



CONTRIBUTION OF TOURISM TO ECONOMIC DEVELOPMENT AND ITS IMPACT ON THE WELL-BEING OF THE LOCAL RESIDENTS IN VALENCIA NEGROS ORIENTAL

Rohlyn B. Atoy, Marven A. Catalbas, Laarnie Velle O. Florida, Jennevie Bantolinao

*Metro Dumaguete College, Dumaguete City
Negros Oriental, Philippines*

ABSTRACT

This study aimed to examine the contribution of tourism to economic development and its impact on the well-being of local residents in Valencia, Negros Oriental. Utilizing a descriptive-correlational research design, data were gathered from 396 respondents comprising local residents, business owners, and tourism officers through validated researcher-made questionnaire. This study was completed in June 2026, and the data were treated using weighted mean and Pearson correlation coefficient (r). Results revealed that respondents perceived that tourism contributed to economic development of Valencia to a very high extent in terms of employment generation, local business growth, and infrastructure development, while they also perceived to a high extent on the income opportunities. Furthermore, it was found out that the perceived extent of tourism contribution to economic development on the well-being in terms of household income, livelihood sustainability, access to basic services, and overall quality of life was on the high extent. Additionally, there was a significant relationship between the economic development and its impact on the well-being of local residents. Thus, the null hypothesis was rejected. In general, the tourism development of Valencia has its impact on the well-being of its residents.

Keywords: *Tourism Development, Economic Well-being, Employment Generation, Infrastructure, Valencia Negros Oriental*

INTRODUCTION

The tourism industry is rapidly becoming one of the most significant and influential drivers of global economic growth and contributing to both economic development and environmental considerations across various countries (Cárdenas-García et al., 2024; Thommandru et al., 2023). Furthermore, Tuntipisitkul et al. (2021) states that growth in tourism generally improves the local standards of living, provides new businesses and job opportunities, and promotes the development of infrastructure and public facilities, possibly becoming the primary source of economic growth and support for livelihoods of the local community. Similarly, Bakalo, et al. 2025, argue that tourism not only creates new jobs but also contributes to the development of small and medium-sized businesses, infrastructure, and increases the attractiveness of the region, attracting investment. However, despite its economic potential, studies indicate that the distribution of benefits remains uneven, often favoring external investors over local communities, which raises concerns regarding equitable development and long-term socio-economic stability (Zhao et al., 2023; Odhiambo, 2021).

In many Philippine provinces and rural communities, tourism remains a major source of income and employment. For instance, studies on Boracay Island demonstrate that structured tourism development not only improves local infrastructure and employment opportunities but also supports long-term economic benefits for residents while promoting environmental sustainability (Maming et al., 2021). Moreover, research highlights that sustainable tourism practices, community participation, and effective governance can strengthen local economic resilience and enhance socio-economic well-being (Escamis & Hinlayagan, 2023; Galleto Jr. & De Leon, 2022). Collectively, these studies show that well-managed tourism development in the Philippines enhances economic well-being through improved infrastructure, greater employment opportunities, increased household income, and stronger community support for tourism initiatives, thereby contributing to more resilient and sustainable local economies (Olivar et al., 2024).

Despite a growing body of literature on tourism's macroeconomic contributions, limited empirical evidence exists on how tourism growth in small municipalities translates into household-level economic well-being such as income stability, livelihood sustainability, access to services and the equity of tourism benefit distribution among residents. Many Philippine studies focus on tourism numbers or program descriptions but stop short of measuring residents' economic well-being outcome (Rivera et al., 2025). Similarly, CBT (community-based tourism) literature highlights its promise to drive sustainable economic development specifically through localized job creation, equitable revenue distribution, and poverty alleviation which theoretically improves resident well-being but calls for localized impact studies to verify whether CBT improves livelihoods in practice (Abreu et al., 2024; Gutierrez et al., (2022).

