

Tourism Entrepreneurship in Rural Ghana: Opportunities and Concerns

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Abstract

The role of tourism entrepreneurship in rural development continues to be a subject of interest and debate among academia and practitioners. Theoretically, it is anticipated that tourism entrepreneurship will lead to livelihood diversification, enhancement and ultimately a revitalization of the rural economy. While tourism is posited as an accessible entrepreneurship pathway, there is a dearth of information regarding rural dwellers' actual experiences with it, especially within the Ghanaian context. Using a case study approach and qualitative data from Wli; a rural tourism destination in Ghana, this paper delves into the opportunities and concerns associated with tourism entrepreneurship in rural areas. Data was obtained between November and December 2016 from 27 persons who were either tourism enterprise owners or employees. Findings from the study showed that entrepreneurial activities centred on the provision of accommodation, food and beverage, souvenir and guiding services. The nature of the activities enabled easy transfer of existing skills and knowledge. Further, entry into tourism entrepreneurship was perceived to be easy by the majority of study participants. These findings confirm the potential for tourism to be employed in boosting entrepreneurial activities in rural areas. Nevertheless, there were concerns regarding access to credit, institutional support, unhealthy competitions, low incomes, unguaranteed pensions, and seasonality and skewness of demand. These concerns threatened the growth and sustainability of tourism entrepreneurship within the community. From a policy perspective, there is a need for institutional recognition and support for tourism entrepreneurial intentions and activities in rural areas. Practice-wise, credit facilities need to be designed specifically for tourism-related rural enterprises. Further, periodic skills and knowledge augmentation programmes must be initiated to help expand the skill sets for the rural entrepreneurs. Finally, there is a need for the formation of trade-related networks to provide a platform for knowledge and experience sharing among the entrepreneurs.

1.0 Introduction

Rural areas are being confronted with several challenges which makes it difficult for them to make significant progress economically, socially, or politically (Lane, 1994). Over the years, rural areas have seen a decline in agricultural activities and farm incomes with the accompanying issue of rising threats of food insecurity. These issues coupled with high poverty levels and increasing out-migration of the youth has contributed to the fragility of rural economies (Bock, 2016; Khan, 2001; Liu, 2006; Olinto, Beegle, Sobrado & Uematsu, 2013). The fact that an estimated 79% of the global poor are in rural areas (Olinto et al, 2013) further accentuates the need for conscious efforts toward improving the lives of rural dwellers.

It has been suggested that entrepreneurship is an engine of growth which can aid open up rural areas for development (Nagler & Naude, 2014; Boohene & Agyapong, 2017). According to McGehee and Kline (2008) 'entrepreneurship harmonizes with the philosophy that problems are best solved by solutions generated from inside the community' (p. 123). They further argued that entrepreneurship is very adaptive for rural areas. Within the context of rural areas, entrepreneurship is conceptualized as "entrepreneurship emerging at village level and takes place in a variety of fields of endeavor such as business, industry, agriculture, and acts as a dominant factor for economic development" (Shetty et al., 2015).

Over the last three decades, there has been a lot of attention on the use of tourism as a rural development strategy (e.g. Page, Brunt, Bushy & Connell, 2001; Sharpley & Telfer, 2015; United Nations World Tourism Organisation, 2015). Tourism has been perceived as an accessible pathway for local entrepreneurship and overall economic development (Ateljevic & Page, 2009). Theoretically, tourism entrepreneurship in rural areas is expected to bring about innovations and change which will ultimately lead to economic development (Nemirschi & Craciun, 2010). In further justifying this position, advocates have opined that tourism requires a relatively low start-up capital and can provide rural dwellers with an alternative source of income (Ashley, 2000). Additionally, it can create both forward and backward linkages with the local economy (Sharpley & Telfer, 2015). Nevertheless, a number of tourism scholars have written extensively on the challenges of tourism entrepreneurship in rural areas including location of businesses, low profits (Siemens, 2007), inadequate access to funding (Ateljevic & Doorne, 2004), seasonality (Getz & Nilsson, 2004), and inadequate skilled human capital (Liu, 2006). These have implications for the sustainability of tourism enterprises in such spaces.

Despite the relevance of these findings in advancing understanding and support for tourism entrepreneurship in rural areas, research focus on rural dwellers' experiences especially within the Sub-Saharan African context seems to be limited. It is against this backdrop that this paper seeks to explore the actual experiences of rural dwellers who are engaged in tourism entrepreneurship within a rural setting in Ghana. Specifically, the paper focuses on entrepreneurial opportunities available to rural dwellers as well as concerns of tourism entrepreneurs in a rural space. Since the study is situated within the Sub-Saharan African region, the nuances of tourism entrepreneurship in that context will be highlighted. This will be a significant contribution to knowledge. Practice-wise, the findings will

provide useful information to tourism policy makers and planners, and other stakeholders on the needed support for tourism entrepreneurship in rural areas.

