

PATTERNS AND MAGNITUDE OF LINKING THE ECONOMIC BENEFITS FROM TOURISM TO LOCAL COMMUNITIES: A CASE STUDY OF CHIANG KHAN WALKING STREET, LOEI PROVINCE

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INTRODUCTION

Tourism plays a vital role in spreading economic benefits to local communities, including generating income and employment opportunities. It can also facilitate knowledge enhancement through training and linking information and demand for goods and services (Hall, 2007; Mitchell and Ashley, 2010; Adiyia and Vanneste, 2018). Moreover, tourism can serve as a means of connecting local communities to other economic activities, which can increase their involvement in the tourism supply chain (Holden, 2013; Adiyia and Vanneste, 2018). Most studies have emphasized the significance of linking the economic benefits of tourism to local communities, particularly for poverty reduction among those living in tourist destinations (Meyer, 2007; Mitchell and Ashley, 2010; UNCTAD, 2014; Adiyia and Vanneste, 2018).

Creating local linkages is an effective approach to expanding and distributing the economic advantages of tourism to local communities. This approach can have several ongoing benefits, such as supporting community development, boosting the grassroots economy, and generating employment opportunities. It also ensures a more equitable distribution of income and helps reduce poverty, leading to an improved quality of life for local residents. However, the importance of linking tourism's benefits to local communities is often overlooked or undervalued. This is because it is frequently associated with sustainable tourism, responsible tourism, and eco-tourism, which prioritize environmental concerns. Additionally, it intersects with corporate social responsibility (CSR) activities, which typically involve donations or immediate and visible results (Mitchell and Ashley,

2006).

Previous studies have highlighted that many tourism projects overlook the potential to create linkages between the tourism value chain and local businesses/communities (Adiyia et al., 2015; Adiyia and Vanneste, 2018). The studies on this issue remain limited and incomplete (Meyer, 2007; Anderson and Juma, 2014; Adiyia and Vanneste, 2018). This is due to the complexity of building local linkages and the numerous challenges that can lead to their failure, such as demand issues, local production constraints, and marketing considerations, which are critical components of local linkage (Anderson and Juma, 2014). Moreover, most tourism projects place little emphasis on linking tourism-related activities with local producers, which represents a significant knowledge gap that requires further research (Pillay and Rogerson, 2013; Adiyia and Vanneste, 2018).

This article aims to investigate the patterns and estimate the magnitude of economic benefits that local communities can derive from tourism-related activities. Chiang Khan Walking Street in Loei Province was selected as a case study to explore the economic benefits that local communities can obtain from tourism activities. The study focuses on two tourism-related economic activities, namely accommodation and restaurants. The findings will provide stakeholders with valuable insights to develop a co-management guideline that facilitates collaboration between the local community and the tourism industry. This will enable the local community to reap more economic benefits from tourism activities, including opportunities to participate in the tourism supply chain and benefit from its economic value.

LITERATURE REVIEW

Tourism presents a promising opportunity to foster economic connections with other sectors, thereby facilitating the equitable distribution of financial gains within local communities (UNCTAD, 2014). Nevertheless, prior research conducted before the 20th century indicates that tourism primarily relied on foreign imports rather than domestically sourced products, particularly those from the agricultural sector (Taylor et al., 1991; Freitag, 1994; Mbaiwa, 2000). This trend is attributed to insufficient cooperation and underdeveloped linkages between the tourism industry and other economic sectors at both the national and local levels. Consequently, the potential of tourism as an instrument to promote an inclusive and comprehensive allocation of economic benefits to local communities remains unrealized (UNCTAD, 2014).

One of the significant economic benefits of tourism development is the procurement of local goods and services to cater to the needs of the tourism industry, including businesses, related activities, and tourists themselves. National and local tourism development plans prioritize this aspect since it is believed that tourism's economic benefits can stimulate and interconnect with other sectors in the economy, including the grassroots economy if developed at the community level. It also contributes to enhance the value of local resources, including human resources/labor. To ensure sustainable links between tourism and other sectors, especially the agricultural sector, which serves as the foundation for many communities, demand, supply, market, and other intermediate factors, including government policies, must be considered. However, challenges arise in establishing linkages between sectors, such as a discrepancy between supply and demand and a lack of support structures to connect buyers and sellers. Communication barriers between sectors also hinder cooperation, resulting in issues with quality, credibility, and inadequate production. These issues are often due to poor transportation, storage, and communication (UNCTAD, 2014).