This study aimed to examine the extent to which tourism contributes to economic development and the economic well-being of the local community in Valencia, Negros Oriental. By analyzing tourism's influence on employment generation, local business growth, infrastructure development, and income opportunities, as well as its effects on

household income, livelihood sustainability, access to essential services, and overall quality of life, this research sought to provide valuable insights for policymakers, tourism planners, and community stakeholders. The findings aimed to support the development of tourism strategies that enhance economic vitality and ensure that the benefits of tourism are equitably shared within the community.

Research Questions

Tourism drives economic growth by creating jobs, supporting businesses, and improving infrastructure, but its impact on local communities' well-being remains uncertain. In Valencia, Negros Oriental, questions remain whether tourism fosters sustainable employment, income, business growth, and quality of life or mainly benefits outside investors. This study examines tourism's contribution to economic development and economic well-being of the local community.

1. To what extent does tourism contribute to the economic development of the local community in terms of:
 - 1.1. employment generation;
 - 1.2. local business growth;
 - 1.3. infrastructure development; and
 - 1.4. income opportunities?
2. What is the extent of impact of tourism contribution to economic development on the well-being of local residents in terms of:
 - 2.1. household income;
 - 2.2. livelihood sustainability;
 - 2.3. access to basic services; and
 - 2.4. overall quality of life?
3. Is there a significant relationship between the economic development and its impact on the economic well-being of local residents?

METHODOLOGY

Research design. This study utilized a descriptive-correlational research design. It is descriptive because it (a) aimed to determine the extent of tourism's contribution to economic development, which includes employment generation, local business growth, infrastructure development, and income opportunities, and (b) its impact on the economic well-being of local residents, which includes household income, livelihood sustainability, access to basic services, and overall quality of life. Furthermore, it was correlational since it examined the significant relationship between the two variables of the study. The quantitative approach was also appropriate because numerical data were gathered through survey questionnaires and statistically analyzed using weighted mean and Pearson correlation coefficients.

Research respondents. The respondents of this study were the local residents, business owners, and tourism officers within Valencia, Negros Oriental. A total of 396

respondents was determined to ensure adequate representation of the target population. A quota sampling was employed wherein participants were selected who were most knowledgeable and capable of providing relevant information regarding the study, ensuring they possessed direct experience and involvement in the local tourism industry. Specifically, 360 respondents were local residents who were permanently residing in the area, wherein participants must be at least 18 years old and above, mentally capable, and respond accurately to the questionnaire, thus excluding minors. Furthermore, 20 respondents were business owners managing tourism-related enterprises, and 16 respondents were tourism officers possessing technical knowledge of the industry. The distribution of the number of respondents is shown below.

Respondents

Local Residents	360
Business Owners	20
Tourism Officers	16
Total	396

Research instruments. The questionnaire is structured into three parts: Part I presents the disclosure statement in which the respondents' willingness to complete the questionnaire serves as adequate evidence of informed consent; Part II evaluates the tourism contribution to economic development; and Part III assesses the impact of economic well-being of local residents. The questionnaire utilized a five-point Likert scale, which allowed respondents to easily answer the questions and indicate their level of agreement. To ensure validity and reliability, the questionnaire underwent content validation by a panel of experts and a dry run was also conducted prior to the final data collection to test the instrument's clarity, feasibility, and internal consistency. The results showed the reliability coefficients, with values ranging from 0.70 to 0.86, indicating that the questionnaire is reliable and suitable for use in the actual study. The Reliability Results were as follows:

Indicators	P-value
1.1 Employment generation	0.74
1.2 Local business growth	0.80
1.3 Infrastructure development	0.70
1.4 Income opportunities	0.79
2.1 Household income	0.86
2.2 Livelihood sustainability	0.83
2.3 Access to basic services	0.81
2.4 Overall quality of life	0.85

RESULTS

Table 1.1
Extent to which Tourism Contribute to the Economic Development of the Local Community in terms of Employment Generation