1.1 The Context

Tourism in Ghana is not a recent phenomenon. Over the years, the country established itself as a key tourism destination within the West African sub-region (Teye, 2000). Because it is a priority sector for the country, a number of policy documents have been formulated to guide its development. The more recent one is the National Tourism Development Plan (2013-2027). At the core of these plans and policies is the desire by government to use tourism as a tool to achieve macroeconomic objectives and rural development (Akyeampong, 2011). In the country's medium-term development agenda framework for the period 2014-2017, tourism is equally recognised as one of the prospects for the socio-economic transformation of the economy (National Development Planning Commission – Government of Ghana 2014).

Accordingly, a number of tourism projects have been initiated at the community and district levels to develop tourism in rural Ghana, where most of the country's natural and cultural attractions are based. These varied efforts are aimed basically at offering opportunities for rural livelihood enhancement through tourism. The 1996 and 2005 collaborations between Nature Conservation Research Centre (NCRC), United States Peace Corps – Ghana, Ghana Tourism Authority (GTA), Netherlands Development Organisation (Ghana), and selected communities with funding assistance from United States Agency for International Development (USAID) is a typical example of such efforts. The Mognori Eco-village and Wechiau Community Hippo Sanctuary projects in Northern Ghana, the Boabeng-Fiema Monkey Sanctuary project in Brong Ahafo Region and the Ghana West Coast project in the Western Region share similar motives.

1.1.1 Study Setting

Wli is one of the agrarian communities located within the Hohoe Municipality of Ghana. The community is found within the wet-semi-equatorial climatic zone and has an annual rainfall ranging between 1.016 mm and 1.210 mm. It is also within the forest-savannah transitional ecological zone which has several natural resources suitable for tourism development. On the north-eastern side of the study area is the Akwapim Togo range which extends to Western Nigeria. This range has the highest altitude in the country and is home to Mt. Afadja, the highest point in Ghana (880.3 meters above sea level) and the Wli waterfalls which is the highest waterfall (about 80 meters) in West Africa.

The community is also into the cultivation of tree crops such as cocoa, coffee and oil palm in addition to other crops such as maize, plantain, banana, cassava and cocoyam. Livestock rearing is also popular in the community. Tourism, stone cracking, sand mining, petty trading and carting goods across the border to and from Togo are other non-agricultural activities that people engage in. The community has one of the most visited ecotourism sites (the Wli waterfalls) in the country. This perennial waterfall is the most visited attraction in the Volta region of Ghana and is open to visitors all year round (Ministry of Tourism, 2013).

2.0 Methods

2.1 Data Collection and Analysis

This data is part of a PhD study. Data was solicited from a total of 27 study participants who either owned or were employed in tourism enterprises in Wli, Ghana. Data collection took place between November and December 2016. Data was collected with the aid of an in-depth interview guide and an observation checklist. No sample size was assigned apriori. Study participants were identified through snowballing. And individuals who were available and willing to participate in the study were interviewed. Data saturation was used to determine the end of the collection phase. In qualitative research, saturation is reached when no new themes or responses emerge which are significantly different from earlier responses or themes (Griffin, 2000).

Face to face interviews which averaged 50 minutes were conducted. Majority of the interviews were tape recorded and later on transcribed verbatim. Participants who declined to be recorded had their responses written down as the interviews progressed. A field notebook and a photo camera were also used to document observations on the field. For the participant observations, the researcher engaged study participants by visiting them at their places of work, patronizing their products and services and participating in communal activities with them. Where permitted, photographs were taken. Data collection was solely done by the researcher.

The data collection instruments were used to explore the following issues: socio-demographic data of study participants, description of the study participants' tourism-related livelihood activities as well as their livelihood portfolio – composition, most/least preferred activities, livelihood changes. Study participants' understanding of tourism as a phenomenon and as a business as well as it's fit into existing livelihood mix were also examined.

Data collection, processing and analysis were done simultaneously. Each interview was reviewed to look out for new emergent issues which were then explored in subsequent interviews. Interviews were transcribed verbatim, printed and read through, and necessary references made to the field notes and observations captured during the data collection process. The interviews were coded both inductively and deductively. Patterns, trends, and contradictions between the codes were highlighted. The results and discussions were presented in a narrative form.