Previous studies have indicated that research on the linkage between tourism and local communities is limited in scope and depth (Meyer, 2007; Anderson and Juma, 2014; Adiyia and

Vanneste, 2018). This observation is supported by an academic literature search conducted on the Scopus database from 2012-2022, which yielded only seven articles on "tourism local linkage" over an 11-year period, suggesting that the issue of "linking benefits from tourism to local communities" is understudied in academia. Although, a search on Google Scholar revealed numerous development/consultancy studies, but fewer than other topics in tourism, such as sustainable tourism, responsible tourism, and community-based tourism. These studies aim to promote, support, and stimulate tourism development in developing countries or rural areas by using tourism as a tool to reduce poverty, upgrade local economies, and improve the quality of life for destination communities. Many of these studies focus on promoting local employment and facilitating community participation in tourism, as demonstrated in various locations such as South Africa (Mitchell and Ashley, 2006), Eastern Caribbean States (World Bank, 2008), Costa Rica (Trejos and Chiang, 2009), northern Thailand (Lacher and Nepal, 2010), Kumarakom in Kerala, India (Chettiparamb and Kokkranikal, 2012; Kumar, Bobbin and Goodwin, 2015), Lao PDR (UNCTAD, 2014), and western Uganda (Adiyia and Vanneste, 2018).

Several reports have provided descriptive accounts of the economic benefits that tourism can bring to local communities, such as income distribution, local product purchases, subcontracting, employment, and community tourism development participation (Yodsuwan et al., 2019). Additionally, studies focused on Community-Based Tourism (CBT) management have highlighted the economic potential that tourism can bring to communities (Kaosa-ard and Untong, 2014; Phaokrueng, Untong, and Poonoi, 2020; Untong and Phaokrueng, 2021). Sustainable tourism and responsible tourism are also approaches that can help link economic benefits of tourism to local communities (Akarapong and Kansinee, 2022). These approaches aim to distribute economic benefits fairly among all stakeholders, create stable employment opportunities, and provide income from tourism to help reduce poverty in the communities that tourism serves (UNWTO, 2004; Goodwin, 2016).

It can be observed that previous studies on linking tourism benefits to local communities have

mostly been based on practical experiences and initiatives at the destination level, rather than academic research that pushes the boundaries of knowledge. The aim of linking tourism benefits to the local community is to generate and diversify income and create employment opportunities within the local community, which is one of the significant economic advantages of tourism for the local economy. The hope is to reduce poverty in communities where tourism is a major destination and foster sustainable tourism. However, implementing these initiatives can take time and require a multifaceted approach that considers the negative impacts on society, culture, and the environment. It is also important to accumulate and create social capital among local entrepreneurs, community enterprises, government sectors, and people who own resources. Therefore, community tourism development cannot rely solely on activities that link economic benefits from tourism to local communities. Other factors such as social capital, community participation, and potential social and environmental problems must also be considered. To demonstrate the relationship between "Linking the benefits of tourism to local communities" and other tourism-related issues, particularly tourism development and sustainable tourism, a search was conducted in the Scopus database using the keywords "tourism" and "local linkage." The search was restricted to articles published in journals with the word "tourism" in their titles, and the interval was set to 2012-2022. The search yielded 191 academic articles on the topic during the specified period. Of these, 66 articles (35%) were published during the first five years (2012-2016), and the remaining 125 articles (65%) were published in the subsequent six years (2017-2022), almost twice as many as in the first period (considering the accumulation of articles). The average annual growth rate of publications on this topic was found to be higher in the first five years, at 14%, compared to the subsequent five years, at 3%. Throughout the 2012-2022 period, the average growth rate was 5% per year.

Therefore, the trend in the number of articles published shows a diminishing increase.

The analysis of the frequency of words in abstracts with word cloud using bibliometric analysis (Figure 1a) reveals that most studies conducted in the past 11 years (2012-2022) regarding

linking tourism benefits to local communities have focused on fundamental knowledge in tourism development, with a focus on education at the local/community level and emphasizing economic and sustainable development. In essence, past research has prioritized knowledge on how to link economic benefits to the sustainability of tourism destinations, rather than exploring demand-side issues such as tourist behavior, tourist spending, the distribution of economic benefits from tourism, and the tourism marketplace that facilitates economic benefits for local communities. However, it's worth noting that the results of this analysis don't encompass empirical studies that evaluate/measure the effects of linking economic benefits to local communities, including the allocation of economic benefits among stakeholders or those involved in tourism destinations that engage in activities related to linking tourism benefits to local communities.

A recent analysis of the co-occurrence network (Figure 1b) revealed four interconnected clusters of varying sizes, each with its own set of related words. The network highlights the close connections between the words "tourism," "local," "linkages," and "development," which are central to the research on the benefits of tourism for local communities. The nodes are strongly linked to a broad range of knowledge-related words (indicated by line density), and the clusters are closely connected to one another. Overall, the findings suggest that research on the topic emphasizes the relationship between tourism development, economic benefits, and sustainability at the local level.

