about benefits from tourism and hotel growth is lower, so much has to be done to increase personal perception by creating opportunity to rise their benefits in term of income and other means for social life boosting.
- Tourism development and hotel growth will not be successful without involving local community, much has to be done to involve population in Nyarugenge Sector, by bringing at the table of negotiation all the projects regarding the development of Nyarugenge.

- In general local population in Nyarugenge are still struggling to increase their quality of living , so government has to initiate projects in conjunction with hotel associations for the benefits of local community and encourage local to form tourism cooperatives which will help to increase their wellbeing, this will increase their perception about hotel development.
- For future research, it was not easy to conduct this study, so I recommend financial support to the researcher and to enlarge/expand this study to other part of the country and other subjects (healthy, politics, economy, environment, etc.) to see how people perceive the development of the country in general.
- Local population do not used to research, in same case the researcher is not welcomed, they consider him/her as an investigator from Government, so much sensitization has to be done in advance to get good cooperation.

To sum up, for Nyarugenge Sector to achieve sustainability in tourism and hospitality industry, it will require the local community involvement in term of decision making process, it will require collaboration in long run from all tourism actors such Governments, hotels and tourism associations, Non Governments Organizations/NGOs, different partners and donors, etc. this will increase the awareness among local population and increase their perceptions and attitudes towards tourism development/hotel growth.

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