Tourism Impact from Resident Perspective – Ulaanbaatar Residents towards Chinese Tourist Case Study

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Abstract: *Tourism in Mongolia has been one of the fastest growing sector in recent years, and Chinese inbound tourists rank top 1 with visitors and expenditures, which is vital for economical development. This study aims to investigate the residents' attitudes toward tourism development, followed with Sustainability Model with economic dimension, social-cultural dimension and environmental dimension to conduct survey in October of 2017 in Genghis Khan Equestrian Statue and capital city of Ulaanbaatar, Mongolia. Using a face-to-face questionnaire, data was collected 206 local residents. Following data collection from a questionnaire, factor analysis and regression analyses were conducted. Conclusions are found that firstly, Social-cultural dimension and Economical dimension are significant factors with positive impact to local residents supporting Tourism, while Environmental dimension is significant factor with negative impact to local residents supporting Tourism, secondly, regarding residents satisfaction , only economical dimension is significant factor with positive impact to local residents satisfaction .*

Keywords: *Tourism Impact, Resident Attitudes, Mongolia, Chinese Toursits Behavior*

1 INTRODUCTION

The tourism in Mongolia is rapidly increasing, and the country has a huge potential for tourism outbreak and success. The diverse and stunning landscapes, friendly hospitality of the Mongolians and the unique nomadic culture are the main attractions of this former kingdom of the Genghis Khan. An important attraction in July is also the traditional Nadaam-Festival, and this brings visitors especially to Ulaanbaatar. Before the 1990s most of the tourists came from the other communist bloc countries and in the 90s after the Mongolian communism, the tourist numbers declined. In 1999 "the Tourism master plan" was conducted for the first time, and now the numbers are increasing(Undrakh,2009). One key issue for tourism development in Mongolia is improving the transport infrastructure. There is only a limited amount of paved roads in the country and the only rail connection runs from Russia through Ulan-Bator to China. The accessibility of Mongolia is difficult and backward,which refers to it as "a land-locked country"(Undrakh,2009) between China and Russia. The seasonality also seems to be a problem for the tourism, and most of the touristic tours around Mongolia are possible only in the summer time, because of the extreme weather conditions in the winter. According to a study by Yu and Go (2005) the services and facilities in the Mongolian tourism field got the lowest rating in a tourist survey, and researchers Schofield and Thompson (2007) claim that there is a need for more education of the employees in the hospitality field. Now one of the most popular tour destination in Mongolia is the Gobi Desert, and in 2005 40 % of the tourists in Mongolia visited Gobi Desert. (Bell, 2010)

International tourism in Mongolia is in modern terms still in its infancy.The first international visitors

arrived in 1994, when visas were finally available to international tourists. For all its socialist period, from 1924 until 1992, Mongolia was closed to the outside world. Today Mongolia is, measured by Gross Domestic Product, one of the poorest nations on earth. The primary foreign exchange earner of Mongolia is the export of minerals. Tourism is increasingly important to the national economy, providing not only hard currency earnings but also desperately needed employment. Stated government policy is the future development of tourism, especially the increase in foreign visitors and the contribution tourism makes to the national economy.

In a short period of time with its ups and downs the tourism sector is progressively developing and in the further it is possible to be second to the agricultural sector and become one of the stronghold for the Mongolian economy. Even though, today the main contributor for the Mongolian economy is the Mining Sector, the environment friendly Tourism Sector could be the gateway for steady development. Overall, the main concern in this sector is the lack of importance given for research study and planned implementations. From this the study and research on the continuous development of the tourism and how to lower the influence of negative impact of tourism must be done first.

To sum up, Mongolia's travel and tourism sector accounts for 9 % of Mongolia's GDP. However, the number of the inbound tourists visited Mongolia was only 542,989 in 2017, among which China accounted for 43%, followed by Russia with 22%. The other three rounding out the top five were South Korea with 10% and the United States and Japan with 3% each. (see Table 1)

Table 1 *The top inbound tourists in Mongolia 2014 to 2017*

	China	Russia	Korea	Japan	USA
2014	157,561	73,055	45,476	18,281	13,987
2015	145,029	70,688	47,213	19,277	14,420
2016	131,312	84,065	57,587	19,985	15,859
2017	144,070	106,935	74,985	22,582	16,684

In terms of the sub-sector, the internal tourist market is growing. The WTTC estimates 46% of direct industry GDP is generated by domestic spending, totaling US$160 million in 2011. This is likely to rise to US$370 million by 2021. WTTC calculates that business travel spending accounted for 34% of direct sector GDP in 2011.

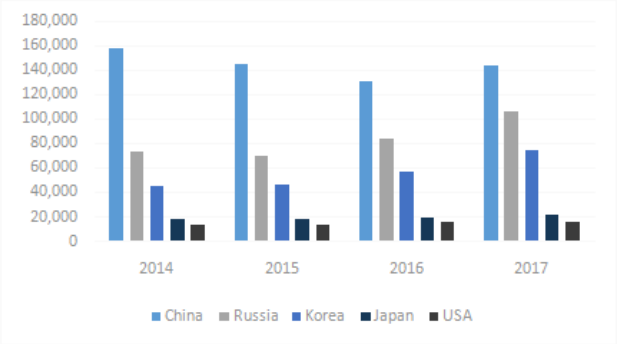

Figure 1 *Traveler's quantity of Mongolia 2014 to 2017*

Source: National Statistic Commission of Mongolia

The figure suggests that China contributes the greatest number of tourists to Mongolia, followed by the Russica, Korea, Japan, the US, and Germany. It is clear from Figure 1, that East Asian travelers as a China were visiting Mongolia mostly for official or tourism purposes, but the number of East Asian travelers visiting Mongolia for official and transit purposes has been on the rise since 2006. European travelers visiting Mongolia in 2017 mostly did so for private and transit purposes, but the number of European travelers visiting Mongolia for transit purposes almost decreased by half in 2016, while those who visited Mongolia for private and tourism purposes increased. Mongolia should do something to increase the number of foreign travelers from other regions, who have been visiting the country for transit purposes.

