A Research on the Impacts of Tourism on Rural Household Income and Farm Enterprises: The Case of the Nevşehir Province of Turkey

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Abstract
This article is aimed at investigating the impact of tourism activities on the income and living conditions of rural households, and reflecting the views of both households and tourists on tourism related activities. An economic assessment of households that deal both with agriculture and tourism in the Nevşehir Province (Cappadocia) has been carried out based on primary survey data. Agriculture is the main economic activity in Nevşehir, and households generally have the characteristic structure of small family enterprises. While 59.8% of household labour forces are utilised in agriculture, 7.0% are engaged in tourism activities. The agricultural and tourism related activities, such as pottery making, handicrafts and lodging, are often in competition for the generally insufficient working capital of households, as well as time and labour. Total average household income in the region has been determined as $9,949, of which $7,315 (73.5%) is drawn from agriculture and $2,587 (26%) from tourism-related activities. Tourism cannot be regarded as an activity that constitutes an alternative to agriculture, but rather a complementary source of income.

Keywords: rural tourism, income and employment benefits, complementary activities, Cappadocia (Turkey)

1 Introduction
Turkey is a transitioning economy, with 35% of the population living in rural areas and 30% of the labour force involved in agriculture, which contributed only 11.4% to Gross Domestic Product (GDP) in 2005 (SPO, 2005). The Turkish economy exhibits the characteristics of a developing economy based on per capita income, economic growth, employment, income distribution, foreign trade volume and economic structure (Tanrıvermiş and Bülbül, 2007). Turkey, beginning in the second half of the 1980s, has become a well-known and preferred holiday and travel destination. While in 1980...
foreign tourists numbered 1.29 million and total income from tourism was $326 million, in 2005 the number of tourists reached 21.12 million, generating income of $13,929 million. Turkey’s share of total international tourism income is estimated to be around 2% (TÜRSAB, 2006). According to 2005 data, tourism in Turkey accounted for 5.5% of the national income, employing 5.1% of the population directly and 12.8% indirectly (OECD, 2006). It must be noted, however, that only foreign tourism is taken into consideration in the calculation of the contribution of tourism to the national economy, so domestic tourism is not reflected in these figures and the contribution of tourism to the national income will clearly be higher when domestic tourism is also taken into consideration. Tourism is an important sub-sector for Turkey in terms of foreign currency income, its effects on the payments balance, as well as its contribution to employment rates and other sectors.

There is a tendency in rural areas for the majority of people to look for secondary sources of income due to high levels of unemployment, low living standards and an increasing inequality in income and farmland distribution. Thus, it is necessary to identify some opportunities in the initiation of specific businesses in rural areas which may supplement the farmers’ incomes, thus motivating the workforce to remain in their villages. Tourism is noted as one of the major income generating activities in rural Turkey, as mentioned in Turkey’s Development Plans (SPO, 2000). For example, in the 8\textsuperscript{th} Five-year Development Plan (2001-2005) it is stated, “In order to increase the income of the rural population and reduce unemployment, entrepreneurs shall be supported in fields with local potential, such as tourism, handicrafts, animal husbandry and weaving” (SPO, 2000).

Agriculture is the core activity for virtually all rural households, although livelihood strategies differ from region to region and from household to household. On a national scale, the ratio of households in which agricultural activity is the sole source of income is 86.32%, while 6.83% are involved in agriculture as a main source with additional income coming from a secondary activity. For Nevşehir, the ratio of households with a main occupation in agriculture is 92.24%, while those with agriculture as a main source but with a non-agriculture related secondary occupation account for 5.20% (SIS, 2004). In numerous developing and developed countries demand for rural tourism is rapidly increasing, and tourism is being regarded as a tool for rural development in agricultural policies. Under these circumstances, in rural areas tourism contributes to an increased level of income and to growth of employment opportunities as a significant developmental factor that is complementary to agriculture. This is the case particularly in regions where agricultural structures and natural, historical, and cultural resources exist. On the other hand, tourism-oriented activities in rural areas can have both positive and negative impacts on both households and rural communities, and rural development activities aim to maximise positive contributions to the highest extent possible.

Studies into rural tourism and the impact of this activity on rural households and small family farms are very limited in Turkey, which is the case with many other countries. In fact, the social, economic and environmental impacts of rural tourism have been studied only since 1990. Recent researches have focused on the importance of tourism
in the development and socio-economic change in rural areas based on impact assessments through the expenditure analysis of individual or group tourists in rural areas (Mathieson and Wall, 1982; Butler, 1990; May, 1991; Fleischer and Pizam, 1997; Katenholz et al., 1999; Esengün et al., 2001). There are concerns regarding the impact that tourism has on natural resources from the viewpoint of air and water, flora and fauna, non-agricultural use of productive land, and aesthetics, among others (Johnson and Moore, 1993; Bontron and Lasnier, 1997). Although tourism has its share of negative environmental consequences, it can also have a positive impact on the environmental and socio-economic structure of rural areas. The development of rural tourism provides new opportunities for farm operators and workers, and creates stronger linkages between vacation farms and public spaces, and further investigation into the relationship between wildlife study, hunting activities and handicrafts (Schneider, 1993; Fennell and Weaver, 1997; Ashley, 2000).