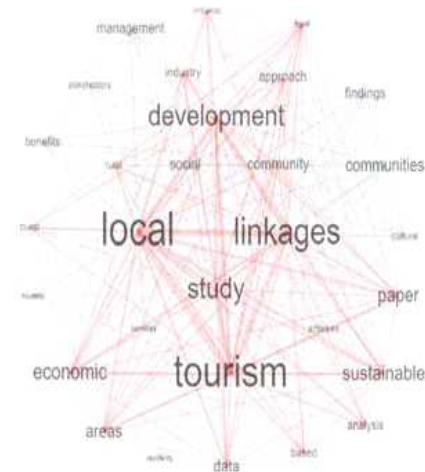
A literature analysis of 191 academic articles from the Scopus database during 2012-2022 examined the linking of benefits from tourism to local communities using bibliometric analysis and reviews of past literature. The analysis revealed that linking the benefits of tourism to local communities is an important aspect of sustainable tourism and responsible tourism. Therefore, it can be inferred that linking the benefits of tourism to local communities is a practical approach to sustainable tourism that involves businesses, individuals, and tourism destinations. It also encourages the participation of communities and businesses in the distribution of benefits generated from tourism to various sectors of the local community. This aligns with the principles of sustainable tourism development,

which emphasize the importance of linking economic benefits with local communities in various ways such as local employment and the use of local inputs and services. The outcome of such linkage would

have a positive impact on the local economy, improving the quality of life for the community and helping to alleviate poverty, and promoting pro-poor tourism.



a) Word Frequency



b) Network of Words

Source: Analyzed by R package bibliometric program from the abstracts of 191 articles.

Figure 1. Frequency and Network of Words in Article Abstracts in the Scopus Database, 2012-2022.

METHOD

Conceptual Framework

There are three primary approaches to optimize the economic benefits of tourism for local communities:

1) Enhancing the number of excursionists and tourists through diverse marketing initiatives. Nevertheless, if mismanaged, this may lead to unfavorable socio-cultural and environmental consequences due to visitor congestion beyond the area's carrying capacity. Furthermore, peak seasons could lead to be over-tourism, exceeding the capacity of the community, society, and environment.

2) Enhancing visitor spending per trip by expanding and improving the quality of tourism products and activities, such as upgrading tourist attractions to a higher standard. This may require innovation, design, and technology, along with stakeholder cooperation to encourage longer stays or increased spending. However, if there is a significant leakage, the local community may not fully benefit from the increase in visitor spending.

3) Enhancing connections with local communities by augmenting the percentage of visitor spending that remains within the local economy, thereby reducing leakage. This can be achieved through various means, such as procuring raw materials/

goods and services from the local community and employing local labor. However, a crucial aspect to consider when linking tourism benefits to local communities is the need to improve the standards and quality of goods and services in line with the requirements of tourism-related economic activities, while ensuring the continuity of production and services.

Based on the above three strategies, it is apparent that multiple sectors must strive to achieve a balance among them. They must ensure that the number of visitors aligns with area's capacity, incentivize visitors to increase their spending while minimizing leakage to the local community by strengthening connections with them, following the economic benefit distribution concept from tourism to local communities presented in Figure 2. This concept can be put into action using five methods (Mitchell and Ashley, 2006), which are:

1) Advocating and bolstering tourism-related economic activities and businesses that procure goods or services from local businesses/communities/people, such as sourcing raw materials for production, utilizing laundry services, buying community products, and so on.

2) Employing and training local workers to impart them with knowledge and experience that will enhance their chances of securing job

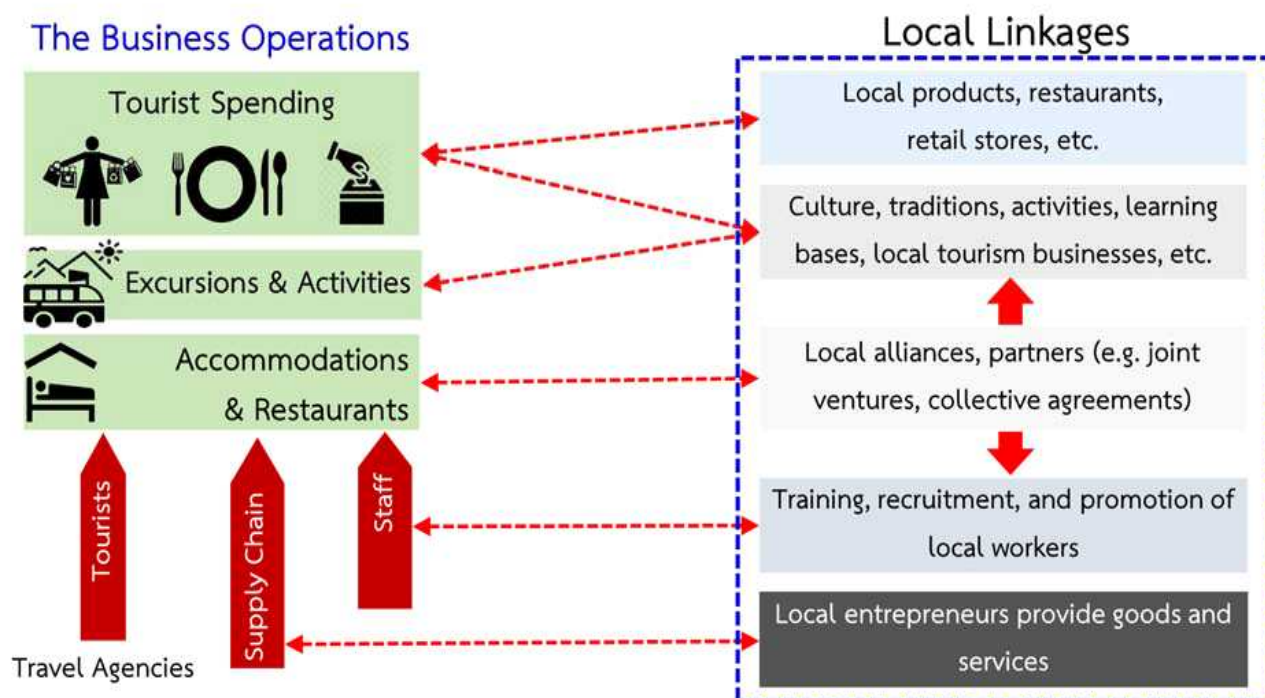
opportunities in tourism-related businesses and economic activities.

