

Socio-economic impacts of tourism businesses in Okahandja: A case study of Nau-Aib

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Abstract

Tourism is one of the biggest and fastest growing industries in the world and its development is a major concern for developing countries. Its growth carries with it both negative and positive impacts on the local economy and the people of those countries where tourism is a significant sector. The purpose of this paper is to analyse the socio-economic influence of tourism businesses on the community of Nau-Aib in Okahandja, using Edward's (2005) socio-economic indicators. The results of a socio-economic impact assessment can inform a community about the wide scope of tourism impacts on their social and economic wellbeing. The study area of this research was Nau-Aib, one of the biggest locations in Okahandja. Face to face interviews were conducted with 40 respondents residing in Nau-Aib. Tourism businesses, such as the arts and crafts market in Okahandja, and hospitality businesses situated in the vicinity of Nau-Aib, were the focus for this study, as these businesses often engage in commercial activities that carry with them socio-economic impacts for adjacent communities. Okahandja's tourism sector generally employs local people. However, these jobs are mostly menial entry level jobs that pay employees modest salaries. Through its multiplier effect, the sector also encourages business growth in Nau-Aib, mainly in the informal sector, and induces improvements in public service utilities and infrastructural development at tourism significant areas to facilitate tourism activities.

Introduction

Over the past decade, there has been considerable increase in the number of research projects conducted on the impacts of tourism in the tourist receiving region (Goodwin & Santilli, 2009; Mbaiwa, 2005). This was only after countries recognised the impacts tourism has on host communities, calling for better research, as well as planning and management strategies to enhance positive impacts and mitigate or avoid negative impacts (Hall & Lew, 2009). The nature of the tourism industry is integrative and multi-sectoral, thereby embracing a number of complementary service industries and en-

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couraging a multiplier effect (Newsome, Moore & Dowling, 2007). It is one of the biggest and fastest growing industries in the world which development is a major concern for many developing countries (Indiradevi, 2013). In addition, its growth carries with it both negative and positive impacts on the local economy of those countries where tourism is a significant sector. Some of these impacts directly influence the local economy of these countries and their people (Lickorish & Jenkins, 1997).

Namibia is a sun, sea, and sand destination offering ample tourism products, such as cultural tourism, eco-tourism, community-based tourism, and leisure tourism. The tourism sector is the third largest sector in the country, and was identified by the Government as a key sector in driving economic growth and job creation for locals (Asheeke & Katjiungua, 2007). Namibia's community-based tourism policy advocates for tourism as a rural development strategy (Ministry of Environment and Tourism, 1995). The policy provides a framework for ensuring that local communities have access to opportunities in tourism development and are able to share in the benefits of tourism activities that take place on their land. It aims to achieve this through close consultation with community members and involving them in decision making and planning, providing supportive legislation and supporting tourism enterprises run by communities/local residents, among other things. It also aims to contribute to and/or increase conservation efforts, contribute to local economic development through increasing revenues and other benefits to community participants, and provide a socially and environmentally responsible product to visitors (Ministry of Environment and Tourism, 1995; The Mountain Institute, 2000).

The purpose of this study was to analyse the socio-economic influence of tourism businesses on the community of Nau-Aib in Okahandja. Most of the studies conducted on tourism impacts have focused on the economic aspects. This is because it is difficult to differentiate the social impacts of tourism from other impacts as they tend to be intertwined. Social impacts are mainly based on qualitative approaches that are subjective in comparison with the more quantitative approaches used to assess the economic impacts (Mason, 2001). The conducting of a socio-economic impact assessment serves to inform communities about the impacts of tourism on their social and economic wellbeing. Communities should understand the wide scope of tourism impacts on their areas as a basis in order to agree on which positive impacts to place emphasis in the planning and development process of tourism. Tourism businesses, such as the arts and crafts market in Okahandja and hospitality businesses situated in the vicinity of Nau-Aib, were the focus of this research, as these businesses often engage in commercial activities that carry with them socio-economic impacts for adjacent communities, with reference to community-based tourism.

Conceptual Framework

A community will not experience every impact because some tourism products are dependent on particular natural resource features. Others relate to the social condition of the community, particularly the ability to culturally or socially connect with tourists, whereas others relate to the types and intensity of tourism development, for example, the approval or hostility towards tourist activities (Kreag, 2001). The impacts incurred by each of the host communities are dependent on the interactions between tourists and locals, as well as policies and regulations on tourism development.

The products of tourism include, among others, ecotourism, cultural tourism, adventure tourism, wildlife tourism and business tourism, which are beyond the scope of this study. Ecotourism is responsible travel to natural areas, and aims at conserving the environment and improving the wellbeing of local people (Newsome *et al.*, 2007). Community-based tourism invites tourists over to communities to experience the way of life of local communities. Cultural tourism also referred to as heritage tourism, focuses on a region's culture and looks at the lifestyle and history of people, their art and other elements that shape their way of life (Hall & Lew, 2009). According to Indiradevi (2013, p. 10), "... most tourists get more attracted towards the villages to observe the lifestyle, culture, and traditions of people." This has a cumulative impact on the communities, especially when it is mass tourism and it carries with it both negative and positive impacts (Lickorish & Jenkins, 1997).

Community members are also the attraction through ecotourism, which takes place in natural areas of communities; community-based tourism, which takes place in local communities; and cultural tourism, which is primarily concerned with the culture of locals. Community members also cater for tourists' needs and wants as informal sector suppliers of goods and services, such as arts and crafts, traditional clothing and jewellery, which they sell to tourists who are interested in purchasing these commodities. Most of the tourism products' production is also based in the natural and cultural land in communal areas, which attracts business growth in those areas (Huh, 2002).

Impact of tourism on communities

George (2000) defines an impact as a change in a given state over time as a result of external stimulus. Socio-economic impacts refer to the influence of development on a community's social and economic wellbeing. It is a process that brings about change in the location where people live, work, and share things in common, while factoring in economic, social and cultural impacts, as well as needs and wants (Hall, 2011; Jeffrey, 2008). According to Wallace and Pierce (1996), the tourism in-

dustry is made up of five broad sectors, namely attractions, transport, accommodation, supporting facilities and infrastructure. He explains that attractions encourage tourists to visit the location; transport services enable them to travel; the accommodation and supporting facilities (e.g. shops, banks, restaurants, hotels, etc.) cater for the tourists' wellbeing during their stay; and the infrastructure assures the functioning of all the above sectors.