Employment Generation	WT	Verbal Equivalent
1. Tourism has created more employment opportunities in our community.	4.48	Very High
2. Tourism-related jobs offer competitive wages compared to other local opportunities.	4.13	High
3. Tourism has led to an increase in the variety of jobs available in Valencia.	4.28	Very High
4. Tourism development has directly created a significant number of new jobs in our locality.	4.24	Very High
Composite	4.28	Very High
Legend: Scale Verbal Equivalent 4.21 – 5.00 Very High 3.41 – 4.20 High 2.61 – 3.40 Moderate 1.81 – 2.60 Low 1.00 – 1.80 Very Low		

Table 1.1 reveals that the extent of tourism contribution to economic development in terms of employment generation obtained a weighted mean of 4.28, interpreted as very high extent. This implies that tourism is perceived to have created more job opportunities, increased job variety, and directly generated new jobs in the locality. It highlights the industry's vital role in providing work for residents.

Table 1.2
Extent to which Tourism Contribute to the Economic Development of the Local Community in terms of Local Business Growth

Local Business Growth	WT	Verbal Equivalent
1. Tourism has contributed to the growth of local businesses.	4.47	Very High
2. Tourism has increased the demand for locally produced goods and services.	4.24	Very High
3. Local businesses have benefited from tourism through increased revenue.	4.20	High
4. The presence of tourism has encouraged the creation of new businesses in our area.	4.29	Very High
Composite	4.30	Very High
Legend: Scale Verbal Equivalent 4.21 – 5.00 Very High 3.41 – 4.20 High 2.61 – 3.40 Moderate 1.81 – 2.60 Low 1.00 – 1.80 Very Low		

Table 1.2 indicates that the extent of tourism contribution to economic development in terms of local business growth gained a weighted mean of 4.30, interpreted as very high extent. This suggests that tourism effectively boosts local

enterprises, increases demand for local products, raises revenue, and encourages the establishment of new businesses.

Table 1.3
Extent to which Tourism Contribute to the Economic Development of the Local Community in terms of Infrastructure Development

Infrastructure Development	WT	Verbal Equivalent
1. Tourism has led to improvements in local infrastructure, such as roads, public facilities, and transportation.	4.21	Very High
2. The improvement of local roads has made tourist spots more accessible.	4.26	Very High
3. Tourism has supported the development of better public facilities (e.g., parks, restrooms).	4.20	High
4. Tourism has encouraged investment in infrastructure projects that benefit the entire community.	4.18	High
Composite	4.21	Very High
Legend: Scale Verbal Equivalent 4.21 – 5.00 Very High 3.41 – 4.20 High 2.61 – 3.40 Moderate 1.81 – 2.60 Low 1.00 – 1.80 Very Low		

Table 1.3 shows that the extent of tourism contribution to economic development in terms of infrastructure development obtained a weighted mean of 4.21, interpreted as very high extent. This indicates that tourism has led to noticeable improvements in roads, public facilities, and transportation accessibility, benefiting both visitors and the community.

Table 1.4
Extent of which Tourism Contribute to the Economic Development of the Local Community in terms of Income Opportunities

Income Opportunities	WT	Verbal Equivalent
1. Tourism has increased income opportunities for residents in our area.	4.28	Very High
2. Tourism provides opportunities for residents to earn additional income through various activities.	4.19	High
3. Tourism has enabled local residents to establish their own business.	4.18	High
4. The economic opportunities generated by tourism are equitably distributed among various groups in our community.	4.10	High
Composite	4.19	High
Legend: Scale Verbal Equivalent 4.21 – 5.00 Very High 3.41 – 4.20 High 2.61 – 3.40 Moderate 1.81 – 2.60 Low 1.00 – 1.80 Very Low		

Table 1.4 demonstrates that the extent of tourism contribution to economic development in terms of income opportunities obtained a weighted mean of 4.19, interpreted as high extent. This suggests that while tourism offers avenues for additional earnings and business establishment, there is a perception that benefits could be more evenly distributed among community members.