3) Establishing partnerships, networks, or collaborations with local communities to foster business opportunities for individuals, businesses, and entrepreneurs within the community, such as providing guests with coupons for breakfast at a community restaurant, partnering to conduct joint business ventures, making customer referrals.

4) Showcasing local cultural and heritage

products via various means, such as offering culturally significant activities, embellishing venues with cultural products, narrating cultural tales, arranging tourism routes in local communities, and so on.

5) Encouraging or motivating visitors to spend within the local community by suggesting they purchase souvenirs, introducing them to restaurants/cafes in the community, recommending travel itineraries that include local community visits.



Source: Adapted from Mitchell and Ashley (2006).

Figure2 . Conceptual Framework of the Linking Economic Benefits from Tourism to Local Communities.

Research methodology

Linking the economic benefits of tourism to local communities refers to the process of connecting the economic gains of tourism-related activities to the economies of local communities at the destination. To achieve this, it is crucial to identify the scope of the local communities that are tourist destinations and the tourism-related economic activities that are the focus of the research. This includes examining the economic system of the local community that serves as the destination of tourism or the target communities that benefit from tourism-related economic activities. In this study, Chiang Khan Walking Street was identified as an economically advantageous tourism destination,

while Chiang Khan District was identified as the local community that derives economic benefits from tourism activities centered on Chiang Khan Walking Street. Accommodation businesses and restaurants were selected as the two tourism-related economic activities for the study, as they have the highest consumption and production value ratios.

This is due to variations in data collection and study techniques depending on the intended objectives. To provide a clear understanding, we present an overview of the connection between the objectives, study methodologies, and data sources in Table 1 before delving into the study method for each section.

Table 1. Objectives, Study Methods, and Sources of Data.

Objectives	Study Methods	Sources of Data
1) The form and value of the linking economic benefits of the targeted tourism-related economic activities (accommodation businesses and restaurants)	Utilize qualitative research methodologies to acquire: The value of demand for raw materials/products and services, as well as labor, involved in the targeted economic activity. This information will be based on the concept of the input-output table which demonstrates the structure of production factors (input) used in the target economic activities. Explore various forms of linking economic benefits besides item 1), such as promoting local spending, customer referrals, establishing economic alliances through community networks, etc. Evaluate the quantity and quality of raw materials, goods and services involved in the production of targeted economic activities.	Conducting in-depth interviews with relevant stakeholders, including entrepreneurs, community members, community enterprise clubs, government officials, and local agencies, to gain a comprehensive understanding of the targeted economic activities.
2) The quantity and quality of inputs required for the targeted economic activities (accommodation businesses and restaurants).	Apply qualitative research methodologies to gather information on the availability, quantity, and quality of raw materials and services in the studied area. This includes identifying the sources of raw materials and services that can fulfill the requirements of the targeted economic activities.	Conduct comprehensive interviews with producers, service providers, farmers, intermediaries (supplier), and government officials in the case study area who supply raw materials and services to the targeted economic activities.
3) The potential revenue from tourism, based on the economic structure of the major tourism activities such as accommodations, food and beverage services, and tour services.	Utilize a research methodology that employs the analysis of tourist behavior to create a comprehensive questionnaire that assesses visitor behavior and expenditure patterns.	Utilized a questionnaire to conduct interviews with 300 visitors who had visited the case study area.

The research methodology comprises two main components, which can be summarized as follows:

The first part of the study employs a quantitative research approach to determine the potential income value from tourism in the Chiang Khan Walking Street area, based on the economic activities related to tourism such as accommodation, food and beverages, tour services, etc. To achieve this, the study utilizes a questionnaire developed using the concept of studying tourist behavior. The draft questionnaire will be reviewed by experts in measuring instruments and tourism to ensure the quality and order of the questions before testing it on a sample of 30 visitors. The feedback from the sample will be used to improve the questionnaire before finalizing the data collection manual. The complete questionnaire will then be used to interview visitors who visit Chiang Khan Walking Street. To ensure accuracy and ease of data recording, a database will be developed to record the collected data.