3.0 Results and Discussions

3.1 Profile of Study Participants

Seventeen (16) males and eight (11) females were interviewed. With respect to age, the youngest respondent was 21 years old and the oldest was 65 years old. Majority (15) of the study participants had not attended school beyond the Junior High School (JHS) level. The lowest level of education attained by the respondents was primary school and the highest was Tertiary. The native status of the respondents was also considered. The sample was predominated by the indigenes (18). The non-indigenous respondents were eight (9) in number. The respondents' active years of

engagement in tourism businesses varied between 1 year and 21 years. Most of the respondents were married (15), eight (9) of them were single, one (1) was a divorcee and another (1) a widow.

3.2 Tourism Entrepreneurial Opportunities in Rural Areas

There were four (4) main sub-sectors of the local tourism industry that the residents of Wli were engaged in. These were the provision of accommodation, guiding, food and beverage, and souvenir services. The businesses were micro and small in nature and largely catered for both domestic and international tourists. The businesses operated all year round, but their patronage usually peaked during the tourist seasons of April to September and also during the weekends.

3.2.1 Accommodation

There were three kinds of accommodation establishments: guest houses, homestays and camping sites. Combined, these facilities had employed about thirty-seven (37) people from the community. The homestays catered for tourists who wanted to have more opportunities for social, economic and cultural contacts with the local residents. The targets for the campsites were individuals who were in “for adventure and want a close interaction with nature” (A25, a 31-year-old male campsite owner). Two types of camping sites were available. The first type was on the premises of the guesthouses while the other was around the base of the waterfall in the Agumatsa wildlife sanctuary. The campsite owners usually acted as guides and cooks for the tourists. Most of the accommodation establishments offered basic amenities such as a bed, mattress, chairs and a table. In the homestays, guest and family bathrooms and toilets were separated. Females dominated in the ownership of businesses in this sub-sector. Likewise, majority of the employees in the hotels and guesthouses were females.

3.2.2 Guiding Services

Guiding was a common tourism-related service offered in Wli. There were the community tour guides who either worked with the visitor centre or privately. They offered guiding services to tourists to the lower and upper falls, hiking within the Agumatsa wildlife sanctuary as well as visiting other attractions in the surrounding communities. Guiding services were solely offered by males. Tour guiding in Wli was opined to be a physically demanding and debilitating job due to the mountainous terrain of the Agumatsa wildlife reserve. Hence, a lot of physical strength was needed to take tourists up on a daily basis:

This is not a job for a woman. They cannot do it. It's hard work. Can you imagine a woman having to take tourists to the upper fall? It is about 3 hours walk in and 3 hours walk back. They cannot. They do not have the strength to do that. They are too soft. We the men are not finding it easy, how about the women. This work is not easy ooo and as you age, it comes more difficult...I do not think women can do it but if they want to try it, no one stops them (A2, a 54- year-old male tour guide)

3.2.3 Food and Beverage Services

Food and beverage establishments targeting different categories of tourists and local residents were in existence in the Wli community. Snack shops and local foodservice establishments popularly referred to as “chop bars” served a variety of indigenous snacks and dishes. The restaurants in the guesthouses offered a combination of indigenous and continental dishes. These eateries were opened every day of the week. The main targets of the “chop bars” were the local residents and domestic tourists who were familiar with the local cuisine and could afford their meals. The restaurants which were relatively expensive targeted tourists as their prices were above what the locals could afford.

3.2.4 Souvenir Trade

Some persons were also engaged in the production and/or sale of souvenirs in the community. The craft shops which were about seven (7) in number clustered around the visitor centre. These shops were opened all year round. The shops stayed opened for longer periods during the weekends because visitor arrivals were usually high. The crafts sold in these shops were not only indigenous to the area. Some of the traders sold crafts like footwear, bags, jewellery and carvings from other parts of the country, as well as other African countries such as Togo and Kenya.

The existence of these businesses within the Wli community reinforces assertions that support the possibility of tourism entrepreneurship in rural areas (Ashley, 2000; Dolezal, 2015; Tao & Wall, 2009). Typical of rural tourism enterprises (Getz & Nilsson, 2004; Lai, Morrison-Saunders & Grimstad, 2017; Prince & Ioannides, 2017), these businesses were micro and small in nature and operated on a small scale. Further, they were largely privately owned by the local residents.