There are stable increasing inbound Tourists from China (see Figure 1). So special attractions and events will be organized in order to attract tourists from China. Likewise, this research to improve the strategy to increase inflow of Chinese tourists by determining the purpose and interests, expected to illustrate a better understanding Chinese tourists' behavior in Ulaanbaatar, and study both the positive

and negative impacts that they will have in Mongolia and impact of tourism development.

2 LITERATURE REVIEW

2.1Tourism Impacts

A goal of developing the tourism industry in a community is maximizing selected positive impacts while minimizing potential negative impacts. Tourism impacts are likely to change over time as a destination area develops (Butler, 1980). According to Wall (1997), key factors contributing to the nature of the impacts are the type of tourism activities engaged in, the characteristics of the host community in the destination region and the nature of the interaction between the visitors and residents. Davison (1996) suggested a range of similar influences and also included the importance of time and location in relation to tourism impacts. In stressing the importance of the 'where' and the 'when', Davison (1996) claimed these influences set tourism's impacts apart from those of other industrial sectors. In relation to tourism being concentrated in space, Davison indicated that tourism production and consumption, unlike many other industrial activities, take place in the same location. This means that the tourist consumes the product in the tourist destination. Therefore, tourism impacts are largely spatially concentrated in the tourism destination. In relation to tourism impacts being concentrated in time, Davison (1996) suggested it is because it is a seasonal activity that makes this important. The seasonality of tourism is largely due to two major factors: climate and holiday periods (Burton, 1992; Davison, 1996). Climate is a significant factor in that it controls important resources for tourism, such as hours of sunshine or amount of snow cover occurring at particular times of the year. Tourists' ability to visit a destination at a particular time of the year, for example, during a school holidays or an annual holiday, tends also to make it a seasonal activity.

Major influences on tourism impacts:

- Where is tourism taking place? (e.g. a rural/urban location, a coastal/inland location, a developed/developing country)
- What is the scale of tourism? (e.g. how many tourists are involved?)
- Who are the tourists? (e.g. what is their origin? Are they domestic or international visitors? Are they from Developed or Developing countries?)
- In what type of activities do tourists engage? (e.g. are these passive/ active?

Are these consumptive of resources ? Is there a high/low level of interaction with the host population?)

- What infrastructure exists for tourism? (e.g. roads? sewage system? electricity supply?)
- For how long has tourism been established? [see particularly Butler's (1980) theory of the destination life-cycle]
- When is the tourist season? (time of year? importance of rainy/dry seasons)

McKercher (1993) argued that although the impacts of tourism are well documented, little research has been conducted into why impacts appear to be inevitable. He claimed that there are a number of what he referred to as structural realities – he used the term 'fundamental truths' – which explain why the various effects, particularly adverse effects of tourism, are measured, regardless of the type of tourism activity.

2.2 Variables Affecting Residents' Attitudes toward Tourism

2.2.1Socio-economic and demographic variables

Researchers have recognized that residents' attitudes toward tourism may vary due to certain characteristics or circumstances associated with the residents. Variables associated with or affecting attitudes toward tourism include socio-economic and demographic characteristics such as gender, age, education, occupation, and income. Other variables about certain characteristics or circumstances associated with residents are personal economic dependency; community attachment; ecocentric attitudes; utilization of tourism resources; physical distance from tourism destinations; and the community's stage of tourism development. A stable socio-economic and demographic variable, gender, has

been found by Harril and Potts (2003), in a study in South Carolina, to be a significant determinant of perceived economic benefits from tourism, with more men than women positively disposed toward tourism. Similarly, Mason and Shane (2000), in a study in rural New Zealand, discovered that women were more opposed to tourism development than men due to their perception of negative impacts such as increases in traffic, noise and crime. However, they acknowledged positive benefits also, including expanded community tourism facilities and regional economic benefits.

Although some general results have been drawn from research addressing gender as a factor, the results of other socio-economic and demographic factors have not been conclusive. Age is one such variable. Studies by Haralambopoulis and Pizam (1996), on the Greek island of Samos and Ritchie (1989), in Alberta and British Columbia, Canada, found younger residents were more favorable toward tourism development than older residents. On the other hand, Tomlijenovic, etc. (1999), in a study of Australia's Gold Coast, found that older residents were nearly as favorably inclined toward tourism development as young residents. However, Cavus and Tanrisevdy's (2002) study of Kudasasi, Turkey discovered that older residents had more negative perceptions than younger residents. Education as a factor influencing residents' attitudes toward tourism also has shown mixed results. A study by Ritchie (1989) indicated that more educated residents are more involved and supportive. On the other hand, a study by Ahmed (1986), of Sri Lanka, indicated that more educated residents resent tourism more than less educated residents. Income has been found to be positively associated with residents' attitudes toward tourism. The study by Haralambopoulis and Pizam (1996) indicates that the higher the income, the more positive the attitude toward tourism.

2.2.2Antecedents to residents' attitudes toward tourism

Although some general conclusions have been drawn from research addressing demographic factors as related to residents, results have not been conclusive for some variables that have been identified as antecedents to residents' attitudes toward tourism. Community attachment is one such variable. Community attachment is often measured by indicators such as length of residence and/or growing up in a community (McGehee & Andereck, 2004). Liu and Var's (1986) study of Hawaiian residents did not find significant differences in attitudes based on ethnicity or length of residence. Similarly, Allen etc. (1993) study of 10 rural Colorado communities found no significant influence of length of residence on attitudes toward tourism. On the other hand, Um and Crompton's (1987) study of New Braunfels, Texas found a significant relationship between length of residence and residents' attitudes toward tourism. Similarly, Gursoy and Rutherford (2004) found that those residents who expressed a high level of attachment to their communities were more likely to view tourism as being both economically and socially beneficial.

