Demand for Eco-tourism: An Estimation of the Recreational Value of the Rumassala Sanctuary

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Eco-tourism is one of the most trending revenue-generating industries contributing to Sri Lanka's economic development in many ways. Rumassala sanctuary, situated in the south of Sri Lanka is an ideal destination for eco-tourism. Due to its unique locality surrounded by hills, forests, and the beach, Rumassala is rich in biodiversity making it more attractive for tourists. This attraction itself can lead to rapid resource degradation if the proper valuation of the resource is not conducted. Therefore, this study aimed to estimate the recreation value of the area and the benefits of managing the Rumassala sanctuary as a national park for eco-tourism. Data were collected from domestic tourists (n=125) visiting the site through an onsite survey administering a structured questionnaire. A simple random sampling technique was used. An environmental valuation approach: Individual Travel Cost method was employed to estimate the recreation value, entrance fee as well as factors affecting the visitation rate. Results show that the cost, distance, and the quality of the park affected the visitation rates positively and significantly. The results revealed an estimated consumer surplus of Rs. 9,672 per person and the recreational value to be Rs. 15,797 per person. The visitors were willing to pay a mean value of Rs.35 as the entrance fee. Imposing an optimum entrance fee through proper valuation can be expected to generate enough funds for the management and conservation of the area. Given that the park quality is also a decisive factor, adequate allocation of money for improved facilities can attract more tourists both local and foreign to Rumassala.

Keywords: Eco-tourism, Recreational value, Rumassala, Travel cost method