Research indicates that tourism creates employment and income opportunities for large sections of a country. Jobs generated by tourism are spread across the economy in retail, construction, manufacturing, and telecommunications, as well as directly in tourism companies (UNWTO, 2013). However, research also indicates that these jobs created by tourism, especially in rural and communal areas are low-skilled and low-paid (Mbaiwa, 2003). According to Vogel (1997), and Novelli and Gebhardt (2009), tourism offers jobs in the less qualified areas, thus offering less qualified communities an entry into the labour market, which is basically menial and consequently low-paid work. According to Novelli and Gebhardt (2009, p. 450), "... one may say about tourism as a development tool that its contribution to employment may not reflect the real picture."

Akama and Kieti (2007), referring to Mombasa, Kenya, have also shown that tourism employment is mostly comprised of entry-level low paying jobs. According to their research findings, jobs in the tourism and hospitality industry that were taken by the local people were mainly menial and in the low-level unskilled job category. These menial jobs included positions for gardeners, genitors, porters, drivers, and waiters. Akama and Kieti (2007, p. 737) states, "... in a country such as Kenya that has serious problems of unemployment and increasing levels of poverty, the tourism industry is usually perceived as a major source of much wanted employment and income generation."

In other countries, tourism has helped stimulate infrastructure and public service delivery. One such good example is Hawaii, a popular sought-after tourist destination. The tourism industry of the archipelago has proven to be an integral part of their economy and has played an important role in the development of its airports, schools, parks and recreation and ports (Hall & Lew, 2009). According to Pierce (1996), these developments facilitate tourism as well as the business environment and attract investors to engage in the tourism industry and provide investment in much needed areas requiring huge capital investments.

Research has also indicated that tourism, through its multiplier effect, encourages business growth and establishment of retail/service businesses at tourism significant areas that provide goods and

services to tourists and the tourism industry from both the formal and the informal sectors. In communities, these are mostly low-scale informal businesses such as selling arts and crafts, demonstration of cultural dances and music in the form of living museums. In Maputaland, South Africa, under joint ventures with a private company (Wilderness Safaris), community services included trips to see the *Sangoma*, as well as other local services such as local security and taxi services (Ashley, Roe, & Goodwin, 2001). According to Go and Jenkins (1997), tourism itself is a wide-ranging business in that it includes products and services from infinite components of the economy.

In most countries, impacts have been significant at tourism hotspots because this is where tourism activities take place. This is the case in Namibia, namely at the Nambwa campsite situated in the Mayuni conservancy that provides social projects to the community. The conservancy creates collective benefits and assets for the community, such as renovations of schools, clinics and improved local transportation. There have also been additional earning opportunities for the community from tourism through employment, tour guiding, selling of crafts, and in the construction and renovations mentioned above. The community provides pitches and some activities to tourists and a community owned campsite, which is the core business of the conservancy, resulting in many jobs for local people (Goodwin & Santilli, 2009).

This study adopts the interrelated socio-economic indicators used by Edwards (2005) to assess tourism's impacts, which include: changes in employment and income levels, demand for public services, and changes in retail/service. The aspect of changes in employment and income levels indicates how tourism influences employment and income opportunities in an area through job creation. This is either direct employment, indirect employment, or induced employment. It also leads to changes in employment in an area from primary and secondary to tertiary, resulting in the diversification of local economy (Mason, 2001). These job opportunities attract unskilled, semi-skilled and skilled labourers. The income the community receives from jobs related to tourism also raises or lowers their standard of living.

The study analyses the demand for public services created by the presence of current and new residents and their associated activities that consequently require a variety of services from public and private sectors such as education, health and recreation, and other municipal and private services. This is because tourism development is almost inevitably followed by growth in numbers of people who are attracted by the pull factors such as employment and business opportunities that are created. Tourism has the ability to induce improvements in public utilities such as water, electricity and

roads. Current as well as new residents attracted to the area may open businesses, either in the formal or informal sector to provide goods and services to tourists. These residents, together with their activities put pressure on municipal services and contribute to increasing demand on public services. This indicator is important because public service resources are objective indicators of the level of resources available for the satisfaction of a community's needs. For example, playgrounds, sports fields, picnic areas and swimming pools are indicators of the need for recreation facilities.

The study also examines changes in retail or service-providing businesses, which are complementary services that are attracted to certain areas as a result of tourism development. These commercial developments respond to the demands of tourists and local community members (both current and new residents) by providing them with services and products important in the area and to their quality of life. These include primary tourism industry trades such as transport, accommodation, and travel agencies. Secondary industry trades such as retail businesses, entertainment and leisure activities. Tertiary industry includes trades such as public sector services, manufacturing, wholesale, and gas stations (Mason, 2001). This indicator is important because it shows the level of tourism activity in an area through operations such as travel agencies and complementary businesses that exist.

Research Methodology

The study was carried out in Okahandja, in the Nau-Aib location. Okahandja is known for its arts and crafts market (which is one of the biggest markets in Namibia), as well as a number of hospitality businesses such as restaurants, lodges, and guesthouses (Swaney, 2002; Anesta, Caceda, & Michalka, 2004). The town is also known because of the Von Bach Dam, Von Bach Recreation Resort, Gross-Barmen Recreation Resort, and Omba Ostrich Farm, which make it a popular destination for travellers in Namibia. Okahandja's convenient location at the intersection of roads to Swakopmund and Walvis Bay on the west coast, Otjiwarongo to the north, and Windhoek to the south, makes it a popular stopping place for travellers in Namibia. Many transport companies have based their businesses in the town because of its geographic position which is close to the capital city and in the centre of Namibia.

