

**A STUDY ON THE POTENTIAL AND THE
BARRIERS FOR TOURISM DEVELOPMENT IN
ARUGAMBAY AS A TOURIST DESTINATION**

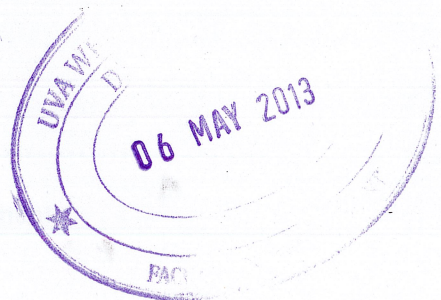
**This dissertation is submitted as a partial fulfillment of the degree of
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ABSTRACT

Tourism is regarded as the fastest growing industry in the world. Asia was identified at the World Investment Conference in Geneva (WAIPA, 2005) as one of the continents with a significant potential for developing tourism. The development of tourism can contribute a lot to Arugambay through reduction of the level of poverty, creation of job opportunities as well as contributing to the national income. However, the tourism industry in Arugambay is still in its early stages due to the war.

This research study has discussed the potential and the barriers for tourism development in Arugambay as a tourist destination. In here focuses to emphasis naturally and culturally rich resources in Arugambay's potentiality to go beyond mass tourism and cater on niche tourism concept such as environmental friendly destination.

The study was conducted in the coastal area of Arugambay. A qualitative design using two cross sectional questionnaires was utilized to establish the opinions of the participants. A sample of 120, including 60 international tourists and 60 workers in the tourism sector (hotel sector) was selected to participate in the study.

Data analysis by means of descriptive analysis was used to obtain the mean, frequencies, expressed as percentages. The results from the study revealed that to become internationally recognized tourist destination, Arugambay need to improve the infrastructure related to tourism and hospitality together with

entertainment and leisure services required by tourists. A more positive image, qualified personnel along with an effective destination marketing both at local and international level are required. Further, it was found that mostly the cost of accommodation were costly for tourists among others.

However, data disclosed that Arugambay is a safe destination with an unspoiled environment and is generally a low cost destination. The people of Arugambay are friendly and hold an attractive rich culture.

This exploratory study could assist in planning and deciding suitable strategies to tourism development in Arugambay. It can lead as well as to a competitive tourism industry. Therefore, it is important for the policy makers and the stake holders to address dominantly the issues slowing down the tourism industry in Arugambay. It is expected that when these barriers have been tackled, it will contribute towards sustainable tourism development in Arugambay.