The accuracy and plausibility of the responses

obtained from the questionnaire interviews were carefully examined before they were entered into a meticulously designed database. Subsequently, the data regarding visitors' spending patterns were examined alongside the estimation of the number of visitors, which was based on the calculation of the occupancy rate of accommodations in the Chiang Khan Walking Street vicinity. This assessment aimed to determine the prospective income value from tourism by taking into account the key economic activities of tourism, such as accommodation, food and beverages, and tour services.

The second part of the study utilized a qualitative research approach to explore the distribution of economic benefits related to targeted tourism activities, as well as the quality and quantity of raw materials, goods and services required by these activities. This involved conducting structured in-depth interviews with the target audience, as well as unstructured interviews with key stakeholders such as community leaders, producers, service providers, farmers, and intermediaries who supply

fresh fruits and vegetables. Government and local agency staff located in Chiang Khan District, Loei Province was also consulted.

The interview form was developed using an input-output table to represent the structure of the inputs of economic activities related to tourism and insights from relevant literature, preliminary interviews with stakeholders and experts in tourism-related production and service provision, particularly the target groups involved in providing accommodations and food and beverages. The interview questions were then refined before being converted into interview and survey forms (the latter aimed at accommodation and restaurant entrepreneurs not part of the target group). The interview process involved seeking permission from the target group and conducting in-depth interviews based on the structured questions, with written data recorded. The obtained data will be analyzed in two ways:

1) The research team will analyze the qualitative data related to input utilization and output distribution, along with other qualitative data, by applying thematic analysis and content analysis techniques. The analysis will be based on the concept of linking economic benefits from tourism to local communities. The researchers will start by identifying major themes and then separate them into sub-themes and categories. The results of the analysis will be

presented in a descriptive manner to demonstrate the pattern and value of linking economic benefits to local communities through targeted tourism-related economic activities. This will include examining the demand for raw materials/products and services, demand for labor (including training, education, and experience for workers), encouraging visitors to spend in the local community, customer referral, as well as creating economic partnerships in the form of business alliances, networks, and collaborations with local communities.

2) The quantitative data related to the utilization of factors of production were analyzed using established guidelines in the tourism industry, such as the tourism satellite account and input-output tables. Additionally, a framework was applied to analyze the linkages between economic benefits from tourism and local communities, based on Mitchell and Ashley's (2006) proposal. This analysis allowed for the evaluation of the structure of input utilization and economic benefit distribution in Chiang Khan District, Loei Province over a period of one year.

Based on the previously outlined research methods, the process of evaluating the extent of the economic benefits generated from the selected economic activities can be summarized in the diagram presented in Figure 3.

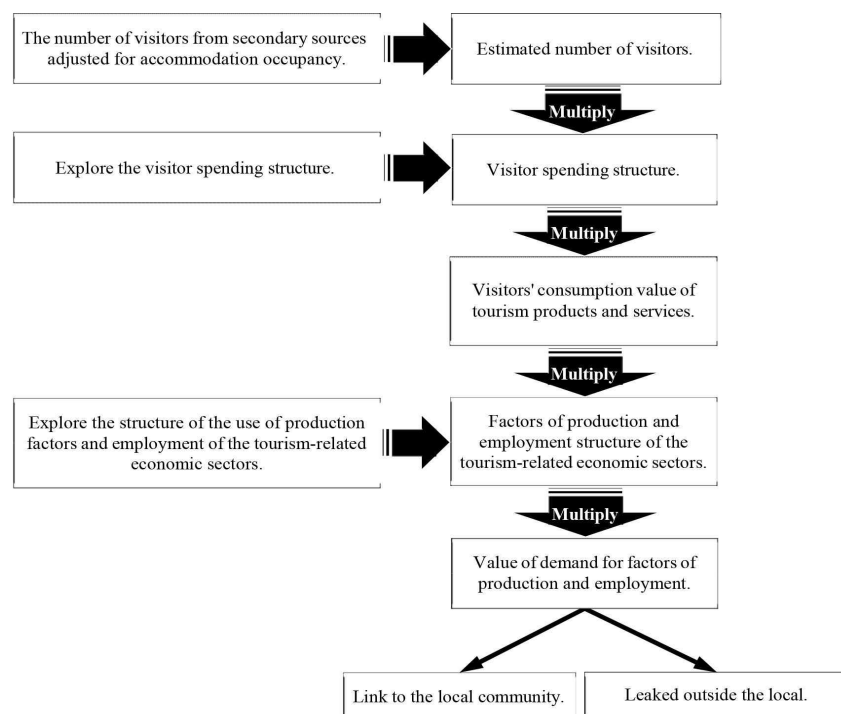


Figure 3. Procedure for Estimating the Magnitude of Linkage of Economic Benefits of Tourism-Related Economic Activities to Local Communities.

