

TOURISTS' WILLINGNESS TO PAY FOR PRO-POOR TOURISM INCOME DISTRIBUTION: EXPERIMENTS IN SOUTHWEST CHINA

Qingyun Pang¹, Hongrun Wu², Jigang Bao³, Honggen Xiao⁴

Hong Kong Polytechnic University, Hong Kong S.A.R., China, qing-yun.pang@connect.polyu.hk¹; hong-run.wu@connect.polyu.hk²; honggen.xiao@polyu.edu.hk⁴

Sun Yat-Sen University, Zhuhai, Guangdong, China, eesbjg@mail.sysu.edu.cn³

Introduction

Pro-poor tourism seeks to alleviate global poverty and promote sustainable development by ensuring that socially disadvantaged groups benefit from tourism and are included in community development efforts. However, current literature indicates a potential conflict between growth and equity, with some viewing pro-poor income distribution as a form of protectionism (Schilcher, 2007). This raises a central question: Does equity foster growth in pro-poor tourism? The answer lies in understanding tourists' preferences for income distribution, which significantly influence both the share and size of tourism revenue. Prior research on tourists' willingness to pay focus on stated preferences rather than revealed preferences (e.g., Pang et al., 2024). In economics, stated preferences reflect the choices individuals claim they would make in hypothetical scenarios, while revealed preferences are derived from actual market behavior. By integrating these two types of data, we can gain a more comprehensive understanding of tourists' preferences regarding tourism income distribution. This study explores two main aspects: (a) tourists' revealed and stated preferences for income distribution models, and (b) the differences between these preferences. Ultimately, this research provides new insights into the growth-equity dilemma in tourism poverty alleviation and enhance our understanding of tourists' preferences for income distribution.

Methods

Given the lack of clear price signals in the tourism income distribution model, this study examines preferences through tourists' actual souvenir purchases (revealed preferences) and their stated willingness to pay for souvenirs labeled with different income distribution models (stated preferences). We conducted two discrete choice experiments with the same group of tourists visiting Azheke village, a low-income destination in southwest China. Revealed preference data were collected through a framed field experiment, while stated preference data were gathered through a hypothetical experiment. In both experiments, tourists chose among three tourism income distribution models: **enterprise-led, government-led, and community-led**. Ultimately, we collected 105 valid samples, yielding 160 observations of revealed preferences and 1,260 observations of stated preferences. Tourists' preferences for tourism income distribution were estimated using a discrete choice model based on random utility theory.

Results/Discussion/Implication

Both experiments indicate that tourists consistently favor the community-led income distribution model, suggesting that equity can drive growth in pro-poor tourism. Notably, tourists' actual purchasing decisions are influenced more by income distribution models than their responses in hypothetical scenarios suggest. Additionally, social desirability bias leads tourists to understate their preference for enterprise-led models, impacting their trade-offs among these three models. This study theoretically posits that community-led income distribution has the potential to enhance pro-poor tourism development, advocating for a shift towards community-centric tourism strategies. Practically, our findings empower communities by emphasizing the need for corporations and local governments to prioritize ethical behavior and sustainable practices.