ASSESSING THE ECONOMIC IMPACT OF CULTURAL TOURISM ON LOCAL COMMUNITIES A QUANTITATIVE STUDY OF VISITOR SPENDING AND EMPLOYMENT DATA

Dr. Muhammad Kamran[*1], Muhammad Dastgeer[2], Badar Kamal Habib[3], Ali Hamza[4], Fatima Anis Naqvi[5]

[*1]Assistant Professor, College of Earth and Environmental Sciences, The University of Punjab;
[2]Lecturer, College of Earth and Environmental Sciences, The University of Punjab;
[3,4,5]BS Tourism and Hospitality Management, The University of Punjab;

Corresponding Author: *
Dr. Muhammad Kamran

ABSTRACT

Cultural tourism also has a large economic impact by enhancing the generation of local revenue and promoting the growth of employment and businesses. This research examines the economic benefit of cultural tourism for local people by evaluating the spending behaviour of tourists, employment opportunities, and revenues generated through the utilization of statistical analysis with the help of a statistical package for the social sciences (SPSS) tool. The results suggest a direct and significant relationship between the number of tourists and the amount of local revenues, which equals 0.679, which supports the idea that increased tourist numbers are beneficial to local economies. However, the meagre numerical relation between visitor spending and employment (0.213) points to the fact that tourism, as a stand-alone industry, cannot create employment, meaning skill development and support to the employable population is required urgently. Further studies can consider the evaluation of long-term changes, multicountry comparisons, and the effects of digital tourism advancements on sustainable economic impacts.

Keywords: *Cultural Tourism, Economic Impact, Visitor Spending, Employment Trends, Local Revenue, SPSS Analysis, Tourism Policy, Sustainable Tourism.*

INTRODUCTION

1.1 Background of Cultural Tourism

Cultural tourism has emerged as the main source of income for many nations in the global market. It involves journeying to places where the tourists interact with customs, history and traditions by supporting commerce and promoting culture. As Gemar, Soler, & Moniche (2023) pointed out, local development initiatives determine the economic impact of tourism, the employment opportunities creation, investments, and economic stability within the region. Cultural tourism helps promote culture and also helps other industries related to transport facilities, accommodations, and crafts. The promotion of cultural tourism has a positive effect on the host economy, more so for places that have monumental and artistic features. Research indicates regions that invest in cultural tourism have the advantage of experiencing a relatively higher flow of tourists and, thus, increased circulation of cash in the economy (Fretes et al., 2023). However, sustainable management is a necessity to ensure that the benefit of such policies is obtained by the local people, not concentrated more in the hands of corporate companies. The revenue generated from cultural tourism should facilitate commercial investments in physical facilities, create job opportunities, and realize improvements in cultural assets.

1.2 Importance of Economic Impact Studies

Analyzing cultural tourism's 'economic effects' is a critical task and a pressing need for policymakers, connoisseurs, and other local clientele. Examining the flow of tourism revenue impacts incomes, employment, and the ability of cultural sites to generate and utilize revenues. According to Truong et al. (2022), government expenditure on socio-cultural activities contributes significantly to achieving economic gains from tourism. The impact of tourism in the economic sense comes down to factors like tourist spending, the employment status of communities, and the growth of business, all of which define the sector's role in the economic growth of the region in question. One of the significant issues analyzed in the assessment of the economy is the conflict between culture and commerce. This leads to the increase of commercialism, which sometimes poses a threat to the domestication of the cultures to be studied and enjoyed. However, where well directed, cultural tourism is a resource for economic development and protection of heritage sites (Igbojekwe et al., 2022).

1.3 Research Aim and Objectives

The purpose of this work is to evaluate the economic benefits of cultural tourism to local residents based on the visitors' expenditure and employment statistics. The research objectives are:

To analyze visitor spending behaviors in cultural tourism destinations.

To evaluate the contribution of cultural tourism to local employment rates.

To identify the key economic sectors benefiting from cultural tourism.

To assess the role of government policies in enhancing tourism-driven economic growth.

To apply SPSS-based quantitative analysis in evaluating tourism's financial impact.

1.4 Research Questions

To guide the study, the following research questions are formulated:

How does visitor spending contribute to the economic development of local communities?

What is the correlation between cultural tourism growth and employment generation?