FINDINGS

The study findings are organized into two sections. The initial section portrays the findings of an investigation into how economic benefits from tourism are connected to the local community in the case of accommodation businesses and restaurants. The subsequent section provides an approximation of the extent of this connection. The highlights of each section are outlined below:

The Patterns of Linking Economic Benefits from Tourism to Local Communities

Based on the survey conducted among the target audience of accommodation businesses and restaurants at Chiang Khan Walking Street, there are five distinct ways of connecting economic benefits from tourism to local communities. These include procuring local products/raw materials, hiring local employees, forming local alliances/networks/cooperation, endorsing community cultural products, and persuading visitors to spend money in the community. However, the degree of association varies. Employing local workers is still the primary and critical mode of engagement for the accommodation business, with a vast majority of employees being hired from the local community. In contrast, restaurants employ almost exclusively local workers. Purchasing and hiring from local businesses, encouraging visitors to spend in the community, and supporting community cultural products are occasionally undertaken by the accommodation industry. However, the majority of these activities are carried out by restaurants. Collaborations with the community are rare for the accommodation industry and are occasionally undertaken by restaurants as well (see Table 2).

While the target group of the accommodation business operates in all five forms of economic benefit linkage, there are notable variations and discrepancies in each approach. Two of the most frequently conducted activities by accommodation businesses include advising guests to offer sticky rice to monks in the morning and introducing community-based food and beverage outlets to guests. Regarding the primary activities undertaken by the accommodation industry, there is a wide range of practices such as employing local workers, recommending local coffee shops, suggesting participation in community activities, and endorsing community souvenirs.

In the case of the targeted restaurants, the level of engagement in activities that generate economic benefits for the local community was found to be greater than that of any type of accommodation business. However, there are less diversity and variation in each approach compared to the accommodation business. Hiring local workers is an activity which targeted restaurants are more actively engaged than the accommodation industry. Nearly all employees are sourced locally. Regarding the activities that are predominantly carried out, there are several practices, such as using raw materials purchased from local shops/wholesalers/intermediaries, preparing breakfast coupons in partnership with accommodation businesses, serving/recommending the almsgiving with sticky rice, endorsing community cultural activities (Pha Sat Loi Kroh), introducing food and beverage outlets, coffee shops, community souvenirs, and community tourism activities for customers who avail themselves of the services.

Table 2. The Pattern of Linking Economic Benefits from Tourism to Local Communities of Accommodation and Restaurant Businesses.

Linking Patterns	Accommodation Businesses	Restaurants Businesses
Hiring local workers	Mostly	Almost all
Buying/ hiring businesses in the community	Sometimes	Mostly
Encouraging guests to spend in the community	Sometimes	Mostly
Supporting community cultural products	Sometimes	Mostly
Building alliances in the community	Very rarely	Sometimes

Source: Analyzed from survey data of 23 hotel operators, 5 target restaurants.

The Estimation of the Linkage of Economic Benefits from Tourism to Local Communities

According to the Chiang Khan Sub District Municipality's data in 2020, Chiang Khan has 222 accommodations and 1,780 rooms, which is in line with the findings from a 2022 survey of 23 accommodations on Chiang Khan Walking Street. The survey revealed that the average number of rooms in each accommodation on the walking street is around 8. Based on these sources, it can be estimated that approximately 1,776 and 648,240 rooms are available for daily and yearly rental around Chiang Khan Walking Street. Typically, Chiang Khan Walking Street accommodations have an occupancy rate of about 45 percent annually, with a ratio of two guests per room. During the high season, the occupancy rate is around 60 percent, and during the off-season, it drops to about 30 percent. Based on this information, it is estimated that Chiang Khan Walking Street receives approximately 525,100 tourists per year in normal circumstances. In 2022, the visitor interview data showed that around 60 percent of the sample visitors were tourists (stay overnight). Therefore, it can be estimated that Chiang Khan Walking Street receives around 350,100 tourists per year.

Overall, it can be concluded that Chiang Khan Walking Street attracts approximately 875,000 visitors per year, consisting of around 525,000 tourists per year and around 350,000 excursionists per year.

In the 2022 survey of visitor spending around Chiang Khan Walking Street, it was found that most visitors spend approximately 2,060 baht per person per trip, with varying proportions of spending across different items (see Table 3). To calculate the income value, differences in spending across items must be taken into account. Based on this estimation, it is projected that Chiang Khan Walking Street will generate approximately 826 million baht in annual income from visitors in normal circumstances. Of this amount, over 610 million baht per year (equivalent to approximately 74%) will come from accommodations and restaurants, with approximately 42% of the total revenue from accommodation (assuming each guest stays for one night) and approximately 32% from food and beverage services. The remainder will come from community services and products such as souvenir sales, traditional massage services, community tour services, and so on.