Ecocentric attitude has been found to be related to attitudes toward tourism in some research studies (Jurowski etc., 1997; Kaltenborn etc., 2008). Liu and Var (1986), in their study of four counties in Hawaii, found that residents regarded protection of the environment as being more important than the economic benefits from tourism, though they did not test the difference statistically. Jurowski et al. (1997), in their study of Mount Rogers Recreation Area, found that an individual's environmental attitudes are negatively related to their support for tourism. Kaltenborn etc. (2008), in their study of a second home region in Sweden, found that environmental attitudes negatively relate to support for tourism. Gursoy and Rutherford (2004) found that residents with high ecocentric attitudes were concerned about both social benefits and costs in addition to economic benefits. Many of these research studies have used the New Ecological Paradigm (NEP scale) as a measure of 'ecocentrism' (Dunlap & Van Liere, 1978; Dunlap, etc., 2000). This scale is a set of 17 items designed to include five elements of an ecological world view: the reality of limits to growth, the fragility of nature's balance, a rejection of exceptionalism, a rejection of anthropocentrism, and the possibility of ecological catastrophe (Dunlap et al., 2000).

Residential distance from the tourism area of the community is considered a factor that influences residents' perceptions of tourism impacts (Belisle & Hoy, 1980; Sheldon & Var, 1984). Past studies have found that the perceived negative impacts of tourism decrease as the distance between the individual's home and the tourism sector of the community increase (Haley, etc., 2005; Murphy, 1983; Perdue etc., 1990). On the other hand, a study of Santa Marta, Columbia, by Belisle and Hoy (1980), found that those living further away from tourist destinations perceive tourism less favorably than those living closer. However, the overall impact of tourism on economic and social evolution is generally felt to be positive and this may be due to the community's incipient stage of development at that time.

A community or region's stage of tourism development has been considered a variable affecting residents' attitudes toward tourism. Doxey's (1975) Irridex Model has demonstrated the varying attitudes of residents toward tourism at different stages of tourism development. Doxey depicted residents' sentiment toward tourism as moving from euphoria in early stages of development to apathy, annoyance, and antagonism associated with progressive stages of development. Butler (1980) developed a model that explains the evolutionary lifecycle of tourist destinations and identified stages of tourism development as moving from euphoria to exploration, followed by involvement, development, consolidation, and stagnation. Impacts of these development stages can influence strategic choices. The exploration stage is characterized by an incipient condition characterized by visitation by a small number of people. The exploration stage is also characterized as the stage during which local facilities and contact with local residents are likely to be high. The involvement stage is characterized as a stage during which the number of tourists increases, including those who visit regularly, and the number of locals involved in catering to visitors increases. At the same time, pressure is put upon governments and public agencies to provide or improve transportation and other facilities for visitors. The development stage is characterized as a mature stage during which the number of tourists grows, the tourist-generating area is heavily advertised, and changes in the physical appearance are noticeable. "The number of tourists at peak periods will probably equal or exceed the permanent local population" (Butler, 1980). Local involvement and control of development will decline rapidly. Facilities run by locals will decrease, replaced by modern facilities provided by external organizations, particularly for visitor accommodation. Changes in the community's physical appearance will be noticeable as original natural and cultural attractions will be supported by constructed and imported facilities. In the consolidation stage, the rate of increase in number of visitors declines, although the total number still increases, and the total number of visitors exceeds the number of permanent residents. In this stage, a major portion of the area's economy will be tied to tourism. The large number of visitors and facilities for tourists can be expected to raise some opposition and discontent among local residents. Using stage of development as a variable, Belisle and Hoy (1980), in their study of Santa Marta, Columbia, identified overall positive attitudes toward tourism when tourism development was in its incipient stage. Other studies suggest that the more a destination is developed as a tourist destination, the less its residents support tourism (Ap & Crompton, 1993; Faulkner & Tideswell, 1997; Mason & Cheyne, 2000; Ryan & Montgomery, 1994).

2.2.3Attitudes towards Tourism Development

Carmichael (2000), defines attitudes as the "enduring predisposition towards a particular aspect of one's environment and can be reflected in the way one thinks, feels and behaves with respect to that aspect". Attitudes of individuals can be classified along the following three dimensions: cognitive (beliefs, knowledge, perceptions), affective (likes and dislikes), and behavioral (action taken or expressed) . Residents of host destinations can base their attitudes towards tourism development on any of the aforementioned attitude dimensions.

According to Getz(1994), attitudes are "reinforced by perceptions and beliefs of reality, but are closely related to deeply held values and even to personality" .

Andriotis & Vaughan (2003), state that the important aspect of residents' attitudes is that "what is perceived does not have to be true". It is perceptions rather than reality that motivate an individual to act in a certain way. Hence, perceptions become the meaning associated with an object. It is suggested that "residents might attribute meaning to the impacts of tourism without necessarily having the knowledge or enduring predispositions" (Getz, 1994).

When residents feel that tourism development threatens their identity, they are more likely to develop attitudes that are "at best ambivalent and at worst actively hostile". For example, Hernandez, etc.(1996) study of residents in Puerto Rico suggested mixed feelings towards tourism development. Residents were concerned with possible changes to their way of life, ending the tranquillity and increasing crime (Mason & Cheyne, 2000). Similarly, in a study by Haralambopolous & Pizam (1996) investigating social impacts of tourism as perceived by local residents of Samos (Greece), mixed attitudes towards the industry were held. Residents reported positive impacts of tourism to include job creation, increased tax revenue and increased personal income. In addition, "residents felt local hospitality benefited and the area's image improved as a result of tourism" (Mason & Cheyne, 2000). Moreover, suggestions have been made (Fredline & Faulkner, 2000) that community members benefiting from tourism through investment, ownership, or employment are more likely to form positive attitudes towards tourism development than residents who do not directly benefit from tourism.