Nau-Aib is the former black location of Okahandja during pre-independence (prior to 1990). It is one of the biggest locations in Okahandja comprising of mostly black dwellers. Oshiwambo and Dama-ra>Nama speaking groups make up the majority of its inhabitants, followed by Otjiherero and Rukavango speaking people who are mostly involved in the arts and crafts market in the town (The Cardboard Box, 2011). The location is expanding in size and is sprawling outwards. The few employed people of the location are involved in different sectors of the town, such as tourism, government

jobs, and retail businesses as employees or employers. However, the majority of the location's residents are self-employed and engaged in informal sector businesses to create an income to support themselves.

The study used a quantitative method for data collection. This is a method of gathering data from respondents, using semi-structured question elements. The advantage of using a survey instrument is that a lot of information can be gathered within a relatively short period of time. The survey instrument was piloted in Vyf Rand location in Okahandja and the results were used to modify the final survey instrument. The researchers administered the questionnaires to respondents of Nau-Aib to engage and mobilise them in answering the research questions with understanding. This allowed for a direct conversation between researcher and respondents with a set of questions to collect information on a specific research topic, targeting a particular cluster group (Onwuegbuzie & Collins, 2007).

The purpose of this study was to analyse the socio-economic influence of tourism businesses on the community of Nau-Aib in Okahandja. The target respondents of the study were people employed in tourism businesses such as the arts and crafts market in Okahandja and hospitality businesses situated in the vicinity of Nau-Aib. In order to identify the respondents, which fits the criteria of the study, the study made use of snowball sampling to interview people who were involved in tourism as employees but who resided in the location of Nau-Aib. This is a method by which referrals for subsequent interviews are obtained from current interviewees.

The researchers interviewed 40 people from Nau-Aib who had been living there for a considerable number of years to know enough about tourism in the area as well as other relevant information. Community knowledge on tourism was identified as an important determinant in the success of the study. The number of Nau-Aib residents involved in tourism businesses is very small, therefore the researchers decided to interview all the respondents willing to participate in the study, except for a few who refused. Because of the small sample, the researchers were aware that the study can only be generalised to the population of residents of Nau-Aib who are employed in the tourism business sector, but not the general population of Nau-Aib location.

Results

Socio-demographic information of respondents

The socio demographic information is presented in terms of the number of respondents, age and level of education to define type of respondents who participated in the survey. A total of 40 respondents participated in this survey of which 63% (n=25) were females and 37% (n=15) were males.

Table 1: Age groups of respondents

Age Groups	Males		Females		Total	
	N	%	N	%	N	%
21-30	3	21.5	11	78.5	14	35
31-35	3	37	5	62	8	20
36-40	2	100	0	0	2	5
41-44	2	40	3	60	5	12
45+	5	45.5	6	54.5	11	28

Table 1 indicates that 35% of the respondents were in the age groups of 21-30, followed by those who were over 45 years of age (28%). These two age groups represented more than half of the respondents interviewed. The lowest number of respondents (5%) was recorded in the age group 36-40, and they were all males. The higher number of young respondents, age groups 21-30 and 31-35, could be because of Namibia's high youth population, which is reflecting the population pyramid.

Table 2: Respondents level of education

Highest level of education	Males		Females		Total	
	N	%	N	%	N	%
No education	0	0	3	100	3	7
Primary education	1	100	0	0	1	3
Secondary education	10	33.3	20	66.7	30	75
Tertiary education	4	66.7	2	33.3	6	15

According to Table 2, 75% of the respondents indicated that they had secondary education and 66.7% of this total represents females. Other respondents (15%) had tertiary education, which were mostly males (66.7%). Seven percent of the respondents had no education at all, which were only females, and 3% (only males) said that they had primary education. This indicates education inequity between females and males, with males having a higher education status than females who mostly only went up to secondary education, whereas males went up to tertiary. In addition, the possible reason why females with secondary education were more was because the study had a higher num-

ber of female respondents than males. The higher educational attainment of males could explain why males are the ones who were mostly involved in employment than females who were mostly either unemployed or self-employed.

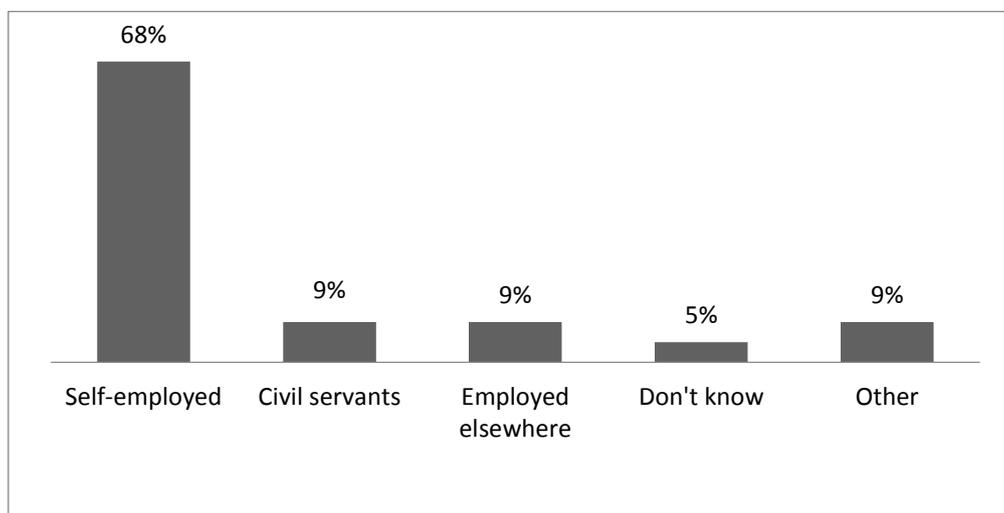


Figure 1: Main source of living for people living in Nau-Aib

Figure 1 shows that most of the people in Nau-Aib are self-employed in mostly informal businesses, such as bars and car wash businesses. People were confronted by joblessness, facing difficulties and little prospect to get into the limited jobs available in the town of Okahandja. Some were driven into informal sector jobs in the form of self-employment to earn a livelihood. The responses showed that more females than males were self-employed and operated their businesses directly from home. A small percentage of the respondents were civil servants (people working for the Government), whereas others were employed elsewhere.