Table 2.1
Extent of Impact of Tourism Contribution to Economic Development on the Well-Being of Local Residents in terms of Household Income

Household Income		WT	Verbal Equivalent
1.	Tourism has contributed to a higher household income for us.	4.09	High
2.	Tourism has provided a stable source of income for our household.	3.98	High
3.	Tourism income helps my household meet its essential needs.	3.95	High
4.	Tourism has enhanced our household's financial stability.	4.03	High
Composite		4.01	High
Legend:			
Scale	Verbal Equivalent		
4.21 – 5.00	Very High		
3.41 – 4.20	High		
2.61 – 3.40	Moderate		
1.81 – 2.60	Low		
1.00 – 1.80	Very Low		

Table 2.1 reveals that the extent of the impact of tourism on the well-being of local residents in terms of household income obtained a weighted mean of 4.01, interpreted as high extent. This implies that tourism contributes to higher earnings, helps meet basic needs, and provides a degree of financial stability to families.

Table 2.2
Extent of Impact of Tourism Contribution to Economic Development on the Well-Being of Local Residents in terms of Livelihood Sustainability

Livelihood Sustainability		WT	Verbal Equivalent
1.	Tourism has helped sustain our livelihood and employment.	4.04	High
2.	Tourism has made our livelihood more resilient to economic changes.	4.09	High
3.	Tourism provides a stable source of income for my long-term livelihood.	4.04	High
4.	Tourism has provided long-term employment opportunities for our family.	4.01	High
Composite		4.05	High
Legend:			
Scale	Verbal Equivalent		
4.21 – 5.00	Very High		
3.41 – 4.20	High		
2.61 – 3.40	Moderate		
1.81 – 2.60	Low		
1.00 – 1.80	Very Low		

Table 2.2 presents that the extent of the impact of tourism on the well-being of local residents in terms of livelihood sustainability obtained a weighted mean of 4.05, interpreted as high extent. This suggests that tourism is viewed as a source of stable employment and income, helping families withstand economic changes.

Table 2.3
Extent of Impact of Tourism Contribution to Economic Development on the Well-Being of Local Residents in terms of Access to Basic Services

Access to Basic Services	WT	Verbal Equivalent
1. Tourism has helped ensure that our community has better access to basic services like healthcare, education and utilities.	4.15	High
2. Tourism has contributed to improvements in healthcare services in our community.	4.12	High
3. The quality of education has improved due to tourism-related investments.	4.14	High
4. Tourism has supported the provision of better utilities (e.g., water, electricity) in our area.	4.07	High
Composite	4.12	High
Legend: Scale	Verbal Equivalent	
4.21 – 5.00	Very High	
3.41 – 4.20	High	
2.61 – 3.40	Moderate	
1.81 – 2.60	Low	
1.00 – 1.80	Very Low	

Table 2.3 shows that the extent of the impact of tourism on the well-being of local residents in terms of access to basic services obtained a weighted mean of 4.12, interpreted as high extent. This implies that tourism development is associated with improvements in healthcare, education, and utilities, enhancing the community's standard of living.

Table 2.4
Extent of Impact of Tourism Contribution to Economic Development on the Well-Being of Local Residents in terms of Overall Quality of Life

Overall Quality of Life	WT	Verbal Equivalent
1. Tourism growth has contributed to a noticeable improvement in the quality of life in our community.	4.18	High
2. Tourism has enhanced the cultural and recreational opportunities available in our community.	4.19	High
3. Tourism has enhanced the quality of life, making our community a better place to reside.	4.21	Very High
4. Tourism has contributed to a greater sense of community pride.	4.19	High
Composite	4.19	High
Legend: Scale	Verbal Equivalent	
4.21 – 5.00	Very High	
3.41 – 4.20	High	
2.61 – 3.40	Moderate	
1.81 – 2.60	Low	
1.00 – 1.80	Very Low	

Table 2.4 indicates that the extent of the impact of tourism on the well-being of local residents in terms of overall quality of life obtained a weighted mean of 4.19, interpreted as high extent. This suggests that tourism enhances recreational opportunities, fosters community pride, and generally makes the area a better place to live.