The assessment of the economic impacts of tourism activities attempts to place a monetary value on a particular event, business or sector of an economy. Direct impacts include the actual revenues generated by the activity at locations throughout the community. Indirect impacts cover additional input purchases made by local business as a result of the event (Woods and Barta, 2002). Previous studies related to an impact assessment of tourism industry have been based on the measurement of visitors’ expenditures in rural and urban areas by using time-series or cross-sectional data (Mak et al., 1977; Dardis et al., 1981; Mathieson and Wall, 1982; Lieber and Fesenmaier, 1989; May, 1991; Johnson and Moore, 1993; Dardis et al., 1994; Taylor et al., 1993; Schneider, 1993; Fleischer and Pizam, 1997; Slee et al., 1997; Leones, 1998; Katenholz et al., 1999; Ashley, 2000). Distinct from previous studies, this research aims to investigate the effects of tourism activities on the income and living conditions of households through income analyses. Competitive relationships are likely to occur between agricultural and tourism activities in terms of use of land resources, and the demand for manpower and capital. In Turkey, there is significant potential for mountain, plateau and agricultural tourism in both the coastal and inner regions. The province of Nevşehir, which was examined as a case study in the research, has a high potential for rural tourism.

2 The Data and Methodology

The primary method for assessing the direct impact of an event is to conduct a survey of a different group of participants (Leones, 1998; Woods and Barta, 2002). The material for the research comprises survey data gathered from households engaged in both tourism-oriented and agricultural activities together in the Ürgüp and Avanos districts of the Nevşehir Province. Previous studies on the subject and related literature have also been utilised. Data from the Provincial/District Directorates of Agriculture, Culture and Tourism, and the State Institute of Statistics related to the agriculture and tourism potential of the study region have also been utilised. The survey form used in the research was prepared in line with the goals of the study, and the relevance of these forms to the region was validated through an earlier test survey carried out in the
region. The data used in the study was collected through a questionnaire covering the 2001-2002 production period.

The households that carry out both agricultural and tourism activities in the Nevşehir province are situated mostly in the districts of Avanos and Ürgüp. Using the results obtained from the pre-studies carried out in the region, as well as the records of the Provincial Directorates of Agriculture, Culture and Tourism, the villages and enterprises that mainly carry out agricultural and tourism-oriented activities together have been identified. In a total of seven villages, three located in the district of Avanos and four in the district of Ürgüp, it has been found that enterprises, alongside agricultural activities, are largely involved in tourism-oriented activities, which include provision of accommodation (hotels, motels and lodging houses), production and sale of souvenirs, production and sale of pottery and earthenware, restaurants and amusement facilities. The survey was administered in a total of seven villages on 55 households identified as carrying out both agricultural and tourism-oriented activities concurrently. The months in which domestic and foreign tourists visit the Cappadocia Region most were identified, and a quick assessment survey was conducted on domestic and foreign tourists visiting the study area for one week periods. In the lodging enterprises and sightseeing areas, the survey was administered to 114 foreign tourists and to 100 domestic tourists. All the participants that visited the area in the examined period were included in the interviews. In the survey phase of the study, those visiting the region were approached and their reasons for visiting and satisfaction levels were assessed. The months/seasons, in which foreigners and domestic tourists visit the region were comparatively examined. In particular, the possible negative impacts of overcrowding, the capacity of the facilities and the intense utilisation of the natural resources and on the income and living conditions of those living/working in the region were assessed. The opinions of domestic and foreign tourists have been considered together due to the similarity, to a great extent, of results.

In the analysis of the economic structure of the households, a whole analysis was employed (Açıl and Demirci, 1984; Erkus et al., 1995; Turner and Taylor, 1998), and thus the contribution of agriculture and tourism activities to the revenues and living conditions of families have been evaluated by comparing these values to household averages. The adequacy of the identified average farm incomes of households are comparatively examined using the sufficient farm income scale, as defined by the Law on Agricultural Reform on Land Usage in Irrigation Areas, dated 1983, and with issue number 3083. In addition to the economic analysis, the contributions and/or burden imposed by agriculture and tourism activities on the domiciles and the region on a per household basis; why domestic and international tourists prefer rural areas, as well as the times spent and expenditures made in rural areas; the most appealing resources in rural areas; infrastructure and tourism relations in rural areas; and the inclinations and expectations of households regarding the improvement of tourism activities in rural areas have been examined using the gathered data obtained from the questionnaire, which included open-ended and multiple choice questions.
3 Research Results and Discussions

3.1 Description of the Research Area

The province of Nevşehir, the research district, is located in the Central Anatolia Region (FIGURE 1). The Cappadocia Region covers Ürgüp, Göreme, Avanos and Ihlara and is the most important touristic region of the Nevşehir Province. There is a vast area coated with tufa and lava expelled by Mount Erciyes in the mountainous areas, where chimney rock formations and erosion-induced valleys are prominent. Tourism activities in the province of Nevşehir have been identified as agricultural tourism, cultural tourism, nature tourism, plateau tourism, handicrafts, cave tourism and gastronomy tourism according to district. Investments in the areas determined to have promising tourism potential in individual districts will lead to the integration of tourism activities into the rural areas with the present potential of sources (Table 1). Thanks to the volcanically-formed caves and “chimney rock” formations, nature tourism has evolved considerably. It is a fact that rural and urban households have the opportunity to benefit from tourism when they focus on areas where this potential is present.