Employment and income opportunities in the tourism sector

Only a small percentage of the respondents (30%) were employed at a tourism company during the years they were residing in Nau-Aib, while 70% were not. Figure 2 demonstrates that the tourism companies where respondents were employed were Okahandja Country Hotel, Yatshisha Bed & Breakfast, Omba Ostrich Farm, Oropoko Lodge, Villa Nina Guesthouse, Tungeni Africa Von Bach, Okakango Lodge and the arts and crafts market. The majority of respondents indicated that they were appointed in entry-level jobs, such as cleaning, waitressing, supervising, chef work, arts and crafts, general work, and reception work. Only one respondent was involved in a higher level job as food and beverage manager.

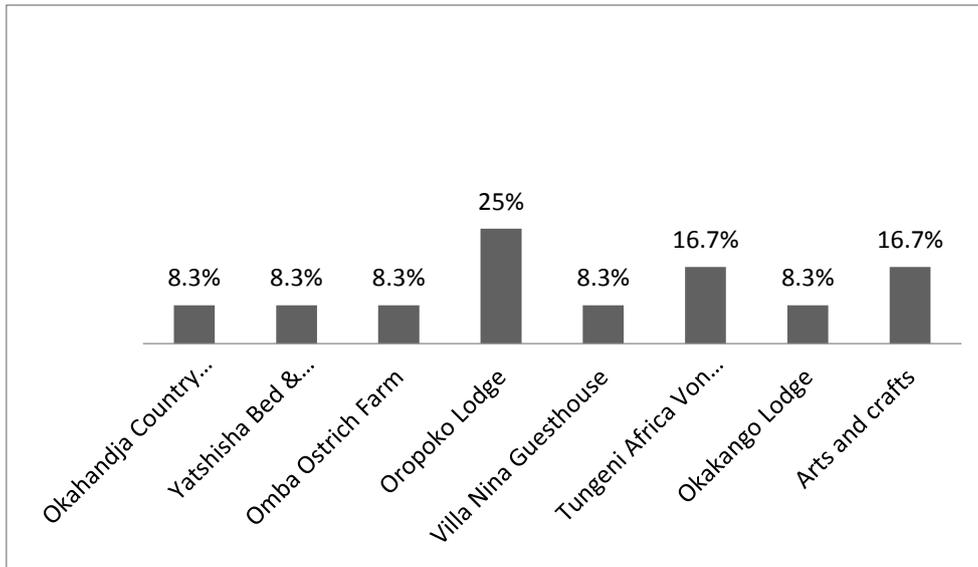


Figure 2: Tourism companies employing respondents

According to Figure 3 half of the respondents (50%) who were initially involved in tourism left the sector and joined other areas such as truck driving, retail work, working at a pharmacy, improving grades at NAMCOL (student), while some became unemployed. It would appear that people only keep tourism jobs as a starting point until they get a better paying job, or to meet basic needs with the income they receive instead of staying home unemployed. In addition, 30% of the respondents disagreed with the idea that tourism jobs offer full-time employment in Okahandja.

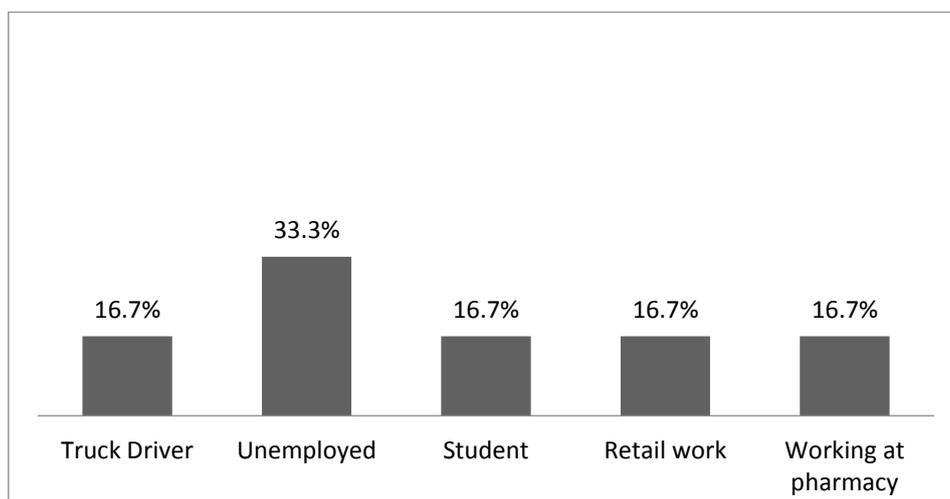


Figure 3: Current occupation of respondents previously employed in tourism

The highest number of respondents earned more than N\$1,000 but less than N\$4,000 per month (Figure 4). The fact that most of the respondents had entry-level jobs explains their modest sala-

ry/income scales. Very few people were earning more than N\$4,000, representing the few respondents who were employed in professional positions.