Further, the gender dynamics observed regarding the provision of accommodation, food and beverage and guiding services is in line with Garcia-Ramon, Canoves and Valdovinos’s (1995) argument that tourism jobs in rural settings often reinforce fundamental gender norms in patriarchal societies whereby females undertake jobs that fit into their responsibilities as homemakers while the males engage in more strenuous activities as the breadwinners for the home (Lück & Higham, 2007).

When the study participants were asked how easy it was to start a tourism-related business in the community, most of them noted that it was relatively easy. There were opportunities for transfer of existing knowledge and skills/assets. It emerged from the interviews that a number of the study participants made use of skills acquired through former trainings or exposures. For example, for a lady who operated a chop bar, the domestic skills from hosting and serving guests and family relations was transferred to the provision of food for cash:

I did not go anywhere to learn how to cook. As a woman, I can cook so the same way I cook for my house, I just use that knowledge to cook here for sale. (A26, a 36-year-old female catering establishment owner)

Another homestay owner converted existing rooms in her house for tourists:

We have two extra rooms in the house that no one was occupying so I use them to host tourists. Each of the rooms has a comfortable bed and washroom. (A6, a 35-year-old female homestay operator)

It can be deduced from the narratives above that the demands for establishing tourism enterprises in Wli were basic. This made it possible for skills, knowledge and capacity to be easily transferred. Plausibly, this will make it easier for other local residents to engage in tourism-related entrepreneurial activities (Ashley, 2000).

3.3 Concerns with Tourism Entrepreneurship in Rural Areas

Although the local businesspeople admitted that tourism presented them with entrepreneurial opportunities, they indicated they were several challenges associated with it. In an attempt to identify these issues, four themes emerged. These themes which encapsulate the concerns are discussed below:

3.3.1 Access to Credit

Access to credit was the main complaint of all the study participants regardless of the kind of business they were engaged in. Because the businesses were micro and small in nature, they lacked the needed collateral or the regular stream of income to obtain credit from financial institutions.

Some of these savings and loans companies prefer lending money to salaried workers because their income is guaranteed at the end of every month. But for some of us, see our businesses, sometimes you make money, other times you do not make much so if you approach some of the savings and loans companies, they are not willing to give you the money. (A3, a 54-year-old female craft trader)

Further, the high-interest rates on loans given by money lenders and community savings and loan companies deterred the business operators from seeking financial assistance from there. For instance, a participant noted that:

The interest rates are so high and if you take the loan from them (financial institutions), you will realise that you are just working to pay them. Because of that, I cannot take any loan from them. (A9, a 25-year-old male catering establishment owner)

Due to the above challenges, some participants lamented that their businesses were not growing as they wished:

Because I am supporting this business from my personal savings, things are not moving very fast. I have a lot of food items on my menu, but I do not prepare all of them because I do not have the money to buy the ingredients. I need a freezer for my business but for now, I cannot afford it. (A9, a 25-year-old male catering establishment owner)

Another participant who was in the souvenir trade commented that:

I am into retailing of crafts and I buy them from different places. Sometimes I run out of products but getting money to buy new stock in bulk can be difficult. The crafts are really expensive. Sometimes people come and ask for things that I should have in my store, but I do not have it because of money issues. (A3, a 54-year-old female craft trader)

3.3.2 Seasonality

Seasonality was another challenge identified. All the participants indicated it was a major bane of tourism-related livelihood activities in Wli. They pointed to the existence of peak and lean tourist seasons in Wli to buttress this view and further explained that international tourists' arrivals were not evenly spread throughout the year. The peak period identified coincided with the summer season (June to August) and Easter season (March/April). September through to May minus the public holidays (Christmas, New Year, Independence Day, Easter) were regarded as the lean tourist season:

The whites (international tourists) mostly visit this community between June and August. Apart from that, we are mostly busy during the Christmas and Easter seasons. During these periods, we have guests in all our rooms. Then in the other months, our rooms are mostly almost empty. But the good thing is that the slow (lean) season is not as long as the busy (peak) season). (A16, a 25-year-old female hotel employee)

Due to this, there were irregularities in the operations of tourism-related activities in the community. During the peak tourist season, business operators engaged in their tourism-related activities for longer hours throughout the week but it would be a "waste of time" to do same during the lean tourist season. This confirmed an observation made during the data collection period (which participants stated was the lean tourist season) that most of the tourism enterprises were active during the latter part of the week (Thursdays to Sunday) when groups on excursions normally visit the waterfall. One participant stated that:

I do not open my shop early these days because the tourists are not coming. This is not the season (peak season). So I stay at home and finish other tasks that I have before I come here. It is a waste of time to come early to open the place and stay here all day when you know that nobody will come. When the season (peak season) comes, I open for longer hours. There are times I close after 10 pm. (A12, a 29-year-old female craft shop owner)

