



MASTER'S PROGRAMME IN URBAN MANAGEMENT AND DEVELOPMENT

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Perceived Impacts of Tourism Oriented Urban Historic District Revitalization: Case Study of Yangzhou, China

Yunpeng Zhang

P. R. China

Supervisor: Alexander Otgaar (Dr.)

Erasmus School of Economics

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Summary

Heritage tourism has been promoted by many city governments to revitalize declined urban historic districts; however, the impacts were rarely explored. Existing literature is biased on rural destination, rural population and negative impacts, which limited the findings to be applied in urban historic districts. Academic limitations, existing unsustainable cases in China, and China's unique political and economic context, these are the three reasons that motivated the author to conduct this research. It is anticipated that this research would contribute to existing knowledge by exploring the impacts of heritage tourism upon urban destination and urban citizens in a developing country. Through a thorough understanding of the impacts, sustainable heritage tourism development could be achieved.

Based on extensive literature review and proposed framework, a mixed method approach with qualitative methods (in-depth interviews, observations and travelogue analysis, etc) and quantitative method (survey) was adopted for this research. In-depth interviews were conducted to five major groups of stakeholders, namely government officials, preservationists, tourists, residents, entrepreneurs. Other qualitative methods such as site visits and travel with tourists were also used in this research. Results from qualitative methods were used to identify how different stakeholders perceive tourism development in the host community and triangulate with the findings from quantitative methods. Survey was used as the main method in this research. Based on the survey data, many statistical analyses were performed to understand how residents, the main beneficiaries, perceive heritage tourism development in their community.

According to these analyses, the research identified that (1) government played multi-roles in heritage tourism development which may exert both positive and negative impacts on the host community; (2) development related impacts were the major motivations for government to promote heritage tourism development but some intangible benefits could not be ignored as well; (3) contribution of tourism development to urban advancement and economic development was recognized by the residents however at personal level they do not receive actual economic benefits; (4) residents perceived positive social benefits from tourism development were correlated with physical improvement and many social negative impacts were not so obvious in the host community; (5) significant variances exist among residents with regards to cultural impacts; (6) tourism impacts on the natural environment was not apparent so far.

Two clusters of residents were differentiated through cluster analysis based on their social representations of tourism impacts. These two clusters both revealed ambivalent perceptions of tourism impacts. However, the first one was more concerned about social impacts and macro economic benefits while the second group emphasized more on personal economic benefits and cultural issues. Three variables were found as significant discriminants in deciding cluster memberships, namely Yangzhou citizenships, political party memberships and satisfaction with government performance.

Four variables were considered as predictive variables in influencing residents' perceptions, namely socio-demographic factors, place attachment, perceptions on

participation and political self-identification. 16 indicators were emerged after operationalization and factor analysis, among which only 4 were confirmed as influential predictor for residents' attitude towards future tourism development. These four indicators are place attachment as constructed by emotional attachment and place dependency & self-identity; satisfaction with government performance and perceptions on participation in benefits sharing.

Based on above analysis, five recommendations were proposed to achieve sustainable heritage tourism development: (1) Bring more actual personal benefits to local residents (2) Preserving and Maintaining the way of life (3) Monitoring the commercialization process (4) From result oriented to process-oriented (5) Encouraging wider and more active community participation.

Key words: urban historic district revitalization; sustainable heritage tourism development; social impact assessment; perceptions; Yangzhou, China

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Foreword

Cities nowadays are facing many challenges of stimulating economic growth, maintaining social stability and improving environment quality. The challenges are far greater for those cities with well preserved heritage resources.

The continuity of a city's fabric represents its endless culture. The culture context needs to be inherited and conserved so that the city's unique connotation could be established reasonably. Urban historic district represents the inherited cultures in contemporary society. However, preservation and development, it has always been a dilemma that confronting many city governments. On one hand, the identities, traditional cultures, handcrafts, arts, customs and the way of life need to be preserved while on the other hand, the interactions between heritage resources and contemporary life need to be established.

Fast urbanization and rocketing economic growth in the last two decades in China was accompanied by an unprecedented scale of urban construction. Urban renewal projects have taken place in most cities. In most cases, the historic parts of these cities have been demolished and replaced by high rise office buildings or residential apartments. Along with the demolition, a way of life that evolved through centuries is also disappearing. The historic district is the built environment which represents the cities' cultural heritages. Buildings, residents, and other associations, they are indispensable elements of urban historic district and the distinctive manifestations of a culture. When they are gone, the cultural heritage is at best put on display in a museum (GTZ 2006). The consequence is museumification that results in disconnection with the past and makes the future more difficult.

Tourism has been consulted as a mild approach to balance preservation and development. However, very limited number of existing cases in China is sustainable. Urban historic districts are commoditized into a Disneyland which lost their authenticity and continuity.

This thesis is about my beautiful and tranquil hometown Yangzhou. The 5.09 square kilometres historic area of Yangzhou remains its distinctive architectural style from Ming and Qing Dynasties and is one of the well preserved historic districts in China in terms of history and traditional culture. However, it suffered great decline in the last century. Tourism oriented revitalization strategy started two years ago and remain at exploitation stage. Nonetheless, there has seen some unsustainable activities which might result in permanent loss of the heritage resources. The impacts of such revitalization strategy need to be studied in a systematic way to correct some practices and achieve sustainable tourism development eventually. This thesis tackles this issue. By adopting a mixed methods approach to investigate the economic, social, cultural and environmental impacts of tourism-oriented revitalization, the thesis wishes to contribute to sustainable heritage tourism development in the historic district of Yangzhou and also provide references for other cities in China.

Abbreviations

GTZ= Deutsche Gesellschaft fur Technische Zusammenarbeit (GTZ) GmbH

UNESCO=United Nations Educational, Scientific and Cultural Organization

ICOMOS=International Council on Monuments and Sites

ICLEI=International Council for Local Environment Initiatives

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Chapter 1: Introduction

1.1 Research background

The city is a narrator of stories that performed in this stage. Ancient buildings, traditional lifestyles, deep lanes and alleys, walking vendors and etc, they represented the history of Chinese traditional cities, and urban historic districts serve as showcases of city development histories and collective memories in contemporary society. Many European urban historic districts suffered substantial decline in 1950s and heritage tourism has been frequently promoted to revitalize urban historic districts and transform them for contemporary use(Tiesdell et al 1996; Ashworth and Tunbridge 2000). Prior to economic oriented revitalization strategy, many Chinese cities had undergone painful experiences of demolition and reconstruction of urban historic district, which resulted in permanent loss of urban cultures and changes of urban identity. Since 1990s, governments at all levels realized the contribution of tourism industry and the economic potentials of urban historic districts. Tourism was therefore strongly promoted in urban historic districts.

Researchers noticed the emerging phenomenon. Most of exiting western literature focus upon heritage and cultural tourist behaviour studies(Poria et al 2003, 2004; Poria et al 2006; Waitt 2000; Timothy 1997), planning and conservation of historic district(Tiesdell 1996; Larkham 1996; Nasser 2003; Osbasli 2000; Russo and Van der Borg 2002), management of heritage tourism(Fyall and Garrod 1998; Aas et al 2005; Bhandari 2008; Light 1994; Russo 2002), authenticity issue(Apostolakis 2003; Chhabra 2003; Shackley 1994; Naoi 2004)and impact studies(Van der Borg et al 1996; Nasser 2003). In China, research on tourism development in urban historic district is at preliminary stage but there has seen growing academic interest since 2000. The majority of Chinese scholars are interested in relationships between conservation and development (Shen et al 2003; Jia 2005; Li 2007; He 2007; Yang et al 2003) and authenticity issue(Zhu 2006; Wu 2008; etc). Few systematic researches have been conducted in tourist behaviours and tourism impact studies in urban historic district.

Tourism impact studies became an important topic in academic research since 1960s. Early studies mainly focused on positive impacts of economic growth. Waitt(2003) suggested that economic biased impact studies is misplaced on ethical and pragmatic grounds. Social, environmental and cultural impacts received attention since 1970s. Tourism in no case is without costs. Given the fragile system of urban historic district, the impacts of tourism development need to be explored systematically. Moreover, understanding of enormous economic, social, cultural and environmental consequences of tourism is essential for tourism planning and management.

Existing large body of tourism impact studies has identified various perceived impacts of tourism development(Belisle and Hoy 1980; Liu et al 1987; Andereck et al 2005; Brunt 1999; Perdue et al 1987; Perdue et al 1990). Some theoretical frameworks were developed to explain the differences among residents' perceptions of tourism development impacts. Social exchange theory and social representation theory were most frequently consulted(Ap 1992; Andereck et al

2005; Dyer et al 2007; Jurowski and Gursoy 2004; Andriotis and Vaughan 2003; Ying 2004; Pearce et al 1996). Many predictive variables were identified in existing researches such as socio-demographic factors(Belisle and Hoy 1980; Liu and Var 1986; Harvey et al 1995; Perdue et al 1999; Davie et al 1988), place of residence(Belisle and Hoy 1980; Sheldon and Var 1984), economy dependency(Milman and Pizam 1988; Madrigal 1993; Landford and Howard 1994). However, mixed results were reported. Tourism impact studies in China emerged in 1990s. Those researches could be categorized into two groups, the first group endeavours to introduce western theoretical approaches and framework to China(Liu 1999; Ying 2004) and the other group conducts many empirical researches in various destinations, most of which lack of theoretical framework (Wang et al 2003; Huang and Wu 2003; Su and Lin 2004; Liu 2005).

Although there has been a growing amount of tourism impacts studies, the majority of those studies have examined rural population(McGehee and Andereck 2004; Gursoy et al 2002; Perdue et al 1990; Leep 2007; Long et al 1990; Allen et al 1993; Yang et al 2003; Su and Lin 2004) while urban destination is often ignored and even less attention was given to urban historic districts. Insufficient research on urban population also reflected academic ignorance of urban tourism development(Law 1995; Page 1995; Van den Berg et al 1995). Chen(2001) explained that this situation was very likely to be caused by different contributions of tourism industry to rural and urban destinations.

Existing literature also developed impact assessment scales. Landford and Howard(1994) identified a 27 item tourism impact scale. Ap and Crompton(1998) developed a 35-item tourism impact scale to facilitate sustainable tourism development, which has been adapted by many following researches(Andriotis and Vaughan 2003; Chen 2001; Gursoy et al 2002; Zhang and Tang 2004). In China, detailed tourism impact studies are very few and generalization of the results from these researches is problematic.

To sum up, academic researches on host community perceptions could provide good opportunities to understand the impacts of tourism development in urban which will further assist government bodies and other stakeholders to maximize the benefits from tourism development without causing irrevocable damages to the heritage setting.

1.2 Problem Statement

Since the adoption of policy Reform and Open up to the outside world, tourism industry has seen substantial growth in China; China now has become one of the world most popular destinations. Urban tourism has been widely used as a tool for urban regeneration, image building, economic growth and employment creation etc. China has been a major civilization for five thousand years, which creates tremendous cultural, natural, and historic resources for many cities. Urban historic district is one most valuable asset for many Chinese cities and thus is commoditized to various users including the major user-tourists. Commodification of environment resources in urban historic district is often market driven; it is a process that catering to tourist desire and expectations to experience the past. Reconstruction of urban historic district through commodification of nostalgia is to offer tourists with a so-called authentic historical and cultural environmental

setting. It is hypothesized that tourism-led commercialization and commodification has changed the authentic qualities of urban historic districts and apart from the economic returns, the process might also incur some costs but are likely to be ignored by many policy makers. Local authentic environment is commoditized into the backstage for the host community. The front stage, where local community contacts with tourists of nostalgia for commercial purpose, is concentrated with artificial mass-produced items and staged attractions. However, in most cases, it is those mass artificial product would finally replace local authentic environment and become authentic over time. Thus, it is understandable that why many preservationists are so active in protecting urban historic district from creative destruction.

Most tourism development projects in China are initiated by city government. Tourism planning and management of urban historic district is under pressure from various stakeholders, among which government and private enterprise possess more political power. Private sector, such as developers, culture-brokers, investors etc, is profits oriented. Therefore, the major task of preservation is often put at the bottom of their objective lists. Local residents, lacking of political power, are often forced to relocate while only very small portion of them could choose to stay.

What is highlighted here is that tourism impacts on urban historic district need to be further explored given the fragile ecosystem and various conflicts. Any change in one component is likely to cause profound repercussions (Russo 2002). It is true that tourism could be an effective tool to promote economy development, and it can also be used to promote rehabilitation and hence, improve the quality of life of local community. Nonetheless, tourism also has dark side which has been investigated by a large amount of scholars. This research will be just one of them.

Preliminary literature review reveals tourism impact studies are biased in location and population that urban destination and urban population are relatively under-researched. Even fewer academic researches have been carried out in China to examine host communities' perceptions and reactions toward tourism development. Besides, existing literature was also found biased in project phase and analytical unit. Very limited number of research was conducted at early stage of tourism development when impacts are not so apparent and the analytical unit of community was also less employed. Moreover, it is identified that in China there are few systematic tourism impacts studies with valid impact assessment scales and solid theoretical framework. Given the diversity, scale and special characteristics of heritage tourism development in China, it is expected that this research, conducted in an urban historic district at a community level, would contribute to better understanding of urban host community's perceived impacts of tourism development and based on that practical strategies for future planning and managing of urban historic district could be provided to maximize local benefits to the host community.

Existing literature acknowledged that residents are the most crucial stakeholder in tourism development. It is believed that community participation would resolve the conflicts of tourism encounters and reduce the negative impacts. However, in most developing countries with top-down planning culture, community participation is nothing more than fancy. Residents are often excluded from most

phases of tourism development process, such as planning, management, decision-making, monitoring and etc. Nevertheless, an investigation of residents perceived impacts could lead to a better understanding of the supply side of tourism products. Various researches have tested the relations between resident perceived impacts and variables like economy dependency, community attachment, socio-demographic factors and etc. Because of biased selection of research location, these variables need to be tested in an urban historic district in China's context.

Western literature provided many theoretical approaches to explain residents' perceptions and attitudes toward tourism development and among them two theories are dominant, namely social exchange theory and social representation theory. Both theories advocate own validity against the other. However, synergies could be identified. Social representation theory explains the formation of perception while social exchange theory is more useful to explain the cause of positive or negative attitudes. An integrated framework is adopted in this study.

Large amount of academic research has been carried out in western countries, which is influenced by social, economic and culture context, such as post-modernization, urbanization and rise of yuppies, etc. It is acknowledged that tourism development is highly influenced by socio-economic backgrounds. International and domestic tourism in China is expected to experience further growth in the next decades. It could be foreseen that increasing urban historic districts would be developed as tourism destinations. The destiny of those urban historic districts with splendid authentic cultural and environment settings is not easy to predict. Therefore, there is a strong need to explore tourism impacts in urban historic district in China so as to provide lessons and experiences for future planning, management, conservation and development not only for the city selected but also for other cities that prepare to develop tourism in urban historic district as well as those in advanced stages of tourism development.

1.3 Research Objectives and Research Questions

This research investigated tourism development impacts in urban historic district in a Chinese city. It is expected that through a systematic study of tourism impacts in the case city, some general policy advices could be concluded to achieve sustainable development and provide references to other cities in China.

To achieve the objective, the main research question was formulated: *How to achieve sustainable tourism development in urban historic district through a better understanding of tourism impacts?*

The main research question was translated into five specific questions as listed below:

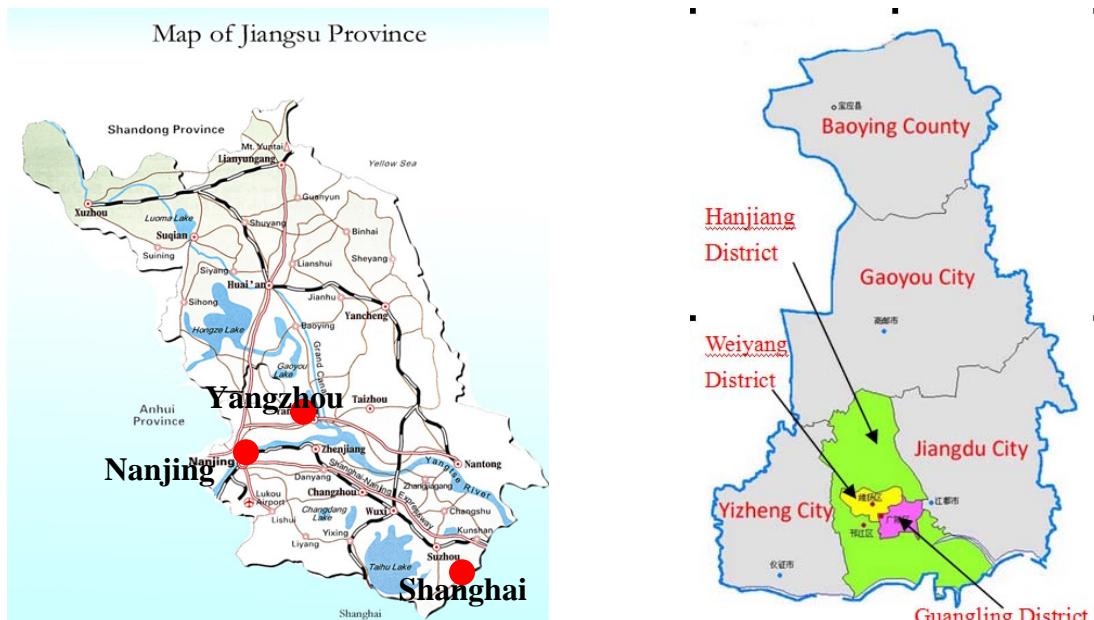
- What are the motivations and the roles of local government in commoditization and commercialization of heritage resources in urban historic district?
- What are the impacts of heritage tourism development upon urban historic districts?
- What are the predictive variables and how do they influence residents' perceived impacts and attitude?
- How to differentiate residents based on their common social representations?

- What are the recommendations for sustainable tourism development in urban historic district?

1.4 Research Location

The research was conducted in the historic district in Yangzhou China. The city is located on the north bank of Yangtze River, covering an area of 6638 square kilometers and is divided into 3 districts, 1 county and 3 county-level city. In practice, Yangzhou is often referred to three districts, namely Guangling district, Weiyang district and Hanjiang district, which are administrated by district governments and supervised by city government. Compared with cities in Yangtze River Delta area such as Nanjing, Suzhou, Shanghai, Yangzhou is merely a small tranquil town with abundant cultural and natural resources. The history of Yangzhou could be dated back to as early as 590 A. D when it refers to the whole area of southeast part of China. In 1982, the city was selected as historic and cultural renowned city by national government. However, conservation and heritage planning only started since last decades.

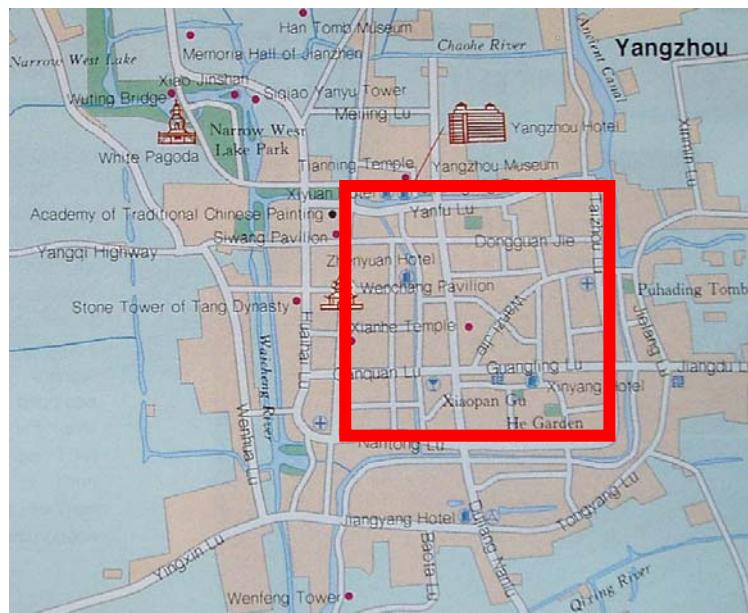
Figure 1 & Figure 2: Location of the case city in Jiangsu



Sources: <http://www.chinahighlights.com/image/yangzhou> and own drawing

The historic district is located in Guangling district in the city centre. It is completely different residential area from water towns in the south bank and other nature resources based historic cities such as Wuxi, Jinan and etc. It covers an area of 5.09 square kilometres, spatially bounded by the ancient canal, Erdao river and north moat. The historic district was developed since Tang Dynasty(618-907 B.C.). It is featured by canals, intricate lanes, and classic private gardens. Since 2002, Yangzhou city government initiated the eco-city programme with the assistance from GTZ and achieved significant progress to conserve and develop the historic district sustainably. In 2006, the city was awarded Habitat Scroll of Honour by UNHABITAT for great achievement.

Figure 3: Location of the research area



Source: www.yangzhou.gov.cn and own drawing

Tourism oriented development only started recently but has seen huge growth in these years. City government is determined to revitalize the urban historic district through tourism development. In the last public holiday, the historic district was visited by nearly 300,000 tourists (Interviewee, 2009). The former excursion destination now has successfully extended visitors length of stay by diversifying urban tourism products.

