



Coping with seasonality: A case study of family owned micro tourism businesses in Obudu Mountain Resort in Nigeria



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ABSTRACT

Seasonality in tourism has attracted much attention from tourism management stakeholders due to the important role it plays in destinations sustainability. It is also recognised to have significant effects on tourism business survivability and sustainability. Despite this recognition, there has been a paucity of research on its effects on family owned micro tourism businesses and how they cope in tropical climate regions of developing countries. Using a qualitative research strategy, a total of 27 semi-structured interviews were conducted with family members in micro tourism businesses in the host communities of Obudu Mountain Resort in Nigeria. The finding reveals that Obudu Mountain Resort and the existing family owned micro tourism businesses experiences extreme seasonality. This has serious effects on business operations and family survival as a majority of the operators depend solely on the businesses. Unlike the practice in the majority of the destinations located in temperate climate regions, all the family owned micro tourism businesses in Obudu Mountain Resort environment stay open throughout the year, regardless of the fall in tourists' flow in off-peak; adopting similar and varying coping strategies. Despite the challenges of off-peak periods, the "familiness" of family tourism business has shown to have the potential of reducing the effects of seasonality in rural peripheral tourist destination.

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1. Introduction

Seasonality is a pervasive market phenomenon that is characterized by the underutilization of economic resources over a period of the year (Allcock, 1995; Butler, 2001). Hitherto, many tourist destinations are prone to systemic variations of tourists' flow (Kastenholz & de Almeida, 2008). As noted by Lee, Bergin-Seers, Galloway, O'Mahony, and McMurray (2008), while some lowland and highland destination receive a high influx of tourists that exceed their capacity at a given period of the year, they also experience very low influx at other seasons of the year. This scenario tends to dampen stakeholders propensity to invest in a destination tourism infrastructure and at the same time impede the employment, maintenance and expansion of the labour force (Krakover, 2000; Lundtorp, Rassing, & Wanhill, 2001). Thus, seasonality is often seen by stakeholders to have more of negative effects, but it's not all its implications that are negatives (Lee et al., 2008).

The seasonal nature of tourism in rural peripherals tourist destinations that are often characterized by the presence of micro, small and medium sized family owned business enterprises is a very critical

issue in the tourism industry affecting business performance (Getz & Carlsen, 2000). In addition to seasonality, the behaviour of tourism business owners and manager whether positive or negative also contribute in determining business performance (Haber & Reichel, 2005). Koenig-Lewis and Bischoff (2010) noted that as a result of the observable effects of seasonality on the performance of tourism enterprises, it has become a phenomenon that is a cardinal theme in tourism literature and also a pertinent worrisome issue for stakeholders in the tourism industry. Since the fluctuation in tourists demand and supply occasioned by the geographically-caused seasonal nature of tourism affects the survivability of micro and small tourism businesses, it is therefore a serious challenge that is capable of jeopardizing the sustainability of tourism businesses in tourists' destinations (Kastenholz & de Almeida, 2008).

An extensive range of literature exists on seasonality issues. A few of these studies are: examining seasonality in the hospitality industry (Lundtorp, 2001; Jeffrey, Barden, Buckley, & Hubbard, 2002), characteristics and segmentation of seasonal visitor (Spencer & Holecek, 2007; Garau-Vadell & de Borja-Sole, 2008), investigating the effects of seasonality in remote destinations (Commons & Page, 2001; Kastenholz & de Almeida, 2008). All of these studies were conducted in tourist destinations in a temperate climate zone and the majority are not on family business. To date, little empirical evidence is available on seasonality issues of family owned micro tourism businesses in mountain destinations in tropical climate regions in off-peak periods. Thus, the main

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objective of this study is to examine the effects of seasonality on family owned micro tourism entrepreneurs and business operations in the host communities of Obudu Mountain Resort in Nigeria with a view to understanding their coping strategies. To achieve this objective, this study was guided by the following research questions:

- (a) What is the perception of seasonality by family owned micro tourism business operators?
- (b) What are the effects of off-peak periods on family owned micro tourism entrepreneurs and business operations?
- (c) How do family owned micro tourism business operators cope with the effects of seasonality in off-peak periods?

2. Literature review

2.1. Family owned micro and small tourism businesses in peripheral rural areas and associated issues of seasonality

European Commission (2011) classified businesses with less than 10 employees as micro businesses and those employing 10 to 49 workers as small businesses. Thomas, Friel, Jameson, and Parsons (1997) also define small businesses as those that employ 1 to 50 staff. The definition and classification of micro and small enterprise of the European Commission is similar to that of Nigeria (Ogundele, 2007). Australian Bureau of Statistics definition of small businesses is quite different. It defines them as business ventures that employ less than 20 persons which, according to Bergin-Seers and Jago (2007) represent 91% of businesses in industries related to tourism. For the purpose of this paper, we employed the definition of the European commission (2011) and Ogundele (2007) for the micro tourism businesses investigated as all of these businesses in Obudu Mountain environment do not have more than 5 employees.