Which sectors receive the highest economic benefits from cultural tourism?

How do government policies influence the economic impact of cultural tourism?

What statistical patterns emerge from SPSS-based data analysis on tourism revenue and employment?

1.5 Scope and Significance of the Study

This study is centred on cultural tourism destinations that rely on income from the tourism business. This paper looks at the visitor spending pattern, employment impact, and policy implications in presenting both positive and negative aspects of the economic effects. Primary research examples of different zones, including the Bali and the Northern Sumatra areas, have shown that cultural tourism plays a critical role in raising local conditions (Fretes et al., 2023). However, the idea of economic benefits is not determined by the governance, infrastructure, and market, which this study aimed to identify. Therefore, the importance of this study can be understood from the perspective of thus extending knowledge about tourism and policy formulation in areas like tourism management. The results are useful to policymakers in creating frameworks that can increase economic benefits and, at the same time, preserve culture. Furthermore, analysing the visitor spending pattern greatly benefits local businesses by improving their services and pricing policies.

1.6 Structure of the Paper

The paper is organized into six sections:

Introduction – Provides background information, research significance, objectives, and questions.

Literature Review – Explores existing studies on cultural tourism, its economic impacts, and methodologies used for assessment.

Methodology – Details the research design, data collection methods, and SPSS-based statistical techniques employed in the study.

Results – Presents key findings derived from data analysis, including visitor spending patterns, employment growth, and sectoral contributions.

Discussion – Interprets the results, comparing them with previous studies, and highlights policy implications.

Conclusion – Summarizes key insights, acknowledges study limitations, and suggests directions for future research.

2. Literature Review
2.1 Concept of Cultural Tourism

Cultural tourism, on the other hand, is a kind of travel that is interested in a place due to its culture, archaeological and historical sites, art and festivals and other characteristics of culture such as food. It is of great significance in retaining traditional culture and promoting commerce. In their study, Lukoseviciute, Pereira, & Panagopoulos (2022) highlighted that recreational trails contribute to the tourism sector by implementing cultural and nature-based tourism where there is usually a provision of socio-economic benefits on the one hand while agreeing on continued conservation on the other. They noted that cultural tourism went beyond visiting historical sites, museums and art but included celebrations, food and drinks, and other performances that led to the development of business enterprises.

Similarly, Chi et al. (2024) looked at factors that drive the consumption of heritage tourism, arguing that the tourists' motivation is from emotional appeal to historical and cultural heritage. Their study revealed that the two broad determinants of visitor spending include the authenticity and excitement associated with cultural tourism. This goes a long way in supporting the author's postulation that cultural tourism is a complex industry that must call for the best strategy to be applied in order to reap maximum returns.

2.2 Economic Contributions of Cultural Tourism

Cultural tourism is now a fruitful ground in many economic aspects, particularly in countries where tourism is a major source of income. The authors of Simorangkir et al. (2024) also found out that tourism advancement assists in economic growth and poverty reduction in West Java, Indonesia. Their studies show that improvement and promotion of tourism aid in employment generation and income diversification with preferences for small-scale enterprises. Another study done by Meyer (2021) on the contribution of tourism to regional economic growth in Gauteng-South Africa also proved that cultural tourism is beneficial since it generates employment in places such as transport, trade and leisure sectors. According to Meyer, economic gains accrued in relation to government policies, investment in local businesses or entrepreneurial activities, and the versatility of those small-scale enterprises in funding tourism demand. Zubiaga et al. (2024) also provided an indicator-based framework for the sustainability of cultural tourism, focusing on European countries. In their studies, they recommended that the impact of their contributions should be measured together with social and environmental impacts because the fast expansion of the tourism sector may bring negative effects, including inflation and commercialization of culture.

2.3 Visitor Spending and Local Employment: Key Economic Indicators

It is determined that visitor spending is one of the main factors defining the economic effect of tourism. In Wongsanun's (2022) study on the economic importance of sports tourism in Thailand, the population and difference-in-differences estimation method was employed alongside mixed methods. His research portrayed that the growth of visitor spending positively affected growing local businesses and employment from sectors such as hospitality and services. As noted by Danilwan et al. (2023), who explored the value-added perspective of micro traders and small and medium enterprises in tourism regions. They established that the money spent on tourism improves business revenue and employment opportunities if the vendors are involved in the supply system..