1.5 Research Methods

Based on the research objective and available resources, single case study was chosen as the main approach to investigate and analyze the impacts of tourism development in urban historic district. Mixed methods, including in-depth interviews, observations, survey, travelogue analysis and travel with tourists, were adopted to overcome the shorting comings of single case study. The data collected from quantitative method was analyzed by SPSS 17.0. Many different statistical methods were used to provide a thorough understanding of the impacts of tourism development as perceived by residents. Detailed methodology was presented in Chapter 4.

1.6 Thesis structure

The thesis is organized into six chapters. Chapter 2 will define urban historic district and the role of tourism in revitalizing urban historic district. Existing practices in China and the case city were summarized and compared. Some critical issues were raised after reviewing current practices in China and sustainable tourism development was recommended. Based on creative destruction theory and “ecology of agents”, the mechanisms of tourism development impacts upon heritage community were set up. Chapter 3 will present a review of tourism impact studies. A theoretical framework was set up based on two main theories. Some predictive variables were selected after

reviewing existing literature. Chapter 4 will introduce a detailed methodology that guided the whole research, from research design through data collection methods, to data analysis. Chapter 5 will present the major findings of this research. It will first review and analyze the macro background of tourism development in China in terms of market trend, administrative and investment structure so as to better understand under what context heritage tourism is promoted and developed in the historic districts. After that it will review government motivations to promote heritage tourism in the host community and discuss the roles of government. Following that, comprehensive statistical analysis will be presented and the findings will be discussed with data collected from qualitative methods and quantitative method. Chapter 6 will summarize the major findings from this research and provide policy recommendations to achieve sustainable tourism development.

Chapter 2: Sustainable tourism development in urban historic district

Introduction

This chapter reviews existing literature on urban historic district renewal and tourism development in urban historic district. The main objective is to define the key concepts that will be used in this thesis. Existing practices in China are analyzed and some problems and critical issues are raised. The first section will define the scope and components of urban historic district. Major approaches to upgrade urban historic district will be discussed. The following two sections reviewed the rational to promote tourism development in urban historic district and its sustainability.

2.1 Defining Urban Historic District

The definition of historic district needs to be further justified given its varieties in criteria, components and meanings. The question of what makes a historic district has always been controversial in existing literature. Age and significance are probably the simplest answer but were challenged by many scholars since different age and significance criteria has been used in practices(Ashworth and Tunbridge 2000). The components of urban historic district also experienced long time of disputes but finally reached consensus since 1930s. Now it is generally acknowledged that ancient architectures together with their settings and associations are indispensable elements of a historic district (Prentice 1993; ICOMOS 1994; UNESCO 1976).

Urban historic district, as a valuable cultural heritage, adds competitive advantage to local economy by promoting cultural tourism development. Apart from its economic meaning, urban historic district also reflect social-psychological meaning by linking past, present and future(Ford 1978). Place-bounded collective memories are expressed through the physical attributes of the historic district (Ashworth and Tunbridge 2000; Barthel 1996). Conserved historic district allows modern users with nostalgia to experience the conserved past with authenticity. Moreover, the collective memories are likely to be inherited by residents live in the historic district. Larkham(1997) proposed an interesting explanations that places are important media where socialization process takes place and individuals learn social norms and behaviour so that social principles could be reproduced. In this way, a pure place or location has become a social asset and historic district including the physical existence and the associations can be used to for social value learning and inheriting(Nuryanti 1996). Both national and local authorities consider preservation of urban historic district as an effective tool to impart the dominant political ideas and public ideology. Abercrombie et al(1980) further explained that the historic district is attached with messages from existing power elite intended to legitimate the existing regime since they need to exploit the culture capital. By preservation of the heritage resources, it accredits the historic district with local or national identity.

Differing in spatial scales, criteria, components and meaning, it is very clear from existing literature that historic district is more than physical historic buildings and its significance is highly depended on its associations and users' interpretations. In view of the research objectives, the following choices in delimiting urban historic districts are made:

- (1) Urban historic district is a multi-functioned area concentrated with old buildings of architectural, aesthetical, archaeological values in a city where historic resources is highly dramatic, complete and valued(Naoi 2004).
- (2) Associations are the key in deciding the historic value of a district. History is an important but not a dominant factor. The old buildings in historic district should be able to be associated with historic events, persons, cultures, traditions, and etc. It means that the historic district should have unique features and could represent the traditional characteristics of certain ethnics, or some places, or some time period in history. In this way, modern heritage is also included in this definition. The associations could be marked either by official bodies or by local residents and tourists individually.
- (3) The historic district is integrated. Firstly, the physical buildings should be associated with the culture, socio-economic trends, history and etc through which the historic values are decided. The historic district is created by existing tangible elements (buildings, gardens, and etc) and intangible elements (cultures, traditions, history, residents' daily lives, belief and religions and etc). By this definition, it means that preservation of historic buildings can not be successful without preserving related cultures. And more importantly, the way of life in the historic district. In stead of protecting some island-like buildings in the city, this integration is in favour of conserving the whole region including its related intangible elements. Secondly, historic district should also be integrated functionally. In the typical model proposed by Ashworth and Tunbridge (2000) historic district is often overlapped with central business district in small and medium sized cities. This not only indicates the multi-functions of historic district but also signifies the potential for tourism and related development in historic district. Moreover, the historic district should also be integrated with contemporary life. According to *Nairobi Recommendations* and *Washington Charter*, the historic district should be incorporated and adapted to contemporary life. Thus, the historic district is not merely a piece of preserved work from the past but a contemporarily created phenomenon which could be recreated by future generations according to their prevailing attitudes towards historic districts. In this situation, integration is related to the creation of authenticity that the historic district should never become an archaeological site or museum, which termed as "museumification" or "disneyfication"(Larkham 1995).
- (4) Continuing with authenticity issue, urban historic district was not only a place where people used to live and work, but also serves the same function wholly or partially in contemporary life. Authenticity is both a self-explanatory justification for what make a district historic but also the main criterion for selection of what to preserve. Historic district is an indispensable and interrelated part of modern urban system which distinguished by the concentration of historic sites, buildings and others. It is defined as the accurate representation of the past through conservation of relict features. By this definition, it indicates that the material heritage in the

district should be authentic that inherited from the past rather than rebuild artificial ones. Moreover, it also means that the living style, traditions, rituals, beliefs, values of the residents in historic district should be preserved to remain authentic. Living culture is the essence of historic district.

2.2 Three main approaches to revitalize urban historic district

Heritage planning has been utilized to revitalize urban historic districts(Ashworth and Tunbridge 2000). The main objective is to transform declining urban historic districts for contemporary use. Existing practices could be best categorized into three main approaches, namely rehabilitation, redevelopment and integration. Rehabilitation is defined as renovation of original structures while preserving the fabrics of the historic buildings so as to regain its residential function without destroying the authenticity. Conservation and preservation are attached with high emphasis in rehabilitation. Preservation and restoration of both natural and built environment of the historic district are the basis of this approach. In theory, it is more applicable to the historic district where houses of historic values remain in sound structures but suffering from deterioration caused by insufficient maintenance. The residential buildings are renovated and equipped with modern facilities to adapt to contemporary life(Miller 1959). Participation is highly encouraged throughout the whole process. Given limited fund and insufficient expertise; however, opponents expressed their concerns on the technical difficulties and the overloaded research work.

Redevelopment, on the other hand, represents a simple but aggressive way. It is featured by removal of original buildings and utilization of cleared land for other development projects. It is often used in some areas where the housing conditions are extremely poor and had no preservation value. From political economy point of view, this approach sounds more favourable to local governments and developers since it is more likely to generate substantial economic benefits. Nonetheless, this approach are more likely to induce many serious social and environmental costs, such as destruction to the heritage resources, deprivation of original residents' valuable housing resources, and social exclusion(Miller 1954).

The integrated approach combines the strength of both rehabilitation and redevelopment. It aims at saving those buildings that could be preserved and renovated while demolishing those with extremely poor housing conditions and reconstructing new ones. It sounds the most acceptable way since it allows certain degrees of flexibility in the renewal process by minimizing the costs to the heritage environment and respecting local residents' rights to stay in the historic district (Miller 1954). This approach is also very likely to preserve the ways of life in the heritage community. However, for government and developers, this approach might be considered as time-consuming and less profitable and thus is less likely to be adopted in practices. This is true in China as evidenced by most of existing practices which are presented in later section.

2.3 Sustainable tourism development in urban historic district

In 1980s, many former industrial cities chose tourism as a major strategy to revitalize urban historic district. The motivation to promote tourism lies mainly in economic meaning of urban heritage. For local government, tourism development

in urban historic district could diversify local economy structure, create job opportunities and attract private investments. As for residents living in urban historic district, tourism development could improve local infrastructure and quality of public services and also increase more leisure spaces. It is also believed that tourism could raise environment protection awareness. However, is tourism free of problems? Is tourism development in the historic district sustainable?

2.3.1 Convergence of tourism and urban historic district

The reasons for convergence of tourism and historic district are multifold, which could be categorized in to two domains namely “push” factor and “pull” factor.

Push Factor: Firstly, government's strong promotion is a major push factor that stimulates tourism development in historic district. The fragmented meanings of urban historic district are likely to be integrated by government authorities. Urban historic district is an area of residential, commercial and cultural functions and thus brings various conflicts. Those functions, with own unique demands and agendas on the historic districts in terms of land use, environment(both physical and social) changes and etc, are usually at a unstable equilibrium situation, which creates the requirement for maintaining harmony among these functions. Secondly, the benefits of tourism development also serve as incentive, which has been discussed extensively by many scholars(Greffé 2004 ; Russo and van der Borg 2002). Thirdly, growing demand for consuming tourism products provided by urban historic district also contributes to marking historic districts as tourism resources. Naoi(2003) asserted that tourists have the instinct to encounter the past. Modern tourist inherited the custom of searching for history and culture that originated from the grand tour era. Since tourism product development has gradually shifted from supply-driven to demand-driven, the growing market indicates large opportunities for cities and countries to develop tourism products in historic districts. Fourthly, community desire further pushes development projects in historic districts. Historic district, especially in developing countries, often faces problems of insufficient infrastructure, poor housing condition, degrading environment and etc, which could not meet the requirement of modern life(Mathieson and Wall 1982). Many young people move out from historic district for better housing and living condition while some middle aged and senior people as well as those with nostalgia remain inhabit in historic district but their demand for improving basic infrastructure and housing condition is increasing.

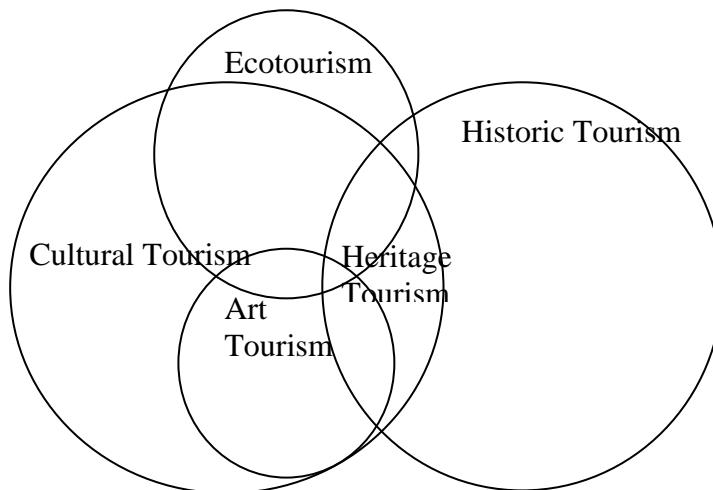
Pull factor: The intrinsic values of historic district make it irreplaceable attractions for culture-seekers and other incidental tourists like business travellers and events attendees(Law 1995; Jansen-Verbeke and Rekom 1996). Authenticity is the core value of historic district which links demand and supply of tourism development in historic districts. Increasing tourists in historic district is to experience the historic setting and interpret the historic district in their own construction of historic value. The conservation and development of historic district is to provide authentic setting for different groups of users with nostalgia to encounter the past.

2.3.2 Defining tourism in urban historic district

In most of western literature, tourism in historic district is labelled as cultural tourism; however, some scholars consider it somewhat differently. They claim it

as a sub-form of ecotourism(Liu and Zhang 2004; Meng 2006; Sofield and Li 2007; Cater 2007). The terminology issue are very likely to be caused by cultural differences. Since it is not the main objective of this research to clarify various definitions, and it is also a real danger for researcher to concentrate too much on terminology while ignoring the applications, heritage tourism was adopted for this thesis. In broad sense, heritage includes all that inherited from previous generations, which incorporates both cultural and physical natural elements. Both strong points from supply side and demand side definitions are borrowed to clarify such a definition in this thesis that two elements are considered as important components of heritage tourism: (1) heritage tourism is place bounded tourism that took place in a heritage setting; (2) heritage tourism is motivated by special interests, such as experience the past, or appreciate the beauty of architectures, or enjoy a harmonious blending of the built environment and natural environment. The endeavour of defining tourism in urban historic district is to identify the linkages of heritage tourism and other forms of tourism so that the experiences from other forms of tourism could be applied.

Figure 4: Defining tourism in urban historic district



Source: Based on various definitions

2.3.3 Tourism oriented urban historic district revitalization

Before tourism-oriented development strategy, demolition and land development for commercial purpose were common in China which results in permanent cultural loss. Five thousand years history has created many historic cities with cultural and historic significances in China. Though since late 19th century, China had been involved in many wars; many cities have survived with partly or wholly preserved historic district. Two decades after the establishment of People's Republic of China, urban historic district remain well maintained because of economy-oriented strategies implemented by central government to get rid of poverty and backwardness as soon as possible. Manufacturing industry was largely promoted and many new factories were built up in urban fringes. The destruction of urban historic district started from late 1960s because of Cultural Revolution (1966-1976) and absence of awareness of the value of historic district. Adoption of the policy Reform and Open up to the Outside announced new era of China's history. Redevelopment of urban historic district was carried out in a

surprising scale and speed. Many urban historic districts lost their historic and cultural appeal in these large redevelopment projects. In late 1990s, national government realized the importance to preserve and conserve urban historic districts, 62 cities in total were selected as historic and cultural renowned cities by state council in 1982 and 1986; however, the effect of such policy was limited. Introduction of market system in 1990s has stimulated the development of private sectors. Motivated by profits maximization, many development projects in urban historic district destroyed the original qualities of the area by constructing high rise office buildings or residential apartments. Tourism, as a mild redevelopment approach, was introduced in late 1990s. In 1992, national government announced that tourism is the key industry among all tertiary industries. In the 9th five years plan, tourism was rated as the top emerging industry and received substantial institutional and financial support. Governments at various levels set high expectations on tourism development in urban historic district since it could realize the cultural and economic values of historic district simultaneously.

2.3.3.1 Tourism facilitated urban historic district renewal

Many historic districts in China suffered from substantial decline as reflected in decreased attractiveness of investment, deteriorating physical environment, and the stagnant or declining economic climate. It becomes urgent for local authorities to revitalize these areas. Redevelopment was the most common adopted approach. Urban historic district suffered from large scale of destruction. Some other issues worsened the situation. The foremost problem is property rights. After 1949, the property rights of the buildings in urban historic district were transferred to Housing Management Bureau and then allocated to public institutions, enterprises and residents. Being public housing, the tenants lack incentives to preserve and maintain the housing conditions. Low rent of public housing (1-1.5 RMB in Yangzhou) also limited government capacity to maintain these houses. Since 1960s, large scale of urban regeneration projects were carried everywhere in China. However, due to insufficient expertise and absence of the awareness to preserve heritage resources, creative destruction became the distinctive feature of these projects. The introduction of market mechanism proposed a new challenge. Because of depreciated land value, urban historic district is more likely to be demolished and give way to other development projects with higher economic return. However, the other fragment meanings of urban historic district have been ignored; the cultural and historic value of urban historic district is difficult to monetize.

Since 1990s, government realized the problems of redevelopment approach. Many initiatives were taken to preserve urban historic district from further physical deterioration and to transform urban historic district into contemporary use. Tourism, as a cleaning industry which could realize the economic value without causing serious negative impacts, was largely promoted by various levels of governments. Many experiments were tried out in urban historic district in China, with both failures and successes. Four Models were identified in existing practices as summarized in Table 1.

Table 1: Main Models in Conserving and Regenerating Urban Historic District

Model	Rehabilitation	Redevelopment	Integrated (I)	Integrated (II)
Existing practices	Ju'er Hutong ¹ Wenhuali ² Dinghai street	Sanfangqixiang Tongfang Lane Dongguanjie ³	Xintiandi; Jiaochang ⁴	Nanchizi; Tianzifang;
Land use	All land use right transferred to developer	all land use right transferred to developer	All land use right transferred to developer	Land use rights partly transferred
Commercial development	Weak commercial development;	Strong commercial development; tourism dominant	Strong commercial development; tourism was not the main motivation	Weak commercial development; cultural economy; growing tourist arrivals
Stakeholders involved	Residents; district government; municipal government; developer; Negotiation with residents	Developer; governments; no participation of residents; government and developers dominated and requires residents to follow the plan	Developer, government; passive participation of residents; government and developers dominated and requires residents to follow the plan	Developer; cultural brokers; governments; residents; Government initiated; community and residents active participate; planners provide support
Relocation	Many residents relocated and some moved back after renovation	All residents were relocated	All residents were relocated	Small number of residents were relocated
Main approach	Renovation; traditional fabric was preserved	Demolition and reconstruction; not in harmony with traditional architecture style	Preserve the buildings with historic values; reconstruct the others; modern interior design with traditional architectural style	Preserve and renovate most of buildings; well blended with original structures and fabrics

Note: 1 Here refers to the first phase of Ju'er Hutong project in Beijing. The second phase of this project is more fit in the redevelopment model.

2 Wenhuali Lane project is one of the urban upgrading projects in the historic district in Yangzhou. This project is carried out by GTZ with cooperation with municipal government.

3 Dongguan street project is another project in Yangzhou's upgrading strategy of urban historic district which carried out by the state-owned enterprise.

4 Jiaochang project is also part of the upgrading strategy of Yangzhou government which carried out by private developer.

Source: based on various case studies collected and own summarization

It can be identified from the above analysis that governments play a very significant roles in all models to renovate or redevelop urban historic district in China. Government and developers, representing the elite class, are the main drive for the revitalization. Residents in the historic district were not fully involved in

the regeneration process. Along with the transfer of land use rights, urban historic districts were transformed from multi-functioned areas into mono-functioned business districts. In some cases, tourism industry was not the initial motivation for renovation and redevelopment; however, because of the intrinsic qualities of the historic district, they are borne tourism resources and it is only a matter of time to commoditize them into tourism products as evidenced by Ju'er Hutong in Beijing and Xintiandi in Shanghai. Besides, since most of these projects are carried out in early 1990s and in the first two or three years after 21st century, the positive impacts of tourism are more apparent. As demonstration projects, these projects are frequently consulted by many other Chinese cities to upgrade the historic districts. Preserving and renovating urban historic district in order to develop tourism industry there becomes a common motivation. In all the practices, some original residents were relocated because of land use change and poor living conditions in the original houses. This is inevitable in the development projects but the impacts of such relocation are rarely researched by government authorities.

In the research location Yangzhou, various projects in upgrading the historic district are categorized into different models. These projects were carried out through different methods by different organizations as compared in table 2.

Table 2: Key development projects in the historic district in Yangzhou

Project	Dongguan Street	Jiaochang	1912 project	Pishijie	Wenhuali
Initiator	government	government	government	government	government
Developer	State-owned enterprise	Private developer	State-owned enterprise	State-owned enterprise	- Rehabilitation project; supervised by GTZ
Role of Residents	Non-participation; manipulation	Non-participation; manipulation	Non-participation; manipulation	Non-participation; manipulation	Active participation; residents empowered
Relocation	Almost all residents were relocated	All residents in the project site were relocated	All residents were relocated	Small number of residents were relocated	No relocation
Land use	State-owned enterprise; commercial development	Private developer; commercial development	State-owned enterprise; commercial development	State-owned enterprise; Commercial development	Residents; no commercial development
Commercial development	Tourism related business; culture related business; tourist sites	Retail business; small portion of tourism related business	Managed by private company; developed into an area concentrated with bars and cafes	Culture related business; not fully developed	No commercial development at all; but tourist are interested
Preservation	Demolition and reconstruction	Demolition and reconstruction;	Demolition and reconstruction;	Demolition; widen and pave the	Well preserved; equipped

	artificial ones according to original design; historic relics were preserved	new shopping malls with ancient architectural style	buildings were constructed with ancient architectural style	street with ancient style	with modern facilities
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Sources: based on the data collected from field work and own summarization

Yangzhou used a zoom-out approach in upgrading the historic district. The historic district covers an area of 5.09 square kilo meters. Within this district, four areas are prioritized for strict government protection and control. Under these four areas, 12 blocks were identified of particular historic and cultural significance. Detailed control plan were drafted for the 12 blocks. The above listed five projects are the key projects within the 12 blocks. It could conclude from above analysis that government and its affiliated enterprise dominate the regeneration process while there has seen increasing higher level involvement of private sectors. Most of these projects have a clear objective of promoting tourism development after regeneration, even the rehabilitation project in Wenhuali. Community participation was very weak in most of these development projects. A great majority of the residents have been relocated to the suburbs. As city authority is strongly motivated to promote the development of tourism industry, it could deduce that future upgrading projects have high tendency to change the historic district into tourist sites. Since most of the houses could not meet the requirement for tourism business, they are quite likely to be demolished and reconstructed. This is not only very likely to happen in Yangzhou but also applies to other cities in China, which would lead to many serious problems as discussed in the next section.