Figure 1: Location of the Research Area

The province of Nevşehir is visited annually by 1,011,933 people, 393,728 of which are domestic tourists and 618,205 of which are foreign (SIS, 2003; TÜRSAB, 2006). In the province, especially in the districts of Avanos and Ürgüp, agriculture and tourism constitute two important main sources of income for the rural community. Motel and lodging house businesses, and the production and sale of souvenirs, are intensive practices in these two districts. In addition, places manufacturing and selling souvenirs, earthenware and ceramic workshops, restaurants and amusement centres are all active (Koyuncu and Yılmaz, 2002). There is also a high agricultural potential in Nevşehir. The total area of the province is 546,693 ha, of which 341,593 ha is farmland. The share of farmland in the total area of the province is 62.5%, whereas this ratio is 71.2% in Ürgüp and 43.8% in Avanos. In the farms, both crop and livestock-related production are generally carried out together, and produce from the farms and structures are used for tourism-oriented purposes to some extent (SIS, 2004, 2005).
Table 1: Sources of Tourism and Opportunities in Nevşehir

<table>
<thead>
<tr>
<th>Types of Tourism</th>
<th>Districts of the Provinces of Nevşehir</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Avanos</td>
</tr>
<tr>
<td>Agricultural Tourism</td>
<td>X</td>
</tr>
<tr>
<td>Cultural Tourism</td>
<td>X</td>
</tr>
<tr>
<td>History Tourism</td>
<td>X</td>
</tr>
<tr>
<td>Nature Tourism</td>
<td>-</td>
</tr>
<tr>
<td>Plateau Tourism</td>
<td>-</td>
</tr>
<tr>
<td>Handicrafts</td>
<td>X</td>
</tr>
<tr>
<td>Cave Tourism</td>
<td>X</td>
</tr>
<tr>
<td>Gastronomy Tourism</td>
<td>X</td>
</tr>
<tr>
<td>Lodging House Business</td>
<td>X</td>
</tr>
<tr>
<td>Faith Tourism</td>
<td>X</td>
</tr>
</tbody>
</table>

(X) Shows places with tourism potential and (-) places without an identified significant potential.

The economy of the district depends largely on agriculture, tourism and carpet manufacture. Potatoes and wine are the famous regional products of Nevşehir. Carpet manufacture is a traditional profession, carried out using home looms in the villages. Industry mainly comprises wine, grape molasses, marmalade, floor tile and souvenir production. Tourism is the second most important source of income for the economy of the district. The Göreme Historical National Park and the wine houses in the area are important aspects of tourism for Göreme. Traditional handicrafts, carpet weaving, ceramic production (which has been maintained since the Hittite civilisation) and pottery workshops are famous characteristics of Avanos. There are accommodation facilities such as hotels, motels, and lodging houses in the districts. The production of wine grapes and the importance of the wine culture throughout its historical development process led to the selection of the districts as a preferred location for the establishment of wine factories (Kaya, 1981; Nevşehir Governorship, 1997, 1998, 2002).

3.2 Population and Idle Labour Forces in Nevşehir and the Surveyed Households

The population of the province is 309,914, with an average population density of 58 people per square km, of which 55.9% live in rural areas. The share of rural population in the total is 72.4% in Ürgüp and 61.8% in Avanos (SIS, 2003). Tourism and other non-agricultural activities are gaining importance in terms of the reduction of population pressure on the land, the prevention of destruction of natural resources, the reduction in unemployment, and the increase of income in rural areas.

The average population per household is 4.15 people, with the economically active population (of age 15-65) holding an important share (74.5%). The leading underlying factor restricting the development of tourism in rural areas is the scarcity of a qualified labour force. It is determined that 6.5% of the population within the households is illiterate,
whereas 2.7% are literate, 67.2% are primary school graduates, 12.3% are secondary school graduates, 9.9% are high school graduates, and 1.4% possess an associate or bachelor’s degree. It has been found that 93.5% of the population at or above the age of six is literate, which is higher than the national average of 80.0%.

The primary source of employment in the villages is farming. Within the households surveyed, 66.9% of the present labour force is utilised in agricultural and non-agricultural activities. The rate of idle labour force is 33.1% overall in the average household. Additionally, 59.8% of the existing labour force is utilised in agricultural activities and 7.0% is engaged in tourism-oriented activities. In order to reduce the amount of idle labour force in enterprises, other activities such as craftsmanship and animal husbandry, as well as publicity activities that may improve winter tourism, should be augmented.

While 33.1% of the labour force is idle, 30.1% of the demand for labour force in agricultural and tourism activities is met by hired labour from outside the region. Hired labour employed in agriculture and tourism is generally male and well-educated, and are employed in tourism oriented activities. This is mainly because the households are inexperienced in conducting agricultural and tourism activities together, and therefore the labour force is not distributed evenly among the activities. Two other important factors are that the households cannot transfer enough labour force to agriculture when demand arises, and that the family labour force is not distributed between the two activities in a balanced way. In addition, the fact that young individuals with a relatively higher level of education and competence in foreign languages are employed in tourism activities, and that the families lack members with the necessary qualifications, make employment of imported labour compulsory.

The survey was conducted on all of the households in seven settlements, where households that carry out both agriculture and tourism-related activities constitute the majority. The share of the households on which the survey was conducted to the total number of households in the study region remained below 1% (Table 2). This ratio shows that the households that carry out both agriculture and tourism-related activities are not dominant in terms of numbers, and that it has not been possible to disseminate tourism oriented activities in rural areas. According to the producers who are not actively oriented towards tourism activities in rural areas, factors such as the insufficiency of qualified labour, inadequate building assets, and insufficient working capital have been given as the main reasons for not diversifying.

3.3 Assets and Incomes of the Rural Households

Some 86.1% of the total assets of the households consist of fixed assets, whereas 13.9% consists of working capital. Land and building capital has the highest share among total assets, with 51.9% and 30.1% respectively. When the scarcity of working capital in the examined households is taken into consideration, competition is likely to occur between agricultural and tourism activities in terms of meeting the demands for working capital. On the other hand, while tourism activities can satisfy the demand of agricultural activities for working capital, the sales revenue of farm produce can satisfy the demand of tourism activities for working capital. However, the harvesting and sale of such products
Table 2: Number of Surveyed and Total Households in the Settlements of the Research Area.