Capenerhurst (1994) argues that the concern of residents towards tourism development arises when tourism is perceived as a threat to the status quo, to the community identity, or to local culture. The reaction of residents towards tourism development also depends on the number of people in the host community. For example, smaller host communities might have stronger reactions towards tourism development than larger host communities as development is more visible. It is "at the local level where facilities are seen to be built, where land and other resources are allocated between competing users, and where the wishes of permanent residents need to be accommodated as well as visitors" (Mason & Cheyne, 2000). Moreover, it is noted that "the consequences of tourism have become increasingly complex and contradictory [and] are manifested in subtle and often unexpected ways" (Mathieson & Wall, 1982).

Akis, etc. (1996), Easreling (2004), and Harrill (2004) suggest that tourism has become one of the world's fastest growing sectors, pursued by many destinations for its economic potential. In conclusion, this chapter reviews the theoretical concept of supporting the reasoning to conduct the study in Ulaanbaatar city. The review suggest that despite its economic benefits, tourism can have adverse effects to both the destination and the host population. Problems of overcrowding, increased cost of living, environment degradation, and an increase in crime are a few of the many negative impacts that may result from tourism development.

Residents usually welcome tourism in the early stages of a destinations tourism development. However, residents sometimes gradually lose their hospitable attitudes towards tourists and tourism development, and become more hostile and irritated with tourism. Ap (1992) suggested that residents' attitudes towards tourism depended on the exchange between a resident and a tourist. This implies that residents weigh the costs and benefits of the exchange before forming their attitudes and opinions towards tourism development. Cavus and Tanrisevdi (2003) suggest that it is crucial to consider residents' attitudes for successful tourism development. Numerous authors (Gursoy & Rutherford, 2004; Haralambopoulos & Pizam, 1996; Mason & Cheyne, 2000) have touched upon and evaluated attitudes and behaviours of residents towards tourism development. Researchers (Perdue etc, 1990; Lankford & Howard, 1994; Ap & Crompton, 1998) have developed scales to measure residents' attitudes and behaviors towards tourism development, taking into consideration independent residents variables.

3 RESEARCH METHODOLOGY

3.1 Research designing

A questionnaire was developed following a review of existing literature on residents' attitude toward tourism development (Long, Perdue and Allen, 1990; Perdue etc., 1990, Johnson, Snepenger and Akis, 1994; McCool and Martin, 1994; Lankford and Howard 1994, Madrigal, 1995; Akis, Peristianis and Warner, 1996; Ap and Crompton, 1998, Choi and Sirakaya, 2005). The instrument used in this study consisted of three sections.

The first section comprised of 23 items and respondents were requested to demonstrate their perceptions toward the role tourism played in their community by rating their level of agreement with each statement on a five point Likert scale from 1 (strongly disagree) to 5 (strongly agree). Q1-Q7 evaluted socio-cultural dimension, Q8-Q15 economic dimension, and Q16-Q23 environmental dimension (see Appendix). The second section comprised of 12 questions is Chinese Tourist Behavior, which were measured via a five point Likert scale from 1 (strongly disagree) to 5 (strongly agree). The third part of the survey was used to obtain social demographic characteristics of local residents. Data for this study were collected October - 2017 from the local residents (over the age of 18) in the Genghis Khan Equestrian Statue, Mongolia. In accordance with the local residents (N = 206) was divided. All surveys were administered on-site and the response rate was 90%.

The survey instrument was translated into English and Mongolian official language, and widely spoken among residents. According to Dimanche (1994), there are four translation methods: a) back translation, b) bilingual technique, c) committee approach, and d) pre-test procedures. Dimanche (1994) suggests that a combination of all four methods might generate the best results; however, this depends on the nature of the study.

Data analysis was carried out by using descriptive statistics such as mean, standard deviation and t-test. An exploratory factor analysis was performed to reduce the number of local residents' attributes to a few correlated dimensions and the Anova methodology was used. A multiple regression analysis was conducted on the data to explore the impact of future tourism development on each dimension derived from the factor analysis.

3.2 Description of the study site

Mongolia is a landlocked unitary sovereign state in East Asia. Its area is roughly equivalent with the historical territory of Outer Mongolia, and that term is sometimes used to refer to the current state. It is sandwiched between China to the south and Russia to the north. (see Figure 3.1) Mongolia does not share a border with Kazakhstan, although only 37 kilometres (23 mi) separates them. At 1,564,116 square kilometres (603,909 sq mi), Mongolia is the 18th largest and the most sparsely populated fully sovereign country in the world, with a population of 3,177,899 (2017). Capital city is Ulaanbaatar. It lies at the foothills of Bogd Mountain at an altitude of 1350 meters above sea level, covering an area of 4700 sq.km. The city is administratively divided into districts and sub-districts. More than million people live in the Capital city. The Capital city of Mongolia represents the symbol of struggle of Mongolians for freedom and independence, and it provides the history of political, economic and religious center of an independent country. The foundation process was closely linked to the country's political situation in the 17th century.