2.3.3.2 Critical issues

Place identity is the first critical issue that needs be addressed. Reshaping already existing environment not only modifies the physical structure of urban historic district but also transforms the way it is interpreted and experienced by the users. Social fragments of urban historic district implies that socio-psychological relationships between the users and urban historic districts. Demolition and reconstruction are very likely to break the bonds between the users and urban historic districts. Meanwhile, it destroyed the continuity of history and way of life. Continuity is referred to the users' sense of authenticity of a place. Evolved over a long time, urban historic district reveals a high level of continuity but are very likely to be destroyed by the redevelopment projects. Tourism oriented redevelopment projects commoditized the heritage resources of urban historic district and created the front stage authenticity for the tourist and transformed the back stage authenticity for the residents. Gradually, the created front stage authenticity is very likely to replace the original back stage authenticity and becomes prevailing place identity, resulting in permanent damage to the integrity and continuity. There are also come cultural concerns on such tourism oriented redevelopment projects not only evidenced by destruction of architectures with historic values but also the loss of collective memories of shared history, customs, values and way of life. Disappearance of the physical buildings could lead to

decline of the culture that is embedded in the architecture, design and urban fabrics.

Loss of residential function is another critical issue that needs to be highlighted. Relocation of original residents and transform the residential buildings into tourism related shops may result in many social, economic and environment problems. This also indicates that residents' benefits have been marginalized in existing practices, which is probably caused by insufficient participation and little political power of the residents. Tourism oriented upgrading strategy is very risky given relative long investment return period and many uncertainties of the tourist market. Besides, relocation often occurs in large scale housing projects with limited public facilities in isolated neighbourhood away from city centre which will also bring socio-psychological costs to the residents through dissolution of original neighbourhoods and break personal social networks(Lv 2007).

Apart from these critical issues, there may be other issues which deserve equal attention. Given the importance and unique context of urban historic district, the impacts of tourism development in the historic district needs to be further explored so as to achieve sustainable development in the historic district. This is also one of the motivations to conduct this research.

2.3.4 Sustainable tourism development in urban historic district

Heritage tourism and sustainability share one common theme of inheritance. However, sustainability issue was rarely researched in heritage tourism studies with only a few exceptions such as Russo(2002) and Garrod and Fyall(2000). This section will link concept of sustainable development with community heritage tourism development.

2.3.4.1 Sustainable tourism development

WCED (1987) provided the well known definition of sustainable development that "*sustainable development is that kind of development which fits the needs of the present generation without affecting the capacity of the future generations to satisfy their needs*". This is a very general definition that highlights the importance of economic efficiency and the long-lasting effect of development programme however failed to provide any hints on what the future generations want. In other words, this definition is more about ethics and equity(Russo 2002).

An operational definition was provided by ICLEI(1991) that "*sustainable development is that kind of development which allows to deliver basic environmental, social, economic facilities to every member of a community without threatening the operational performance of the natural, built and social environment systems on which the supply of those facilities depends*". This definition is much clearer; it clarified the supply of sustainable development and addressed the subject to sustain, namely the performance of the productive system that creates the products of sustainable development.

Tourism as a major economic sector has been promoted by many government authorities. The concept of sustainability should also be applicable to tourism development. In early 1980s, sustainable approach has been adopted in tourism development though there had already existed long tradition of conservative development in tourism practices. Tourism development is considered to be an

important force for preservation of natural, cultural as well as other resources; and also in contribution to community economic and social development. Russo(2002) suggested that sustainable tourism development is based on the interactions between tourist activities and the resources on which tourism development is relied on. Heritage tourism, based on the resources inherited from previous generations, shares a common theme of inheritance with sustainability(Fyall and Garrod 1998). Tourism in historic district is highly depended on attractions that inherited from previous generations while sustainability requires careful planning and management of those attractions to ensure future generations would inherit the potential to satisfy their own needs.

Three principles of sustainable development are considered as very important and should be applied into tourism context. The first principle that can be applied is tourism development in urban historic district should contribute to conservation and maintenance of historic districts. The second principle is to bring benefits to local community and minimize negative externalities caused by selectivity as discussed by Nasser(2003). The third principle is to promote local participation in tourism planning, development and operation and contribute to communities' well-being. Participation from local residents is recommended to ensure local residents and host community could benefit directly from tourism development. This is relatively intact by western scholars due to different realities between western counties and China that most of urban historic district are still homes for many low-income citizens. Due to the weak power they possess, their voices are less likely to be heard. Therefore, it becomes increasingly important to get local people involved in tourism planning and management in urban historic district so that tourism product design and development could reconcile with the concerns and needs of local residents.

2.3.4.2 Two academic schools on sustainable tourism development

Community approach has been used by many scholars on sustainable tourism development studies(Woodley 1993; Getz 1983; Butler 1997) which focuses on community involvement in tourism planning and development so as to bring benefits to local communities rather than outsiders(the effect of enclaves) and therefore results in increasing acceptance and support from local community to conserve local resources for tourism exploitation.

There emerged two schools of researches on community approach; the first group adopted the functional approach to analyze tourism and its impact on host destinations(Butler 1997; Russo 2002; Canestrelli and Costa 1991)while the latter group emphasizes government intervention and overseeing on tourism planning and its implementation as well as encouragement of local involvement(Cater 1994).

In the first school, there are three major techniques to assess the impacts, namely social impact assessment, contingent valuation and resident perceptions. Social impact assessment has been frequently used as pre-development assessment to investigate how potential policy or development project will influence residents or communities. Contingent valuation requires residents or communities attach money values to perceived impacts which provides better understanding of resident's willingness to pay for perceived impacts. The most common approach

is to examine residents' perceptions of the impacts(Akis et al 1998; Besculides et al, 2002; Johnson et al 1994; Tosun 2002). This technique justified that the impacts of tourism were not always easy to quantify and measure objectively. Some impacts such as cultural impacts and social impact are subjective in nature and should be measured through perceptions. This research also followed this technique by measuring perceived impacts.

The second school is in favour of government intervene when free market fails that benefits from increasing tourists arrivals are at the expense of environment. Within a market economy system, it is often the case that urban historic district is underpriced(Garrod and Fyall 1998) which indicates that the benefits brought by tourism development is not able to cover the losses of tourism externalities. Besides, the property conflicts of urban historic district in most developing countries also call for public sector involvement to manage resources there through taxation, subsidy, zoning etc in order to contribute to preservation and conservation of urban historic district.

Sustainable tourism development raises the question that how tourism development in urban historic districts can meet the economic agenda without comprising the opportunities of benefits for future generations. Nonetheless, there is no comprehensive textbook teaching how to plan tourism in urban historic district in a sustainable way. Given the community dynamics, sustainable tourism development needs to adapt to local communities' perceptions of tourism impacts and consequential behaviour intention. This is exactly the primary motive to conduct this research, studying impacts of tourism development in urban heritage community with a focus on residents' perceived impacts who are the receivers of both costs and benefits caused by tourism development. Nonetheless, in China's political economy context, the residents, lacking of power, are promising but not the best candidates to realize sustainable tourism development. The roles of other stakeholders could not be ignored and requires further study as well.

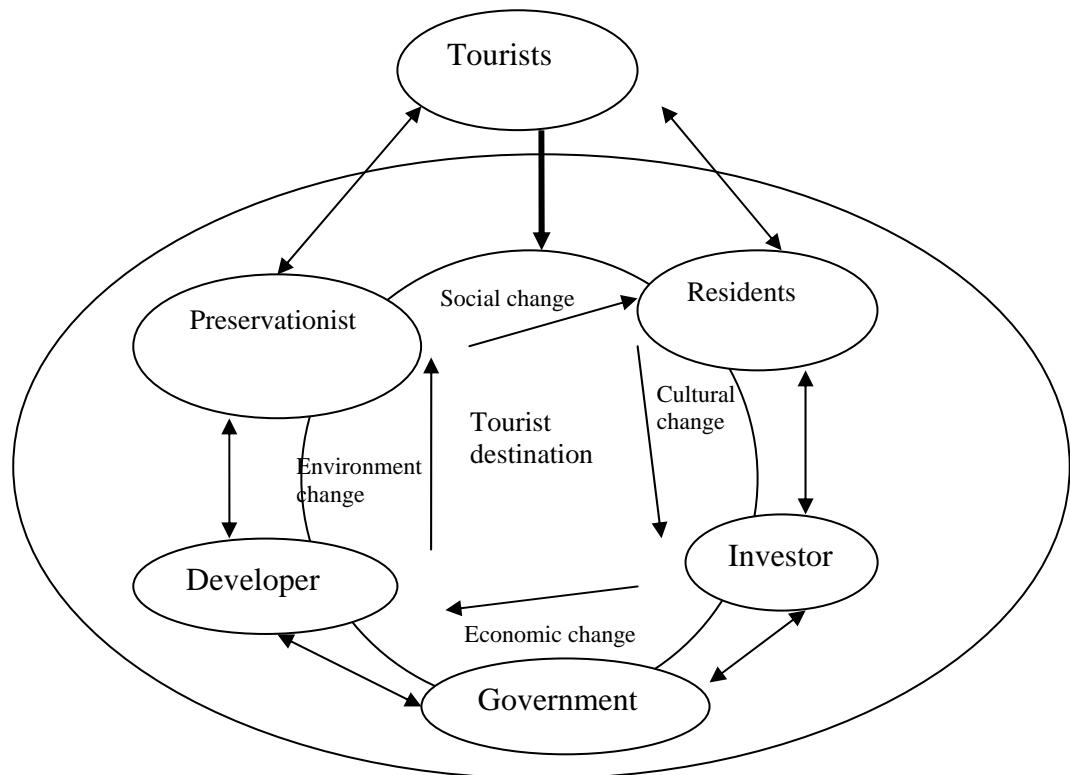
2.3.4.3 Mechanisms of tourism impacts: Agents of Sustainability

Evans(2002) used the growth machine theory to understand urban liveability and sustainability in developing countries. He proposed the term of "agents of liveability" by which he referred to the stakeholders involved in urban development projects for liveability. Through assessing the capacities of each urban actor(s), he suggested that none of them alone is enough to stimulate sustainable development and achieve liveability. Concentrating on any particular type of urban actors, such as community, NGO and market, is misleading both analytically and practically. In the end, he proposed "ecology of actors" as the best solution to agents of liveability. "Ecology" refers to a system in which different actors interacts. In his words, "*ecology should be taken as connoting an assemblage of actors whose prospects and capabilities cannot be assessed without taking into account the aims, strategies, and capabilities of the rest of the actors with whom they share a common arena*".

His approach inspired a new angle to study sustainable tourism development. Traditionally, the great majority of tourism studies focused on one particular type of actors, either tourist motivation or experience studies, or community attitude researches, or government policy advice. Admitting the importance of each

stakeholder is important however is far from achieving the ultimate goal of sustainability. The interactions and linkages between them are also very important and deserve further exploring to understand the mechanisms of tourism impacts upon tourist destinations. As defined earlier, sustainable tourism development relies on tourist activities and the resources on which they depended on. Tourist destination is under influences from many different urban actors(See figure 5). Focusing on sets of actors rather than any particular agents is useful lies in two reasons that for one thing, the connections and interactions between them sometimes are the solution to sustainability and for the other; it could help distinguish patterns of interconnections between these actors to enhance sustainability. Therefore, it is necessary to identify the roles of the other actors and their interactions in tourism development in the heritage community, what eventually exert influence on the heritage community together. Their perceptions of tourism development are as important as residents' perceived impacts to understand thoroughly the impacts of tourism development upon urban historic district and propose recommendations to achieve sustainability.

Figure 5: Mechanisms of tourism impacts upon local community



Sources: Adapted from Evans(2002) and Mitchell(1998)

This framework in figure 5 was found many similarities with the creative destruction theory. Creative destruction theory is used to investigate the relationships between tourism investments and tourism impacts. Mitchell (1998) applied it to study tourism in rural heritage community, or heritage shopping centre as termed in western literature. She argued that increasing tourists arrivals will eventually cause the destruction of original landscape which is attached high emphasis by the local residents. It is suggested that investment in production and

sales of heritage resources would facilitate and promote post-modern consumers with nostalgia to visit the host community which in return will bring entrepreneurs with profits on investment. Increasing level of commoditization of local heritage resources would eventually lead to irreversible destruction of the atmosphere of the community.

Similar to Butler's (1980) evolutionary model, this theory also adopts a stage-model which focuses on the roles of key actors in tourism development and many other variables such as entrepreneurial investment, consumption of commoditized heritage and destruction of the atmosphere rather than simple indicators as tourist numbers and time(Mitchell 1998). The key actors in this model include tourists, local entrepreneurs and preservationists. Mitchell (2003) identified two groups of preservationists with conflicting attitudes but contribute to the stock of tangible and intangible heritage resources within a community. The first group of preservationists is those whose major concern is restoration and preservation of architecturally significant structures and the opposite group are those who strongly protest any development initiatives to destroy local authentic buildings and atmosphere. Activities of two groups are enhanced by the entrepreneurs who mediate between the two groups and meanwhile seek for profit via exploiting and investing heritage resources without causing serious conflicts.

However, her framework is too simple for China's context. In communist country China, government plays a dominant role in tourism development in heritage community. Fan et al(2008) applied this theory into china's context and suggested that the important role of government should not be neglected. All economy activities, including tourism industry, are regulated and monitored by state council. Tourism planning, management and promotion are controlled and implemented by government at different levels (Xie 2001). Therefore, the fourth actor the government, as producer, protector, and promoter of tourism in heritage communities in no case should be included in this framework as well.

It is proposed that the changes brought by tourism development upon heritage community are the result of interactions of the above mentioned stakeholders. The conflicts and synergies between them need to be explored to achieve sustainable tourism development. Given the limited time and resources, the creative destruction theory was not adopted but the methodology of this theory was revised and applied into this research. Five major groups of stakeholders perceived impacts of tourism development were explored and analyzed in this research but only the conflicts between government and residents were analyzed in a systematic way.

Summary

This chapter introduced the main concepts that used for this research. It reviewed fragmented meanings of urban historic district and proposed a definition of urban historic district based on its distinctive features. Existing practices in preserving and regenerating urban historic district were analyzed with a focus on tourism development in the selected cases. The concept and basic principles of sustainable tourism development in the urban historic district were thus proposed. A research framework was thus formulated with the input from "ecology of actors" and creative destruction theory.

Chapter 3: Perceptions of tourism impacts

Introduction

Tourism impact studies has received popularity in 1960s because of its contribution to planning, policy making and marketing strategies formulation that are beneficial not only to tourists but also to the host community(Ap 1992; Williams and Lawson 2002;Brunt and Courtney 1999; Andereck et al 2005). Western literature seems biased on the externalities of tourism development which Vanclay (2003) explained that it is caused by scholar's tendency to overemphasize individual property in western countries. Nonetheless, in developing countries, positive impacts should be given equal importance and researches should be more concern about whether tourism development maximized social overall utility and development potential while on the other hand remain acceptable by the host community. This part will first review fundamental disputes over perceptions and attitudes in tourism studies and current theoretical perspectives in studying resident perceptions. Following that, it will analyze current literature on tourism impacts. This section will conclude with selected variables that proved important to resident perceptions.

3.1 Historic perspectives

Attitude and perceptions have been interchangeably used in existing literature. However, they remain different from each other in terms of time frame and objectivity. Perceptions is cognitive representation of the meaning that individual attached to certain objects or events while attitude reflects individual enduring favorable or unfavorable evaluations, emotional feelings, or behavioural tendencies to an object and event(Kurtz and Boone 1987). Therefore, the term perception is adopted for this thesis for tourism impacts and attitude in thesis refers to consequential supportive or non-supportive reactions.

Existing tourism researches on residents' perceptions on the impacts of tourism development provided a large knowledge base though; they lack of theoretical orientation and thus have not yield much information for researchers and practitioners to apply into different projects (Ap 1992). More endeavour should be made to social impact assessment on tourism development in a wider range of geographical locations, cultural contexts, various niche forms of tourism so that a central theoretical foundation for tourism impact evaluation studies could be set up(King et al 1993).

A thorough literature review identified that the growth machine theory (Molotch 1976), destination life cycle theory (Butler 1980) and irritation index theory (Doxey 1975; Pearce 1998), social exchange theory(Ap 1992; Jurowski et al 1998; Gursoy and Rutherford 2004) and social representation theory (Pearce et al 1996; Moscovici 1983) are the five most frequently consulted theoretical frameworks, among which the latter two are considered most relevant for this research.

3.1.1 Social exchange theory

Social exchange theory has been used extensively as theoretical framework by many scholars(Liu and Var 1986; Ap 1992; Getz 1994; Jurowski et al 1998;

Perdue et al 1990; Lindberg 1997; Gursoy and Rutherford 2004; etc). It has been widely used to investigate the relationships between perceptions of benefits, costs, impacts and support for tourism in an interactive situation.

This theory assumes that the hosts involve in an exchange with the purpose of “gaining” or “winning” (McGehee and Andereck 2004), which would influence their perceptions(Gursoy et al 2002). In this exchange, residents want to get benefits in exchange for equal benefits that they are willing to offer for tourists, developers, travel agencies etc. In addition, they also offer their support or indifference for tourism development, including being hospitable and tolerating for impacts caused by tourism, such as pollution, traffic congestion and etc. If local residents perceive higher costs than benefits, they are very likely to oppose future tourism development in the community(Allen et al 1988).

This economic-like theory based on basic assumptions that each individual is rational and tend to maximize the rewards while minimize the costs. Harrill(2004) commented this theory is closely related to growth machine theory and the embedded assumption is that tourism development will be supported when the benefits outweigh the negative impacts of sharing social and environmental resources with tourists.

According to Ap(1992), this theory presumes that social relations involves an exchange of resources between different parties in search of mutual benefits from social interactions. The improvement of social and economic well-being of the host community is the major desired benefits from exchange in tourism development and if this exchange is balanced, residents would have positive perceptions towards tourism development. Sutton(1967) reported that the exchanges between host community and tourists may not always in equilibrium and in that situation, host communities may feel being exploited and have feelings that they are losers in the host-guest encounters. This would result in a point of diminishing returns for host communities and negative perceptions of impacts (Harrill 2004).

Perdue et al(1990) employed this model in examining perceived impacts and support for tourism development in 16 rural communities. Their findings suggested that support for future tourism development was positively related to resident positive perceptions of tourism such as an improved local economy, quality of life and resident recreational opportunities while it was negatively related to negative perceptions including traffic congestion, land price increase, inflation, crime, and etc. Their research also demonstrated that gaining from tourism development exert large influence on resident perceptions of tourism impacts. Jourowski et al(1997) suggested that when residents realized that they need to share facilities and resources with tourists, they become neutral toward tourism development but they still believe that with increasingly intensive tourism development, they would get more benefits and they would support additional tourism development.

The results of Chen(2000) are consistent with the findings of Perdue et al(1990). Based on the social exchange theory, he categorized residents into two groups, either “loyal” or “non loyal” to tourism development. Loyal residents tend to be more hospitable to tourist arrivals and also be more supportive to tourism development compared with the latter group of non-loyal residents. The research

also revealed that loyal residents were more likely to perceive more positive impacts of tourism development which outweigh any negative impacts. Those loyal residents would not easily agree on that tourist development would result in frictions and serious conflicts between the community and tourists.

Andriotis and Vaughan(2003) expressed their concerned about whether the benefits and costs were shared equally. Their research findings suggested that residents perceived positively when the exchange of social, economic and environment resources was balanced for them. The research pointed out it was likely that only small portion of residents who receive benefits from tourism development would support tourism development. Therefore, in order to win support from all the members from host community, one precondition is that the benefits should be equitably distributed.

Madrigal(1993) identified the relations between resident perceptions and power that communities with positive perceptions tend to believe that they could influence tourism-related decisions and the private developers may not have so much political power.

The research from Andereck et al (2005) revealed mixed results for social exchange theory. They identified that residents perceive benefits from tourism development tend to have positive impacts of tourism development and would support tourism development but they also noted that there was no significant differences from those with negative impacts of tourism development. This contradicts with social exchange theory that once people gain from exchange activities, they tend to be involved in the activities so as to maximize their benefits. Similar to this research, Andriotis and Vaughan (2003) identified same problems in using social exchange theory that economic benefits perceived are not significantly related to support for tourism development. In addition, they compared between tourism business group and residents in terms of perceived tourism impacts and found no differences between groups. They attributed the results to the selection of the sample who were highly dependant upon tourism industry and thus, most of the sample respondents need to live with tourism with positive and negative effects.

Mixed results have been found by using this theory. It also bears inherent limitations. According to McGehee and Andereck(2004), social exchange theory assumes that people are all rational economic beings, thus, only those realize they receive benefits from tourism development would support future development while those who may support tourism development without knowing they benefit from it at all are not taken into account in this theory. Besides, it also assumes that humans are perfect “systematic information processors” and each party in the exchange possess enough information to make correct decisions, while psychology research demonstrates that in some cases human are “cognitive misers” (Taylor 1981 cited in Pearce et al 1996) and also in reality, lack of enough information is more common(McGehee and Andereck 2004). Pearce et al(1996) summarized the other two problems when applying this theory. Firstly, social exchange theory is based on assumption that individual’s knowledge about tourism is the direct result of his/her experience which ignores the fact that much of the knowledge is socially required. Secondly, social exchange theory assumes individual perceptions is formed without influences from other contextual, societal

and historic factors, however, socio-psychologists believe that factors such as mass media, cultural norms and groups dynamics exert influences on individual perceptions.

