



**COMMUNITY BASED TOURISM AS TOOL FOR
RURAL ECONOMIC DEVELOPMENT IN
HINIDUMA**

This dissertation is submitted as a partial fulfillment of the degree of
Bachelor

of Business Management in

Hospitality, Tourism and Events Management

August 2018

Index number: UWU/EX/14/0315

Name of the candidate: S.L. Mahaarachchie

Department of Public Administrations

ABSTRACT

Tourism can make a significant impact on rural communities as the customer comes to the facility or product creating a room for direct selling/engagement for the host communities. Accordingly community based tourism emerged as a possible solution to the mass tourism in developing countries, which thus became a strategy for communities in order to develop rural economies. Therefore, this research exploited the opportunities for rural economic development through community based tourism in Hiniduma area and identifying the most influencing challenges when developing community based tourism as a new concept. The research adopted the quantitative approach to data analysis, especially using multiple regression analysis. The primary data were gathered by using standard format questionnaires. The sample consisted of 120 respondents who are engaging with different kind of community based tourism activities in Hiniduma. The major objective of the study is to identify the potentials for rural economic development through Community based tourism in Hiniduma. The result of the analysis indicates that, there is a higher potential for rural economic development through Community Based Tourism. In addition in that study include two hypothesis. According to hypothesis testing researcher identified that there is an impact on Socio economic factors to the rural economic development. As the second objective of research aimed at identifying the most influencing challenges for CBT. The study found that lack of knowledge about CBT concept, lack of e-commerce awareness, lack of financial support from financial institutes, lack of family members support, and also lack of money to invest as the major challenges in developing community based tourism in Hiniduma.

Keywords - Community Based Tourism, Rural economies, Rural economic development, Socio economic factors