<table>
<thead>
<tr>
<th>Districts</th>
<th>Settlements</th>
<th>Number of Surveyed Households</th>
<th>The Total Number of Households in Settlements</th>
<th>Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avanos</td>
<td>Bozca</td>
<td>13</td>
<td>167</td>
<td>7.78</td>
</tr>
<tr>
<td></td>
<td>Çavuşin</td>
<td>9</td>
<td>180</td>
<td>5.00</td>
</tr>
<tr>
<td></td>
<td>Merkez</td>
<td>18</td>
<td>2,614</td>
<td>0.69</td>
</tr>
<tr>
<td>Ürgüp</td>
<td>Mustafapaşa</td>
<td>3</td>
<td>470</td>
<td>0.64</td>
</tr>
<tr>
<td></td>
<td>Ortahisar</td>
<td>3</td>
<td>1,025</td>
<td>0.29</td>
</tr>
<tr>
<td></td>
<td>Karakaya</td>
<td>1</td>
<td>60</td>
<td>1.67</td>
</tr>
<tr>
<td></td>
<td>Merkez</td>
<td>8</td>
<td>3,786</td>
<td>0.21</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>55</td>
<td>7,278</td>
<td>0.66</td>
</tr>
</tbody>
</table>

as grapes (wine) and potatoes, for which 24.6% of the operating farmland is set aside, takes place in the autumn, and therefore only the sales revenue from cereals, for which 70.7% of the land is set aside, and milk and other animal products, which constitute 17.8% of the total gross production value, will be available to meet the demand of tourism activities for working capital.

The average gross production value of the households is $14,791, 85.2% and 14.8% of which are crop and livestock production values respectively. In crop production, potatoes make the highest contribution to the gross production value (55.6%), followed by cereal production with 28.1%. The activities of dairy production and cattle rearing, as well as sheep husbandry, are limited within the households, with the limited produce gained from these activities used to satisfy the demands of the family members and for livestock accommodation. As crop production exceeds the demands of the families and the lodging houses, these products are offered for sale in the market. The net return within the households is $6,781, of which the gross production value is 45.9%. The households generally earn positive interest revenue for the total assets they invest into agriculture.

A farm’s income is an important indicator, especially of the success of the entrepreneur (Açıl and Demirci, 1984; Erkus et al., 1995; İnan, 1998). The average farm income of the households surveyed is $7,315, which is higher than the sufficient farm income ($3,329) as defined by Law, no. 3083, dated 1983. Off-farm income earnings from tourism, pensions, salaries, wages, and direct income support are determined to be $2,633. The total household income is $9,949, and since the average family size is 4.15 persons, per capita income is calculated as $2,397 (Table 3). The annual average income of the households has been found to be 8.4% lower than the per capita national income ($2,598), and 118.0% higher than the rural average ($1,099) in the same period. In the examined villages, the calculated and declared average incomes of the households engaged in tourism-oriented activities are generally higher than those of the households in the same villages who are not engaged in tourism-oriented activities. Since only a small
number of the households in the villages are engaged in tourism-oriented activities, the socio-economic effects of tourism, such as income generation, employment, prevention of migration, and regional development, remain limited in the rural areas.

**Table 3:** Farm, Off-farm and Total Incomes and Expenditures of the Households.

<table>
<thead>
<tr>
<th>Sources of Income</th>
<th>Value ($)</th>
<th>Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural (Farm) Income</td>
<td>7,315.48</td>
<td>73.53</td>
</tr>
<tr>
<td>Income from Tourism-oriented Activities</td>
<td>2,585.51</td>
<td>25.99</td>
</tr>
<tr>
<td>• Pottery business</td>
<td>1,425.05</td>
<td>14.33</td>
</tr>
<tr>
<td>• Handicrafts business</td>
<td>253.00</td>
<td>2.54</td>
</tr>
<tr>
<td>• Household lodging business</td>
<td>907.46</td>
<td>9.12</td>
</tr>
<tr>
<td>Pensions, Wages, and Fees</td>
<td>1.84</td>
<td>0.02</td>
</tr>
<tr>
<td>Direct Income Support Payments</td>
<td>45.78</td>
<td>0.46</td>
</tr>
<tr>
<td><strong>Total Household Income</strong></td>
<td>9,948.61</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>7,506.13</td>
<td>75.45</td>
</tr>
<tr>
<td><strong>Total Savings</strong></td>
<td>2,442.38</td>
<td>24.55</td>
</tr>
</tbody>
</table>

The share of farm income in the total family income is 73.5%, whereas that of tourism-oriented activities is 26.0%, and that of pensions, wages, fees and direct income support is 0.5%. The contribution of pottery businesses to the household income is 14.3%, that of handicrafts is 2.5% and that of boarding house businesses is 9.1%. It has been determined that the households earn 2.8 times more income from farming as from tourism activities.

The best indicator in an analysis of household livelihoods would be an evaluation of expenditures per household and per capita. The average annual livelihood and housing expenditures of households have been investigated as an indicator of living standards. The annual average housing and current expenditures of the households are found to be $7,506. The difference between the consumption expenditures and income in households yields the amount of savings, whereas the ratio of the mean savings to total household income reflects the tendency to save money. In addition, it can be seen from the survey that households save 24.6% of their annual average income, above the average for rural areas. The average savings tendency of the households is considerably higher than the national average, as well as the average of rural areas.

### 3.4 Time Schedule, Nationalities and Expenditures of Tourists Visited Research Area

The surveyed households have been living in this region for 43 years and have been performing both agricultural and tourism activities concurrently for 17 years. Tourism is a relatively new rural activity for local people when compared to agriculture and handicrafts, is correctly perceived as a less risky activity, and is seen as an opportunity
for additional income to combine with existing livelihood activities, not a substitute (Ashley, 2000). Thus, the way in which tourism complements or conflicts with existing activities has appeared as a key restriction in household decisions.