3.1.2 Social representation theory

As a remedy to social exchange theory, Pearce et al(1996) applied social representation theory in explaining community perceptions toward tourism development. They suggested that this theory is of particular importance and value in explaining social conflicts or reactions to salient issues within a community.

Moscovici(1981 cited in Pearce et al 1996) defined social representations as “*concepts, statements, and explanations originating in daily life in the course of inter-individual communications*”. He further added that social representations are “*cognitive systems with a logic and language of their own and a pattern of implication, relevant to both values and concepts, and with a characteristic kind of discourse. They do not represent simply ‘opinions about’, ‘images of’ or “attitudes towards”, but ‘theories’ or ‘branches of knowledge’ in their own right, for the discovery and organization of reality*”. In essence, this theory argue that any given social phenomena do not occur as something outside individual but rather within a dynamic process of interaction and communication.

Pearce et al(1996) suggested that in a given socio-environment, there are three major sources shaping individual's social representation jointly, namely direct experience, integrated effects from mass media and conversation and social interaction at various levels. These three processes comprises of individual sources of knowledge for the society. Existing representations have strong prescriptive powers and provide base for residents to shape their perceptions. It does not contradict with social exchange theory in this aspect as it does acknowledge the importance of previous actual experience in the formation of perceptions. However, social representation theory also suggests when direct experience is not adequate; other sources of social representation will exert more impacts, such as social interactions and mass media. Social interactions refers to conversations and communications between family members, friends, acquaintances and even strangers, etc. Though these communications, social representation can be transmitted even individual may not have actual experience. Media is also an important actor exerting influence on residents' social representation through the content of stories from various perspectives. It presents people with different social representations, sometimes even conflicting social representations, which give rise to the requisition of social group identity.

This theory is believed to operate both at individual and community level since it is a theory links both individuals and groups(Pearce et al 1996; Zhou 2009; Ying 2004). The major application of this theory is to identify specific social groups within which group members share same social representations. Fredline and Faulkner(2000) suggested that the key to distinguish community groups is to identify commonality or consensus of residents' perceptions so as to influence their reactions.

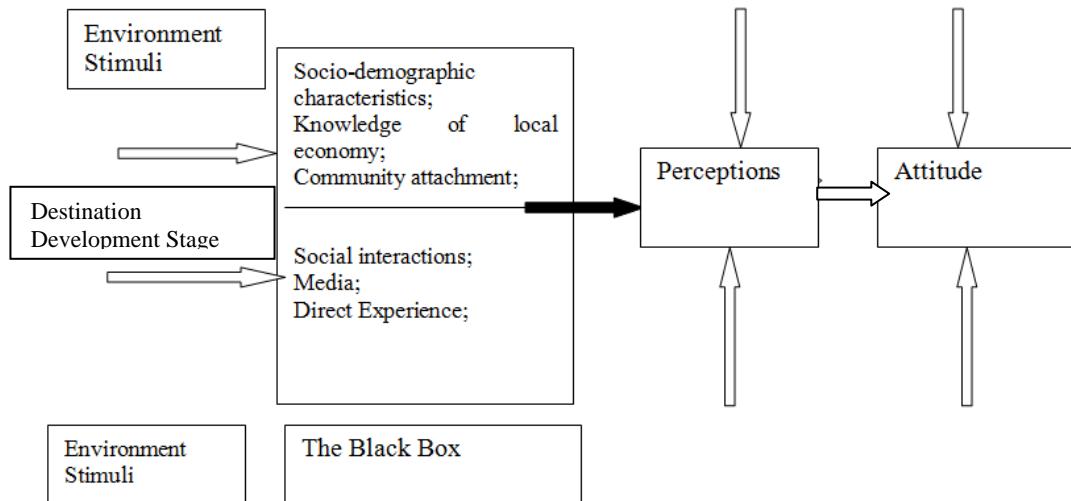
Pearce et al(1996) suggested three criteria to identify and establish social representations: 1) existing consensus or commonality among community members; 2) the synergies between impacts and related ideas and perceptions; 3)

existence of central or core images or ideas that could serve as distinctive features portraying the social representations.

Davis et al(1988) applied this approach in measuring community attitudes towards tourism development and identified five groups of respondents that are labelled as haters, cautious romantics, in-betweeners lover with reasons, and lovers. They also tested the relations with socio-demographic between different groups. Madrigal(1995) employed the same approach in the study conducted in United States and clustered three groups according to residents' positive or negative perceptions toward tourism development, namely haters, realists and lovers. Andriotis and Vaughan(2003)also clustered three groups of residents based on their perceptions of tourism impact and labelled them as advocates, the socially and environmentally concerned and economic sceptics. In their research, they compared group differences in terms of socio-demographic factors and identified significant differences among groups in terms of education level. Andriotis and Vaughan(2003) concluded that there is a need to identify social representations to understand residents perceptions and influence their attitude and even behaviour. However, the identification of social representation might be difficult and this approach can be too vague and boundary-less.

Differing in explaining residents' various perceptions toward tourism development, these theories provide building blocks for theoretically guided research, including this thesis. These theoretical perspectives are not conflicting with each other. Social representation theory have two major contributions, one is that it sets up a framework in understanding how residents' perception is formed and how to explain different perceptions. The other is that it provides an angle to study resident perceptions by identifying common social representations. Destination development stage(either based on creative destruction theory as introduced in earlier section or destination life cycle theory) could be seen as median variables in influencing residents' perceptions tourism impacts. Social exchange theory could be used to explain how information gather from various sources could influence residents' attitude by assuming that every one is intended to maximize benefits and minimize the costs. Residents' attitude could be categorized according to the irritation index model. The relations of these theories could be seen from the following figure. An integrated framework based on those theories was adopted.

Figure 6: Formation of Perceptions of Tourism Impacts



Source: adapted from Pearce et al (1996)

3.2 Impacts of tourism development in the urban historic district

The early tourism impact studies focused the economic impacts of tourism. Tourism is an industry with substantial economic benefits such as increased employment, multiplier effect and etc. In the 1970s, socio-cultural impacts of tourism have received much attention from researchers and in 1980s, as a response to increasing awareness on environment; researchers were more focused on environment issues of tourism. Since 1990s, tourism impact studies have seen integration of all sorts of impacts. The study of impacts of tourism development in urban historic district can follow the studies on mass tourism and other niche forms of tourism, while the cultural impacts need to be addressed.

3.2.1 Economic impacts

Researches have shown that tourism can be used as economic strategy since it could create jobs(Milman and Pizam 1988), bring foreign exchange (Ahmed and Krohn 1992) and promote the development of other industries(Ritchie 1988), all of these economic effects are supposed to improve quality of life of the residents(Kim 2002). As the growth machine theory suggests economic advancement is the major motive behind tourism development plans. Ritchie(1988) reported in his research conducted in British Columbia and Alberta Canada that most of the respondents considered tourism as an important tool in creation and sustaining job positions. Belisle and Hoy(1980) found similar result in their study carried out in British Columbia. However, many researchers also identified seasonality in job creation. They reported that high rate of unemployment might occur after the construction of tourism facilities and the seasonality of tourism industry might also disrupt the employment structure(Liu and Var 1986; Davis et al 1988).

Liu and Var (1986) also found that tourism could bring more investment to community and local business. Wan(2007) conducted impact evaluation in Sichuan China and found that residents reported positive perceptions toward improved facilities. However, mixed results have been reported on residents'

perceptions on tax revenues caused by tourism development. Tosun(2002) reported that residents believe tax revenues generated from tourism could lower their own taxes. Perdue et al (1987) identified reverse result that resident felt their tax increased as a result of tourism.

On the other hand, tourism development also has negative impacts to the local community. In general, firstly, many jobs created by tourism may be low-skilled and experienced managerial and expertise in tourism marketing, planning or management might be hired from somewhere else. Tourism may also bring problems such as tourist-dominated services and facilities, land price increase, inflation and etc (Belisle and Hoy, 1980; Tosun, 2002; Weaver & Lawton 2007). However, empirical research reported mixed results regarding to increased prices of goods and services. Sheldon and Var(1986) and Husbands(1989) in their researches respectively found out residents moderately support for the statements that tourism development is the reason for price increase. But the negative impact of tourism in pushing up land price has been confirmed by various empirical researches. Pizam(1978), Lundburg(1990) Tosun(2002) and Chen(2007) reported same results that residents perceive negatively on the impacts of increased land and housing price.

3.2.2 Social impacts

Tourism development will increase traffic volume in public area which might cause congestion and over-crowdedness. Residents might perceive negatively because of inconveniences. Liu and Var(1986), Prentice(1993), Wan(2007) and Chen(2007) found in their empirical research that residents experienced crowdedness in peak tourism seasons and perceive this as a major problem created by tourism. However, tourism might not necessarily be the only cause of congestion. Davis et al(1998) found that residents disagreed that congestion would disappear without tourists.

Tourism development could serve as catalyst for local services improvement. However, different results were reported. Pizam(1978) founded that residents perceived positively on tourism impacts on local services. Murphy(1981) identified different perceptions among residents, administrators and business owners on this issue. Allen et al. (1993) discovered that tourism might increase local service quality.

Increased tourism services and facilities may indicate diminishing local recreational spaces. However, mixed results are generated from empirical researches. O'Leary (1976) and Chen(2007) found that residents thought increased tourist arrivals forced them away from local recreational spaces while Perdue et al(1991) identified reverse result that residents consider tourism beneficial as it increases recreational opportunities.

Tourism development is also associated with increased social problems such as crime, drug and alcohol abuse, widening income gap, prostitution and many others. Wang(2001) and Zhang (2004) suggested positive correlations between tourism development and increased criminal rate. Liu and Var(1986) found different result in their research in Hawaii that no significant relations between perceived increased crimes with tourism development. Allen et al(1993) also found little relationships between crime and perceived impacts. King et al(1993) revealed that

residents perceive tourism development as a reason for increasing alcoholism. Besides, Nasser(2003) suggested that tourism development might bring residents an invasion of privacy.

3.2.3 Cultural impacts

With regard to cultural aspect, tourism is often criticized for destruction to traditional socio-cultural structures even though it might contribute to the preservation and revitalization of traditional arts and craft(Wang 2001; Zhang 2004; Zhang 2004; Liu and Var 1986).

The issue of whether tourism preserves or destroys destination culture remains controversial (Mathieson and Wall 1982). As the creative destruction theory suggests, increased level of commercialization of local heritage and cultural resources might increase resident negative perceptions because of cultural concerns. Wan(2007) identified that residents expressed high concern on the loss of traditional culture which has been replaced by overwhelming commercial culture. Nasser(2003) argued that selectivity of tourism development might cause drastic changes in land use patterns, value systems and culture structure. Also the author was concerned that tourists' desire for souvenirs and art-crafts may create a market for replicas which would devalue cultural items. Liu et al(1987) and Belisle and Hoy(1980) came up with same results that residents perceive negative impacts of tourism on the evolution of cultural traditions. Besculides et al(2002) asserted that tourism development could lead to over-development, assimilation, conflict and xenophobia. The research from McKean (1976; 1977) reported mixed results. In the research conducted in 1976, the author asserted that rapid and substantial changes caused by tourism leading to deterioration of Mexican and Indian culture and value systems while on the other hand, tourism contributes to renaissance of traditional art, crafts, dance and music. Pizam (1978) identified that residents perceived tourism positivity in preserving cultural identity in the study conducted in Cape Cod. Meleghy et al. (1985) in their comparative study found that tourism development and local culture preservation could go hand in hand.

Cross-cultural exchange facilitated by tourism development also has both positive and negative impacts. Cultural confrontation could be unintentionally exacerbated by displays of commercialism and wealth which could be disruptive to local residents(Nasser 2003). Dahlan (1990) suggested that tourists self-construct of the heritage or cultural resource might result in vulgarization of local culture evidenced by cultural performances as a form of entertainment to tourism industries. Nonetheless, various scholars and organization also confirmed positive impacts of increased level of cultural exchange. WTO(2004) viewed tourism as a state-of-art tool to achieve transnational and national mutual understanding between people from different backgrounds. Belisle and Hoy(1980) reported positive perceptions of residents for exposure to cultural differences and exchange. Results from Tosun(2002) also confirmed this result that most residents support intercultural exchanges brought by tourism.

3.2.4 Environment impacts

Liu et al(1987) noted that environment was recognized as a key factor in tourism impact studies since most tourism destinations are highly relied on natural and

built environment. Given the nature of tourism in urban historic district, it is essential to highlight the importance of environment impact as well.

Chen(2007) found out that some residents perceive that tourism could help raise environmental awareness to preserve and appreciate the environment and could also attract investment to improve and sustain environment quality. Perdue et al(1987) identified that sample residents reported positive perceptions on community environment improvement caused by tourism.

Nonetheless, most of tourism impact studies focus on negative impacts caused by tourism development, such as pollution(Andereck 2005; Wan 2007), increased gabbage(Lankford and Howard 1994; Liu and Var 1986), noises(Pizam 1978) and etc. In addition, WTO(2004) considered limited access to public is another variance of negative environment impacts. User charges or entrance fees are often collected to improve or sustain environment quality and these fees might limit residents' access and therefore result in their negative perceptions of environment impacts.

The above reviewed impacts of heritage tourism development in urban historic district were summarized in Table 3.

Table 3: Impacts of Tourism Development in Urban Historic District

Dimension	Tourism Impacts In Existing Literature
Economic Benefits	Direct and indirect employment; Generate foreign exchange; Increase household/personal income; Improves local infrastructure, facilities and services; Increase government revenue; Diversify economy structure; Increase investment;
Economic Costs	Land price increase; Increased prices of goods and services; Diverts funds from other economic development projects; Shortage of services and goods for local residents; Seasonal employment; Replace jobs of traditional patterns; Incur costs for construction and maintenance for tourism related facilities;
Social Benefits	Increase availability for recreational facilities and space; Improve local image; Improve quality of life; Facilitate the process of modernization; Improve quality of police and fire protection; Provide educational opportunities; Increase community belongings or pride; Stable political environment;
Social Costs	Widening income gap; Unequal distribution of wealth by tourism; Create over-crowdedness and congestion; Social ethnics degradation such as crime, prostitution, drug trafficking, alcoholism and etc; Chaos in daily life; Increase exploitation of local residents

Cultural Benefits	Encourage pride in local arts, crafts, and cultural expressions; Preserves cultural heritage; Increase cultural activities; Improve understanding and image of different cultures; Increase demand for cultural and historical exhibits; Revitalize local traditions, arts, and cultures
Cultural Costs	Create demonstration effect (imported culture result in imitating foreign cultures and relinquishing cultural traditions); Vulgarization of local cultures; Lose unique culture, traditions and etc; Artificial reconstruction; Lose authenticity;
Environment Benefits	Promote environment(natural and built environment) conservation and improvement; Protect wildlife; Provide educational opportunities; Maintain balanced ecology system;
Environmental costs	Attract more fund for environment conservation activities; cause water pollution, air pollution, sound pollution and solid waste Tramples delicate soil and beaches Destroys coral and coastal dunes Disrupts flora and fauna (wildlife, plant life wetlands) Destroy local ecosystem Damage natural and built landscapes

Sources: Ko and Stewart(2002); Andriotis and Vaughan(2003); Williams and Lawson(2001); Wan(2007); Chen(2007); Mathieson and Wall (1982); Ap and Crompton(1998), Lankford and Howard(1994); Zhang and Tang(2004); Gursoy and Rutherford(2004); Brunt and Courtney(1999); Besculides et al(2002)

3.3 Predictive variables

Extensive quantitative research on residents' perception toward tourism development has examined the relations between various predictive factors and residents' perceptions. The social representation theory suggests both intrinsic and extrinsic factors would exert impacts on resident perceptions as identified in existing literature.

Destination development stage is one of the most popular external factors and has been investigated a lot(Doxey 1975; Butler 1980; Allen et al 1988; Dogan 1989; Madrigal 1993; Yoon et al 1999; Mitchell et al 2001; Huang et al 2007). Tourist type is another extrinsic factors that influencing residents perceptions (Butler 1975; Dogan 1989; Faulkner and Tideswell 1997; Hritz 2006). Research findings confirmed Butler's model that independent travelers and explorers tend to personally experience local culture and respect local lifestyle which will exert less impacts on host community. The final extrinsic factor is seasonality(Belisle and Hoy 1980). Research findings suggest that fluctuations of tourists demand is the major reason for negative or positive attitudes toward tourism development.

Intrinsic dimension includes socio-demographic factors(Ritchie 1988; Chen 2000), community attachment(Besculides et al 2002), distance or proximity to the tourism zones(Belisle and Hoy 1980; Long et al 1990), knowledge of tourism and local economy and involvement in tourism(Ap 1992; Pizam et al 1994).

Table 4: Intrinsic and Extrinsic Factors Influencing Resident Perceptions

Dimension	Factors
Extrinsic	Degree or Stage of the host destination evolution Type of Tourists Seasonality
Intrinsic	Socio-demographic factors: education; income; economy dependency; gender; age Community attachment Involvement Distance to the tourism zones Knowledge about tourism and local economy Direct experience Political self-identification

Sources: Faulkner and Tideswell(1997); Andriotis and Vaughan(2003)

Zhang(2008) suggested that existing literature has ignored the influence of psychological factors upon resident perceptions and attitude. Thus, in this research, the following four intrinsic variables are chosen and considered as influential factors in deciding residents' perceived impacts.

3.3.1 Socio-demographic factors

Demographic characteristics would influence residents' perceptions toward tourism development that those with similar demographic characteristics show resemblance in their perceptions and attitudes as they might be more likely to expose to social influences in the same way(Fredline and Faulkner 2000). Harvey et al (1995) identified gender differences and age differences in perceiving tourism impacts. In their study, they found that middle aged adult men, compared with young people and women, had more negative perceptions toward tourism development, which might relate to different job opportunities offered by tourism. Andriotis and Vaughan(2003) conducted cluster analysis and compared difference among groups in terms of the socio-demographic variables. Three groups were classified in their research according to residents' common social representations and significant difference was found among groups in terms of education level. Nonetheless, on the other hand, many researches found there were no significant relations between socio-demographic characteristics and residents varied perceptions of tourism impact(Lankford and Howard 1994; Perdue et al 1999; Allen et al 1993; Belisle and Hoy 1980; Davis et al 1988). Perdue et al(1999) adopted the social exchange theory and identified that when the impacts were under control, residents' perceived impact of gambling in tourism revealed no significant relations with socio-demographic characteristics. Davis et al(1988) reported similar results in their research that no significant correlations were found in residents perceived tourism impacts and their demographic characteristics including age, gender, length of residence, education, and etc. Other researchers also reported same result that no or little influence is exerted by demographic factors. However, most of these studies were conducted in developed countries and the generalization of the research findings is dangerous if applied to developing countries. Among few tourism impact studies carried out in developing countries, many confirmed positive correlations between perceived impacts and education level, age, income and gender(Husbands 1989; Faulkner and Tideswell 1997; Wan 2007; Chen 2007; Zhang 2004). In the research

conducted by Husbands(1989) in Zambia, statistically significant correlations were identified between socio-demographic factors and residents perceptions, in particular, age and education level. Wan(2007) conducted tourism impact evaluation in a small town in China and reported significant differences in perceived impacts exist among different groups categorized by age, income level and education level. Faulkner and Tideswell(1997) pointed out education level is of particular importance in affecting residents perceived impacts in developing countries. The reason might be that people with higher education level might have a better understanding of tourism development and local economy, and thus they might be more aware of the potential benefits and costs than residents with lower education level. In terms of gender, the difference might be ascribed to different job opportunities that women are more likely to be engaged in tourism business. With regard to age, social representation theory gives one possible explanation that compared with young people, old generation is more likely to accumulate more social networks and those social interactions provides them clear and solid social representations toward tourism development. Another explanation from community attachment theory is also possible that the old generation is more attached the community than the young generation does.

Therefore, the following hypotheses are proposed: *There are significant correlations between residents' socio-demographic factors and their perceived impacts and consequential attitude towards tourism development.*¹

3.3.2 Place attachment

Hogg and Abrams(1988) suggested that individual requires social identity from memberships in social categories, either based on socio-demographic factors such as age, gender, occupation, or common interest such as sports club, dancer club, or place-bounded such as neighbourhood or community. Both the social and physical attributes of place can be internally subsumed to help create a sense of belonging.

Place attachment, usually interchangeably used with other terms such as sense of place, community attachment, place identity and many others, is often defined as an emotional bond or link between a place and an individual. Because of the confusion in terminology, the advances of study in this aspect are hindered and many different indicators have been developed to measure unclearly constructed concept. In this thesis, the definition and construct set up by Williams and Vaske(2003) was adopted. They operationalized the concept of community attachment into two domains, namely place identity and place dependence. In their construct the former one refers the socio-psychological meaning of a place to individual life while the latter one reflects the functional meaning of a place that provides features and conditions to support achievement of goals or desired activities.