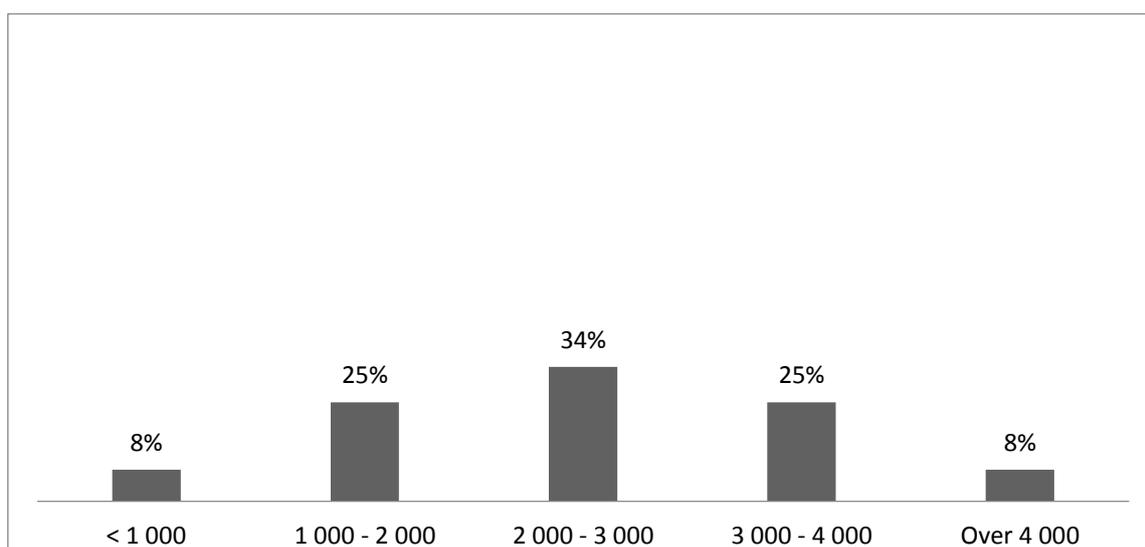


Figure 4: Salary/income scales of respondents

The study also asked respondents if their community positively benefitted from tourism and what those benefits were. Table 3 illustrates that 62% of the community benefitted from tourism, whereas 35% claimed not to benefit. The considerable benefits the community reported to have come from tourism were mainly employment creation (42%), followed by income generation (25%). Respondents (14%) reported that tourism brought tourism expos to the town, which created opportunities for commerce and trade, thereby simultaneously marketing the town. A further 8% said that tourism develops the town and that it supports the arts and crafts market. Respondents were also asked if there were any negative impacts of tourism in their community and, surprisingly, more than 90% of them said “none”. Only one respondent said that there were negative impacts, citing littering.

Table 3: Community benefits from tourism

Tourism benefits	Males		Females		Total	
	N	%	N	%	N	%
Creates employment	9	60	6	40	15	42
Generates income	2	22	7	78	9	25
Creates tourism expos in the town	3	60	2	40	5	14
Develops the town	1	33	2	67	3	8
Supports the arts and crafts market	1	33	2	67	3	8
Other	1	100	0	0	1	3

Public service delivery in Nau-Aib with regard to tourism growth

Asked on a Likert scale about the public service delivery in the area with regard to tourism growth/development, the highest number of respondents (37.5%) agreed that public service delivery in the area was improving with tourism growth, although a few disagreed (Figure 5). The location had a sports field, a playground, schools, a clinic, a new mall that was recently opened and several housing developments indicating provision of recreational facilities and public service delivery. The housing development facilitated the provision of a new Nau-Aib extension to meet the housing demand, which might explain the majority of respondents' view that public service delivery was improving.

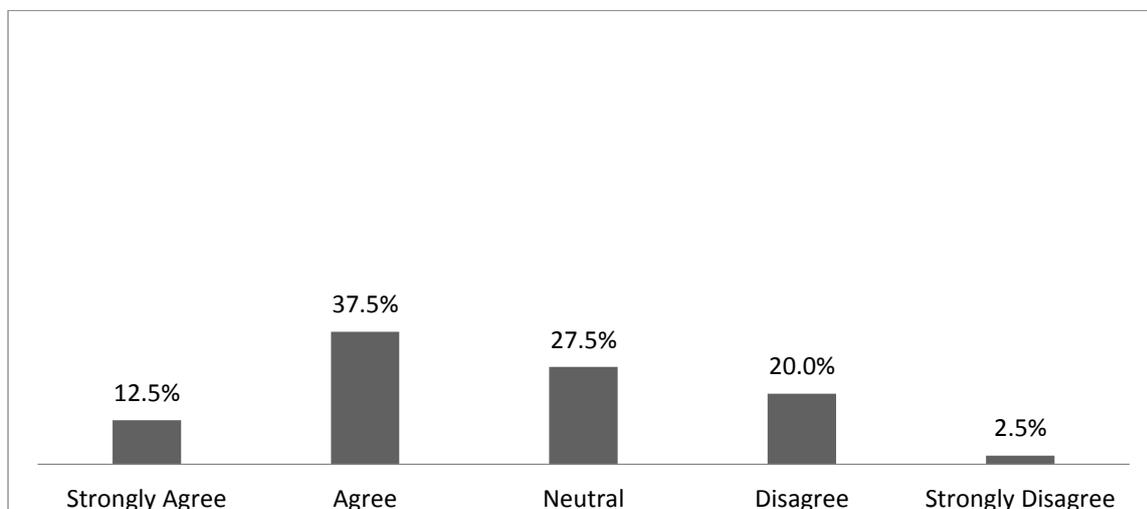


Figure 5: Improvement of public service delivery with tourism growth in the area

Using an example of the newly constructed mall in the town the researchers are of the considered view that the public service delivery through tourist expenditure could have induced improvements in the area, because the public sector provides these services or financial activities to facilitate economic sectors such as tourism. The mall was constructed adjacent to Nau-Aib with a view to bring development closer to the community, who are employed in direct or indirect tourism jobs that were created subsequent to the construction of the mall. The mall is situated immediately next to the highway, which is used by tourists on route to places such as Swakopmund and Walvis Bay, hence inviting them to take a rest and purchase goods. This tourist expenditure becomes income to the local economy, which helps to develop the town and contributes to government/municipality revenue. In turn, the earnings also advantage local people employed in direct and indirect jobs of tourism, while it can even be used to open up more businesses or improve the area. With the new mall, developments were decentralised to benefit the economically marginalised local community. It

also brought tourists closer to the people and location, thereby enhancing interactions and economic opportunities between local businesses, locals and tourists.