Table 3. Estimated Revenue from Visitors who Visit Chiang Khan Walking Street (in Normal Circumstances)

Expense Items	The Proportion of Visitors who use the Service (%)	Expense/1 (Baht/person/trip)	Restaurants Businesses	
			Million/year	Percentage
1. Accommodations (most stay 1 night)	66.45	600	348.92	42.26
2. Food and beverage	99.67	300	261.69	31.69
3. Souvenirs	53.49	300	140.44	17.01
4. Traditional massage	13.26	200	23.26	2.82
5. Tour service in local community	10.96	200	19.19	2.32
6. Visiting tourist attractions of the community	10.96	60	5.76	0.70
7. Participation in activities with people in the community	13.29	100	11.63	1.41
8. Others (such as shopping for clothes, accessories, etc.)	5.65	300	14.83	1.08
Total	-	2,060	825.72	100.00

Source: Estimated based on data from visitor interviews in June 2022.

Note: /1it is the median because the answers are not normally distributed which results in the bias of calculated average.

/2Estimated from 875,200 visitors

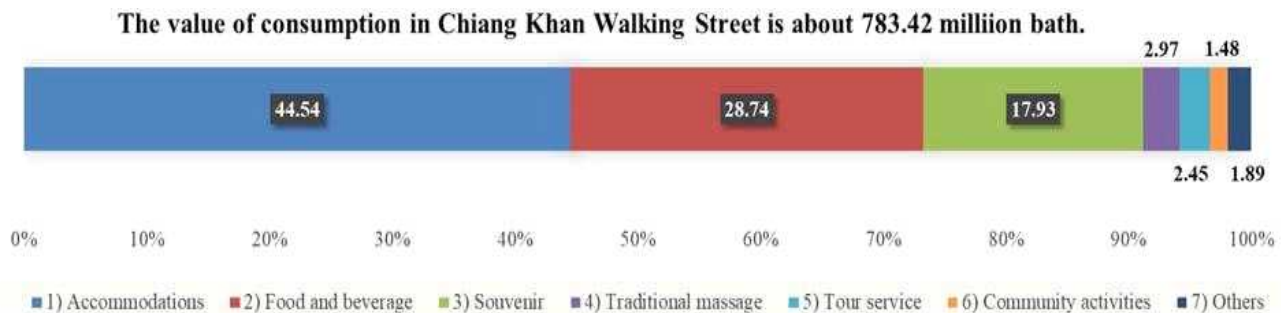
The estimated income value of visitors to Chiang Khan Walking Street, as presented in Table 3, encompasses the consumption of goods and services both within and outside the area. The total value of spending on such consumption is 826 million baht per year. Of this, approximately 95

percent, or 783 million baht per year, is spent within the walking street area, while the remaining 5 percent, equivalent to 42 million baht, is spent outside the area. It is worth noting that the majority of this external spending is on food and beverages, accounting for roughly 86 percent, with the

remainder consisting of fees for utilizing the Skywalk service and other miscellaneous expenses.

A significant proportion, over 45 percent, of the consumption value on Chiang Khan Walking Street is allocated to accommodation, followed by 29 percent for food and beverage expenditures. The purchase of community souvenirs, including items

such as coconuts, keychains, and clothing, accounted for around 18 percent of the total spending, with the remaining 8 percent allocated towards other community services and products such as traditional massages, cultural tours, and other locally-sourced goods and services (see Figure 4).