In their definition, place dependency is referred to a functional attachment that embodied in the physical characteristics of a place. On the other hand, place identity was defined as “*symbolic importance of a place as a repository for*

¹ The hypotheses in this chapter were based on literature review and were very general. Many of those hypotheses were revised in later chapter according to the result of data analysis and could be found in annex 18.

emotions and relations that give meaning and purpose to life”. In the model proposed by Breakwell(1986), four elements are essential to create place identity including establishment of personal uniqueness, self esteem, self efficacy and continuity. Personal uniqueness and self-esteem are often related with self-esteem. People might use place as an identification to distinguish themselves from others. Self-esteem is developed when individual evaluate themselves positively with regard to some location or environment. Therefore, residents in urban historic district might develop sense of pride for representing membership of traditional society and culture as confirmed by empirical study(Uzzell 1995). The remaining two components are of particular relevance to residents' perceptions of changes or development. Continuity suggests a stable self-identity with a place and self-efficacy refers to a sense of belief to meet the demand of changing circumstances. People need a stable self-identity which helps them to create healthy self-esteem. Changing places could create opportunities for self-development on condition that people still feel control over the environment and the rate of change of the place. Therefore, place attachment includes not only physical bonding but also social ties exercising impact on place identification and sense of self. In this case, the changes brought by tourism might cause tension and conflicts to residents' self-efficacy. Therefore, the place identity could be described as a component of self-identity that enhances self-esteem and increasing sense of belongings to a community.

Existing researches have employed different indicators to measure the influence of place attachment upon perceived impacts of tourism development, including economy dependency, employment patterns and income generation. These indicators could be considered as operationalization of place dependency since it the place that offers opportunities for employment and thus brings incomes for the residents.

Landford and Howard(1994) reported same result as Madrigal(1993)'s findings that residents receive economic benefits from tourism development have a higher level of support for tourism development and hence reported more positive tourism impacts. Ap (1992) suggested residents face trade-offs between benefits and costs brought by tourism. Those residents rely on tourism related business tend to perceive tourism more positively compared with those without economic benefits. Therefore, the second hypothesis was formulated based on above discussion: **residents whose own income or family income relies on tourism related business tend to perceive more positive impacts and be more supportive towards tourism development than those unaffected.**

This above indicator is relatively easy to measure through asking the income source of the respondents. However, given the sensitivity of such a question, a second indicator was selected to measure residents' perceptions towards place dependency by asking their preference for residential location given same physical environment. Hence, another hypothesis was raised that **the higher tendency of residents to live in current community, the more negative impacts they perceive and the less supportive towards tourism development.**

The second domain of place attachment, place identity is a socio-psychological construct which include residents' self identity, self esteem and emotional bonds with the place. One more hypothesis is raised that **residents who feel more**

emotionally attached towards the historic district are likely to perceive more negative impacts than those less attached.

Length of residency is also frequently used indicator for community attachment. Allen et al (1993) reported no significant relations between residents perceived impacts and their length of residency in ten US rural towns. Davis et al(1988) reported that new arrivals tend to perceive more negatively than those lived in the community for long. Faulkner and Tideswell (1997) suggested the other possibility that new migrants might be more supportive towards tourism development. They argued that the purpose of relation of the new residents was a key issue here that those who migrate for work tend to be more in favour of tourism development than those move for better environment and lifestyles. They also suggested that residents with long residency in advanced tourism destination development stages might have become adapted to tourism while those in exploration stage or emerging stage of tourism destination development might oppose tourism development in their communities. Another hypothesis is thus formulated that ***residents with longer residency in the historic district tend to have more positive perceptions toward tourism development and are more supportive to tourism development than those with shorter residency.***

According to Breakwell's (1986) model, residents' perception of control over the changes might influence their self-identity and place relations. Applying this theory, residents who feel that they could exercise their control over tourism development might remain stable self-identity and attached to the community which indicates that they are likely to perceive positively toward tourism development. This is of particular relevance with community participation which will be discussed in the next paragraph.

3.3.3 Participation

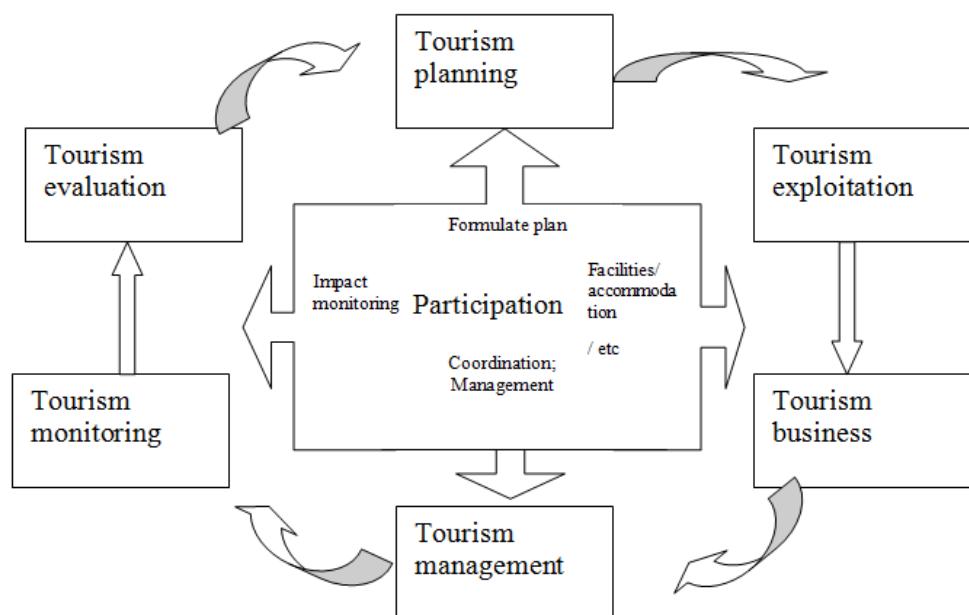
It is assumed that residents' participation experience as a source for their social representation would influence their perceived impacts and attitudes toward future plans. This is rarely researched in existing literature. Since the definition of participation has always been controversial in development studies and it is necessary to define it clearly in this thesis.

Tosun and Timothy(2003) cited Stone(1989)'s definition of community participation in the development process as designed development plans or strategies in which "*intended beneficiaries are encouraged to participate in their own development through mobilizing their own resources, defining their own needs, and making their own decisions about how to meet them*". They also proposed seven arguments in favor of community participation in tourism development process. Liu(2000) applied the concept into tourism scope and defined it as community involvement in tourism development decision making, implementation, evaluation and management so as to maximize the benefits while minimize various economic and socio-cultural conflicts brought by tourism development. OECD(2001) concluded three major categories of participation including policy agenda setting, cooperation in policy formulation and implementation and more open public participation. As Tosun(2000) suggested that community participation as a western construct might not be applicable to the context of developing countries because of cultural, institutional, structural and

operational barriers. Therefore, what to participate is a key issue in developing countries.

The concept of community participation has seen popularity in academic researches in China since 2000. Liu(2000) proposed that residents should get involved in tourism development decision-making, benefits allocation, awareness building and vocational training. Wang and Zhou(2003) asserted that residents should be educated for future development vision and empowered to join in tourism planning and decision making regarding to benefits allocation, employment creation, community tourism management etc. Wang and Tao(2004) pointed out a wide range of areas that residents could participate, including tourism development decision making, tourism economic activities such as tourism marketing, tourism product planning, tourism services, benefits allocation and etc, environment and resources protection and tourism related education. To sum up, community participation covers the whole process of tourism development from tourism planning, policy decision making, through infrastructure construction, benefits sharing, education to environment and resources preservation which shown in Figure 8.

Figure 7: Community Participation in Tourism Development



Source: World Tourism Organization (1996)

Based on the above review, four domains of participation were defined, as participation through educational and training opportunities, active participation in environment protection, participation in decision-making and management and monitoring and participation through benefits distribution.

The following hypothesis was thus proposed that: ***there are significant correlations between participation experience with residents' perceived impacts and their attitude towards future tourism development.***

Another issue regarding to community participation in urban historic district is relocation or housing upgrading. Involuntary relocation and forced eviction are

common in tourism development projects in China, as exemplified in previous section. Fang(2000) suggested that residents that forced to move out were often unsatisfied with their relocated housing condition because of relatively low subsidy or compensation, location of new housing and break of original community ties. Heller(1982) reviewed the impacts of involuntary relocation caused by urban renewal projects and found the same result in western countries. Since not all the residents are moved out, those who remain live in urban historic district might receive government subsidies to upgrading housing conditions under the guidelines of conservation and tourism development. The improvement of housing condition caused by tourism development might lead to positive perceptions of tourism development. However, given the limited time for field work and the difficulty to approach these relocated residents, the influences of relocation were not included in the quantitative study of this thesis. Alternatively, questions on relocation were included in in-depth interviews.

3.3.4 Political self-identification

Political self-identification is also considered as an influential intrinsic factor in China's context (Zhou and Ap 2009). Snepenger and Johnson(1991) first applied "political self-identification" to investigate the correlations between residents perceived impacts of tourism development and their political standpoints. Given tourism development in most cases in China is initiated and influenced by government, political self-identification could also be an important variable that influencing residents perceived impacts. However, so far no research examined this variable in tourism impact studies in China.

Snepenger and Johnson(1991) reported significant differences among three political groups(conservatives, moderates and liberals) exist in their perceptions toward social impacts of tourism development. They identified that those three groups differed on statements: (1) contacting with tourists is a valuable educational experience; (2) tourism encourages local cultural activities; (3) tourism could bring cultural exchange between tourists and local community. The liberal group was reported to believe tourism would enhance their quality of life and was more supportive toward tourism development while the conservatives were generally less enthusiastic than the former. Fredline et al(2005) suggested that no significant correlations exist between community members in their perceptions of tourism development and their political standpoint.

Three common categories, namely conservatives, moderates and liberals are often used in academic studies. Zhou and Ap (2009) asserted that given China's unique cultural and political background, this classification might not be applicable since most of Chinese people could not tell clearly what is conservatism and liberalism. Literal translation of liberalism is a negative word in Chinese, which means retreat from public affairs, selfish, anti-social behavior and etc that are not socially and morally tolerable. For instance, the first chairman Mao(1937) wrote that *"liberalism leads to political corruption of some party members and revolutionary organizations...it always emphasize personal freedom and individual rights...It is a reflection of opportunism which contradicts with Marxism. Any party members should put people's interest and benefits first..."* He also called upon all the party members to unite together and fight against liberalism and any tendency toward liberalization. This reveals drastic differences from western construct of liberalism

which highlights individual freedom, personal rights and accompanied responsibility(Baidu 2009). Even a small amount of people who recognize different meanings of liberalism as western construct suggested, most Chinese liberalists are following the ideology of classical liberalism that emphasize on economic freedom, limited government, individualism and open society, rather than modern liberalism(Liu 2009). Therefore, one comparison could be drawn that liberalism in China's context equals to contemporary conservatism in western world(Zhang 2006).

Most of the liberalists in China are more in favor of classical liberalism that address the importance of limited government, individualism, the rule of law and an open society. Thus, the debate over liberalism and nationalism could be also interpreted as the controversy over the value of individuality and collectivity. Zhou and Ap(2009) operationalized this concept by measuring resident perceptions of government performance. However, since government has retreated from direct involvement in many development projects, the other two indicators namely residents' perceptions towards developer's performance and their political party membership were added in this research. Empirical studies have suggested the delimitations of this variable in examining residents' perceptions. Husbands(1989) asserted that it was very difficult to identify the political class in practice. Dickson(2003) also confirmed that political self-identification as an independent variable should only be included when some measurable variables such as socio-demographic factors are found incapable of explaining research findings. However, western literature does not fully explain China's unique context. Firstly, every domain of social life is still highly controlled by government bodies, which is determined by the political structure. In China, government and political parties is inseparable from the national level to the village level. Though government at all levels is elected, any government leaders are nominated by corresponding China Communist Party Committee first and need to pass investigation and get approval from the Party for any decisions. Secondly, tourism development in China in most of cases is initiated, planned and managed by government bodies. Thirdly, the mass media as an important source of social representations is under the control of government or party. Therefore, the political identification might remain an influential factor in shaping residents perceptions. Based on those arguments, it is hypothesized that **residents who are more satisfied with government's (or developer's) performance tend to perceive more positively and be more supportive toward tourism development and residents who are member of China Communist Party tend to perceive more positive impacts and are more supportive toward tourism development**

Summary

An exhaustive literature review was conducted to find current theoretical explanations over residents' perceptions and attitude toward tourism development. Synergy was identified among these theories and a theoretical model was constructed to guide this research. The sections followed also reviewed various research findings on social, cultural, economic and environment impacts of tourism and possible factors influencing resident perceptions and attitude. Socio-demographic characteristics, community attachment, community participation and political self-identification were selected as dependant variables to test their

relations with residents perceived impacts and attitude toward tourism development.

Chapter 4: Research methodology

Introduction

Research design is a logic plan that covers all aspects of data collection, analysis and interpretation that allows the researcher to answer initial set of research questions(Yin 2003). Philliber et al(1980) listed three elements of research design, including identification of relevant data, how to collect data and how to analyze the results. This chapter will present the design of this research based on these three aspects.

4.1 Research Design

4.1.1 Case study

The overall objective of this research is to investigate the impacts of tourism development in urban historic district in a developing country. Case study as “*an empirical inquiry could be used to investigate contemporary phenomenon within the real-life context especially when the boundaries between phenomenon and context are not clearly evident*”. When contextual conditions were going to be taken into consideration, case study is an ideal research method (Yin 2003). There are two variations within case study approach, namely single case study and multi-case studies. Given the time and resource limit, single case study of Yangzhou is adopted in this research.

There are many reasons for choosing Yangzhou as a case study. Firstly, Yangzhou is a typical city in China that relies on tourism development to revitalize urban historic district. The city has a history of more than 2000 years and the historic district is well preserved. Tourism development in historic district now is at an early stage that has often been ignored in academic research. Besides, though there are several universities in Yangzhou, tourism industry is under researched. For sustainable development of tourism destination, academic inputs are indispensable. Secondly, Yangzhou is located in the Yangtze River Delta area where tourism industry is more developed compared with inland cities. In comparison with other cities in Yangtze River Delta Area, tourism contributions to local economy are not very significant. However, local government is very ambitious to promote tourism industry so as to compete with other cities. Tourism development in historic district is a major development project for future advances of tourism industry. Under such economy-first principle, the socio-cultural impacts are likely to be neglected. The third reason to choose Yangzhou is that the tourism development planning was part of urban regeneration strategy. Community action planning was adopted in one pilot project. It ensures one critical variable of participation could be measured in the case study. Fourthly, in the south part of China, almost each city has its own dialect and is quite different from each other, which might add difficulty to qualitative research of in-depth interviews. The author was raised up in this city and could speak local dialect. There would be fewer problems in communication during the field work compared with other cities in south part of China.

4.1.2 Mixed methods

Yin(2003) suggested that the result of case study approach relies on multiple sources of evidence, with data need to be converged. Existing literature confirmed that both qualitative and quantitative method alone is not enough to generate validate research findings (Neuman 1997).Therefore, a mixed methods approach, which is simply defined as a single study combining both qualitative and quantitative research methods, was adopted for this thesis(Johnson and Onwuegbuzie 2004). Mixed methods research legitimate the use of multiple approaches in answering research questions in stead of restricting researchers' choices. Initially, this approach was labelled as "triangulation" which defined as "combination of methodologies in the study of same phenomenon"(Denzin 1978 cited in Jick 1979). Jick(1979) suggested that it is an useful tool for cross validation when many distinct methods are found to be congruent and with comparable results. The results might not be convergent, and sometimes even contradictory, which therefore allows a better understanding of a given social phenomenon in question. Sequential mixed methods research design was adopted in this research (Creswell et al 2008; Johnson and Onwuegbuzie2004). Mixed methods were used both across stages and within stage. By across stages, it refers to that both qualitative method such as in-depth interview, observation and anthropological methods of "travel with tourists" and quantitative survey was used in this research. By within stage, it means that in the quantitative approach, qualitative questions were also included. The qualitative and quantitative phases were conducted together. Multilevel and multisource data collection was also incorporated into this research. Data were collected at both individual level and local government level, which would add more broad understanding of tourism impacts upon host community in urban historic district.

The following methods were used in this research. Site inspection and observation were conducted first to get direct impression of the situation under study. In-depth interviews were conducted to local governments, community, scholars and experts prior to the survey. Surveys were distributed to host community to examine their perceptions toward tourism impacts in their community. Observations through travelling with group tourists were used to collect data from tourist-guest encounter perspective.

4.1.3 Case Context

Yangzhou is located at the centre of Jiangsu Province, China. It faces the Shugang Hills on the north and Yangtze River on the south. The Beijing-Hangzhou Grand Canal cut through the city. The municipality covers a total area of 6638 square kilometers and is inhabited by 4.59 million residents(YSB 2009). The central city has an area of 251.9 square kilometers with total population of 1.18 million. It is now one of the core cities along the Yangtze River in Jiangsu Province, one of the secondary centers in Nanjing Metropolis Circle and an important city in the Yangtze River Delta Region (See figure 1&2).

The city was founded in the year 486 B.C., when Fuchai, the king of the Wu, built the Grand Canal and the city of Hancheng. Since then, the city has undergone rises and falls many times during the 2500 years. Benefiting from the Grand Canal, the most important transportation method in ancient times, Yangzhou became and

remained one of the most important business and culture centres in China's history from Han to Tang Dynasties and reached the peak in Qing Dynasty because of the prosperous development of salt industry. However, from 1853 when the Taiping Heavenly Kingdom defeated the Qing Dynasty, the city had experienced drastic decline because of war damages and the rise of modern transportation methods. The city has been incorporated into national railway artery system in 2004 and again, Yangzhou regains partly its function as the transportation and trade centres.

The historic district of Yangzhou stretches from the ancient canal in the east and south, to the Erdao River in the west and the North Moat in the north. With an area of 5.09 square kilo-meters, it is one of the two key zones under strict rules and regulation of protections and conservations. The historic district is under the administration of Guangling District government. It is further divided into 22 communities that are administrated by two Regional Street Offices.

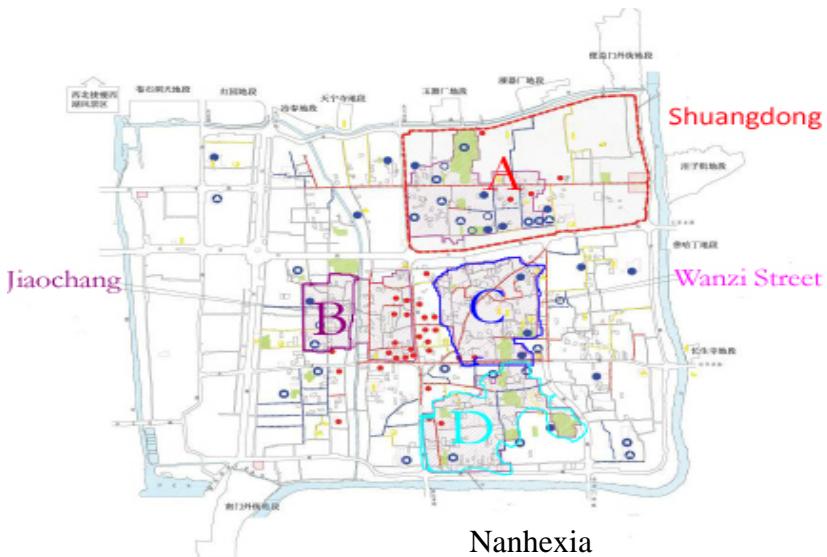
It is developed through a long process of rises, falls, and revitalizations; the most dramatic of which occurred during Tang and Song Dynasty (618-1279 A.D.). On the whole, the historic district has preserved its urban qualities and many of its outstanding features from the time of the Ming and Qing Dynasties. Within the 5.09 square kilo-meters, there are 117 announced cultural heritage sites under government protection and most of them remain well-preserved till today. Besides, there are another 484 historically valuable buildings. The majority of those buildings are traditional private residencies, including some built in the early 20th century. Private classic gardens constitute a prominent feature in the historic district. There are over 30 of them today. Typical examples are the Ge Garden and He Garden; both of these two cultural heritage sites are under state-level protection. Ge Garden is one of the four famous ancient gardens in China, the other three being the Summer Palace in Beijing, the Mountain Resort in Chengde, and the Humble Administrator's Garden in Suzhou. The historic district in Yangzhou borders with the water canals and the skyline is generally low because of strict zoning control. The urban texture is characterized by an intricate pattern of ancient streets and lanes lined with traditional buildings of great historic and cultural value. The streets and lanes are spatially diverse, ancient in style, and are well linked with one another. With a style featuring the "grandeur" of northern China and "elegance" of southern China, the buildings in the historic district have simple and clear-cut shapes and a unique classical appearance.

The value of historic district is completed by largely untouched traditional areas that create a dignified environment for the unique treasures it holds. The Shuangdong district (Dongquan Gate and Dongguan Street) for instance, is composed of an intricate network of pathways lined with row upon row of ancient houses and mansions over an area of approximately 0.7 square kilometers. Apart from the cultural heritage sites; the area's local customs and traditions are still much alive among the population.