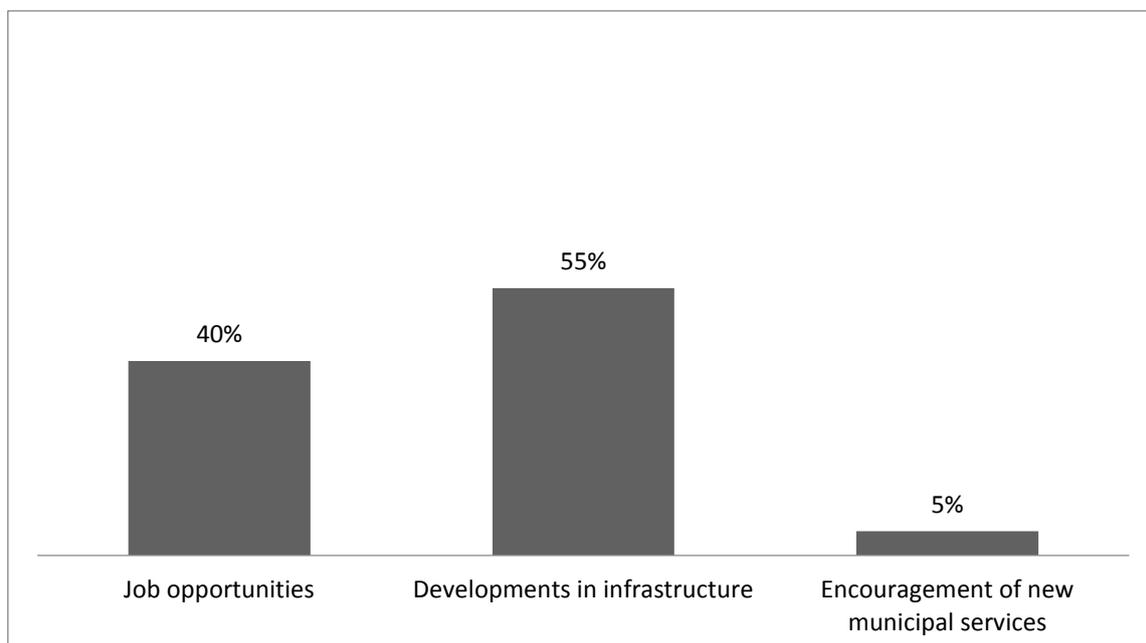


Figure 6: Importance of tourism development

Figure 6 indicates that 55% of the respondents considered developments in infrastructure to be important in tourism development in Okahandja. Job opportunities were rated as the second most important, while 5% considered encouragement of new municipal services as important. The fact that most of them considered developments in infrastructure as important in tourism development indicates their willingness to accept such developments, which benefit both tourists and locals and contributes to their convenience in the area.

Retail/service businesses in Nau-Aib with regard to tourism growth

According to Figure 7 respondents were of the opinion that tourism encouraged new businesses in their area.

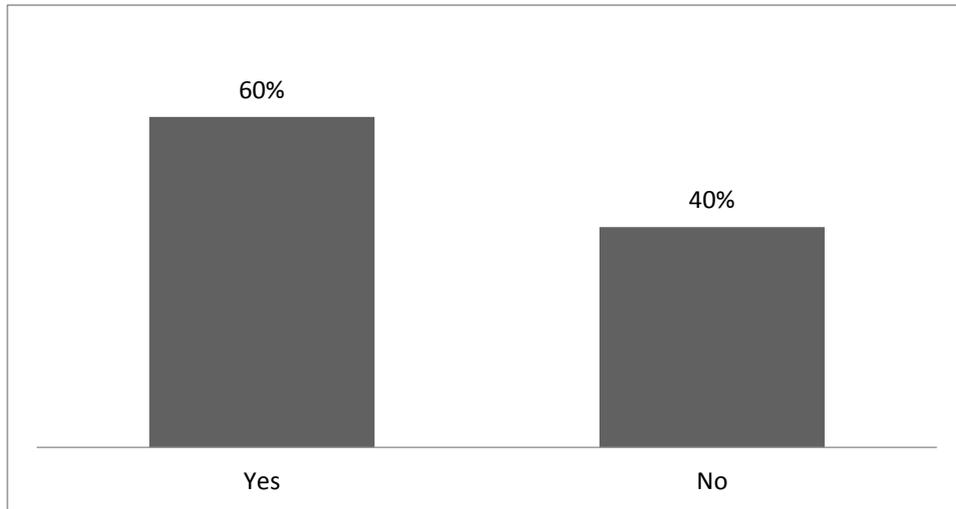


Figure 7: Tourism encouraging new businesses in Okahandja

According to Figure 8, the most common retail businesses in Nau-Aib are supermarkets and bars. This could be because of the lucrative financial returns that owners get from operating such businesses in the area. For example, supermarkets sell essential household items and food to community members, while bars have become money-making businesses frequented by many local revellers and tourists. These types of businesses provide goods and services considered important by the community, simultaneously creating employment and income opportunities for local community members who live in areas where there are limited job prospects.

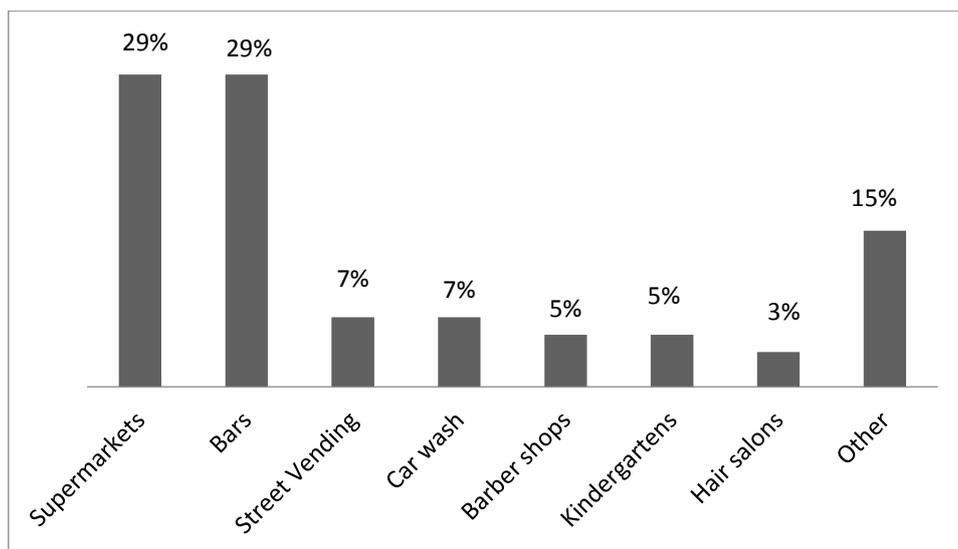


Figure 8: Retail/service businesses in Nau-Aib

The respondents indicated that they thought businesses and the arts and crafts sector benefitted the most from tourism in Okahandja (Figure 9). Because community-based tourism is mostly advo-

cated and practiced in communal areas, it is only likely that it is mostly businesses that would benefit from tourism in urban areas, and not so much the community. The arts and crafts market is also one of the biggest markets in Namibia, and a common stopping place for tourists in Okahandja, which also explains why they would be one of the main beneficiaries of tourism.