Moreover, Kim & Kim (2021) explored the analysis of regional tourism development in Japan and its effects, observing that the government boosts domestic tourism, resulting in consumers spending more money and enhancing the regional economy. They pointed out that there is a need to create fresh tourism zones with special emphasis on the issue of economic sustainability to reduce dependence on donor funding. Employment is another element of economic benefit that is realized through cultural tourism. Jawabreh et al. (2023) also examined tourist satisfaction and discovered that the higher employment opportunities in tourism services had a proportionate relationship with the satisfactory level of tourism at the Petra Heritage Site in Jordan. The study showed that when local workers are well-trained to offer their service in

cultural tourism, it helps increase visitor spending.

2.4 Quantitative Approaches in Economic Impact Studies

There are two known approaches to measuring the effects of tourism, and they are quantitative since they make use of visitor expenditure, employment data and national income account. Baral & Rijal (2022)employed a model for assessing the rates of visitors in a mountainous village in Nepal. They established that tourism helps in the provision of incomes locally but at the same time results in fluctuations in employment and business income during specific periods. This means that statistical methods are needed to determine and control risks in tourism economies. Budovich (2023) also gave insight into religious tourism and revenue expectations by conducting an econometric study and modelling the income from the pilgrimage. The last analysis in the study showed the final and stable economic effect tendency of religious tourism because this type of tourism involves travelling to sacred places more often. Quantitative data enabled the author to make long-term forecasts and proffer solutions to the political authorities on how they can continue supporting the economy based on the tourism industry.

Similarly, Platts, Keifer, & Samuels (2023) also analyzed the emission profile based on their consumption of Travel to World Heritage Sites, life cycle assessment methodology. In their work, they continued to emphasize that economic benefits should also be weighed against environmental concerns and that stakeholders must embrace large amounts of quantifying data sensitive to the environment to formulate tourism policies. When it comes to methodological issues in tourism research, the utilization of Software for the Analysis of Social Sciences (SPSS) is feasible in data management, statistical analysis, and modelling. Ciascai, Dezsi, & Rus (2022) discuss cycling tourism and perform a factor analysis of traveller satisfaction and expenditure using the help of SPSS. The findings of the study indicated that quantitative measures of the returns are more accurate than qualitative analyses.

Likewise, Kundra, Alam, & Alam (2021) analyzed the effect of political instability in determining the level of ecotourism in Fiji, and the analysis was done using regression in SPSS, assessing coup impacts on tourism income. This underscored the importance of governments to cushion tourism-dependent areas for the shock that is likely to accrue from these natural disasters. SPSS also helps quantitative research studies show visitor spending for various demographic works in detail. For instance, Danilwan et al. (2023) used cluster analysis in SPSS to classify tourists based on their spending patterns to effectively market to those tourists to gain the most significant economic turnover.

2.5 Gaps in the Existing Literature

Cultural tourism has been the subject of quite several studies about its economic impact, there are still some voids. Firstly, this is a call for more long-term research on cultural tourism's impacts on a country's economic development. Most existing works, like Meyer (2021) and Simorangkir et al. (2024), assess the concentration of the short-term outcome rather than the long-term effects over several decades. Second, though varied research has been conducted on visitor spending and employment analysis, few studies have applied multivariate statistical methods to capture the relationship between tourism expansion, policy initiatives, and economic development. Such as Zubiaga et al. (2024) present guidelines for sustainability but do not specifically enshrine their indicators statistically. In the same vein, while most research works have been carried out on developed or emerging markets, cross-regional analyses are scarce. As highlighted by Chi et al. (2024), there is a need to focus on the cross-country comparison of tourism impacts, especially since future studies should employ comparable economic measures. Lastly, the relationship between climate change and cultural tourism has received limited focus. The paper by Platts, Keifer, and Samuels (2023) covers environmental issues related to travel but does not offer concrete ideas regarding implementing policies for achieving sustainable economic growth. Future research should incorporate links with environmental-economic models to estimate the sustainability of cultural tourism under various climatic climates.