Many destinations and even the tourism entrepreneurs operating in them would have preferred to have an all year round tourists' flow if it's possible. For instance, the majority of the owners of micro and small tourism businesses in Central Otago in a remote area of New Zealand would have a desire to have a steady flow of tourists' all year-round instead of having one or two seasons in a year. But the reality of distinct peaks has led them into a situation where they have found it tough to continue their businesses in off-peak when tourists' flow is low (Duval, 2004). Thus, seasonality has become a thing to live with in many tourist destinations and it is noted to have a serious effect on the performance of micro and small tourism businesses (Butler, 2001; Koenig-Lewis & Bischoff, 2010; Lundtorp, Rassing, & Wanhill, 1999; Baum & Hagen, 1999). For this reason, Goulding, Baum, and Morrison (2005) opined that it should be seen as a sensitive phenomenon.

The effects of seasonality are higher in more remote or peripheral destinations as they often experience seasonality much more than centrally located destinations. This is so for several reasons, one of which is the inability of many tourists to visit peripheral locations as a result of long travel times needed, which is often not abundantly available (Baum & Lundtorp, 2001; WTO, 1999). Seasonality makes the problems of micro and small tourism businesses more and more complex as they strive to survive in a vibrant industry susceptible to variations in numerous external influences (Snepenger, Houser, & Snepenger, 1990). When seasonality is very extreme, operators are put under serious financial difficulty and because some family (for family owned tourism businesses) properties such as the homestay or bed and breakfast, campground are an integral part of the business, a closure of the business due to failure could result in the loss of family properties (Getz & Nilsson, 2004).

Koenig-Lewis and Bischoff (2010) noted that there are differences in the response to seasonality effects from one business to another. Nonetheless, the number of authors acknowledging this difference in tourism entrepreneurs' perception of seasonality and their responses to the

issues associated with it is small. Among the few studies that recognised such variations are: Jeffrey et al. (2002); Jolliffe and Farnsworth (2003); Goulding, Baum, and Morrison (2004); Getz and Nilsson (2004) and Duval (2004).

In temperate climate regions, many tourism business owners have adopted strategies for coping in the off-peak. In non-mountainous destination, such as the Danish Island of Bornholm for instance, owners of tourism businesses have adopted some coping strategies in off-peak which include: maintaining the business premises to prepare for a new peak period, moving to another place for vacation, closing the business and seeking for employment elsewhere and reduction of the number of staff and taken loans from the bank (Getz & Nilsson, 2004). According to Goulding and Gunn (2000), in the peripheral rural region of south-west of Scotland, micro and small tourism businesses have also resorted to closure when tourists' patronage is low. Also, the study of Koenig-Lewis and Bischoff (2010) in Wales in UK have shown that tourism business owners try to attract tourists by offering tourists' reduced hotel rates in the weekends and the use of winter brochures among other strategies.

In some mountain destinations, the coping strategies adopted is similar to that of non-mountainous destinations. As noted by Flognfeldt (2001), in the Jotunheimen mountain area in Norway, micro and small tourism entrepreneurs cope with seasonality in winter off-peak by taken holiday and getting another employment. Some of them engages in renovation work on business premises and also undertake exportation of knowledge and goods to other areas of needs. The scenario in the mountain region of New South Wales, Australia with accommodation owners presents similar and different coping strategies. While many micro and small tourism businesses in the region operate mainly in the winter peak season and close their businesses in the summer, a substantial number of them have commenced operating yearly with the initiation of cultural events, festivals, conferences and sports (Pegg, Patterson, & Gariddo, 2012; Connell, Page, & Meyer, 2015).

2.2. Causes of seasonality in tourism

The variables that cause seasonality are viewed by stakeholders in the industry differently. However, it is generally accepted to fall into two broad categories which include: natural (physical) and institutional (social and cultural) (Bar-On, 1975; Commons & Page, 2001; Goulding et al., 2004). According to Witt and Moutinho (1995), seasonality is encapsulated as seasonal patterns that are constant and well known which connotes that they are not infrequent abnormalities in tourist destinations. Therefore, operational issues in destinations such as the short term rise and falls in tourist influx occasioned by tourism tremor, inefficient management issues, dilemmas such as natural disaster, increase in the price of fuel and occurrence of terrorism are not considered as causes of seasonality (Lee et al., 2008).

Natural phenomenon which contributes to seasonality in tourism activities such as the climatic variability has a lot to do with some differences in hours of daylight and temperature in destinations (Commons & Page, 2001; Goulding et al., 2004). Geographic location of destinations such as the alpine region, coastal areas, urban and peripheral region could also result in seasonality (Commons & Page, 2001). Variations in natural phenomena include the weather causing access problems due to snow blocking roads, and levels of rainfall affecting beach activities (Commons & Page, 2001; Baum & Hagen, 1997). These variations imply that tourist destinations do experience dissimilar seasonal patterns, and thus their unique seasonal qualities are viewed differently (Hartmann, 1986).

Institutional seasonality on the other hand is principally associated with the following three factors such as holidays related to primary and secondary schools, universities and other schools of higher education; religious organizations and specific holidays (Goulding et al., 2004). Other factors are travel habits and motivations usually influenced by changing tastes, the hosting and timing of events in a specific

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