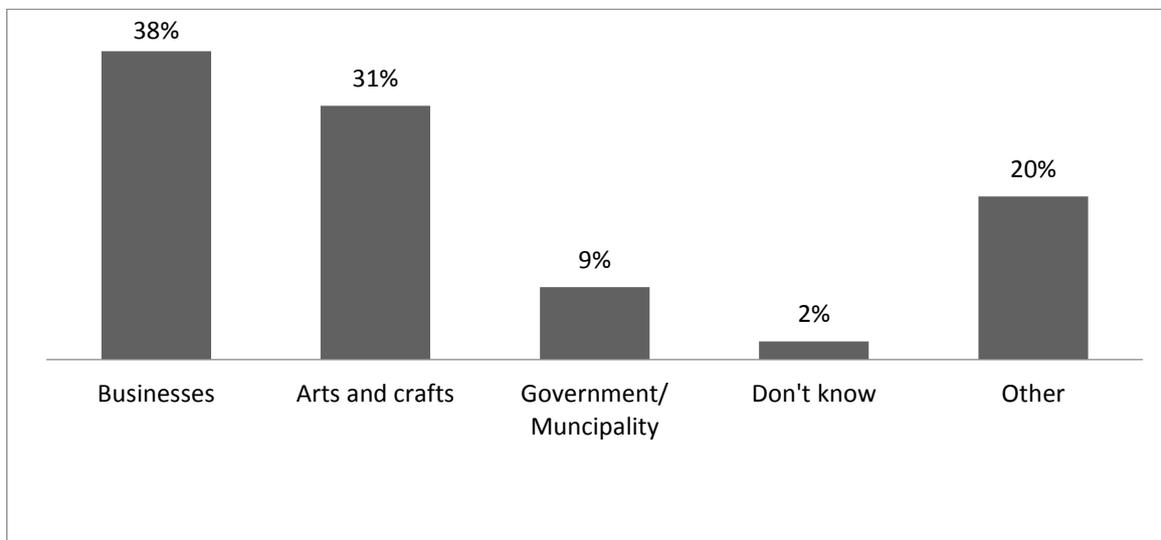


Figure 1: Main beneficiaries of tourism

Discussion

Tourism employment and income opportunities

Tourism creates employment in Nau-Aib (mainly entry-level jobs that are low-skilled and paying employee's modest salaries/wages), which contribute to creating upward social mobility for the local community. These jobs have a considerable labour turnover, as half of the employees who were previously employed in tourism found other jobs or became unemployed. Some of these jobs were not full-time jobs according to the respondents, which would explain the labour turnover/layoffs of employees. In conservancies within regions such as Zambezi, Otjozondjupa and Kunene, tourism is proving to be a viable sector for communities. Estimates indicate that crafts income from tourism could double and other community enterprises could expand five-fold in these regions. Tourism generated over 2 million Namibian dollars for local people in these regions through wages, sale of crafts and other resources and services (Ashley, 1995). These regions have become good models of community-based tourism, promoting social and economic development of local people as well as active participation in bottom-up, small-scale tourism development that bring collective community benefits, which is quite different from that of the Okahandja tourism industry.

The findings of this study support Mbaiwa (2005), who found that locals employed in tourism businesses were involved in low-skilled and low paid jobs such as drivers, cooks, maids, and cleaners. The opportunity to earn better salaries with benefits and to build a career usually requires getting into management positions, which many locals employed in tourism cannot access. At best, low skilled employees can only maintain a decent standard of living from the modest salaries they get if they do not have other additional means of generating income. This results in people employed in tourism considering jobs in other sectors that pay higher salaries with benefits and that have promotional prospects. In economically depressed regions where problems of unemployment and poverty persist, the tourism industry offers employment in the less qualified areas to give communities an entry into the labour market, which is basically low skilled and low paid work (Akama, 2009; Novelli & Gebhardt, 2009).

These employment opportunities are usually perceived by desperate communities as a major source of much wanted employment and income. The communities are recruited from an unskilled pool with relatively modest to little educational levels. Since these jobs are entry level, they do not have a high academic or skills demand on the community. The tourism industry's employment may not reflect the real picture, and it comes at a time when tourism is promoted in many countries as a means of development whereby the social, environmental, and economic needs of local communities are met through the offering of a tourism product (Novelli & Gebhardt, 2009; Goodwin & Santilli, 2009).

The Government of Namibia is actively promoting tourism in rural communal areas (Ministry of Environment and Tourism, 1995). These rural people largely depend on agriculture, which is a core activity, prompting Government and nongovernmental organisations to actively promote service industries such as tourism to diversify livelihoods and incomes away from overdependence on agriculture and other primary sectors where job opportunities are meagre. This contrasts sharply with Okahandja which is largely urban, a factor that explains why the town's tourism industry lags behind in adopting community-based tourism practices that benefit community members.

According to Ashley, De Brine, Lehr, and Wilde (2007, p.7), "... independent research finds that tourism lags behind other sectors in adoption of corporate social responsibility practices." This is despite growing interest in concepts such as ecotourism, pro-poor tourism and community-based tourism. Community-based tourism promotion, for example, requires host communities to be empowered socially, economically, psychologically, and politically (Scheyvens, 2002). It promotes community-owned and managed lodges or homestays and gives communities the responsibility to take charge

of their own development (Goodwin & Santilli, 2009). In the case of Okahandja, the community does not own or manage tourism facilities, as they are largely owned by investors, neither are community-based tourism practices encouraged or implemented as part of social responsibility.