Table 3
Significant Relationship between the Economic Development and its Impact on the Economic Well-Being of Local Residents

Variables Correlated	Pearson r	p-value	Decision	Remark
Employment Generation				
Household Income	0.472	0.001	Reject H _{o1}	Significant
Livelihood Sustainability	0.422	0.001	Reject H _{o1}	Significant
Access to Basic Services	0.477	0.001	Reject H _{o1}	Significant
Overall Quality of Life	0.445	0.001	Reject H _{o1}	Significant
Local Business Growth				
Household Income	0.393	0.001	Reject H _{o1}	Significant
Livelihood Sustainability	0.422	0.001	Reject H _{o1}	Significant
Access to Basic Services	0.375	0.001	Reject H _{o1}	Significant
Overall Quality of Life	0.435	0.001	Reject H _{o1}	Significant
Infrastructure Development				
Household Income	0.521	0.001	Reject H _{o1}	Significant
Livelihood Sustainability	0.455	0.001	Reject H _{o1}	Significant
Access to Basic Services	0.480	0.001	Reject H _{o1}	Significant
Overall Quality of Life	0.440	0.001	Reject H _{o1}	Significant
Income Opportunities				
Household Income	0.566	0.001	Reject H _{o1}	Significant
Livelihood Sustainability	0.517	0.001	Reject H _{o1}	Significant
Access to Basic Services	0.471	0.001	Reject H _{o1}	Significant
Overall Quality of Life	0.515	0.001	Reject H _{o1}	Significant

Table 3 presents the significant relationship between the economic development and its impact on the well-being of the local residents. The results indicate that economic development has a significant relationship with the economic well-being of local residents. This suggests that improvements in employment generation, local business growth, infrastructure development, and income opportunities contribute positively to resident's household income, livelihood sustainability, access to basic services, and overall quality of life, indicating that the economic development serves as a key factor in advancing the well-being of local residents.

DISCUSSION

Extent to which Tourism Contribute to the Economic Development of the Local Community

1.1. Employment generation

Table 1.1 shows the extent of tourism's contribution to the economic development in terms of employment generation. The composite mean was 4.28, interpreted as a "very high extent". This confirms that the industry was not only producing a high number of jobs but also increasing the variety of career paths available to locals, making it an essential catalyst of the area's economic development. The highest weighted mean was 4.48, with a verbal equivalent of "very high extent", which indicated that residents most clearly saw tourism as a successful creator of new employment opportunities in the community. On

the other hand, the lowest weighted mean was 4.13, interpreted as a “high extent”, which suggested that while tourism jobs were available, residents felt they were slightly less competitive in terms of wages compared to other local industries.

Tourism development significantly expanded employment in service and trade sectors, with average daily earnings increasing substantially from pre-tourism levels. However, Rizki (2025) noted that while job quantity was high, wage levels may not always be competitive compared to other industries directly. Similarly, Simorangkir et al. (2024) argued that while tourism triggers an expansive multiplier effect for job creation and macroeconomic growth, it requires strategic management to mitigate localized income gaps. In addition, Alcalá-Ordoñez and Segarra (2025) suggested that tourism acts as a powerful tool for socio-economic development, improving the living conditions of resident populations and reducing poverty levels.

1.2. Local business growth

Table 1.2 presents the extent of tourism’s contribution to the economic development in terms of local business growth. The composite mean was 4.30, which corresponds to a verbal interpretation of “very high extent”. This indicates that it actively creates a higher demand for local products and inspires the opening of new businesses, making the local economy more vibrant and successful. The highest weighted mean was 4.47, interpreted as a “very high extent”, which indicated that residents felt most confident that tourism contributed to the growth of local businesses. The lowest weighted mean was 4.20, with a verbal equivalent of “high extent”, suggesting that while local businesses were seeing higher earnings, this revenue boost was perceived as slightly less significant than the general expansion of the business sector.