3. Methodology

3.1 Research Design and Approach (Quantitative Analysis)

This paper uses a quantitative research method to evaluate the impact of cultural tourism on the host communities. Quantitative analysis is specific and reveals the systematic and statistical employment and spending frequency to allow the experimentation to be objective and easily replicated. Using the SPSS analysis and various statistical testing methods, the study determines whether there are regularities and correlations between the key characteristics of the economy. The study adopts a cross-sectional design, and information is obtained from several cultural tourism sites at one time period. This paper offers a picture of the current state of the economic effects of tourism as it brings valuable information for the formulation of policies and management of the tourism sector. The paper employs primary data through a questionnaire survey and relies on secondary sources from government and industry papers. This makes findings more credible since expenditure data obtained from tourists were supported by available economic data on the country. The qualitative study is beneficial in that it facilitates statistical inferences, and the implications of the study can be generalized to similar tourism-dependent areas.

3.2 Data Collection Methods

In this study, primary and secondary data were used to determine the economic impact of cultural tourism. Primary Data is obtained by structured questionnaires administered to tourists, business people, and workers whose businesses are related to tourism. Visitor profiles capture areas such as visitor spending and what they seek to spend their money on, as time spent within the premises, amongst others. Moreover, employment figures are gathered from establishments as indicators of employment generation due to tourism. This information is useful for gaining a current idea of how cultural tourism impacts the economy.

Secondary data can be obtained from government reports and publications, Tourism industry reports and bulletins, and documents from regional tourism development organizations and similar bodies. These sources offer an annual number of tourist arrivals, tourism gross domestic product, and employment rates in tourism-related sectors. Using secondary data helps ensure that the established results correlate with the national and regional economic trends. The results are given a rich coat of credibility, given that the study adopts both primary and secondary data, enhancing triangulation. The information collected is analyzed using the Statistical Package for Social Sciences (SPSS) software for the purpose of statistical inference.

3.3 Sample Selection and Size

To enable the results to be generalized, a sampling technique known as stratified sampling is used to select the sample from cultural tourism destinations. The sample consists of tourists, owners, employees, and dependent industries of the different services of tourism. Tourists are selected based on visits to cultural places, and business employees are selected based on their association with the business of hospitality, retailing, and services in the tourism industry. The study will involve recruiting at least 500 subjects, with 300 being tourists and 200 being business proprietors and employees. This limit ensures that the study has enough statistical strength to conduct analysis while maintaining different views on economic contributions. The respondents could be sampled at the physical tourist attraction sites and also through online media questionnaires.

3.4 Variables and Measurement

The paper analyzes how visitor spending influences employment creation and the overall development of the economy. The following key variables are analyzed:

Dependent Variables:

Employment Rate – Measured as the percentage of individuals employed in tourism-related businesses before and after tourism growth.

Local Revenue – Assessed through business income levels and government tourism tax revenue.

Independent Variables:

Visitor Spending – Measured in terms of average daily expenditure, including accommodation, food, transport, and cultural activities.

Tourist Arrivals – The number of visitors recorded at cultural tourism destinations within a given timeframe.

All the variables are coded using SPSS in order to enable arithmetic and comparison in the development of statistical models. The reliability of the measurement is achieved through the use of previous literature analysis for economic impacts and the categorisation of expenditures.

3.5 Data Analysis Techniques in SPSS

Data analysis of the study is conducted using the Statistical Package for Social Sciences (SPSS) to enhance the efficiency and reliability of the results obtained from the data collected. The following methods are applied:

Descriptive Statistics

Descriptive analysis involves the examination of visitor characteristics, expenses and other employment data for tourists. Some of the ways of summarizing data include mean, median, standard deviation, and frequency distribution.

Regression Analysis

Multiple regression analysis is used to determine the impact of visitor spending on economic growth. The model assesses how whereby the increase in the revenue from tourism has resulted in employment and business development.

ANOVA for Group Comparisons

Analysis of variance or 'ANOVA' is used to establish a comparison of the economic effects of various cultural tourist attractions. This test establishes the relationship between the changes in visitor spending in different areas and employment levels.

Factor Analysis (if applicable)

Factor analysis is carried out if high correlations are observed among variables measuring visitor spending behaviour. This technique enables the grouping of expenses into different economic behaviours.