Some 89.0% of the rural households stated that more foreign and local visitors come to the region in the summer season, while 11.0% believe that more visitors come to the region in the spring and autumn. The summer season is the most suitable period for tourism, and is the time during which people prefer to take their vacations. Although many people state that Nevşehir is suitable for tourism both in summer and winter, it is a known fact that especially Japanese tourists prefer to visit the region in the winter months.

The distribution of foreign tourists on whom the survey was conducted, according to nationalities, and the times when domestic and foreign tourists visit the Cappadocia Region, were examined. Of these, 89.0% of the foreign tourists visited the region in the summer, stating that this was the most suitable season for tourism, while 9.0% believed that the Cappadocia Region may be suitable for tourism both in summer and winter, and particularly Japanese tourists preferred coming in the winter. The remaining 2% stated that they have visited or would visit the region at any time during the year, and that they had no seasonal preference of when to make their visits. In the lodging enterprises and sightseeing areas, of the 114 foreign tourists surveyed, most of the visitors came from the Netherlands (30%), Russia (22%) and Great Britain (14%) (Table 4). However, these ratios would be expected to change if regular monthly surveys were to be conducted throughout the year.

Table 4: Nationalities of Surveyed Foreign Tourists and Periods of Visit.

<table>
<thead>
<tr>
<th>The Nationality of Tourists</th>
<th>The Number of Surveyed Foreign Tourists</th>
<th>Frequently Visiting Periods (Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Ratio (%)</td>
</tr>
<tr>
<td>Japan</td>
<td>11</td>
<td>9.32</td>
</tr>
<tr>
<td>German</td>
<td>14</td>
<td>11.86</td>
</tr>
<tr>
<td>UK</td>
<td>16</td>
<td>13.56</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>35</td>
<td>29.66</td>
</tr>
<tr>
<td>Russia</td>
<td>26</td>
<td>22.03</td>
</tr>
<tr>
<td>France</td>
<td>12</td>
<td>10.17</td>
</tr>
<tr>
<td>Total</td>
<td>114</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Domestic tourists generally conduct their visits in the March-May and October-December periods, the majority choosing to come twice a year. The fact that domestic and foreign tourists choose to come to the Cappadocia Region in the same periods imposes a pressure on the natural resources and environment, causing crowding and putting pressure on the inadequate infrastructure. On the other hand, increased tourism contributes positively to the increase in employment and income levels of the households. The particular suitability of the summer months for tourism leads to an increase of visitors in
these months. There is a requirement to augment promotional activities aimed at the
development of winter tourism in the region, as well as the frequency of domestic and
foreign tourists.

Tourism can have significant benefits for farmers and rural communities as a whole,
providing opportunities for diversification and economic incentives for producers, thus
promoting economic growth. The income potential from tourism depends on the timing
and expenditure of the individual tourist. The majority of tourists generally prefer to
stay in hotels (47%), while 36% prefer lodging houses, and the remaining 17% prefer
private accommodation. The average preferred length of stay in the area is 2-4 nights,
with an average expenditure per night of $47.0 per person for foreign tourists. Tourism
revenues can be improved by increasing the number of visitors, or the length of stay
of each visitor. Local tourists visit the region generally for weekend holidays or when
passing through the region on their touring routes. The average lodging period of the
domestic tourists is 2.1 days. The per capita expenditures of domestic tourists ($44.5
per person) are quite close to those of foreign tourists. Although the time spent by
foreign tourists in the region is longer than the time spent by the domestic tourists,
their spending is nearly at the same level.

3.5 Annual Tourism Activities, Relations with Agriculture and Frequently
Visited Locations

Tourism can conflict with existing activities by reducing access to natural resources,
creating a conflicting demand on time and working capital. The compatibility of agri-
cultural and tourism activities has been evaluated by examining the seasons in which
more foreign and domestic tourists visit the region. The amount of time demanded by
tourism is the most important conflict with agriculture from the viewpoint of labour
allocation. As tourism activities intensify in the summer months (April to September),
households involved in both agricultural and tourism activities suffer problems in the
utilisation of their labour force. The increase in demand on the labour force for agri-
culture (especially cereal, potato and viniculture) and tourism activities in the summer
period makes it necessary to employ imported labour for both activities. There is a need
for a labour allocation programme for rural households, and members of the households
should gain skills related to the tourism industry. On the other hand, the solution to
the problem of competition for the labour force between agriculture and tourism lies
in improving all-year-round, and particularly winter, tourism (emphasising the fact that
the region is a tourist resort that can be visited throughout the year through improved
publicity), improving “pick-your-own” and organic farming activities, as well as farm
visits, attaching importance to handicrafts and deploying the idle unemployed labour
force into handicraft production, giving importance to the festivals which may be help-
ful for publicising the region, and improving and diversifying animal husbandry activities
in households.

The reasons why households become oriented towards tourism are varied. In line with
projections, it appears that 76.4% of the households have engaged in tourism-oriented
activities in order to acquire additional income, while 23.6% are seeking to utilise the
idle unemployed labour force, and to put to use inactive sources to evaluate whether tourism can be a source of livelihood. According to 89.1% of the households, tourism-oriented activities have had a positive impact on their living standards, while 10.9% claim tourism has had a positive impact on neither their living standards nor income. Regarding the affect on income, 42.5% of the households said that tourism had had a positive impact on their economic lives, stating that both their incomes and savings had increased; 39.4% stated that their income, savings, and expenditures had increased, and consequently their welfare level had improved; 16.3% stated that only their income, and thus their level of prosperity, had improved; while 1.8% stated that they had been able to make more investments into tourism. The impact of local tourism varies greatly among rural regions, and depends on a host of factors, including labour force characteristics and seasonality issues. Tourism strategies must be consistent with local development goals (including local support) and should be sensitive to maintaining the community characteristics (Woods, 1992; Bourke and Luloff, 1995).