There are four historic areas under protection by local regulations, namely the Shuangdong District, Renfengli District, Wanzi Street District and Nanhexia District. The district of Shuangdong Street covers an area of about 24.35 hectares, and has a multitude of commercial, historical and cultural attractions, such as the former residences of fifteen famous personalities and numerous well-preserved

Buddhist, Daoist and Islamic Buildings. Ge Garden is of outstanding importance in this area. The district of Renfengli covers an area of about 9.64 hectares, and was home to many government employees during the Ming and Qing Dynasties. Its well preserved fish-bone structure of pathways, typical for the old city, dates back to the administration system in the Tang Dynasty. Wanzi Street district covers an area of 22.50 hectares, and combines commercial activity with popular traditional culture. Its unique urban structure is defined by a very liberal distribution of pathways inherited from its time as a commercial district during the Qing Dynasty. Wanzi Street itself is lined with traditional buildings that form an arc directed at a centre. It is especially known for its religious buildings. Nanhe Xia District covers an area of 23.93 hectares. Tall and elegant buildings remind of a time when salt businessmen lived and run business there. Many of their former residences and assembly halls are still intact. Numerous private gardens also exist in this area, eight of which are under government protection, including three at national level.

Figure 8: Four prioritized zones in the historic district of Yangzhou



Source: based on *Yangzhou Old City Detailed Control Plan*

As the geographical, administrational, cultural, and commercial centre of Yangzhou, the historic district offers a broad variety of land uses, including residential areas, public facilities, commercial centres, cultural and entertainment amenities, government and office buildings as well as health, culture and research institutions. The area is situated with the biggest and best department stores and shopping centres of Yangzhou, the most famous restaurants and entertainment centres, the best primary and middle schools, the best hospitals and many government agencies.

The historic district is one of the places where most of the tourism resources and facilities are concentrated. However, the potential of tourism has not been fully made advantage of. The government launched a programme Historic Blocks Tour in 2003 however it was suspended in the end due to the absence of an experienced tourism management operator, insufficient supporting facilities and problems related with restoration and renovation of the ancient buildings. In 2002,

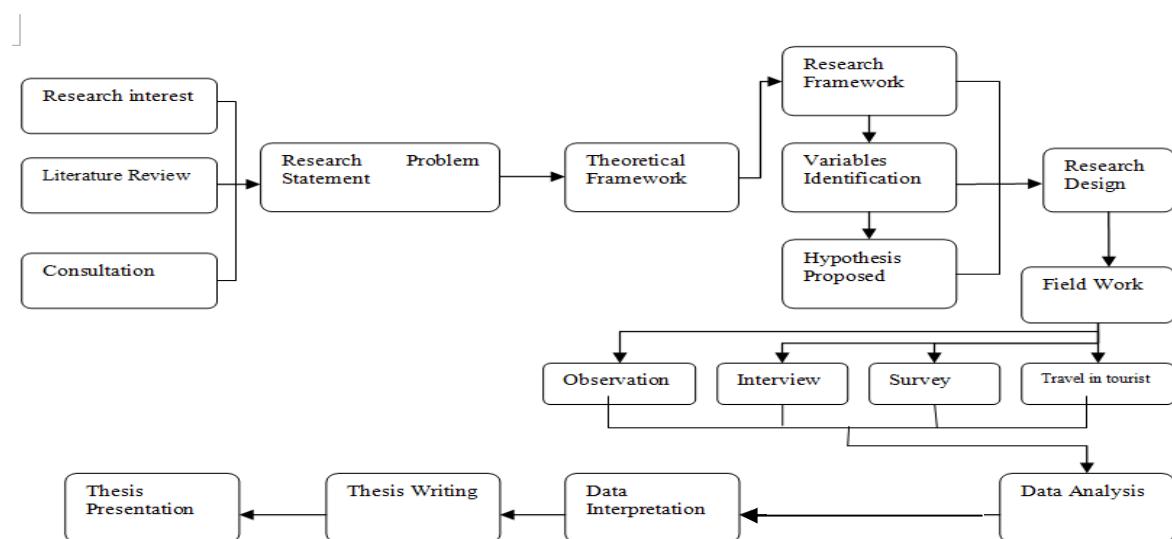
Yangzhou government signed contract with GTZ for sustainable inner city renewal. Under this programme, a pilot area(Wenhuali) was selected to try out some new approaches such as community participation, eco-building and etc. It also provides valuable input for the final strategy to renovate the historic districts in Yangzhou. The tourism programme was once again launched in the historic district and has become increasingly popular since 2008. The government, with the help from Southeast University, announced the master plan for tourism development 2002 to 2020. Under the guidance of this master plan, four districts were prioritized for tourism development, including the Shuangdong District, Nanhexia area, Jiaochang Area and Lesser Qinhui River area.

The historic district is surrounded by waterways, however, water tours are also not fully operated. The tourist resources along the internal rivers, such as moats, the Lesser Qinhui River and the Erdao River, and the ancient Grand Canal have not yet be fully employed and introduced to the market. Commercial tours along the historic Grand Canal are being organized on a trial basis.

4.1.4 Research process

This research started in November 2008 after a preliminary literature review initiated by Mentor Carlos Morales. The research topic was narrowed down during the specialization week after consultation with specialization coordinator Forbes Davidson. Final research topic was selected after a second round of literature review and discussion with the author's supervisor Dr. Alexander Otgaard from January 2009 to April 2009. A draft research proposal was outlined during the course Research Methodology and Techniques and Specialization week in January 2009. The research proposal was approved by Dr. Alexander Otgaard in February 2009. Intensive literature review and analysis has been conducted since March 2009. After submission of final research proposal in June, the author started the field work in July and more literature was consulted from July to September 2009.

Figure 9: Research Process



Sources: adapted from Wang(2008); Neumann(1997;2005); Sekaran(2003)

4.2 Qualitative study

Qualitative research methods such as in-depth interviews, observations and travelogue analysis, etc were used to collect data on perceived impacts of tourism from various sources so as to better understand the real situation.

4.2.1 In-depth interview

In-depth interviews were conducted to obtain information from various stakeholders to supplement and triangulate with findings from survey. This approach could offer many valuable inputs since participant's body language could also be observed. Besides, the questions could be rephrased or explained if the interviewees could not understand. Moreover, primary data collected from in-depth interview could assist in revision of the quantitative survey.

4.2.1.1 Sampling method

The in-depth interviews are conducted to investigate how different stakeholders perceive tourism development impacts upon local community. In selection of the interviewees, maximum heterogeneity sampling method is used(Bernard 2000), which requires a stakeholder analysis to identify the dimensions of variation(different groups of stakeholders) in the population related to tourism development. The framework proposed in Chapter 2 was used to decide five groups of stakeholders, namely government and developer, local entrepreneurs, preservationists, residents, and tourists. In addition, local travel agencies were included in this research as well. There are two justifications to include travel agencies. Firstly, China domestic tourists are more in favour of group travel arranged by travel agencies, therefore, travel agencies could provide valuable information to better understand tourist behaviour in historic district in Yangzhou. Secondly, travel agencies are important promoters and beneficiaries of tourism development, thus, their awareness of opportunities and impacts might directly influence future tourism development in Yangzhou.

Except the community and tourists, 11 interviewees were selected, including (1)one executive from Yangzhou Famous City Construction Co., Ltd and two officials from Yangzhou Tourism Bureau and Yangzhou Planning Bureau, representing the developer group (2) one executive from China Youth Travel Agency Yangzhou Branch and three local entrepreneurs, representing the entrepreneur group; (3) one planner from Shanghai Tongji Normal University, one consultant from GTZ and two scholars from Tourism College of Yangzhou University, representing the preservationist group.

Regarding to the community, snowball sampling was used to obtain the information from resident perspective. As a convenient sampling method, snowball sampling has been criticized for being biased in respondent selection since those sample respondents are more likely to be within same network which indicates similarities in

age, interests, beliefs and attitudes etc(Taylor and Bogdan 1998). As qualitative approach is exploratory in nature, sample size is not a critical issue in this thesis. Given the objectives of in-depth interview for this research, 6 interviewees were considered as sufficient for this research. Two sub groups were divided within the six interviewees with three of them remain live in historic district while three of them have been relocated. An official from the community was interviewed prior to the interviews to the residents. The first resident interviewee from relocated group and remain group were recommended by him. Future household survey was also assisted by the community staff.

With regard to interviews toward tourism, five tourists (3 self-help tourists and 2 group tourists) were selected through random sampling. Random numbers were generated through SPSS. According the random number, the Number N tourist passing by the researcher in historic district was selected.

4.2.1.2 Interview questions formulation

Those informants are representing different interest groups in tourism development in the host community in Yangzhou. The questions were focused on tourism impacts upon the host community. However, different questions for different groups of stakeholders were asked to reflect interviewees' particular focus and interest. A semi-structured interview method was used to design the questions to different groups of stakeholders as summarized in Annex 8. Any inductive questions were carefully avoided in question design. Formal interview outlines could also be found in annex (from annex 9 to annex 17).

4.2.1.3 Interview administration

Most of the interviews were conducted prior to survey. The whole interviews were conducted in Chinese Mandarin or Yangzhou dialect. The duration of each interview was limited to 25-40 minutes. In the beginning of each interview, research objectives and his/her rights were informed to interviewee and confidentiality was assured. Tape record was only used when permitted. Residents and tourists were asked to leave their contact details to check the transcripts and if they want a copy of the research findings.

4.2.1.4 Data analysis

The data collected from in-depth interviews were analyzed thematically. This was done through reviewing the data several times to generate a list of similar themes among the responses with a major focus on tourism development impacts. New items generated from these interviews were also added into the survey. As some of interviewees were government officials, traditionally they are reluctant to comment on political sensitive issues especially in China and the year 2009 in particular. This is considered as a limitation of this research.

4.2.2 Observations

Both participative and non-participative observations were adopted for this research. Non-participative observations were conducted twice, one on-site observation conducted at the very beginning of the field work to get a general impression of the situation in historic district in Yangzhou. The second non-participative observation was purposeful which aimed to collect information on tourism development projects, tourism related business operation, conservation and destruction, the changes brought by tourism, daily life of local people and their participation in tourism. Notes, photos and videos were used record the information and for references. Participative observation was conducted through a group tour in historic district. The author's own actions, feelings and evaluations were noted. Interactions between tourists and local people were also observed. Moreover, tourist behaviour were also noted to identify possible impacts to local community.

The data collected from observation were not analyzed in a systematic way. It only served as background information to supplement the holistic view of this study.

4.2.3 Other methods

In addition to above mentioned methods, travelogue analysis and informal interviews with small business entrepreneurs, local residents, travel guides and scholars were also conducted to obtain more background information regarding to the research topic and objectives. Their inputs were very valuable to enrich the understandings of current situation in Yangzhou which could not be found from any published documents or electronic sources.

4.3 Quantitative study: Survey method

Tourism impact studies in China remain at preliminary stage, second hand data is not easy to obtain. Internet search of such information in the selected research location retrieved zero relevant studies. Therefore, a questionnaire was developed to collect first hand data of residents' perceived impacts of tourism development in their community. Residents were asked to rate their perceived impacts using a scale. Such an assessment may be subjective however as Fredline et al(2005) argued social impact studies can not be objective at all as they are always based on individual perceptions and opinions which are subjective in nature.

4.3.1 Survey development

McDougall and Munro(1994) proposed three approaches to develop a survey instrument, either select a scale developed and tested by previous researches or develop a new scale by modifying previous scales and introducing new items, or develop a brand new scale and prove its validity and reliability.

Many scales have been developed in previous tourism impact studies (Ap and Crompton 1998; Chen 2001; Lankford and Howard 1994; Zhang and Tang 2004; Lu and Xiao 2008; Tovar and Lockwood 2008; Andereck et al 2005; Mathieson and Wall 1982; Murphy 1985; Belisle 1980; Dyer et al 2007). However, as argued in the very beginning of this research that tourism impact studies are biased in rural area and rural population, and in China few valid scales have been developed for reference, given the objectives of this research, a new scale was developed by modifying existing scales in western literature and introducing new items.

The survey contains three sections. The first section consists of statements designed to investigate residents' perceived impacts of tourism development in their community in terms of economic, social, cultural and environment aspects. Five-point Likert scale varying from "strongly disagree"(1) to "strongly agree"(5) was used in the questionnaire. Generation of indicators for tourism impacts was conducted in three phases. In the first phase of literature review, existing tourism impact assessment studies were identified for references (Ap and Crompton 1998; Lankford and Howard 1994; Zhang and Tang 2004; Chen 2007; Gursoy and Rutherford 2004; Ko and Stewart 2002; Besculides et al 2002; Andriotis and Vaughan 2003). These studies were analyzed and classified into economic, social, environment and cultural aspects as shown in previous chapter. In the second phase, irrelevant items, which could not meet the objectives of this research, were eliminated, such as "protecting wildlife", "prostitution" and etc. Identical items were also removed from remaining items and questions in the third phase. The final questionnaire was developed through this process.

Table 5: Variables and Indicators

Variables	Indicators
Economic Impacts	Employment creation; local business and service quality; attract investment; foreign exchange; tax revenue; living standard; public facilities and infrastructures; community economic well-being; inflation of good and services; shortage of good and services; real estate price increase
Social impacts	recreational and entertainment facilities and spaces; pride in living in the community; services and facilities maintenance; quality of life; congestion and over-crowdedness; crime rate; income gap and inequality; community ties; privacy; feeling of disturbing and being exploited;
Cultural impacts	protection of buildings and cultures; cultural activities; pride in local arts, crafts and etc;

	exchange and contact with tourists; creative destruction; commercialization of local cultures;
Environment impacts	environment protection; water pollution; rubbish noise
Attitude towards tourism development	support or not
Socio-demographic factors	gender; age group; highest education level; income group; employment;
Place attachment	Local citizenship Income dependency; Length of residency; Place identity and emotional attachment
Participation	participation through educational and training opportunities; active participation in environment protection; participation in decision-making and management and monitoring; participation through benefits distribution.
Political self-identification	political status government performance; developer's performance

Initially, 46 items were selected to measure the economic (16 items), social (12 items), cultural(14 items) and physical environmental impacts(4 items) of tourism development in urban historic district in China's context. Apart from those indicators, another 3 indicators were also selected; 1 item to measure the overall impacts and 2 items to measure the attitude of the residents toward current and future tourism development to validate the construct of social exchange theory.

In the second section, it investigates the independent variables which were hypothesized to exert influences upon residents' perceived impacts and their attitude toward (future) tourism development. Four variables are considered as influential factors, including socio-demographic factors, community participation, political self-identification and place attachment. Gender, age, highest level of education, annual income and employment status were chosen to test the influence of socio-demographic factors upon dependant variables. Two domains of community attachment were constructed which need to be validated. Political self-identification was measured by the party membership and residents attitudes towards government performance and developer's performance in tourism development. The last variable community participation was constructed into four domains as summarized in table 5.

The third section was developed to get more information regarding to residents' perceptions of tourism impacts and their suggestions for future development through open-ended questions. Final question with respect to any doubts or suggestions upon this questionnaire was also added in the survey.

4.3.2 Back translation

An important issue in many cross-culture researches is language problem. Since all the data were collected in China, the original questionnaire developed in English needs to be translated to Chinese version. Back translation was used to generate questionnaires in Chinese. Brislin et al(1973) pointed out that this approach could ensure the best results of translation.

However, the back translation could only ensure the translated Chinese version could convey the original meaning of the English one. Previous researchers have reported problems even when original questionnaire has been perfectly translated into particular language by one professional translator and then translated back by another professional translator (Brislin et al 1973). The perfectly translated questionnaires might be found difficult to understand or be meaningless by local respondents. This might be ascribed to differences between professional translators and the average people. Since professional translators are more familiar with English than average people and thus they might have less difficulty in understanding the meaning of the English questionnaire. Besides, questionnaires for academic research might contain many jargons and academic terms that might be difficult for people without any background to understand.

Therefore, the following strategies were adopted for this research. One professional interpreter and one translator were hired for this process; one holds certificate of Advanced English-Chinese Interpreter issued by Human Resource Department of Shanghai Municipal Government and the other one has Advanced English-Chinese Translator Certificate issued by Bureau of Human Resource and Employment Security of China national government. The back translation process was conducted in three steps. The original questionnaire was translated into Chinese by the author and the interpreter at the same time. The interpreter was chosen for English-Chinese translation to ensure the language used in the questionnaire contain less academic terms and easy to understand. The interpreter was purposely selected without any education background in tourism related majors so as to ensure the Chinese version questionnaire could be understood by anyone with different education background. The two Chinese translated versions were then compared by the author to design the final survey used in the field work. In the second step, the Chinese questionnaire was forwarded to two Chinese scholars in tourism studies for further advice and revision. In the third phase, the translator with tourism education background was asked to translate the Chinese questionnaire back into English to check whether new set of English questionnaires would match with original one. Through this way, the content and meanings of both questionnaires in English and in Chinese would be equivalent.

In order to ensure the content of questionnaire could be understood by average people, pre-tests were arranged and will be discussed in more details in the next section.

4.3.3 Survey Pre-test

Despite the fact that most of the items in the scale have been used in many similar researches and have been validated, pre-test of the measurement scale is still necessary to validate the scale for this research because of modifications and translations. Pre-test of the survey were conducted twice before final survey used for this research. The first pre-test was conducted when the English version questionnaire is finished. It was forwarded to three doctors and two postgraduates for comments, with one in Sociology studies, three in tourism studies, and one in planning studies. Feedback from those five scholars was taken into account for revision of the survey in terms of the layout, content, and measurement. A convenience sample of five college students from the major of Tourism Management and MICE Economics and Management from Shanghai Normal University were asked to fill in the revised survey. Respondents were asked for confusion, resistance, or uneasiness. They were asked for whether there were some items not easy to understand and whether there were some aspects not covered in the survey. Information collected from the first phase of pre-test was used to revise the English questionnaire. The second phase of pre-testing was conducted after the Chinese version completed. Two Chinese scholars and three master candidates were consulted for comments. In-depth interviews were conducted prior to the survey which also provided valuable input for the final survey in Chinese.

4.3.4 Sampling method

4.3.4.1 Population frame

The administrative area of Yangzhou is 6638 Square kilometers, consisting of three districts, three county-level city and one county. The city proper has a population of 1.18 million. The historic district is located in the old city centre, covering 5.09 square kilometers. It is estimated that there are 118,800 residents in 27000 households living in the historic district(SU et al 2008). Recent tourism oriented development projects are concentrated in Dongguanjie and Dongquanmen area, Jiaochang area and Nanhexia Area, where are the homes for about 5700 households.

4.3.4.2 Sample size

Prior to sampling, decision needs to be made to choose appropriate sample size. Bartlett et al(2001) pointed out several factors that need to be taken into consideration, namely the variance estimation, desired confidence level, acceptable margin of error, response rate, budget, time, and analytical tools etc.

Previous similar researches could provide references to determine the sample size. Lankford and Howard(1994) investigated residents attitude toward tourism development in US context and 1436 was determined as the sample size. Johnson et al(1994) carried out a longitude research in a rural area to investigate residents'

perceptions toward tourism development. With a total population of 5491, they chose a sample of 400 households with confidence level at 95% and sampling error at 5%. Fredline and Faulkner(2000) conducted tourism impact studies in Gold coast and obtained a sample of 353 households. Ko and Stewart (2002) conducted a research in Cheju Island in Korea where has a population of 524,000 in total and they chose the sample size of 1041 with 732 usable retained usable surveys. Chen(2001) did the research in Norfolk, Virginia Beach and Newport News area, and 2400 households was chosen as the sample with 321 surveys returned back.

Given the ambivalent practices in existing literature in determine the sample size as well as the time and budget limitations of this research, the suggestions from Oppenheim(1992) were taken that no more than a few hundred households would be sufficient for this research. A confidence level of 95% and margin error of 3% was considered as acceptable for this research (Bartlett et al 2001). According to the formula suggested by Cochran(1977), 267 households is the minimum sample size. An optimistic estimation of the response rate at 75%, the minimum number of households need to be approached is 356, which meets the requirement for factor analysis, cluster analysis and multiple regression (Bartlett et al 2001). Hence, 400 households were chosen as the sample.

4.3.4.3 Sampling method

Systematic random sampling was adopted for this study. The household closest to the main streets (Dongguan Street and Guoqing Road) were chosen as the starting point. After that, every 14th household were chosen as sample until all the questionnaires were sent out. The questionnaires were distributed in the evenings in weekdays and in daytime in weekend in July, 2009. Door-to-door distribution and collection were used in this research with the assistance from community leaders and assistant researchers. The first respondent answered the door and older than 16 was asked to fill in the survey as they are more likely to have independent thought and opinions. Otherwise, the household head was asked to fill in the survey. After getting consent from the respondents, the questionnaire was left to the respondents. If the respondent was illiterate or need assistance in filling in the survey, researchers read the questionnaire to the respondents and helped him/her complete the survey. However, only 8 respondents required assistance from the researcher in filling the questionnaire.

4.3.5 Data Analysis

SPSS 17.0 were used for statistical analysis to ensure all the research questions regarding to residents' perceived impacts of tourism development would be answered. In specific, the following analytical tools were used in this research.