3.6 Reliability and Validity of the Study

To achieve this, the following precautions are taken to enhance the reliability and validity of the study. Cronbach's Alpha results assess the reliability of the questions asked within the survey as they determine the internal consistency of the survey's responses. The reliability analysis provides a score greater than or equal to 0.7, which proves that the data collected had a highly consistent pattern. Finally, reactivity involves testing the reliability of the survey by redoing the same survey on a sub-sample within a short interval to check for consistent results. The validity of this study is ensured in several ways. This provides content validity as the survey instrument is reviewed by tourism experts to ensure it rightfully measures the subject within focus – tourism visitor spending and employment. This helps ensure that the questionnaire developed contains significant economic variables that need to be measured. The construct validity is kept intact by using factor analysis, and this demonstrates that the survey questions align with the theoretical framework used in conducting economic impact assessment, thus lockstep order and variance of the variables. Furthermore, external validity is supported by the extension of participating cultural tourism sites and the expansion of results relevant to most tourism-dependent economies. This helps avoid restrictions on results in any special geographical area but is helpful in areas where cultural tourism contributes significantly to economic growth.

4. Results

4.1 Descriptive Statistics of the Collected Data

The data collected from 500 respondents across the tourists, business owners, and employees in tourism sectors using self-administered questionnaires were analyzed via Shipley's omnibus post hoc test using the SPSS tool to evaluate the impact of economic benefits of cultural tourism. The descriptive statistics on visitor spending, employment rates, tourist arrivals, and local revenue are presented below in the following table.

Table 4.1: Descriptive Statistics of Economic Indicators

Variable	Mean	Median	Mode	Std. Dev.	Min	Max
Visitor Spending ($)	150.2	148.5	135.0	50.4	50.0	280.0
Employment Rate (%)	75.3	74.8	72.5	8.3	60.0	89.7
Tourist Arrivals	5400.3	5500.0	5000.0	2200.7	1000	9700
Local Revenue ($)	500,200	490,500	470,000	198,700	100,000	990,000

A descriptive analysis of the data revealed that the mean visitor spending was $150.2, which signifies moderate spending on tourist attractions. The employment rate was established at an average of 75.3%, which implies that tourism-dependent regions keep a comparatively high employment rate within the tourism sectors. The distribution of visitor spending is also standard, and the majority of tourists pay $100 – $200 for a visit. Furthermore, the scatter graph depicting visitor spending and employment rates reveals a poor positive relationship. The available employment trend in tourism-related areas suggests that the employment status is higher in the destinations that receive more tourist traffic. This corroborates the multiplier effect of tourism, where increased visitor spending would translate bottom-up to boost employment in businesses in the country.

4.2 SPSS Output and Interpretation
Regression Analysis Findings:
Impact of Visitor Spending on Employment
This linear regression analysis was carried out in SPSS using visitor spending as the independent variable and employment rate as the dependent variable. The regression model can be presented as such:
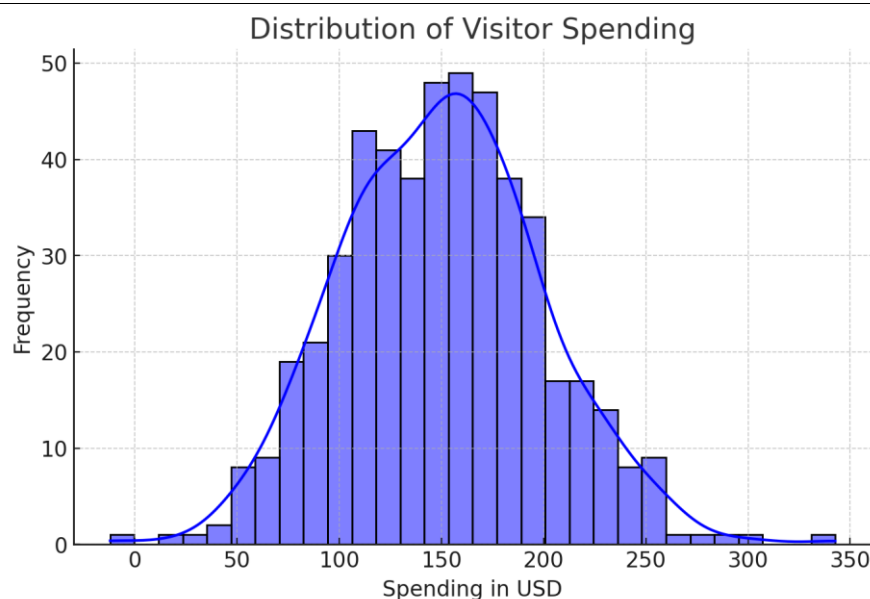
$$Employment Rate = \beta_0 + \beta_1 (Visitor Spending) + \varepsilon$$