The advantages of performing both agricultural and tourism activities in the households have also been studied. Of the households surveyed, 56.3% stated that the income gained from tourism contributes to the household income; 18.1% stated that in addition to this contribution they use tourism income as a guarantee against the risks and uncertainties of agricultural activity; and 16.3% stated that they use tourism income only to try to guarantee against the risks and uncertainties that are inherent in agricultural activities. When the households were questioned about the disadvantages of performing both agricultural and tourism activities together, 40.0% stated that it brought about an insufficiency of labour force and time, 32.9% stated that there were no disadvantages, and 7.2% stated that because of economic insufficiencies they neglected their farming activities (such as agricultural spraying, fertilising, and irrigation) in certain periods.

Furthermore, 83.7% of the households stated that they would be inclined to perform both agricultural and tourism activities in the future, while 16.3% stated that they would prefer to engage in only one of the two activities. The survey also ascertained that 66.6% of the households were considering giving up their tourism activities, stating that they had been unable to make a sufficient economic gain from tourism; 22.3% stated that there is no more economic capability to implement and continue tourism activities; and 11.1% stated that tourism activities were as open to risks and uncertainties as their agricultural activities. Of the households which planned to continue their tourism activities, 43.4% stated that their tourism income had almost reached a level at which they could be compared with their income from agriculture; 34.7% stated that they were not affected too much by income loss, which can occur in either of the activities as they perform both agricultural and tourism activities together; and 15.5% stated that they did not consider giving up tourism activities, as they constitute an additional source of income. The remaining participants did not respond to the question.

According to 98.2% of the households, in the districts of Ürgüp and Avanos, environmental (natural and historical) assets are being protected in parallel to tourism activities, while 1.8% of the households hold the view that these values are being destroyed because of the growth in tourism. Destruction of the natural and historical environment, or the
failure to protect these environmental assets, is attributed to the ignorance of both the local people and the tourists. According those surveyed, 89.1% of the entrepreneurs stated that there has been no degradation of historical houses, baths, mosques, and churches, and 76.4% stated the same regarding the species and numbers of game animals, whereas 96.4% said the same of spas, healing waters, and caves. According to the households surveyed there has been no degradation of the natural and historical beauty of the region.

The sites visited by both domestic and foreign tourists have also been examined, and it is noted that there is no discernible difference between foreigners and local people in their choice of places to visit. Of the foreign and domestic tourists, 43.6% visit the region to see the chimney rock formations, 27.2% came to see the churches, 19.6% to see caves, 7.1% to see craft workshops and stores, and 2.5% to see or visit all of the available and appropriate locations. The interesting natural, cultural, agricultural, and historical elements of the region appeal to both local and foreign tourists.

The reasons why foreign tourists visit the districts of Ürgüp and Avanos vary substantially depending on the season and the nationality of the tourists. Of those surveyed, 41.8% of foreign tourists prefer the region of Nevşehir to see the historical and natural attractions and faith tourism; 34.5%, in addition to faith tourism, say they come to see the historical and natural attractions; 7.3% to see handicraft activities on location; and 7.3% to see both historical and natural attractions and handicraft activities on location.

According to 94.6% of the domestic tourists, the districts of Ürgüp and Avanos possess high tourism potential. It was found that 36.4% of the respondents prefer to see wonders of nature; 21.8% the intact natural environment and countryside; 12.7% to see only the intact natural environment; 12.7% to see the intact natural environment along with wonders of nature; 7.3% to see the monuments, galleries and museums; and 9.1% only to see the countryside in the regions where they are able to make excursions.

3.6 The State of Infrastructure and Evaluation of Interests/Tendencies of the Households

The infrastructure network and transport systems make it easy for both domestic and foreign tourists to arrive in the district. Tourists use coaches and village minibuses (47.3%), only village minibuses (23.6%), only coaches (14.5%), private owned vehicles (7.3%) and coaches and privately owned vehicles (7.3%) to arrive in the villages. Of the households surveyed, 45.6% believed the publicity activities inside and outside the district to be insufficient, while 7.2% stated that the insufficiency of capacity, cleanliness, and maintenance of the accommodation and recreation facilities were important factors hindering the development of tourism.

The opening of rural areas in Turkey to tourism activities was believed to be a positive step by 94.6% of the entrepreneurs; but 43.6% of this figure stated that it was necessary to increase efforts to ensure that rural tourism becomes an additional source of income for households; while 9.0% implied that rural tourism could bring about positive contributions to the national economy. Additionally, 47.4% pointed out that there are
both positive and negative sides of the social and cultural changes that may be caused by tourism in rural areas. Tourism not only results in raising employment opportunities, increasing income potential for local residents and diversifying the local economic base for rural areas, but can also increase community visibility and add cultural opportunities or conflicts for residents.

When the households were asked whether tourism has had an impact on the economic improvement (such as improved infrastructure, increase in the number of new work places) of the region, 87.3% of the households gave positive responses, while 12.7% gave negative responses. When the households were asked whether the living standards of people who live in Avanos and Ürgüp are better or not than those in the neighbouring districts which are open to rural tourism, 78.2% of the households stated that they had better living standards, whereas 21.8% stated that there was no discernible difference. According to 79.1% of the households, the advantage of the rural households in the districts of Avanos and Ürgüp in generating income from tourism is that there are more chimney rock formations in these districts; while 20.9% stated that there are more natural attractions in the region as compared to other regions, and that the mentioned districts are highly preferred by tourists.