Mongolia has many of the cultural and historical attractions. One of this great destination is The Statue of Genghis Khan.The statue of Genghis Khan is 40m high (131 feet), made of stainless steel and was erected in 2008. The base of 36 columns is said to represent the 36 great Khans (Mongol kings) with the entrance gate to the complex being decorated with statues of the nine generals (noyon) of Genghis Khan. Genghis Khan is holding a tashuur - a form of whip used by Mongolia's herders and horsemen. It is said that the statue is located where Genghis Khan found the golden whip that inspired his future conquests (one legend states that he found the golden whip when he was travelling to the Khereid tribe to ask for help. Genghis felt this was a message from Tenger (the god of the Eternal Blue Sky) and it motivated him to achieve his wish of becoming ruler of the Mongol clans). The statue in total

is 40m high from surface erected at about 10 m high foundation and surrounded by columns. Chinggis Khan riding his horse, is made by 250 tonnage steel which is the largest horse-riding statue in the World

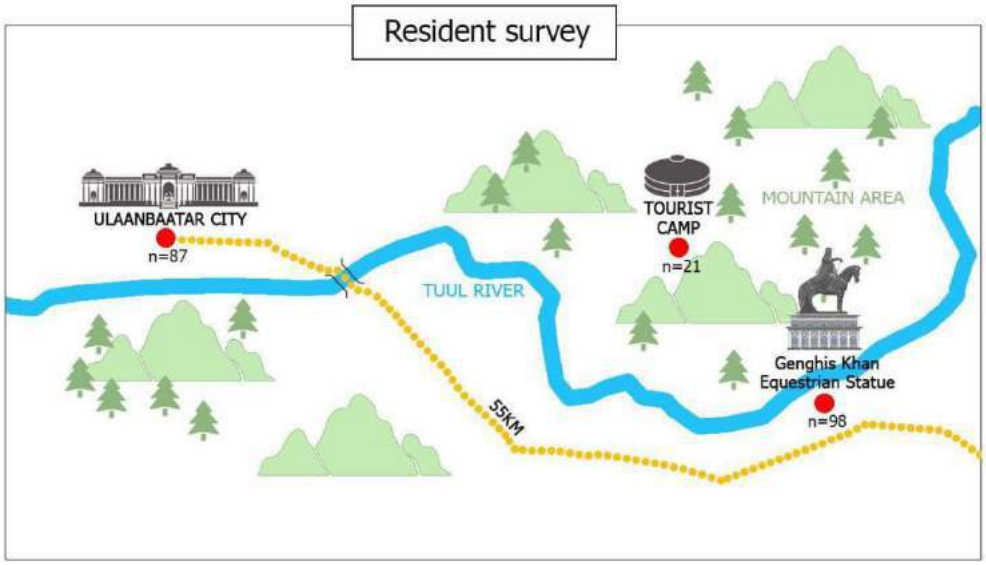

Figure 2 *Map of Genghis Khan Equestrian Statue (survey locations):Author*

3.3 Sampling plan

A sampling plan is a term widely used in research studies that provide an outline on the basis of which research is conducted. It tells which category is to be surveyed, what should be the sample size and how the respondents should be chosen out the population. Sampling plan is a base from which the research starts and includes the following three major decisions: First step is the sampling unit: choosing the category of the population to be surveyed is the first and the foremost decision in a sampling plan that initiates the research. In terms of this research, the respondents involved in this survey were adults living in Ulaanbaatar, Mongolia. We tried to make a wide range of different respondents by dividing them into 5 groups: student, government, non-government, tourism industry employee and self-employed. Moreover, we categorized all respondents into those who are engaged in tourism industry and those who are not.

this survey was conducted in areas near Ulaanbaatar, especially Genghis Khan Equestrian statue, the most attractive place for tourists in Mongolia. Data for this study were collected from 250 respondents from a wide range of groups, which was mentioned above. Although, the sample size was enough for statistical study, it will be more reliable if we involved all residents of Ulaanbaatar. In this survey, we had got responses returned about 206 by surveys sent out 250. Thus, the response rate was roughly calculated to be 82.4%. After, the final decision that completes the sampling plan is selecting the sampling procedure. in this research order to make a progress of research and possibility of chance, non-probability sampling method was applied. Timing of the study was one of the key factors which may influence in our research. Mongolia has a very harsh weather, which could be very cold from December to March and very hot from June to August. Because of this factor, I took the survey in the most appropriate weather time, from September to October.

3.4 Data analysis procedure

All the collected data were analyzed and calculated by SPSS 24.0 (Statistical Package for the Social Sciences). The process of data analysis took place in the following three steps.

Firstly, the reliability of the multiple-item scale was measured. With regard to the reliability test, I chose to use the Cronbach's alpha coefficient (Nunnally, 1978) and corrected item-to-total correlation (Parasuraman etc., 1988). The Cronbach's alpha coefficient is the index of reliability and is used for testing the internal consistency of Likert-type scales in this questionnaire. The alpha coefficient ranges in value

from 0 to 1; in general, the higher the score, the more reliable the generated scale is (Reynaldo and Santos, 1999). With this in mind, Nunnally (1978) indicated that 0.7 is an acceptable reliability coefficient as a general rule, but a coefficient below this threshold is acceptable in some research. Even so, a Cronbach's α coefficient lower than 0.7 means it is better to make some adjustments to the questionnaire design. The corrected item-to-total correlation suggests which item can be deleted to make the Cronbach's α coefficient up to the standard 0.7.

Secondly, the descriptive statistics will be used to analyse the means and standard deviation. The result of the analysis can be used to describe the demographic profile of the respondents, tourism impacts, perceived personal benefit, and residents' attitude towards further tourism development. To sum up, the descriptive statistics can answer the first research question: what is the current tourism impact perceived by residents in Genghis Khan Equestrian Statue?

Thirdly, the averaging method is used to construct the multiple variables related to each model into one single variable. Fourthly, the independent-samples t-test and one-way analysis of variance (ANOVA) are used to test the difference among the characteristics of residents. An independent-samples t-test is used to compare the mean score on some continuous variables for two different groups of participants, while the ANOVA is used in comparing the mean scores of more than two groups (Julie, 2013).