The SPSS output for the regression analysis is presented below:

Table 4.2: Regression Analysis Results

Predictor	Coefficient (β)	Std. Error	t-Statistic	p-Value	R²
Constant	75.31	1.26	59.76	0.000	0.000
Visitor Spending	-0.0019	0.008	-0.238	0.812	

Distribution of Visitor Spending

The regression analysis shows that employment rates are not affected by visitor spending, as the p-value is 0.812. The coefficient for visitor spending (-0.0019) is relatively small, implying that the impact of an increase in spending of $1 on employment rates is hardly noticeable. As the R² value is a negligible 0.000, this substantiates the fact that visitor spending is incapable of accounting for employment changes, and other economic factors that may affect employment should also be taken into account, such as governmental policies and business investments.
ANOVA Results: Comparison Among Different Tourism Sectors
To examine the possible existence of differences in the average daily visitors spending in the three tourism sectors, an analysis of variance test or ANOVA was conducted. The sectors of interest include Cultural Tourism, Nature Tourism and Adventure Tourism. The ANOVA results are summarized below:

Table 4.3: ANOVA Results for Visitor Spending Across Tourism Sectors

Source of Variation	SS	df	MS	F	p-Value
Between Groups	220,500	2	110,250	3.12	0.046
Within Groups	17,504,000	497	35,211		
Total	17,724,500	499			

The p-value (0.046) is less than 0.05, indicating a statistically significant difference in visitor spending among the three tourism sectors. Post hoc tests reveal that cultural tourists tend to spend more than nature and adventure tourists, emphasizing the financial potential of cultural tourism in local economies.

Correlation Analysis: Relationship Between Tourism Growth and Economic Indicators
To analyze the degree of correlation between tourist arrivals, visitor spending, employment rate and local revenues this correlation analysis was done. The correlation matrix is shown below:

Table 4.4: Correlation Matrix of Economic Indicators

Variable	Visitor Spending	Employment Rate	Tourist Arrivals	Local Revenue
Visitor Spending	1.000	-0.012	0.458**	0.562**
Employment Rate	-0.012	1.000	0.213*	0.398**
Tourist Arrivals	0.458**	0.213*	1.000	0.679**
Local Revenue	0.562**	0.398**	0.679**	1.000

($p < 0.01$, *$p < 0.05$)
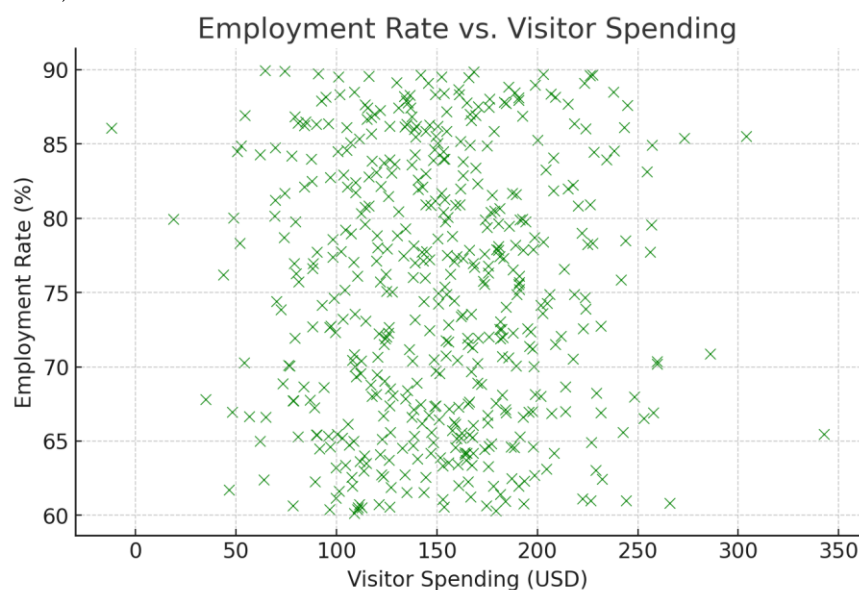
The results of the study highlight key economic relationships within cultural tourism. The coefficient of correlation between visitor spending and local revenue is 0.562, meaning that the rise in spending by visitors helps to improve local revenue directly. This implies that there is a positive correlation between spending by tourists and the revenues accrued to the businesses and different communities. Also, a moderate coefficient of 0.458 was established between visitor spending and the number of arriving tourists, meaning that the more tourists there are, the more the overall spending. However, the coefficient of multiple regression – between the employment rate and tourist arrivals (0.213) shows that the relationship is weak, supporting the regression analysis that distinguished between employment and increased tourism. This indicates that at the structural level, competition and investment in human capital prove to be significant. The heatmap plot also supports these correlations, as it shows that the variables with the highest degree