According to Li et al. (2025), rural tourism policies significantly boost the growth of local businesses due to higher demand for services, confirming that development leads to more new enterprises. However, they noted that revenue gains vary based on location, size, and market access. For instance, Shi and Xiao (2024) highlighted that tourism SMEs were vital to the economy as they meet demand and improve performance. Meanwhile, Christya et al. (2025) emphasized that effective distribution and logistics were critical for MSMEs to increase sales. Their research showed that while tourism creates demand, businesses need proper management and tools to improve profit, which was why revenue benefits were seen as requiring extra effort to achieve.

1.3. Infrastructure development

Table 1.3 reveals the extent of tourism’s contribution to the economic development in terms of infrastructure development. The composite mean was 4.21, with a verbal equivalent of “very high extent”. This indicated that respondents strongly perceived tourism as a key driver of improvements in infrastructure. Additionally, it showed that tourism not only upgrades transportation and access but also encourages the creation of better public facilities and general investments that modernize the local area for everyone. The highest weighted mean was 4.26, interpreted as a “very high extent”, which showed

that residents felt most strongly that road improvements successfully made tourist spots easier to reach. The lowest weighted mean was 4.18, which corresponds to a verbal interpretation of “high extent”, suggesting that while people see the benefit of tourism-driven infrastructure projects for the whole community, they view this as slightly less significant than the direct improvement of roads.

According to Tuntipisitkul et al. (2021), tourism growth encourages the development of essential infrastructure such as roads, transportation systems, and public utilities, which support community livelihoods and improve local living conditions. Furthermore, Abundabar and Pongpong (2022) emphasized that local tourism development drives the enhancement of infrastructure and services, including transportation and community facilities, which were necessary for both tourism activities and residents’ daily needs. Similarly, Alsalam et al. (2024) found that tourism development leads to improved infrastructure and better local facilities, contributing to enhanced lifestyles and overall well-being of the community.

1.4. Income opportunities

Table 1.4 presents the extent of tourism’s contribution to the economic development in terms of income opportunities. The composite mean was 4.19, interpreted as a “high extent”. This suggests that respondents generally recognize tourism as an important source of livelihood. The highest weighted mean was 4.28, with a verbal equivalent of “very high extent”, which indicated that residents felt most confident that tourism successfully increased income opportunities in the area. The lowest weighted mean was 4.10, interpreted as a “high extent”, suggesting that while economic opportunities were available, people felt slightly less certain about whether those benefits were shared equally among all community groups.

Li et al. (2025) found that tourism development significantly expands income streams for local residents by creating diverse employment and entrepreneurial avenues, which aligns with the strong agreement that opportunities had increased. Furthermore, Hasan and Syaputra (2025) explained that while tourism effectively stimulates local economies and allows residents to earn additional income through various activities, the actual financial gains often depend on individual capacity and access to resources. Similarly, Christya Rahayu et al. (2025) emphasized that tourism enables locals to establish small businesses, yet they noted that disparities in benefits were common, particularly between those with higher skills or capital and those without, which further validates the results regarding the nature of income opportunities in the community.

The extent of impact of tourism contribution to economic development on the well-being of local residents

2.1. Household income

Table 2.1 shows the impact of tourism’s contribution to economic development in terms of household income. The composite mean was 4.01, which corresponds to a

verbal interpretation of “high extent”. This reflects that tourism development positively affects the financial status of local families. The highest weighted mean was 4.09, interpreted as a “high extent”, which indicated residents felt most strongly that tourism helped increase their total household income. The lowest weighted mean was 3.95, also interpreted as a “high extent”, suggesting that while tourism’s income helps cover essential needs, it was seen as slightly less impactful than the general boost in earnings.