Lastly, a series of standard multiple regression analyses was used to test the relationship among the variables (Perdue etc., 1990). They were designed with three models. The results of the three models were examined to explore the relationship between the independent variables and the dependent variables.

The whole questionnaire can be found in the appendices. At the beginning of this research, two questionnaires were designed, one investigating the residents' attitudes and the other concerning Chinese tourists' behaviors.

4 FINDINGS

4.1Respondents' Demographic Profile

The demographic characteristics of the respondents from Genghis Khan Equestrian Statue are presented in this section. The total number of usable questionnaires was 206.

As shown in Table 4.1.1 the ages of participants ranged from 18 to 65years, with greates representation in the 26- to 45-year old age group (64,1%), the 45- to 65-year old group (22,8%) and the 18- to 25-year old group (13,1%).the majority of respondents (57,8%) completed university. But had higher education degree (29,1%). Almost one-quarter (9,2%) completed a secondary school. Smaller groups of residents had completed only a primary school (3,9%). the largest groups of respondents were those who were self-employed (43,2%), were non-government employees (36,9%). Worked in the government employees (12,6%). The remaining respondents were students (7,3%).most of respondents were working in the tourism industry (61,2%), and (38,8%) were not working in the tourism industry.almost half of the respondents had incomes of 3000yuan to 5000yuan (43,2%). More than 10000yuan respondents is (22,3%).there were 182 (88,3%) Ulaanbaatar local residents participated in the survey and non-residents of Ulaanbaatar 24 (11,7%) respondents. residents' they were living far from a Genghis Khan Equestrian Statue (35%), while 28,6% lived very far and 24,8% lived near.

Table 4.1.1 *Age of Ulaanbaatar Respondents*

Profile	Categories	Frequency	Percent %
Age	18 – 25	27	13.1
	26 – 45	132	64.1
	46 – 65	47	22.8
	More than 65	-	-
	Total	(n = 206)	100
Gender	Male	97	47.1%
	Female	109	52.9%
	Total	(n = 206)	100
Education	Primary School	8	3.9%
	Secondary school	19	9.2%
	Higher education	119	57.8%
	Degree	60	29.1%
	Total	(n = 206)	100
Occupation	Non-Government	76	36.9%
	Government	26	12.6%
	Student	15	7.3%
	Self-Employed	89	43.2%
	Total	(n = 206)	100
Working in the tourism industry (including a family)	Yes	126	61.2%
	No	80	38.8%
	Total	(n = 206)	100
Income	Less than 1000yuan	3	1.5%
	1000 – 3000yuan	18	8.7%
	3000 – 5000 yuan	89	43.2%
	5000 – 10000yuan	50	24.3%
	More than 10000yuan	46	22.3%
	Total	(n = 206)	100
Are you a local resident?	Yes	182	88.3%
	No	24	11.7%
	Total	(n = 206)	100
How far do you live from Genghis Khan Equestrian Statue?	Very far 70-80km	59	28.6%
	Far 50-60km	72	35%
	Near 30-40km	51	24.8%
	Very near 10-20km	24	11.7%
	Total	(n = 206)	100

4.2Toursim impact from residents' perspective

Overall impact of tourism analysis

Table 4.2 *Overall perception towards the three dimension*

Dimension	N	Mean	St.D
Socio-cultural	206	3.82	0.72
Economic	206	3.66	0.65
Environmental	206	3.84	0.87

In the final of each dimension, the general score of the overall view is that the residents of Ulaanbaatar are influenced by tourism development as a result of socio-cultural, economic and environmental impacts. First, the development of tourism is more effective in the environment (mean score = 3.84). But subsequently, at socio-cultural dimension, the lower the environmental rating (mean score = 3.82). Most tourism surveys suggest that tourism development is high in terms of economic value, while this survey has been lower than the other two dimension. Based on the analysis of three main dimensions, Ulaanbaatar residents shows full support of the incentives that are being implemented towards tourism sector.

Sub-dimension impacts

Respondents were requested to demonstrate their attitudes toward the tourism played in their community by using the 5 - point Likert-type scale for each statement. Factor analysis was conducted to assess the deminsionality of the 23 items. All exploratory factor analyses were initially performed using the principal axis factoring method and varimax rotation with the Kaiser Normalization. The Bartlett test of sphericity was significant (Chi-square = 3005.04, p <0.000). The

Kaiser-Meyer-Olkin (KMO) measure of sampling adequancy was computed to quantify the degree of intercorrelations among the variables, and the results indicate an index of 0.755. Since the KMO measure of sampling adequancy was larger than 0.6, it showed that the use of factor analysis was appropriate. A cut-off factor loading of 0.5 and an eigenvalue greater than or equal to 1 were used (Hair et al., 1998). The principal component analysis (with varimax rotation) of the 23 items resulted in a three-factor solution that explained 69.70% of the total variation. Each of the items loaded strongly on the of the three factors. Cronbach's internal consistency reliability is the most widely used reliability while 0.6 or higher is an acceptable reliability coefficient for research at the early stage of the scale development. Cronbach's alpha coefficients for the three factors ranged from 0.64 (lowest) to 0.89 (highest) with a total scale reliability of 0.78. This indicates that the variables exhibited a strong correlation with their factor grouping and thus were internally consistent.

- **Socio-cultural impact dimension**

Table 4.2.1 displays the items, factor loading, eigenvalues, Cronbach's alpha and descriptive statistics. The first factor labeled 'socio-cultural impacts' explained 37.55% of the total variance with a reliability coefficient of 0.78 and mean of 3.82. This factor contained seven perception items including cultural activities and facilities and quality of life.