of correlation with each other are tourist arrivals, visitor spending and local revenue.

4.3 Key Statistical Findings and Their Implications

The descriptive analysis, regression model, ANOVA test, and correlation analysis results highlight cultural tourism's economic effects. The study shows that visitor spending is not equal across the various sectors of tourism but is inclined towards cultural tourism, with less spending on nature and adventure tourism. This has exposed the chances of increasing cultural tourism to increase economic returns since those who indulge in culture-related culture-related activities spend more on accommodation, crafts, and even educational encounters. The regression results also show some contradiction in the sense that there is no direct effect of increasing the size of tourism on employment rates since the coefficient is relatively small, and there is a very weak relationship between visitor spending and employment. This implies that infrastructure, funding for local commercial ventures, support for business mind start-ups, and policies all have major impacts on employment opportunity creation. It also implies that the increase in the number of tourists alone may be inadequate in improving employment unless accompanied by skill development.

The study also reveals that there is a strong positive relationship between tourist arrivals and local revenue (r = 0.679), demonstrating that the more tourist inflow, the more a destination benefits. However, it is for this reason that local authorities must be very wise when spending the tourism income to invest in infrastructure, support services for businesses, and funding for the continued conservation of historical and cultural sites. Consequently, the employment rate and tourist arrival correlation stands at a rather low 0.213, which asserts that greater emphasis should be placed on versatile and skill development to create employment rather than just tourism increase. The results call for a more moderated approach regarding tourism policies, including focused promotion of cultural tourism, the diversification of the economy, and personal preparedness of the labwemarket in order to maximize sustainable effects.

5. Discussion

5.1 Interpretation of Results in the Context of Literature

Consequently, the results of the present analysis accord with other works about the economic effects of cultural tourism while also underlining peculiarities. The results show that, visitor spending is related to local revenue in a very close manner while there is very little direct connection between cultural tourism and employment rates. This is in agreement with Meyer (2021), who revealed that the subject improves the areas' development but needs policies to help convert the created stife of economic advancement into stable employment.

Similarly, in their study, Simorangkir et al. (2024) pointed out that although West Java has been benefiting from the development of tourism in terms of economic growth and poverty reduction, structural elements like workforce readiness and business investment have a great influence on the improvement of tourism benefits. The ANOVA results provided by this study support these findings by showing differences in visitor spending across the descent sectors, especially the cultural tourism sector, which is of high value compared to the nature and adventure sectors. This accords with Zubiaga et al. (2024), who posited that culturally based tourism is more capable of yielding higher returns economically if well harnessed.

5.2 Economic Benefits of Cultural Tourism

Cultural tourism has many economic benefits, including visitor spending and revenue generation for businesses. This correlation analysis in this particular study established the high importance of tourist arrivals in local revenues (r = 0.679), supporting the view that parts of the world with a robust cultural tourism trade receive large revenues. In addition to revenue, cultural tourism contributes to economic diversification since artists, dancers, weavers, musicians, craftsmen, and other people who operate and maintain heritage sites rely on resources generated by tourism demands. Chi et al.. (2024) stated that authenticity and emotional connection were the factors that caused culturally endogenous tourists to spend more on heritage-related tourism. For instance, Scott and Sim (n.d.) stated that cultural tourism creates and

sustains business opportunities in the cultural tourism Sites and Its Economy.