Descriptive statistical analysis was used to transform raw data into a form that is easier to understand and interpret. Frequency analysis was used to examine the distribution of all respondents regarding to specific questions. Central tendency, variability and other statistics were displayed either in charts or in tables. Cronbach's

alpha was calculated to examine whether observed indicators could constitute a reliable measurement scale. There is no universal acceptable score for Cronbach alpha coefficient(Ko and Stewart 2000; Chen 2001;Gursoy et al 2002). As suggested by Zaichkowsky(1985), a minimum score of 0.40 was set as threshold for this thesis. Factor analysis was used to reduce the number of variables into an interpretable and manageable set of variables. It is also a useful tool to test the relationships of each variable and construct. The criteria from Hatcher(1994) were used in this analysis to eliminate the indicators that insufficiently measure tourism impacts: (1) a loading score less than 0.40;(2) loaded at more than one factor with a loading score equal to or greater than 0.40; (3) loaded at a factor showing an internal reliability alpha score less than 0.70. Based on factor analysis, cluster analysis was computed to categorize the respondents into different clusters. ANOVA test and T-test were also used to test the hypothesis of this research. Regression analysis was used to determine the importance of each indicator in influencing residents' perceptions of impacts and their attitude towards tourism development.

4.4 Reliability and validity

Reliability examines whether similar measurement scale could generate similar results(Black 1993). The reliability was examined by Cronbach's alpha score; 0.40 or higher was considered as acceptable for a measurement scale.

Validity refers to how well the indicators in the measurement scale could capture what is designed to measure. Black(1993) proposed two types of validity; one is construct validity and the other is content validity. Several measures were taken in this study to ensure the validity of scale, firstly, both English and Chinese versions of the questionnaire were sent to professors and doctors for comment. Pre-test to five graduate students were conducted to examine the readability of the questionnaires. Back translation was used to ensure the original meaning of the English questionnaire would not be distorted in translation. Besides, results from qualitative approach were triangulated with the findings through quantitative scale that developed in this study.

Summary

This chapter presented a very detailed methodology that had been used for this research in terms of identifying relevant data, approaching and collecting the data, and analysis of the data. The data collected from these methods were presented in the following chapters.

Chapter 5: Research findings

Introduction

This chapter will present the results from empirical study in China. The first section will introduce the macro background in which heritage tourism was promoted in the historic district. Following that, government motivations to promote tourism development in the heritage community will be presented as a checklist to compare the findings of perceived impacts to examine whether the objectives are fulfilled. The third section will reveal the major results of statistical analysis, triangulating with findings from qualitative methods were discussed.

5.1 Tourism development in China and in Yangzhou

It is generally acknowledged that the year of 1978 is the starting point of contemporary tourism development in China. Three phases could be identified, from decline phase (1949 to 1978) featured by restrain to tourists, cultivation phase (1978-1991) characterized by increasing capital investment and government involvement, and growth phase (1992 till now) distinguished by involvement of market forces and huge growth of both inbound and outbound tourists. Some distinctive patterns could be concluded:

- (1) Tourism development in China has gradually changed from its political function of stimulating cultural exchange and fostering mutual understanding into its economic function of promoting economic development;
- (2) China government has shifted target groups from international tourists only into both domestic tourists and international tourists; and domestic tourists now share a far large partition of total tourist arrivals (See annex 1 and 2 for detailed statistics), which indicates the potential of market demand;
- (3) Socio-economy infrastructure has been further consolidated for future development of tourism industry, especially for the development of domestic tourism (Zhang 1997; see annex 3) and these has seen increasing public-private partnerships in capital investment in tourism development projects through Build-Operate-Transfer or set up joint ventures in which private sector could own 51% to 55% of total capital for up to 50 years. Government remain playing many different roles, including operator, regulator, promoter, investment stimulator, coordinator and educator. Other market forces, such as associations in tourism industry, they played important role in sharing market information and set industry standards, however, being supervised by government, they are more like government agencies rather than independent market forces.

- (4) Urban tourism has seen large growth in many Chinese cities but it revealed uneven development across the country that those cities had been promoted shortly after open

door policy become the pioneers and major tourist destinations(See annex 4). Cities with abundant urban heritage products such as Xi'an, Hangzhou, Suzhou and etc remain hot urban tourism destinations and have seen growth of inbound tourist arrivals.

(5) Three tiers of tourism administration exist in China, from China National Tourism Administration, to provincial level Tourism Bureau and to city level Tourism Bureau. These three tiers are financially and economically independent from each other. Within the city, urban affairs are managed by district governments, which are divided into two other tiers namely Regional Street Office and community. Tourism administration structure under provincial level in China is probably the most complicated in the world. Normally, tourism affairs are under administration of the upper two tiers of government. However, there is no common and legislated model of tourism management and administration structure in China. In some places, even the community committees are responsible for management of tourism activities.

Tourism development in Yangzhou started in 1978 and revealed substantial growth since 1990s. Similar to the development patterns in the whole country, domestic tourists accounted for a far larger portion in Yangzhou's tourist market. Foreign tourists though taking up a small portion, the inbound tourist market is expanding year after year (See annex 5 and 6). Comparison with national performance of tourism industry development reveals that both domestic tourism and inbound tourism development in Yangzhou was better than national average after 2000, which could be attributed to the improvement of urban infrastructure and accessibility. However, it is identified that the contribution of tourism industry to total GDP is not significant now but is expected to experience substantial growth in the following a few years as stated in the ambitious *Tourist Famous City Action Plan 2007*. Compared with other cities in Jiangsu Province such as Nanjing, Suzhou, Wuxi and Changzhou, Yangzhou's tourism industry is less developed as evidenced by key indicators(See annex 7). This could be ascribed to the less favourable location and small economy scale of the city. However, the city government invested huge money to improve the physical and information accessibility of the city. Two special events were organized to attract tourists and investments.

Based on above analysis, the following conclusions could be drawn. Firstly, tourism has shown substantial development in China and also in Yangzhou, it will further grow because of strong government support. Secondly, domestic tourists whose main motivation is sightseeing dominated in the whole tourist market, which implies the economic potentials of heritage tourism in urban historic district. Thirdly, government in China played dominant roles while private sector has increasingly involved in tourist destination development. Attracted by high economic returns and pressured by competition from neighbouring cities, profit maximization are likely to be sought to. In that case, the benefits of local residents are likely to be sacrificed. Fourthly, economic function of tourism development has been over-emphasized while the other fragmented meanings of urban historic district seem to be ignored. Last but not the least, multi-leaderships caused by vertical administrative structures may be a potential

risk for sustainable tourism development if the activities of different government departments were not organized in a coordinated way.

5.2 Understand Government Motivations

Different from western practices that tourism is developed and promoted through a bottom-up approach, government plays a vital role in tourism development in China. Government involvement in heritage resource exploitation and tourism development has been an important feature in China which needs to be recognized and addressed. There is relatively little literature studying government involvement in heritage tourism development in China because of some methodological difficulties such as government resistance to support this kind of research. However, it is strongly believed that research on government motivation for heritage tourism development could provide better understanding on government decision making process and thus draft more appropriate internal and external public communication strategy to get the commitment from other stakeholders. Besides, it is also a valuable input to monitor the process of development and examine government performance. Particularly, it could be used as checklist for existing impacts of tourism development in this research.

Tourism development programme, as a part of the old city upgrading project, officially stated from 2006 in Yangzhou. It is believed that tourism development in the historic district of Yangzhou, apart from objectives of promoting urban tourism development and creating commercial opportunities, is also strongly related to government agendas of urban regeneration. The research conducted interviews to government officials to investigate government motivations beyond current development projects.

First and foremost, it is considered as an opportunity to advance urban development in Yangzhou, especially the development of tourism industry. Tourism development in the urban historic district has been used a major strategy for urban renewal through physical upgrading of housing conditions and public infrastructures. The historic district used to be very poor in public infrastructures, such as sewage system, heating system and gas supply. As suggested by the interviewee that by promoting tourism development government could easily get support from other stakeholders for urban renewal and avoid long planning and financing process compared with normal public infrastructure construction projects. In literature, it is always recommended that urban upgrading should be an integrated process. Physical upgrading should be combined with economy revitalization strategy. This was also supported by most interviewees from government departments. Tourism development in the district is also expected to boost economic development in addition to physical improvement of public infrastructures. The interviewees confirmed that high expectation was placed on heritage tourism in terms of economy development such as employment creation, investment attracting, and government revenues generation. As discussed in the last section, the contribution of tourism industry to total GDP is not very significant.

However, the municipal government is very ambitious to promote tourism industry as the pillar industry till 2010. Heritage tourism development in the host community could be considered as a start of city government's continuous support and commitment to develop tourism industry and stimulate local economic growth.

Nearly all interviewees from government authorities suggest that tourism development in the historic district will diversify urban tourism products and enhancing the contribution of tourism industry to overall economy. Previous statistics and the interviews revealed that the major tourist type in Yangzhou is excursionist which implies less spending and less contribution to local economy. Also, the selectivity of excursionists might result in decline of less famous tourist sites as discussed extensively in existing literature. The interviewees confirmed that by exploring cultural tourism market, the government wishes to diversify urban tourism products in order to extend tourist stays in Yangzhou. Besides, the interviewees also suggested that promotion of heritage tourism development in the host community would facilitate the changes of the quality of urban tourism products, from sightseeing based dull products into more vivid product of experience. The historic district now is preparing to be nominated as UNESCO cultural heritage. By preparing for nomination, the city also expects strong economic growth especially the tourism sector caused by increasing media exposure. Moreover, it would help increase the whole quality standard of tourism services in the city.

The interviewees also considered heritage tourism development in the host community as initiatives to implement urban strategic positioning that transforming Yangzhou into "a famous city featured by echoes of ancient culture and modern civilization". Yangzhou government chose four specific sectoral strategies, namely economy-advanced city, cultural renowned city, tourist city, and ecological and garden city. Current tourism development in the historic district is a first but an important step to a cultural renowned city and tourist city. In the future plan, the government aims to restore the commercial functions of the historic district by creating new cultural amenities as what has been carrying on in the research area.

Apart from hardware improvement, the interviewees also told that governments also expected to improve government organizational management, increase capacity of governance and improve the quality of public services. As discussed in later section, tourism resources in the historic district are controlled by different authorities. Heritage tourism development in the host community requires more effective cross department cooperation and communication. The interviewees suggest that it would be a very good opportunity to improve internal and external communication skills of local government and increase its capacity in coordinating heritage tourism development. This aspect has been rarely reported in western literature since government management skills are already with very high standard. However, in a developing city in developing country, such a possible positive contribution to government capacity could not be neglected.

Another noteworthy aspect that raised by one official is that tourism development is considered as a catalyst for improvement of civic qualities of local citizens and

migrants. This is rather rare in existing literature and is probably a distinctive feature of China's modernization process. Civic qualities or "suzhi" in Chinese, is referred to individual characteristics that learnt from education and training. It is common in China that government authorities ascribe policy implementation failures and insufficient public participation to citizens' low level of civic qualities. It is also frequently regarded as the major impediments for democratization in China. The interviewee said that "*we are also expecting a significant improvement of civic qualities of local citizens and migrants. We believe that residents in the historic district are very important elements in the whole development. A favourable environment for tourism development as well as urban development is supposed to be maintained and created by the residents together. Government can not do everything given the limited resources. We are trying to improve citizens personal qualities to ensure a tourist friendly and civilized environment*".

Furthermore, tourism development is also expected to contribute to preservation and upgrading of historic buildings, especially those with great historic values but not listed as historic relics. The interviewees believed that economic benefits brought from tourism development in the host community could relieve the financial burden on the government. Apart from direct economic benefits, the government is also expecting private sectors involvement. However, the collaboration between government and private sector is weak now. Government remain the solo investor.

Besides, tourism development in the urban historic district is used to showcase and revitalize local culture and boost citizens' pride and cultural identity. The interviews revealed the local government's intension to revitalize traditional handcrafts and arts by attracting many workshops of traditional handcrafts such as paper cutting and painting to open business in the historic district. Through this way, the local government intends to improve citizens' cultural self-identity. Another desired outcome is to preserve certain collective memories through facilitating old brands to open franchise or physical shops in the historic district.

The last motivation of Yangzhou government is to support city marketing and enhance urban competitiveness. Tourists, apart from residents and business, are the main customers of urban products. Tourism development in the historic district has been integrated with city marketing strategy through improvement of physical environment and tourism festivals. Apart from tourists, the government also aims to regain attractiveness of the historic district in the residential real estate market. Private sectors, especially cultural brokers are indispensable parts of its urban marketing strategy. The upgraded historic district will be transformed into cultural business centre with more clear functions. It will be advertised as a must for tourists visiting Yangzhou. By the initiatives, urban competitiveness is expected to be further improved, especially for some key indicators such as liveability and business environment.

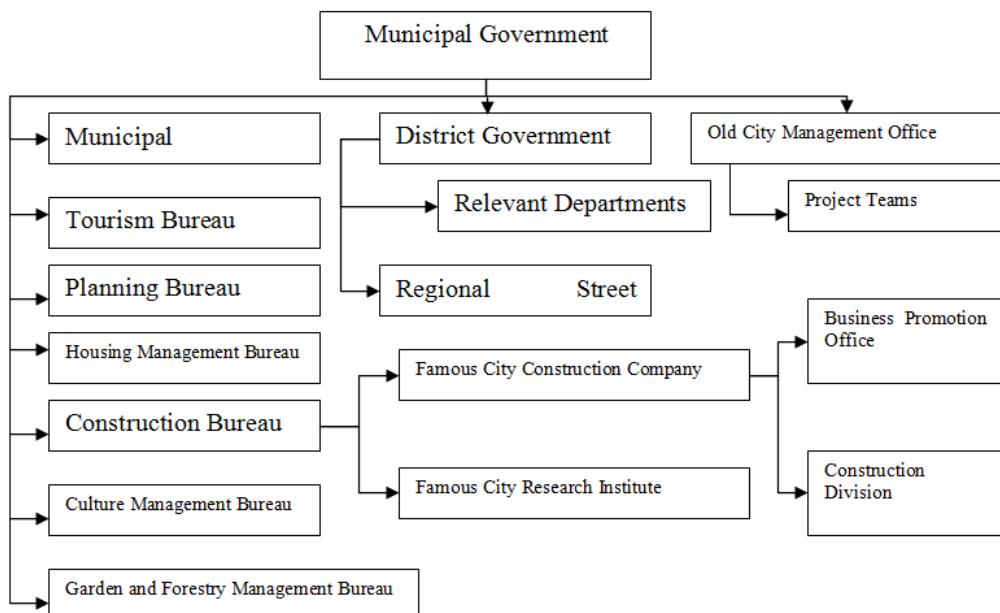
To sum up, it could be concluded that tourism development in the urban historic district has been attached with many expectations. This applies to both hardware upgrading and software updating. Some noteworthy points were identified from

interviews with key informants such as improve government capacity and increase citizens' personal qualities which are rarely mentioned in western literature. This might indicate that cities in developing countries are promoting tourism with multi objectives apart from over emphasized economic functions. Some of these objectives are quite different from western counterparts.

5.3 The role of government

As discussed in previous chapter, tourism development programme in the historic district of Yangzhou was initiated by the government. Though currently Famous City Construction Company the state owned enterprise is the major organization that responsible for tourism development and promotion in the historic district, it is fully funded by Yangzhou government and is affiliated to the Construction Bureau. Therefore, any activities of this company might strongly reflect government desire rather than market demand. Related government authorities, such as the Planning Bureau, Tourism Bureau, Construction Bureau and Famous City Preservation Office, have been dedicated in tourism development and promotion in the historic district with different responsibilities.

Figure 10: Relevant Government Authorities in Tourism Development in the Historic District



Famous City Construction Company was set up in 2006. It is a state-owned enterprise with total capital over 100 million RMB. Apart from its role in tourism development and management in the historic district, it is also main organization that responsible for preservation and renovation of historic buildings. Meanwhile, it is also in charge of attracting investments, real estate development, construction of public infrastructure, classic buildings and gardens, and financial capital operation with government permit. Under this company, investment management is in charged by the Business Promotion Office. This office is set up in 2007 and is responsible for

tendering entrepreneurs' investment to run tourism related business in the historic district. It also serves as the coordinator for business conflicts in the district. The Famous City Construction Company is under the direct management of Construction Bureau. The Construction Bureau is responsible for the construction of public infrastructures. Also it cooperates with district government to support construction work. Housing Management Bureau is another important stakeholder. As discussed in previous chapters, many of the inhabitants in the historic district are socially disadvantaged and are living in public housing. Around half of the houses in the historic district are public houses under direct management of the Housing Management Bureau, among which include many buildings with significant historic values. The Housing Management Bureau is in charge of allocation and maintenance of the public housing. However, it suffers great financial problems because of the low rent of public housing. Money collected from sitting tenants could only afford the personnel costs not mention of the drastic costs for maintenance. Tourism planning and promotion remains the responsibility of the Tourism Bureau. In March 2009, tourism bureau of Yangzhou government launched tourism promotion in Beijing and signed contract of more than 60 enterprises in Beijing. The historic district is strongly promoted.

Acting as the initiator, investor and business administrator for tourism development in the historic district, the roles of entrepreneurs-like local government could not easily be ignored in commoditization and commercialization of local heritage resources. However, the political identity of Yangzhou government also required it to perform other roles that entrepreneurs might not necessarily play. For instance, Yangzhou government is also responsible for the protection and preservation of heritage and cultural resources in the historic district. Related government authorities, mainly the Planning Bureau, have devoted strong dedication to heritage protection in the historic district. There exists many laws and regulations to protect urban heritage resources from destruction, including *Cultural Relics Protection Law of People's Republic of China*, *Urban Planning Law of People's Republic of China*, *Regulations of Protecting Historic and Cultural Renowned Towns and Cities*, *State Council's Decision on Strengthening Protection of Cultural Heritage*, *Yangzhou Historic and Culture Exhibition City Planning (2006-2020)*. Under the guidelines of these laws and regulations, the *Detailed Framework of Inner City Protection Control Plan* was submitted to People's Congress for approval in 2001 and the whole planning documents(12 separate detailed planning for 12 focused areas) was announced after seven years consultation and revisions. This control plan now serves as the guidelines for any development projects in the historic district. The Planning Bureau will evaluate proposed development projects to ensure that those projects would not destroy the original urban fabrics.

As discussed in previous chapters that very high level of government involvement in the commoditization and commercialization of urban heritage resources is a distinctive feature that resulted from the unique historical, economic and social background of China. The interviews with government officials and scholars acknowledged that government as the key stakeholder with many different roles

ensures effective implementation of tourism policy and development projects through its administrative authority. In addition, since the redevelopment project requires large and continuous investment, government involvement could ensure that the project would not terminate because of insufficient financial support. Moreover, given the fact that the historic district is concentrated with socially disadvantaged residents, government involvement could ensure that tourism oriented redevelopment projects would not cause serious social disorder and worsen social gap. Differing from entrepreneurs' profit-driven business practices, the political identity also requires government to be responsible for remaining social equity and improve the quality of life of its citizens. Existing bad practices in Fujian and Beijing suggested redevelopment projects initiated by developers resulted in many social problems. The Ju'er Hutong project has been frequently cited by many interviewees that developers' speculation on the land and comprises between state-owned enterprises might in the end transfer all the costs and risks to the residents. Besides, it is also supported by many interviewees that local government involvement could coordinate many different activities regarding to tourism development in the historic district. As introduced in earlier paragraphs, tourism development in the historic district now is managed by many different authorities and organizations. Given the complexity of tourism development and the situation of urban historic district, it is believed that government involvement could ensure tourism development is managed in a coordinated manner.

Nonetheless, the interviewees also expressed their concerns for heavy government involvement in the development process. One of the scholars suggested that high level of government involvement pressures local government to be extremely cautious with every decision as any single mistake made by the government would cause serious socio-economic negative impacts on the local community. For instance, many residents complained about the second phase project because many buildings were rebuilt twice as the first rebuild ones did not meet the requirement of restoration. Also, there are also many residents complained about the positioning strategy of the Shuangdong Streets as shopping streets for antiques, sculptures, paper-cutting and etc. These renovated residencies were transferred for commercial use. However, as noticed by the author many of the houses are vacant now which indicates failure of the drastic investment. Interviews with entrepreneurs reported that their business turnovers did not meet their expectation on investment. The effect of off-peak seasons is quite obvious in these two streets. In most time of the year, there were not many customers. Some of them were considering of moving out. To reduce the negative impacts, it requires a team of qualified and experience experts from local government to plan and supervise the development process. However, it seems that local government lacks of the capacity. Tourism planning was carried out by Southeast University in Nanjing; local experts who know the place better were not directly involved in any planning work. Another issue of heavy government involvement lies in that both horizontal and vertical communication within two levels of governments becomes very important. Currently, there are many different departments of municipal government involved in tourism development in the historic district; these include but

not limited to Tourism Bureau, Garden and Forestry Management Bureau, Planning Bureau, Construction Bureau and Housing Management Bureau. The construction of tourism facilities is under the management of the Construction Bureau while some tourist sites in the historic district is managed and maintained by Garden and Forestry Management Bureau. Conflicts may arise from cross department communication. Apart from the problems in horizontal communication, vertical communication is also not problems-free. The historic district is under direct administration of Guangling District government. In 2008, the district government organized a new office for management and promotion of the historic district. This office has the same function as the Dongguan Street Business Promotion Office under the Famous City Construction Bureau. This could be interpreted as a waste of resources and conflicts of interests between municipal government and district government. The majority part of the historic district is within the administrative boundary of Dongguan Regional Street Office while there is also small part of the historic district under administration of Wenhe Regional Street Office. Most of the promotion activities were conducted by Dongguan Regional Street office because of unevenly distributed tourism resources. Given different interests and functions of different departments and various levels of governments, conflicts and disagreements seems to be unavoidable. Thirdly, as joked by one of the interviewee that high level of government involvement may increase the risk of “herd behavior”. The interviewee told the researcher that former president Jiang Zemin, used to live in the historic district, visited Yangzhou earlier this year. And he shaked his head when he saw some buildings were not rebuilt as the appearance in his memory. These buildings were then demolished again and rebuild again. From the author’s point of view, this is not a joke but a real and serious problem that needs to be tackled carefully. In China, many development projects were carried out without a thoroughly planning and evaluation. It is the decisions of the top government officials that should be carried out without any excuses. Most of decisions are highly related to the political performance of the government officials that would influence their future promotion in the political circle. In Chinese, those projects with strong political background are called “image project” (Xingxiang Gongcheng in Chinese). There are thousands of thousands image projects across the country, including in Yangzhou, such as the Sports Park and International Exhibition Center in the west end of the city. Under such background, it is reasonable to worry that residents’ quality of life might be sacrificed for the political desire of the top officials. Last but not the least, lack of incentives and input from the market side, the development project might leave a heavy financial burden to the governments and increase government deficit. If that situation happens, it is very likely that government will change its role from gatekeeper to entrepreneur while the residents in the historic district will change from beneficiaries to victims.