Table 4.2.1 *Socio-Cultural impact dimension*

Statements	Factor loading	Eigenvalue	Mean	SD	t-value
Socio-Cultural Impacts (α = 0.78)		**5.56**	**3.82**	**0.72**	**90.20**
Q1. Tourism encourages a variety of cultural activities by local population	0.575		3.67	1.32	50.82
Q2. Tourism has increased local awareness and recognition of the local culture and heritage	0.649		3.86	1.16	60.73
Q3. Tourism has provided opportunities to restore and protect historical structures	0.667		3.80	1.31	52.97
Q4. Tourism development changes in the lifestyle of the locals	0.538		3.89	1.20	59.34
Q5. Local residents are increasing number of new services to tourists	0.662		3.98	1.32	41.10
Q6. Recreational activities are increasing for tourists	0.630		3.98	1.44	37.75
Q7. Tourism also helps to improve the communication culture and language knowledge of the local service organization staff	0.577		3.78	1.49	46.36
All t-value significant at p < 0.01 level; *SD = Standart deviation*					

- **Economic impact dimension**

The second factor named as 'economic impacts' accounted for 21.37% of the variance with a reliability coefficient of 0.89 and mean of 3.66. This factor comprised eight items such as tax revenues, employment, income, and investment. (See Table 4.2.2)

Table 4.2.2 *Economic impact dimension*

Statements	Factor loading	Eigenvalue	Mean	SD	t-value
Economic Impacts (α = 0.89)		**2.32**	**3.66**	**0.65**	**72.61**
Q8. The number of jobs in the community has increased due to tourism development	0.666		4.03	1.12	65.56
Q9. The personal imcome of local residents has increased due to tourism development	0.621		3.61	1.12	58.68
Q10. The standart of living of the residents has increased because of tourism development	0.577		4.14	1.00	75.76
Q11. Tourism generates substantial tax revenues in the host economy	0.666		3.56	1.00	64.86

Q12. Tourism development leads to a high level of investment development and infrastructure spending	0.735		3.44	1.14	55.22
Q13. Tourism development improves the quality of local services	0.702		3.60	1.29	51.01
Q14. Tourism supports small and medium-sized local enterprise	0.621		3.38	1.47	41.82
Q15. Tourism development is a variety of shopping facilities in the area	0.749		3.49	1.59	40.18
All t-value significant at p < 0.01 level; *SD = Standart deviation*					

- **Environmental impact dimension**

The third factor, 'environmental impacts' explained 10.78% of the total variance with a reliability coefficient of 0.64 and mean of 3.84. This factor incorporated eight items related to improvement of roads and other public services, urbanization and better quality of buildings and city planning (see Table 4.2.3). Furthermore, the mean value of each factor was examined in this study to examine the overall residents' attitudes toward tourism.

Table 4.2.3 *Environmental impact dimension*

Statements	Factor loading	Eigenvalue	Mean	SD	t-value
Environmental Impacts (α = 0.64)		**1.76**	**3.84**	**0.87**	**67.70**
Q16. The quality of natural environment is enhanced due to tourism development	0.681		3.23	1.45	40.77
Q17. There is improvement of roads and other transportation service	0.662		3.99	1.41	38.79
Q18. Host community benefits from recreation and sport facilities	0.534		3.85	1.43	36.43
Q19. Environmental protection is growing rapidly due to the development of tourism	0.511		4.63	1.13	58.72
Q20. Environmentally-friendly urban(city) planning is improving and creating a better environment for future generations	0.612		3.70	1.40	35.31
Q21. Tourism must improve the environment for future generations	0.768		3.65	1.44	33.53
Q22. Tourism development should strengthen efforts for environmental conservation	0.705		3.92	1.49	35.87
Q23. The proper use of tourism is required to ensure that regional wildlife is protected and safe	0.684		3.72	1.02	39.22
All t-value significant at p < 0.01 level; *SD = Standart deviation*					

Table (4.2.1, 4.2.2, 4.2.3) shows that the residents tends to agree that tourism has a positive impact on community development in Ulaanbaatar. As indicated in Table (4.2.1, 4.2.2, 4.2.3), the mean value of factor 1 is 3.82 (SD = 0.72), the mean value of factor 2 is 3.66 (SD = 0.65) and the mean value factor 3 is 3.84 (SD = 0.87). The results indicate that overall, residents are generally favourable to tourism and demonstrate substantial support for tourism development in their community. The results of the study demonstrate that a community level there is a strong support for tourism development helps to enhance community life with items such as availability of entertainment facilities in the area and variety of cultural activities in the community.

The residents also perceived that the industry has a positive influence on the community's economy as a result of economic diversity, job creation, and tax revenue. The community felt that tourism can help improve the local environment which included items such as preservation of natural and cultural resources, and beauty of the land. They felt tourism has a positive influence on community services offered, including items such as improvements of roads and public

services. The result of t-tests ($p < 0.01$) carried out for each item separately across the three factors, suggest that local residents positively perceived tourism development in relation to creation of more jobs, attracting more investment to the residents, providing more business for local people, creating additional tax revenue, resulting in more cultural exchange between tourists and residents, creating positive impacts on the cultural activities of the residents, providing more recreational and sport areas for local residents and maintaining high standard of roads and public facilities. The residents believed that social and cultural life in the Ulaanbaatar has improved. Andriotis and Vaughan (2003) contend that residents' perceptions and acceptance of tourism development is considered important to the industry's long-term success. The result indicates that when the residents perceive an increase in job creation, shopping and dining choices, along with more tourism activities associated with cultural and environmental features, the more likely the residents perceive tourism positively.

Residents' perceptions for further tourism development

The residents were also asked to rate their support for future tourism development (4.2.4). Their beliefs for encouraging tourism development were strong, with a mean a score of 3.79 out of 5.0. The residents are favorable to tourism development, a regression analysis was conducted using 'future directions' as dependent variable and socio-cultural, economic and environmental impacts as independent variables as follows: Future tourism development = f (socio-cultural, economic, environmental impacts).