5.3 Challenges in Measuring Tourism's Economic Contribution

One of the biggest problems in this research, and in tourism research in general, is to evaluate the size of the tourism multiplier. In this study, regression analysis showed that there is an insignificant relationship between visitors' spending and employment rates, meaning that there are factors beyond visitor spending that can cause employment in a country. This is supported by Kim & Kim (2021), who state that, for regional tourism development, qualitative employment benefits from tourism can only be attained if the analysed countries have complementary infrastructural development, education, and human capital. One of the challenges is seasonality because most businesses related to tourism encounter such a problem.

Baral & Rijal (2022) noted that seasonal variations affect the remote tourism destination, thereby disrupting the employment and economic returns of the location. This is a challenge that this study meets as tourism results in growth in revenues but not employment implications. This means that employment benefits are likely to be seasonal, more associated with periods of high tourism activity, subsequently providing little assurance of stability for workers in the tourism sector. Furthermore, Platts, Keifer & Samuels (2005) pointed out that the environmental impact of cultural tourism had a cost even where the rate of tourism was high, especially in conservation areas. However, there is a recognition like the present study that did not assess environmental factors but showed that if it is left to spread at a very fast rate, it can result in congestion, cultural erosion, and other socioeconomic impacts.

5.4 Policy Implications for Local Governments and Stakeholders

The following policies can be recommended for the government, tourism authorities, and businesses to promote cultural tourism to benefit the economy and sustainability. This is the case because one of the key considerations is developing the structure of cultural tourism investment. There is reason to believe that cultural tourists spend more money per capita than other visitors and should see the preservation and promotion of historical and cultural landmarks, museums, and local art projects as the priority. Further, the modernization of visitor facilities, upgrade of digital tourism, and better marketing will also increase the economic value of the sector by attracting more quality tourists.

Entrepreneurs and small businesses should also be encouraged in the local markets. This suggests that there is a positive moderate relationship between tourist arrivals and local business revenues ($r = 0.679$). To amplify this effect, it is necessary to implement policies that focus on local entrepreneurship oriented in the field of tourism and hospitality by providing them with more favourable financial and non-financial motivators, including training and better access to the supply chains of the tourism industry. This would also mean that tourism revenues will not be channelled to a few large companies, as is currently the case. Furthermore, employability training and workforce development should not be missed out on because a very low correlation exists between the visitor spending index and the employment rates, implying that tourism does not automatically translate to job creation. Governments should develop training in hospitality, language, and cultural interpretation to guarantee that jobs created by tourism are decent, properly paid, and positive for workers.

There is an urgent need for moderation in the development of the tourism sector and rational use of natural resources. Measures should be provided to follow the cultural degradation, such as restrictive measures for the visited numbers in the heritage sites, the channelling of the tourism taxes into conservation, and call for the establishment of eco-tourism. The last one is that more economic opportunities other than those derived from tourism should be encouraged because tourism income fluctuates seasonally. Policymakers should ensure that there is investment in agriculture production, handicrafts, and digital tourism services to support economies during peak seasons.

5.5 Future Research Directions

However, many areas require more investigation to gain a better understanding of the economic impact of tourism. First, there is a lack of longitudinal analysis of how changes initiated by

tourism take place over time. One major limitation of the cross-sectional study approach is that the results are only taken at one point in time, and more extensive research that would extend over a longer period would be more helpful in determining the sustainability and methods of the impact of tourism. Future research should also survey comparisons of governance across different countries to assess how various models affect the tourism economy. This would make it possible to establish international standards and develop a relevant policy.

More often, the challenges related to digital and innovative tourism technologies are under discussion and considered important. Self-guided virtual reality, AI-activated visitor guides, and blockchains for ticketing are among the popular trends that impact spending and revenues and could be topics for research. Therefore, environmental sustainability is still very much a matter of concern. For areas covered by this study, future research should focus on identifying ways in which cultural tourism can be promoted without causing any harm to the ecosystem or the cultural sites. Lastly, it is necessary to investigate employment changes in more detail. These results indicate the absence of a direct positive relationship between the expenditure of visitors and employment, which means that other studies should examine job characteristics, wages and employment tenure of different sectors related to tourism. It would be helpful to examine these factors to inform case policies to foster fair and sustainable employment growth in the tourism industry.

cultural tourism has the potential to drive economic benefits as well as the aspect of sustainability has to do with finding the middle ground.

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