This issue was reinforced by an employee in the accommodation sub-sector who indicated that:

During the peak tourist season, we do not close from work early. I report early in the morning and work until late in the evening. But during the lean season, I get more off days because there is not much to do around here. Sometimes, you come to work and sit idle the whole day, nothing really to do. It can get boring. (A20, a 21-year-old male hotel employee)

3.3.3 Unreliable Streams of Incomes

Concerns were raised about the irregular nature of income generated from tourism businesses due to the seasonal nature of tourist visits. All the study participants indicated the gap in their sales during the peak and lean tourist seasons. They indicated that they made very low sales during the lean tourist season. Some participants compared their sales during the peak and lean tourist seasons:

Business is not good at this time. It is very slow. Few tourists visit the waterfall at this time of the year. During the peak season, we can make sales of more than GHC 1000 a day. But can you imagine the whole of this

week, I have not even sold things to the tune of GHC 20? There are even days I do not sell anything. (A3, 52-year-old female craft shop owner)

Consequently, there was pressure on the savings made during the peak season. This is because during the lean tourist seasons, the savings are channelled into the business to keep them running. One participant remarked:

During the lean season, it is all about managing. Often times, it is the money I save during the peak season that I use during the lean season. So, it has become cyclical: save and use it up during the lean season. It does not really help in saving money for other needs. If you do not do it like that too, you will close down your shop when the tourists are not coming. (A11, a 38-year-old male craft shop owner)

The findings above give credence to earlier studies' assertion that inadequate financial resources can have a constraining effect on rural tourism enterprises (Ashley, Boyd, Goodwin, 2006; Seraphin, Butler & Vanessa, 2013; Tosun, 1999). Participants appeared to have limited options both internally and externally to access credit for their business. This has implications for the growth of these enterprises which can potentially provide employment opportunities for others. Additionally, the enterprises may be limited by the quality and range of services they can provide.

3.3.4 Negative Competition

Issues were also raised about negative competition which emanated from mistrust among the tourism enterprise owners. This negatively affected efforts towards synergy formation.

It is just like a market and everyone is selling so there is a lot of competition.
It is difficult for the association to happen because there is no collaboration.
Everyone is fighting against the other because of competition in the business.
The competition between the sellers is so much. (A3, a 54-year-old female craft trader)

The mistrust that existed due to the competition is captured in the narrative below:

There is a lot of opposition. Initially, they (other traders) thought I was a novice in the business, so they were nice to me but later, when they discovered that I was not that new to the business and was actually making more sales than them, their attitudes towards me changed. Now I'm more careful with the way I relate with them because life is precious (A11, a 38-year-old male craft trader)

Trade-related networks have been found to be very important to the entrepreneurial process (Haug, 2007). For Brüderl and Preisendörfer (1998), these networks provide a platform through which enterprises can gain key

resources, knowledge, information and experience. But in Wli, this was a major challenge, and it may have repercussions for the growth and sustainability of these enterprises in the long-term.

4.0 Conclusions and Implications

This study has unearthed a number of findings which highlight the underlying issues associated with tourism entrepreneurship in rural areas. Largely, the findings were consistent with the extant literature on tourism, enterprise development and rural areas. Based on the findings, the following conclusions are drawn. Tourism has the potential of boosting entrepreneurial activities in rural areas. In addition, these activities are basic and do not require any special set of skills, knowledge and assets. This enabled a number of people to easily transfer their skills and assets to engage in these tourism entrepreneurial activities. This is positive as people within a resource-scare context such easily engage in tourism as an alternative economic activity. Secondly, access to credit, unreliable stream of incomes, seasonality and negative competition make engaging in tourism entrepreneurship in rural areas very challenging in terms of growth and sustainability.

Drawing from the above, from a policy perspective, there is a need for institutional recognition and support for tourism entrepreneurial activities in rural areas. Practice-wise, credit facilities need to be designed specifically for tourism-related rural enterprises. Furthermore, the steps in accessing such facilities should be clearly communicated to the enterprise owners. Also, periodic skills and knowledge augmentation programmes must be initiated by tourism agencies to help expand the skill sets for the rural entrepreneurs. Finally, there is a need for the formation of trade-related networks among rural tourism entrepreneurs. This will provide a platform for knowledge and experience sharing among the entrepreneurs. Such networks can also be utilized in the future to pull together collateral to access credit or any other relevant asset.

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