3.7 Contributions of Tourism to the Utilisation of Labour Force and Local Products

Tourism activities support the productive capacity of households by increasing skills and providing cash for operational capital and investment. The new skills gained by household members involved in tourism can be transferred to other activities (Ashley, 2000). The results represent that the first option is very limited in the rural Cappadocia Region. Of the households surveyed, 29.0% noted that rural tourism reduces migration from the district to other provinces or countries by creating employment. According to 81.3% of the households, the disappearance of the differences between their province and the big cities, the decrease in the attractiveness of the cities, and thus the migration tendencies of well-educated and young people has been decreased. Some 18.7% of the households have asserted that job opportunities had increased, and that therefore external migration was gradually decreasing thanks to tourism, while 71.0% of the households stated that tourism is not developed enough for the total elimination of external migration in the short term, and that at its present level of development could not reduce migration to other provinces or countries.

The opinions about the welfare levels of the labour force working in tourism enterprises and the labour force working in agriculture and other sectors have been examined. Results show that 85.5% of the households suggested that the welfare levels of those working in the tourism sector are higher than of those working in other sectors. The rate of households that considered tourism as an important factor in the reduction of unemployment in the district by creating opportunities for employment is around 80.0% among all the households. The households that think this way relate unemployment with different causes. The survey ascertained that 47.7% of the households attributed the new employment opportunities and the drop in unemployment to the tourism activities in...
the region, whereas 27.4% of them felt the cause was with hotels, 15.9% for handicrafts, and 9.0% for tour guide and boarding house employment. Since the educational levels and capabilities of household members are not sufficient for tourism-oriented activities, generally qualified hired labour is employed.

The survey revealed that 69.1% of the households believe rural tourism plays an important role in the perpetuation of handicrafts (such as pottery and carpet manufacture), whereas 30.9% delivered a contrary opinion. All of the houses that believed rural tourism contributes to the development of handicrafts stated that these activities are maintained thanks to tourism. While 51.0% of the households contend that the manufacturers of pottery and other crafts sufficiently benefit from tourism incomes, 49.0% did not believe they drew much benefit from tourism income.

The share of entrepreneurs stating that cultural activities are increasing in parallel to tourism among all the households is 69.1%. The share of the households being of the opinion that tourism resuscitates the local economy is 98.2%. The rate of households that believe the present service quality of markets, shops, restaurants, and hotels is increasing in parallel to the development of tourism is 96.4%, while 92.8% of the households have stated that the local community is becoming more tolerant of people of different cultures as a result of becoming acquainted and spending time with tourists.

According to 74.7% of the households, the organisation of pottery festivals has a positive contribution to tourism, whereas 18.1% believe that these festivals do not affect the development of tourism; 7.2% of the households did not present an opinion on the issue. According to 74.6% of the households, the organisation of such activities as festivals, fairs and harvest days will have a positive effect on the publicity and benefits of the tourism potential.

The positive and/or negative changes in the agriculture sector caused by the development of tourism activities in the rural areas of the districts of Ürgüp and Avanos have been investigated. According to 72.8% of the households, the development in tourism activities has lead to a shrink in agricultural activities, while 27.2% believe the development of tourism has not had the slightest negative effect on the volume and development trend of agricultural activities. It has been found that 85.0% of the households that believe tourism has resulted in a regression in agriculture contended that tourism incomes are becoming more attractive day by day, and 15.0% highlighted that making money from tourism is easier, and that agriculture is in regression. All of the households that stated that agricultural activities do not regress in parallel to the development of tourism also stated that those who consider agriculture as their occupation do not attach much importance to tourism, and that they consider tourism as an activity bringing about additional income. It has been established that the households focusing on tourism activities do not work land by rental or crop-sharing agreements with others, and that they do not include animal husbandry activities within the structure of the enterprise.
3.8 Alternative/Complementary Relationships of Enterprises and Entrepreneur Tendencies

The results of the economic assessment indicate that tourism activities are complementary to agricultural activities in terms of their contributions to the total household income. According to 47.1% of the households, tourism is an alternative to agriculture, whereas for 52.9% tourism-oriented activities are complementary activities for agriculture. All of the entrepreneurs that regarded tourism activities as an alternative for agriculture have related the reason for this as being the reduction in the profit they make from agriculture. Some 85.0% of the households who regard tourism as complementary to agricultural activities have stated that tourism provides additional income to their agricultural activities, whereas 15.0% have stated that they adopt tourism as being complementary to agriculture because of the natural risks that agricultural activity bears (keeping in mind that risks like these are less likely in tourism activities).

The households made positive declarations about the utilisation of tourism incomes in agriculture. The share of the entrepreneurs stating that tourism incomes are supportive of farming among the total entrepreneurs is 80.0%. For 16.4% of the entrepreneurs, tourism incomes mitigate the risk factor involved with agricultural activity; 3.6% presented no opinion about the issue. While 83.7% of the households stated that they directed the income they made from tourism to agriculture, 16.3% stated that this was not necessary, and that they invested their savings into non-agricultural fields. The survey revealed that 54.6% of the entrepreneurs who transfer tourism incomes to agriculture buy seeds, fertilisers, and fuel-oil with these incomes, whereas 30.9% stated that they met the expenses of the labour force, and 14.5% stated that they use tourism incomes to purchase agricultural equipment and machinery. The investment of tourism earnings into agriculture is also preferred in a very limited scope by households. It is obviously stated that the linkage between agriculture and tourism activities in the same rural household should be strengthened by an efficient transfer mechanism of cash flows.