According to Gilliland et al. (2020), tourism generates short-term increases in household income in resource-dependent communities through employment opportunities, local spending, and economic multiplier effects. However, they also emphasized that income gains vary depending on households’ level of participation in tourism-related activities. Similarly, Inocencio (2023) reported that community-based tourism development in Biliran Province positively affected residents’ socio-economic conditions by providing additional sources of income and livelihood opportunities. While Liu et al. (2022) argued that tourism-dependent households face severe financial capital deficits and market risks that threaten basic economic survival.

2.2. Livelihood sustainability

Table 2.2 reveals the impact of tourism’s contribution to economic development in terms of livelihood sustainability. The composite mean was 4.05, with a verbal equivalent of “high extent”. This indicates that the industry does not just offer temporary work but provides a steady source of income and stable employment that helps families maintain their way of life over the long term. The highest weighted mean was 4.09, interpreted as a “high extent”, which indicated that residents felt tourism made their livelihoods more resilient against economic changes. The lowest weighted mean was 4.01, also interpreted as a “high extent”, suggesting that while tourism provides long-term jobs for families, this area was perceived as slightly less impactful than general economic resilience.

According to Liu et al. (2025), tourism serves as a key driver of livelihood sustainability by enabling households to maintain stable income sources through diversified livelihood strategies and improved access to assets. Moreover, Niu and Zhou (2025) explained that rural tourism development strengthens livelihood resilience by enhancing households’ capacity to withstand economic shocks and uncertainties, supporting long-term stability. Furthermore, Astuti et al. (2025) highlighted that tourism-based livelihoods contribute to sustainable community outcomes by promoting continuous income generation, although concerns such as limited long-term employment opportunities may persist.

2.3. Access to basic services

Table 2.3 shows the impact of tourism’s contribution to economic development on the well-being of local residents in terms of access to basic services. The composite mean was 4.12, interpreted as a “high extent”. This highlights that the economic influence of tourism extends beyond direct revenue, actively upgrading the essential public services that support the daily well-being and functional needs of the local community. The highest

weighted mean was 4.15, with a verbal equivalent of “high extent”, indicating that residents most strongly felt tourism secured better overall access to healthcare, education, and utilities. The lowest weighted mean was 4.07, also interpreted as a “high extent”, suggesting that while improvements in utilities like water and electricity were recognized, they were perceived as slightly less impacted compared to other services.

Tourism development contributes to rural community development by stimulating local economic growth and improving access to essential services such as healthcare and education through increased public and private investment in host areas (Liu et al., 2023). Moreover, rural tourism plays a significant role in enhancing the availability of basic services by encouraging infrastructure development and strengthening local service delivery systems, particularly in education, health, and utilities (Sadeghi & Seidaiy, 2023). Furthermore, tourism-related infrastructure development supports improved access to public services such as healthcare, education, and utilities, although the extent of these improvements may vary depending on local governance capacity, investment priorities, and resource distribution (Cordova-Buiza et al., 2025).

2.4. Overall quality of life

Table 2.4 presents the impact of tourism’s contribution to economic development in terms of overall quality of life. The composite mean was 4.19, which corresponds to a verbal interpretation of “high extent”. The result highlights that tourism enriches life beyond just economics by enhancing cultural activities, recreation, and community pride, thereby contributing significantly to happiness and social well-being. The highest weighted mean was 4.21, interpreted as a “high extent”, which reflected the belief that tourism made the community a better place to live. Meanwhile, the lowest weighted mean was 4.18, also interpreted as a “high extent”, showing that while life improved, there was always potential for further enhancement.

Tourism enhances residents’ quality of life and overall well-being. For instance, Ejikeme (2025) found that tourism development significantly improves the quality of life of host communities by increasing access to social services, cultural opportunities, and community satisfaction. Similarly, Croes et al. (2024) emphasized that tourism contributes to residents’ happiness and life satisfaction by strengthening social interactions, cultural identity, and economic opportunities, although the extent of these benefits may vary depending on how tourism was managed. Furthermore, Kesuma et al. (2025) highlighted that when residents perceive positive social and cultural impacts of tourism, such as increased community pride and engagement, their overall well-being and support for tourism development significantly improve.