The results of the regression of the three dimensions against the dependent variable of 'future directions' are presented in Table 4.2.4. In general, the model fit the data moderately well. The regression for 'encouraging tourism development' indicated a good adjusted R^2 of 0.572. This indicated that 57% of the variation in 'encouraging tourism development'. The F-ratio of 61.16 was significant ($p < 0.000$), indicating that the results could hardly have occurred by chance. The results indicated that all the three tourism impacts, namely socio-cultural, economic and environmental impacts had beta coefficients that were statistically significant ($p \leq 0.001$). It is observed that there was a positive relationship between socio-cultural and economic impacts and the dependent variable 'encouraging tourism development', however a negative relationship is observed for environmental impacts on encouraging tourism development.

The findings of this study are similar with previous studies where the residents perceived greater level of economic gain and hence perceived the impact of tourism development to be positive. They especially felt that tourism has positive effects on the local economy, such as improving the economy and creating jobs, and they also agreed that tourism can result in a number of quality-of-life improvements. However, the study findings further showed that the host community has concern for the environment. Recognizing the seriousness of ecological problems, the community has become increasingly environmentally conscious. This result has been identified by previous studies (Liu and Var, 1986; Liu etc., 1987; Kuvan and Akan, 2005).

Table 4.2.4 *Residents' perceptions for Futher Tourism Development*

Dependent	Independet	b-value	Bate	t-value
Encourage Tourism Development in the community (mean = 3.79) *$R^2 = 0.574$; $F = 61.16$,* **$p < 0.001$; ** $p < 0.05$*	Socio-Cultural Impacts Economic Impacts Environmental Impacts	0.704 0.122 -0.247	0.385 0.161 -0.237	6.552* 5.543* -2.255**

Correlation via Chinese Tourists and Tourism Impact

	Claimed overall satisfaction	R	p-value
Y_1	Socio-Cultural impact	.101	.149

Y_2	Economic impact	.149	.049**
Y_3	Environmental impact	.034	.625

**. Correlation is significant at the 0.01 level (2-tailed).

Table 4.5 represents correlation coefficient of ratings by Ulaanbaatar residents of Chinese tourists on how they affect the following three-dimension. As per the ratings Chinese tourists do not have strong affects that are neither positive or negative on socio-cultural dimension. But have strong positive affect on the economy since they like to purchase local products of countries they visit and also make a lot of miscellaneous purchases. However, because of their behaviours in public such as smoking in public, spitting and loitering they are rated negatively since their actions affect the surroubding environment negatively.

5 DISCUSSIONS AND IMPLICATIONS

5.1Overall perception towards impact of tourism

Residents attitudes toward tourism development and its impacts differ depending on the domains affected by such development. For example, when analyzing the personal benefits that could be gained from tourism, we find that environmental impacts are statistically significant. However, when examining the advantages to increasing tourism development on the Ulaanbaatar city, socio-cultural and environmental impacts are more influential than economic impacts.

The majority of residents are in favor of continuing with the plan to increase tourist arrivals owing to the positive benefits that tourism development can bring, such as the recovery of traditional handicrafts, greater investments in infrastructures and higher quality hospitality and retail establishments. Therefore, the prevailing positive attitude coincides with the results of other studies (Ribeiro etc., 2013) and (Simao & Mosso, 2013). Attitudes towards possible negative impacts are much less marked in the community and are primarily focused on feelings of greater insecurity and the concern that there will be greater sexual permissiveness and alcohol consumption. Coinciding with most of the previous studies of literature, tourism development will bring to the area more benefits than harm.

5.2Demographic variables and tourism impact three dimensions

In conclusion, the perception and resident demographic variable has a relationship . The factors such as gender, Ulaanbaatar citizen, age, distance, income and occupation found has no relation both positive and negative perception. While education and tourism employment has an impact on resident perception on positive perception. Residents with higher education background or higher involvement with Tourism as professionals,are with more positive attitudes to development Tourism.

5.3Overall perception towards Chinese Tourists

Another survey analyzes the Chinese tourist's behavior. Even though Mongolia welcomes Chinese tourists, studying the affect of their behavior on local residents will help to strengthen the relationship between locals and tourists and would aid in lowering the negative outcome that arises. The survey results show that local residents do assume that Chinese tourist's behavior positively affects the country's economy, socio-cultural factors of the country, whereas their behavior such as smoking in public places, spitting, and littering negatively affects the environmental factors. Despite these negative perceptions with social-cultural and environmental factors, residents still welcome Chinese tourists because they overweight the economic factor more than Environmental factors.

Finally, Mongolia has a vast land with various mineral resources and rich in culture, which makes the country very suitable for a tourism destination. In order to achieve this goal and to increase the positive outcome of tourism, the country needs to set a clear and sustainable development goal and increase local residents' involvement. In this respect, government and non-governmental organizations, tourism companies, universities and other organizations ,who play a vital role in tourism development, need to unite and create many programs that would help to increase tourism

knowledge. By doing so, the tourist area would become a model of how well-balance with tourism and local residents can produce a high-degree of satisfaction among residents, while allowing for sustainable growth.

6 LIMITATIONS AND FUTURE RESEARCH

There are some limitations to the findings of this study that needs to be acknowledged. First, the data sets available in this study were limited to only the Ulaanbaatar city, the results may not be generalized to other regions toward tourism development. Therefore, it is possible that the resident reactions found in this study toward tourism development would be biased. Secondly, number of participants could have been widened to the outskirts and countryside people to make the findings more valid.

In the future research, First and foremost, sample size should be increased to produce to decrease the bias. The experiment should not be limited to socio-cultural, economic and environmental changes in order to get an effective negative and positive affects of tourism in general. Then, collecting data from local residents, employees of tourism companies, and specifically from those who work directly with Chinese tourists would make the data on Chinese tourists' behavior more reliable.

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