According to 69.1% of the households, tourists visiting the district are interested in agricultural activities, while according to 30.9% of the households visitors with no interest in agriculture and rural areas do not spend much time in these areas. Based on the profiles of the visitors, the high interest in agriculture and the high agricultural potential of the district, it is confirmed that there is a high potential to develop agricultural tourism in the district in the future, and that it is possible to vary tourism-oriented activities in the rural areas. When the entrepreneurs who stated that tourists were interested in agricultural activities were asked about their methods, 47.6% stated that they took tourists around the farm and answered their questions, whereas 11.8% stated that they briefly talked about the crops yielded in the district. Only 7.3% of the households have stated that they made use of the products they cultivate in their enterprises for tourists. All of the entrepreneurs providing accommodation stated that they are keen on consuming the agricultural products they cultivate with tourists. However, it should be noted that only 11 of the households surveyed were providing accommodation. Although it depends greatly on having a family lodging house business to have a chance to make use of the products cultivated within the enterprises, it is possible to sell these products to buyers
by means of roadside sales and other direct marketing methods. In order for tourism activities to be sustainable within the district, the relationships of these activities with agriculture, natural characteristics, and especially handicraft production, have to be strengthened. Direct marketing strategies, such as farm markets, pick-your-own, farm stands, roadside markets, on-farm sales, and entertainment farming should be developed in rural areas.

Of the households surveyed, 72.8% stated that they were not aware of anyone who had completely given up their agricultural activities after beginning tourism activities, whereas 21.8% stated that they were; 5.4% gave no information on this issue. It was also found that 80.0% of the households regarded farm tourism as “tourists touring around rural areas and farms, and at the same time consuming products cultivated in the district,” and stated, “It can be quite beneficial to develop agricultural tourism in our country in many regions and provinces.” The results clearly show that the tourism potential of the rural Cappadocia Region has not been utilised effectively, and that the participation of the local people in tourism-oriented activities is very limited.

4 Conclusion

Tourism activities in rural areas should be developed through the setting of rural policy programmes in Turkey, which will maximise the benefits locally, and minimise the impacts of social problems. The Cappadocia Region examined in this study has significantly high tourism potential thanks to its natural and historical structure and its agricultural and rural characteristics. The high tourism potential in the region has varying effects on households, whose main source of income comes from agriculture. The households provide 73.5% of their total annual income from agricultural activities and 26.0% from tourism related activities, which is the second most important source of income. Tourism oriented activities include pottery, handicrafts, and provision of accommodation, from which pottery brings the highest source of income, accounting for 55.1%. It is clearly stated that the tourism potential of the rural areas has not been utilised and the participation of the rural population in tourism-oriented activities has been very restricted due to the limited working capital, among other socio-economic factors.

Although the households have sufficient economically active residents (accounting for 74% of the population), there are some shortcomings in terms of labour that can be transferred into tourism activities. These shortcomings can be divided into two groups; namely shortages of qualified employees and insufficient labour force. The education levels and personal abilities of the majority of the household populations are quite low for the maintenance and development of tourism activities. Nearly all of the households can be classed as small family enterprises in terms of operating farmland, and 33.1% of the labour force remains idle. Although it may be seen to be a rational solution to absorb the idle labour force into tourism activities, the low quality of the labour force and the demand for labour in tourism and agricultural activities in the same periods emerges as a serious handicap.
A similar problem is encountered in the working capital demands of both activities. The total assets of the households and their distribution among the resources show that the household working capitals are insufficient. In addition, the agriculture and tourism sectors need working capital in the same periods, and this leads to competition between the two sectors. The cash turnover of animal husbandry activities is faster when compared with crop production activities, and thus the two activities traditionally compensate for each other within in a business. When tourism activities are included, the problem is exacerbated. The rational solution at this point is to compensate agricultural activities with tourism activities, which are bring in cash income faster and have a higher turnover than agriculture, and then distributing the surplus from agricultural activities between the two activities in the most optimum way. However, here emerges the question as to whether there is a surplus from the annual household income, and whether families obtain sufficient farm and total incomes. Although it has been determined that the households have adequate incomes, because the two activities are seasonally competitive for working capital it becomes impossible to bring about a solution to this problem.

The results have shown that tourism and agricultural activities within the households are competing in terms of demands on labour force and working capital. In this regard, it is vital to take measures to transform these two activities from being competitive to being complementary. In order to reduce the competition between agriculture and tourism activities there is a requirement to enliven handicrafts, animal husbandry activities, organic farming, and winter tourism, as well as the participation rate of rural households in these activities in the region. It is necessary to give priority to activities which may attract tourists, such as organic farming, organic food production (particularly organic vine) and equestrian husbandry, and integrate tourism and agriculture, handicrafts, and natural beauties with each other completely. The domestic and foreign tourists that were interviewed have stated that their primary reasons for visiting the region include the natural and historical characteristics of the region, as well as handicrafts and the geographical position of the region. To develop tourism in the region, other attractive/leisure related functions provided by agriculture and rural areas will need to be added to these factors.

As tourism revenues become more attractive day by day for the young and relatively higher educated population in the rural regions, as it is easier to earn money through tourism than agriculture, and because tourism activities are more attractive, agricultural activities may gradually begin to be considered as being of secondary importance. However, it should be remembered that in addition to natural and historical values, agriculture, and handicrafts have an important role to play in the improvement of tourism activities in and around Nevşehir, and in addition to other branches, priority should be given to rural tourism. It is possible that organic farming, viniculture, and particularly organic wine production may become the leading forces in improving rural tourism. Instead of single-source based tourism, this will enable the diversification of tourism sources and the slowing of the destruction process of the natural resources in parallel to the improvement in tourism activities. Tourism can diversify the livelihoods of rural households, minimise risks and uncertainties in agriculture, maintain liquidity in households and increase employment rates, thus decreasing the uncontrolled migration
from rural to urban areas or abroad. In order to ensure an improvement in income and living standards in rural areas and to accelerate a structural transformation in Turkey, households should be encouraged to engage in both agricultural and non-agricultural activities, and generate income from these activities, as is the case in other developing countries.

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