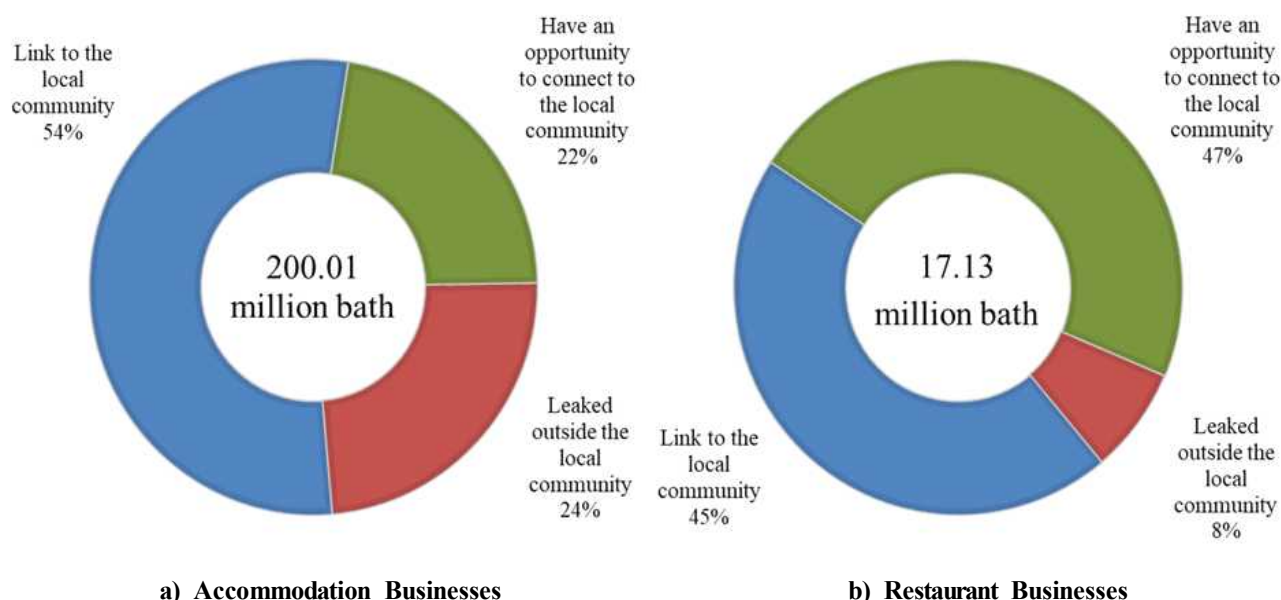


Source: Estimated based on data obtained from visitor interviews during June 2022.

Figure 4. Proportion of Visitors' Consumption of Tourism Goods and Services around Chiang Khan Walking Street.

The accommodations and restaurants around Chiang Khan Walking Street have a significant impact on the local economy, as they contribute to more than 73 percent of the total consumption of goods and services. This has positive ripple effects on other economic activities in the area. Upon analysis of the expenditure on accommodation, it was found that approximately 57 percent or 200 million baht was spent on purchasing factors of production and employment. Of this amount, over 54 percent, or about 110 million baht, was spent on employing local workers, followed by providing guests with coupons to dine at local restaurants for breakfast and using laundry services offered by community members. The remaining 22 percent, or approximately 45 million baht, has the potential to benefit the local community by purchasing goods and services from local businesses, while 24 percent, or around 48 million baht, is spent on public services such as electricity, water, and internet services. It should be noted that in addition to the purchase of raw materials and equipment, the demand for skilled workers to renovate rooms also presents an opportunity to connect the economic benefits of the accommodation to the local community (see Figure 5a).

The proportion of consumption value from visitors at targeted restaurants on Chiang Khan Walking Street was estimated to be approximately 13% of the total food and beverage consumption value. About 60% of the spending, or around 17 million baht, is used to purchase production factors and employ staff at the restaurants. About 45% of this spending, or approximately 7.8 million baht, is already linked to the local community by employing local workers, buying Mekong fish from local people, and purchasing snacks like deep-fried dough sticks produced and sold by locals. Another 47% of the spending, or about 8.1 million baht, presents an opportunity for the local community to benefit by producing raw materials such as eggs, vegetables, and chicken meat for the restaurants, instead of relying on imports from outside the area. The proportion of spending that leak outside the community is small, accounting for only 7.5% or about 1.3 million baht, which is mainly used to pay for public utilities like electricity and water bills. The community can further benefit from the restaurant industry if local farmers are supported and promoted to produce quality raw materials that meet the needs of restaurants, including maintaining production continuity (see Figure 5b).



Source: Estimated based on data obtained from visitor interviews during June 2022.

Figure 5. Proportion of Linkages of Economic Benefits from Targeted Accommodation and Restaurant Businesses around Chiang Khan Walking Street.

CONCLUSION

This article aims to examine the structure and approximate the scale of the connection of economic advantages from accommodation businesses and restaurants to the local people in Chiang Khan Walking Street, Loei Province. The study uses the notion of linking tourism's economic benefits to local communities as introduced by Mitchell and Ashley (2006). It also applies the guidelines for preparing the national account for tourism (tourism satellite account) based on the concept of input-output table to gauge the extent of these connections.

The study highlights that the employment of local labor is a primary strategy to link economic benefits from tourism in Chiang Khan Walking Street to the local community, particularly for accommodation and restaurant businesses. However, building alliances and cooperation among the community remains a significant challenge in achieving this objective. Based on the evaluation results, tourism generates income for the local community, accounting for up to 95% of the total revenue. Although accommodation businesses have a slightly higher proportion of income linked to the local community than restaurants, restaurants can potentially enhance this link by utilizing the

community's agricultural produce instead of importing from external sources.

The study has presented several suggestions to foster opportunities for linking the economic benefits of tourism activities to the local communities. These recommendations include:

- 1) The development of a digital local economy system that functions as a platform to connect buyers and sellers, which could be a mobile application containing a database of buyers, sellers, and relevant products and services, and supervised by the community committee;
- 2) The design of tourism-related products and services that leverage community capital by exploring the persona and customer journey of visitors;
- 3) The encouragement and motivation of local individuals to pursue business opportunities connected to the tourism supply chain;
- 4) The promotion of collaboration among key groups in the community (public, private, and government sectors) to create guidelines and management initiatives that facilitate more significant economic benefits from tourism for local communities;
- and 5) The provision of support and encouragement for the development of community tourism supply chains, which can provide a foundation for linking the economic benefits of tourism to local communities.

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ACKNOWLEDGEMENT

This article is a part of the project “The Management of Natural Resources and Environment for

Tourism: An Activity to Study the Patterns of Income Distribution between The Tourism Industry and Local Community,” supported by the Designated Areas for Sustainable Tourism Administration (Public Organization) (DASTA).