Public service delivery and tourism development

Public service delivery and infrastructural developments in Nau-Aib are somewhat owed to the recent construction of a mall adjacent to the location, *vis-à-vis* municipal service provisions for the needs of the community. Since most of the development only took place in town and other significant economic zones, benefits related to tourism were not spread evenly. This was a major concern which instigated construction of the mall adjacent to the community in order to redirect the benefits more evenly and bring collective community benefits. It encouraged tourist visitor numbers and flows that simultaneously exposed the location of Nau-Aib and local tourism activities, thereby enhancing economic opportunities among tourists, local businesses and the local people. In light of these findings, local community members of Nau-Aib also concede that the public service delivery in the area is improving and that they consider improvements in infrastructural developments as the most important in tourism related development.

This finding regarding Okahandja is similar to other studies conducted by Hall and Lew (2009) as well as Ashley, Roe, and Goodwin (2001). For example, the study conducted by Ashley *et al.*, (2001) found that Wilderness Safaris (operating under contractual agreement with the Government and other stakeholders) developed complementary community-based public service initiatives in Maputaland to facilitate tourism activities in that area and bring collective community benefits. Similarly, in Hawaii, tourism created large-scale developments in infrastructure, as well as developments of resorts and hotels to facilitate tourism activities (Hall & Lew, 2009). They also contribute to better accessibility and return visits by tourists if they enjoy the amenities promoted in an area. According to Ashley *et al.*, (2007), infrastructure and public service delivery complement or help to fulfil local needs and the needs of tourists (e.g. water, transport, electricity). They also enhance the business environment and attract investors to engage in the tourism industry and provide investments in much needed areas, requiring huge capital investment (Goodwin & Santilli, 2009).

Public services such as clinics, sports fields and malls as well as adequate infrastructure in an area assures the functioning of the tourism industry sectors such as attractions, transport and accommodation (Wallace & Pierce, 1996). Rural areas lag behind in modern tourism infrastructure developments compared to urban areas. Their main tourism product is wildlife and wilderness in dra-

matic scenery and lightly populated areas, which is an asset, whereas the tourism industry of urban areas such as Okahandja is largely facilitated by major infrastructure developments and public service utilities (Ashley, 2000).

The Government promotes adequate public service delivery and infrastructure in an area by providing incentives to encourage tourism development. However, these infrastructural developments and subsequent public service delivery at times become concentrated within or at tourism significant areas, and causes others that do not have tourism activities in their areas to miss out on its benefits. This exacerbates the already existing socio-economic division and inequity by widening the gap between the beneficiaries of tourism and those who are already marginalised by the current forms of development (Akama, 2009). Since these infrastructural developments and subsequent resource allocation are not done equitably, it does not further the eradication of poverty in communities. This is why the mall in Okahandja is important in spreading developments equally and facilitating tourism in the town.

The retail/service businesses and tourism development

Inter alia, the arts and crafts market and hospitality businesses, such as lodges and guesthouses, continue to be significant tourism businesses in Okahandja. These businesses, in turn, attract complementary retail/service businesses, such as supermarkets, bars, car washes and barber shops, into the area. These are businesses responding to tourism commerce opportunities in Nau-Aib that also overlap with livelihood businesses that cater for the market needs of tourists and locals alike. They are largely small scale businesses operated from home by the owners/entrepreneurs who are mostly self-employed. According to Ramukumba, Mmbengwa, Mwamayi, and Groenewald (2012), tourism creates entrepreneurial opportunities for local people who actively participate in tourism activities and presents a significant breakthrough for them to fight poverty and unemployment.

In the tourism industry, the tourist goes to the point of sale and pays for the service or product (Mowforth & Munt, 1998). This encourages locals to take part in tourism as informal and formal sector suppliers of goods and services. These businesses form a basic premise of the tourism industry's success as they provide goods and services important to the industry and to the tourists. They also give local communities, such as those in Okahandja, an opportunity to create income generating activities by using their skills and talents to produce products such as arts and crafts for sale to tourists. Local participation in tourism is critical in this regard, without which business establishments to cater for tourists will not be possible. These businesses also generate tax revenue to Government and contribute to the overall economic development in an area.

Government initiatives, plans and policies, such as the community-based tourism policy, aim towards improving the quality of life of people living in protected areas and conservancies. However, community-based tourism is mostly only promoted in protected areas and conservancies on rural communal land owned by the Government. In places like Okahandja, which is urban based, it is mostly businesses that benefit from tourism and not so much the community, despite growing interest in adopting tourism products like community-based tourism. This state of affairs results in communities being side-lined from mainstream tourism benefits. The community also lacks a great deal of awareness and community roles in tourism. A considerable number of the respondents did not even know which tourism companies they had in Okahandja; they did not know how they benefited or could benefit from tourism, or its possible negative impacts on their community. It is important for local communities to be sensitised on the wide scope of tourism impacts on their areas as a basis to agree on what positive impacts to emphasise in the planning and development process of tourism.

Local understanding of tourism and participation is critical in the successful implementation of community-based tourism. The arts and crafts market of Okahandja continues to be a significant tourism business that attracts passer-by tourists. This business creates employment and income opportunities for local people with limited skills and modest educational levels. It should, therefore, be encouraged with supportive legislation and a conducive business environment, where many locals can participate and share in the profits.

Conclusion

This study affirms that tourism diversifies the economy and employs local people in tourism activities. However, most of these employments are low-skilled and low-paid entry level jobs that offer low chances of upward social mobility for local people involved in tourism activities. It is also less certain whether tourism companies in Nau-Aib have promotional prospects for its employees though it is often argued by some that these entry-level jobs can serve as entry points to higher position jobs for those with less qualifications and little or no work experience.

Tourism induces improvements in public service utilities and infrastructure developments that facilitate mainstream and niche tourism activities, but these developments are only attracted towards particular economic zonal areas where tourism matters. The community receives noteworthy benefits from tourism such as encouragement of new businesses, support for local businesses such as the

arts and crafts market, income generation, employment creation, and induced developments. Current as well as new residents attracted to an area by tourism development open businesses, either in the formal or informal sector, to provide goods and services to tourists. These are complementary retail/service businesses that provide service and products important in the area and to the quality of life of locals and tourists and also operate as livelihood businesses.

The researchers recommend that further research be conducted on the promotional prospects of tourism companies in Okahandja and that feasibility studies be conducted on community-based tourism initiatives outside protected areas and conservancies, with a focus on urban communities.

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