Relationship between the Economic Development and its Impact on the Economic Well-Being of Local Residents

Table 3 shows that there was a significant relationship between tourism development and community well-being. All p-values were 0.001, leading to the decision to reject the null hypothesis. This meant there was a significant relationship between how

much tourism contributes to the economy and the well-being of the residents. The highest correlation coefficient was 0.566. This indicated a strong positive relationship when tourism provides better ways to earn money, family income naturally increases. All other variables, such as Employment Generation, Local Business Growth, and Infrastructure Development, also show significant positive correlations with measures of well-being. This implies that the contribution of tourism to the economy increases, the standard of living and quality of life of the residents also improve correspondingly. Consequently, tourism development in Valencia serves as an effective mechanism for uplifting the community's status, as economic expansion directly translates to better livelihood sustainability, improved access to services, and enhanced overall well-being.

Based on the study of Zou et al. (2022), tourism development significantly increases employment and household income, which in turn enhances residents' subjective well-being, aligning with the strong correlation between income opportunities and household income. Similarly, Wang et al. (2023) revealed that improvements in infrastructure and economic growth through tourism contribute to better access to services and higher quality of life. Furthermore, Croes et al. (2024), emphasized that tourism stimulates local business growth and employment generation, which positively influences community welfare and living standards. These studies confirmed that tourism contributes to economic opportunities, business expansion, and infrastructure improvements, all of which were significantly associated with enhanced well-being among local residents.

Conclusions

The evidence indicated that tourism was a vital catalyst for the economic development of Valencia, with residents strongly affirming its contribution to employment generation, local business growth, and infrastructure development. While tourism positively impacts the well-being of the community particularly in enhancing the overall quality of life and access to basic services there were indications that wage competitiveness and the equitable distribution of economic benefits could be further optimized. Statistical analysis confirmed a significant relationship between economic development and resident well-being across all variables, highlighting that as the tourism sector expands, it directly elevates the household income and livelihood sustainability of the local population.

Recommendations

Based on the findings of the study, the following recommendations are proposed:

A. Local Residents.

1. Residents may actively participate in tourism-related activities, and community development initiatives that can improve income opportunities, employment skills, and livelihood sustainability.

B. Local Government Unit (LGU).

1. The LGU may implement programs that improve the competitiveness of wages, ensure fair distribution of economic benefits among local residents, and provide public services that can support the well-being of the community.

C. Business Owners and Local Entrepreneurs.

1. Entrepreneurs are encouraged to use better marketing strategies, improve the quality of offered products and services, and work closely with local suppliers to increase their income.

D. Tourism Planners and Community Leaders.

1. Planners are encouraged to give more attention and budget to improving public services such as water, electricity, and sanitation systems.

E. Future Researchers.

1. Researchers may conduct studies that can identify additional strategies for improving income opportunities, employment stability, equitable distribution of tourism benefits, and the long-term sustainability of tourism development.

Compliance with Ethical Standards

The study entitled “Contribution of Tourism to Economic Development and Its Impact on the Well-being of the Local Residents in Valencia Negros Oriental” strictly adhered to the highest ethical standards to safeguard respondent rights and welfare.

The researchers secured necessary permits from authorities and ensured informed consent by fully explaining the purpose, objectives, and voluntary nature of the study. The rights of the participants were prioritized by maintaining strict confidentiality and anonymity, treating all respondents with respect and dignity, and allowing them the freedom to withdraw at any time without penalty.

All collected data were stored securely and used solely for academic purposes, while all printed questionnaires and raw data were properly disposed of after the completion of the study to permanently protect the privacy.

Furthermore, the researchers presented findings objectively and acknowledged the responsible use of Artificial Intelligence tools solely for grammar checking, language improvement, and organization of ideas. Full ownership of all intellectual and scholarly contributions remains with the authors.

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Corresponding author: rohlynatoy143@gmail.com