5.4 Residents Perceived Impacts: Results from Survey

5.4.1 Survey Pre-test

As explained in the methodology part, the construct of the final survey was tested by many pre-tests in order to validate the items, either designed specifically for the survey or modified from previous studies, which would be used in the final scale.

The questionnaires were then sent to three lecturers and two postgraduates for comments. Feedback from them was taken to revise the first version of questionnaire. Several changes have been made: 1) The layout of the questionnaire was revised. The introduction page of the questionnaires was too much which might lead to respondents' impatience. Therefore, it was cut into half page. Besides, the first part of the questionnaire that measuring residents perceived impacts was commented as chaotic and ambiguous logic. The items were then re-arranged into different domains as shown in the final survey. 2) Validity of certain items was questioned and thus was either revised or deleted. Regarding to the economic impact, one item that "tourism could create more desirable jobs" was removed and one new item on residents' perceptions upon relocation was added. As for the cultural impacts, item "It is enjoyable experience to contact with tourists" and "Tourism development has resulted in destruction of many historic buildings" was deleted. With regard to the environment impacts, item on water pollution was also deleted. For the variables, though the construct for political identification was debatable, the author decided not to make any revisions. The construct for place attachment was revised into five items and the item "Friendships in this community is important to me" and "I cherish the relationships with my neighbors" was merged into a new one. The item "If there is an opportunity, I will leave this community" was removed. For the overall attitude towards future tourism development, one item "Tourism development in my community should be further promoted" was deleted as well.

After that, the second English version questionnaire was sent to five undergraduate students in Shanghai Normal University via email to test the clarity of the questionnaire. According to their feedbacks, the questionnaires were revised again. Some explanations were made to certain items. The revised questionnaire was then sent to one interpreter without tourism-related educational background to be translated into Chinese. Meanwhile, the author also translated the questionnaire into Chinese. Comparisons from these two Chinese versions contributed to the clarity, politeness and accuracy of the Chinese questionnaire. Besides, given the difference between Chinese language and English language, items "Tourism development has raised awareness to protect and conserve the historic buildings" and "Tourism development has facilitated preservation of ancient buildings" was merged into one item.

Following that, the Chinese versions of questionnaires were then sent to two Chinese scholars and three master candidates in tourism management for comments. New items "Tourism development has improved my housing condition" and "large scale of

relocation has resulted in loss of living culture" were added to the survey. Besides, question on employment status was changed into occupation and on Hukou registration was changed to whether the respondent is local Yangzhou citizens or moved from elsewhere.

In-depth interviews were conducted before the survey. Five interviewees were asked to pre-test the Chinese questionnaire. The item "Tourism development would generate more foreign exchange for Yangzhou government" was removed as both literature and the interviewees suggest that domestic tourism shares larger portion in overall tourism industry. The interviews with both government officials and residents reveal that very limited number of residents participate in tourism planning, management and operation. Therefore, the variable of participation was re-constructed. The newly constructed items was to find out what, how and why to people participate in tourism planning and management and their level of satisfaction of participation experience. Four domains were identified to measure residents' attitude towards community participation in tourism development (See annex 20 for final questionnaire).

5.4.2 Sample representativeness

A total of 400 questionnaires were distributed with the help of two research assistants and two community leaders. 361 valid questionnaires were received in the end with a response rate at 90.25%; 15% percent higher than expected. Among those questionnaires, only 322 were considered as valid. 39 incomplete questionnaires were deleted from the sample.

Table 6: Distribution of Questionnaires

Area	Household Registered Population ¹	Estimated Possible Households ²	Number of Questionnaires Distributed	Number of Valid Questionnaires Received	Response Rate
Shuangdong District	10090	2600	200	163	81.5%
Jiaochang Area	3670	1000	30	23	76.7%
Caiyi Street	4275	1070	30	17	56.7%
Ge Garden Area	5493	1874	100	94	94%
Nanhexia Area	4605	2000	40	25	62.5%
Total	28133	8544	400	322	80.5%

Notes: 1 The figure was cited from the working report from GTZ in 2006; The information was collected from police station. However, as stated before, there were many empty registrations in those districts.

2 The figure was cited from field work report from GTZ in 2006 except for Caiyi Street and Jiaochang area which is calculated by the author.

Source: Yangzhou Municipal Government, GTZ and City Alliance, 2006

The following table revealed the representativeness of the sample. The official figure was from the number registered in the population control system in 2006. Given the mobility and the large number of unregistered, the validity of these figures was debatable. The figure given by GTZ report on the situation analysis of the old city was also doubted as they only distributed 61 questionnaires to the residents in the historic district.

Table 7: General Profiles of the Respondents

Variable	Category	Sample	Official figure ¹	GTZ report
Gender	Male	53%	49.97%	NA
	Female	47%	50.03%	NA
Age	16-18 years old	12.7%	70.74%	61.5%
	19-25 years old	10.4%		
	26-30 years old	10.4%		
	31-40 years old	16.5%		
	41-50 years old	16.1%		
	51-60 years old	10.4%		
	Older than 61	23.4%	17.35%	30.3%
Highest Level of Education	Primary school or less	17.6%	13.60%	65.14%
	Junior high school	19.2%	28.82%*	
	Senior high school or vocational school	31.0%	24.15%	
	Undergraduate or higher level of vocational school	26.2%	35.70%*	
	Research students	6.1%	30.40%	28.44%
	Master/Ph.d or higher		12.86%*	
Annual Income	12000 RMB or less	26.7%	NA	NA
	12001-30000 RMB	26.4%	NA	NA
	30001-50000 RMB	18.3%	NA	NA
	50001-100000 RMB	4.7%	NA	NA
	>100001 RMB	3.1%	NA	NA
Occupation	Student	17.5%	NA	NA
	Employee of enterprises	21.6%	NA	15.4%
	Public Servants	4.1%	NA	1.5%
	Teacher	8.6%	NA	NA
	Self-employed	16.2%	NA	11.6%
	Retired	24.1%	10%	31%

	Others	7.9%	NA	NA
Local Residency	Yangzhou Local	91.7%	89.78%	NA
	Temporary	8.3%	10.21%	NA
	Resident			

Notes: 1 The official figure was calculated from the data collected from Yangzhou population control system;

* This represents the figure at the municipal level

Source: Yangzhou Population Control System and GTZ working report

In spite of the validity and doubts on the official figures and GTZ report, comparison with those figures shows that this survey overrepresented some groups of people. With regard to the gender difference, both official figures and the results from GTZ revealed that female population is larger in the historic district as most of residents tend to be elderly and females tend to live longer than male counterparts. In the sample, male participants were more than female participants. This might be caused by less interest of females to participate in household surveys.

In terms of age, no significant difference was found from both official data and GTZ report. The statistical result shows that senior participants accounted for a larger portion. This is understandable because the relative unattractive living condition in the historic district that the young citizens that are capable of buying modern commercial housing have moved out from these districts. As revealed by the statistics that 24.1% of the respondents are retired. Senior residents who receive pensions tend to stay in the historic district after long years of residency. 20.8% of all respondents were younger than 30 years old. This is not difficult to understand as the historic district is the business centre of Yangzhou that are concentrated with the best public facilities and services; these young people, who work in the city centre, might come back to their parents' home for lunch or dinner. Besides, there are still many young people who could not afford to new houses in the historic district.

Regarding to the education level of the sample, significant difference was found between the results of the sample and the GTZ report. However, the difference from the official data was not so significant except for the proportion of residents received education at post graduate level or higher. The sample overrepresented the well-educated group. This is reasonable as most of the questionnaires were left in the respondent's home and was completed in a self-administrative way which requires the respondent at least be literate. Though the questionnaire was asked to be filled in by the first one the researcher and assistants meet in the respondent's home, the respondent may not act accordingly. He or she may ask for the family member with higher education to complete the survey which might also cause the overrepresentativeness of higher education group. As for the annual income of the respondents, no available comparative data could be found as most of the other surveys focused on annual income of the households rather than that of the respondents. 53.1% of total respondents had annual income below 30000 RMB, which is 2500 RMB per month. The average income at the municipal level was 33250 RMB in 2007(YSB 2009). The sample might overrepresented the low-income group. However, given the fact that the historic districts now, in most cases, are inhabited by

socially disadvantaged group, it is reasonable to have a larger percentage of people from this group.

The variables of occupation and local residency were not found significantly different from official data or results from GTZ report. In the sample, a large percentage of the respondents are retired(24.1%). Following that is the workers in enterprises, representing 21.6% and student group, accounting for 17.5%, and self-employed group, taking up 16.2%. The best schools in Yangzhou are located in the historic districts; therefore, it is understandable to have a large portion of student respondents. Many low income families also live in the historic districts as most of the old public housing are there, they tend to work informally to earn living. This could explain why more than 15% of the respondents are self-employed. Most of the respondents are local Yangzhou citizen, representing 91.7% of the whole sample while temporary residents only occupy 8.3%. This is reasonable even there are a large number of temporary residents in the historic districts as they tend to less interested in the survey. Most of them have been living in the community for over 20 years (62.5%). Some of them have been living there for generations.

5.4.3 Residents general perceptions of tourism impacts

As discussed in chapter 3 and previous section, 43 items were selected in the final survey to measure residents' perceived impacts. The survey respondents were asked to indicate their extent of agreement varying from "Strongly disagree(1)" to "Strongly agree(5)" and an extra option of "I have no idea(6)". Five point Likert scales were used to measure perceptions, opinions and beliefs.

Preliminary studies revealed that possible impacts of tourism development upon residents in the historic districts could be categorized into four domains, namely economic impacts, social impacts, cultural impacts and environmental impacts. The following section will present the findings of residents' general perceptions in these four domains.

5.4.3.1 Economic impacts

Table 8 presents residents' general perceptions of economic impacts caused by tourism development in the historic district. Most of residents acknowledged the positive impacts of tourism development in their neighbourhoods at community level or city level, as revealed by first five indicators in the table. This is understandable that the historic district is the commercial centre of Yangzhou. The finest restaurants, old brands, banking services and shopping malls all situated in the 5.09 square kilometres. Tourism development in this area could bring large number of potential customers which might generate more revenues for local business and for the government. The improvement of living and tourism environment in the community will turn relevant community into an attractive neighbourhood and thus attracts more investments to revitalize local economy. Besides, more than three quarters of respondents believed that tourism development has improved public facilities in their

communities. Traditionally, the historic district has suffered from poor public facilities, such as parking, sanitation, and etc, to provide a favourable physical environment to the tourists and prevent the historic districts from further deteriorating; the government has invested a lot of money to improve the public infrastructure in the historic district. The findings from in-depth interview generally supported these quantitative results. But the interviewees also raised noteworthy points regarding to public infrastructure improvement that need to be addressed. The foremost issue is loss of place uniqueness as discussed in previous chapter. One interviewee commented that *“I could not even recognize the Dongguan Street. The road is wider and tidier than before after improvement works. But it does not look like the neighbourhoods that I have been living for my whole life”*.

When comes to personal level, the respondents were not so positive, as indicated by items 6 to 10 in the table. Besides, it could also found that many residents hold conservative attitude. The interviews and informal talks with local residents provided reasonable explanations. They told the researcher that only a very small number of local residents could afford to open shops in the renovated historic districts given the very high rent(80 to 150 RMB per square meters). No vocational training was provided to local residents to help them get employed in tourism related business. Though most respondents in the survey reported positive perceptions on job creation, however, the results from interviews revealed that local residents were not the direct beneficiaries of these opportunities. The interviews with residents also revealed that the residents have a strong demand for housing upgrading. On the contrary, their earnings from other sources were devalued as living costs increased as a result of tourism development in their neighbourhood. However, contradictorily, around half of all respondents (49.4%) claimed increase of their living standard caused by tourism development. This could be explained by the improvement of public infrastructures and increase of open public space and recreational facilities in their communities. It seems that residents were not so satisfied with public services provision in their community as around half of respondents either hold a neutral attitude or disagree that tourism development in their community improved the quality of public services. In terms of relocation, many remaining residents commented negatively. Though the interviewees also mentioned some of those negative economic impacts, most of them do not claim such impacts.

On the other hand, residents also complained about negative impacts of tourism development in their community as shown by indicators 13 to 16. The increase of prices for goods and services might not necessarily caused by tourism development in their community. Decline economic situation and relatively low wage might contribute to the perception of price increase as well. However, there is still a large number of respondents consider increasing tourist arrivals as an important factor. The increase of living costs could be partially attributed to large scale of relocation of the residents who originally run small business in the community such as small snack bars, breakfast restaurants, small grocery stores and etc. Remaining residents have to go to supermarket to buy food and groceries which incurs more transportation costs

and time costs. Apart from that, increasing tourist arrivals might increase the food prices in restaurants in the community.

Table 8: Respondents' General Perceptions upon Economic Impacts

no	Impact Statement	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
1	Create employment opportunities	0	4.7	19.9	60.6	13.0	3.84	0.707
2	Economic benefits to local business	0	4.3	21.1	60.9	12.7	3.83	0.699
3	More investments	0	5.0	28.9	51.2	14.0	3.75	0.756
4	Service quality improvement	0.3	5.6	21.4	56.2	12.4	3.78	0.754
5	Generate government revenues	0	2.2	21.1	54.7	18.9	3.93	0.707
6	Increase respondent's living standard	0.3	9.6	38.5	40.4	9.0	3.49	0.807
7	Improve economic condition of residents in the community	1.2	16.5	41.9	33.2	4.3	3.24	0.829
8	Increase household income	3.1	28.3	39.4	22.7	3.1	2.94	0.885
9	Improve housing condition	2.5	28.3	35.1	29.2	3.4	3.03	0.908
10	Improved living condition by relocation	3.4	26.7	36.3	27.6	3.7	3.02	0.922
11	Improved infrastructure	0.6	7.5	37.6	47.5	6.2	3.52	0.751
12	Improve quality of public services	0	6.5	38.5	43.5	10.2	3.58	0.765
13	Price increase of goods and services	0.6	4.0	33.2	50.6	9.0	3.65	0.731
14	Shortage of goods and services	1.9	10.9	30.4	45.3	8.4	3.49	0.875
15	Real estate price increase	0.9	3.1	21.1	53.7	18.0	3.88	0.778
16	Increased living costs	0.3	3.1	22.7	56.5	13.7	3.83	0.713

Notes: * The option "I don't know" was excluded from the analysis for mean and standard deviant.

Based on above analysis, several conclusions can be drawn from above analysis: (1) The respondents were relatively objective in evaluating the impacts caused by tourism development in their community as they both tell the positive impacts and negative impacts; (2) Local residents seems not to receive actual economic benefits from tourism development as most of the positive impacts they perceived were at city level or community level that are more related to macro economic development; (3) The hardware for tourism development were improved and was acknowledged by most residents, however, the soft factors received many critics. (4) Many residents hold a neutral attitude towards the negative impacts of tourism and personal benefits earned from tourism development, which should be interpreted as reflections of their

conservative attitude given the development stage of the destination and correlations with other macro economic development factors.

5.4.3.2 Social impacts

The positive impacts of tourism development in the historic districts have been recognized by the respondents as indicated by item 17 and item 19; increased recreational facilities and well maintained services seem to have increased respondents' emotional well-being and their quality of life. This is understandable as drastic improvement has taken place in the historic districts to upgrade relevant communities in terms of housing upgrade, economy revitalization, physical environment protection and improvement, and social inclusion. Many houses, with high historic value, in the community lack of adequate sanitary facilities, sunlight, ventilation and transportation facilities. The construction work, part of the tourism development plan, has improved the housing conditions and relevant public facilities. Observation from the researcher also confirmed that residents now feel proud to promote their neighbourhoods to relatives and tourists. Since the residents that have been relocated were not included in the survey, the results from interviews could be used here to compare their perceptions. Both interviews with preservationists and relocated residents suggest that tourism development caused relocation resulted in decline of quality of life rather than increase. This is partly because the urban historic district is inhabited by many old people who rely heavily on public facilities and services in the historic centre. Besides, the relocation process depicted as painful and disgusting also contributed to their worsening quality of life. According to Urban Relocation Management Regulation issued by State Council in 2001, relocated residents are entitled to move out the original houses after they receive the new apartments. However, as learnt from the interviewees, many of them were forced to sign agreement for relocation with the developer and then they have to wait and rent houses with very low subsidy for 1 to 2 years during which the new apartments are under construction. Sometimes, it will be delayed and residents have to wait longer. One interviewee commented that "*I had been living there for my whole life. And when I am at my 60s, I suddenly become homeless. I have to rent houses with the compensation that could not even cover one third of the rent*".

With regard to the other impact statements, the respondents did not reach an agreement upon most impact statements(indicators 21 to 28). There are two justifications for the vast variances on traffic congestion. Firstly, current development of tourism industry in the historic district and in Yangzhou as a whole revealed clear pattern of zoning effects. Normally, the peak season is from March to May and from September to October. Out of these two periods, tourist arrivals shrink substantially. The field work was conducted in July, the hot summer, not many tourists were found in the historic district. The possible large target group of tourists, or more strictly, excursionist, are from Yangzhou Region(The counties under administration of Yangzhou city). They will not add too much pressure to local transportation. Therefore, some residents may answer this question based on their previous

experiences in the peak season and some residents may answer this question based on current experiences in the off season. Secondly, as observed by the researcher, most of the tourists tend to arrive in the historic district at after 9 am after the peak time of transportation and leave before noon. Hence, their influence upon residents' daily life is very limited.

49.5% of all respondents believed that increasing tourist arrivals lead to reduction of their opportunities to use the entertainment and recreational facilities while 13.4% disagreed and 35.2% considered it indifferent. One example might support the argument of those with negative perceptions. Yipu, a private garden in the Dongguan Street, was renovated by the developer and now has become a five-star hotel and does not allow non-guest to enter. As the tourism development in the historic district is at its infant stage, it remains too early to predict whether local people will have less opportunity to enjoy recreational facilities. Though the government launched a programme to attract local citizens to some tourist sites through offering preferential entrance fees, it is only a trick for the tourist sites to survive in the off season and the overall economic situation.

The issue whether tourism development would increase crime rate did not reach a consensus as well. 29.5% of respondents did not believe that tourism development would cause crime rate increase while 30.7% of them hold the opposite opinion. Yangzhou is a relative safe city. The most common crime is theft. Most of the crimes were committed by floating population, accounting for 70% of total crimes. Tourism development might be a factor contributing to those crimes however it is not the only and dominant reason at least for now. The informal talks with residents and small entrepreneurs also revealed conflicting results. Some residents told that more robberies and theft happened in the historic district compared to previous years while some residents felt no change in public security along with the growth of tourism activities in their community.

Around 10% more residents claimed that tourism development would widen the income gap; 25.5% of them were against the statement while 36.6% of them stayed in the middle. This again is reasonable as tourism development in the historic districts is at its infancy, the economic benefits might have not revealed fully. Tourism related business opportunities were also not discovered completely. Besides, as most of the business currently were operated by people from elsewhere because of high rent. Local residents may not really share a piece of cake in the competitive but highly profitable tourism market. Their income may still rely on their stable sources of wage and investment on bonds or stocks.

Preliminary literature review revealed that residents in the historic districts, sometimes, are a part of the tourism development. Their daily lives might be commoditized as tourism product. A common motivation of heritage tourists is to experience local culture, customs and their daily lives. In terms of the impact that tourism development has disturbed residents' daily lives, 37.3% of them agreed with the statement while 25.8% thought differently. As observed by the researcher, some local residents were very friendly towards tourists. They answers questions from

tourists very politely and are very willing to have a conversation with tourists. Some even agreed to let tourists enter their families and look around. On the contrary, there were also residents who feel being disturbed by increasing tourist arrivals. They complained that their neighbourhood has become very noisy. Too many tourists try to get contact with them which make them feel annoying. This could explain 40% of them complained that they felt like being exploited and 40.3% of them have feelings of violation of personal privacy.

With regard to the impact upon interpersonal relationships, 31% of respondents felt their relationships with neighbours were the same while one third of them hold opposite ideas and 34.5% stood in the middle. Relocation of neighbours might lead to looser relations with the other members in the community, especially with those who have been living together for more than 20 years. The emotional bonds have been cut off by large scale of relocation of local residents which may exert influence on resident perceptions upon their feelings with their neighbours. On the other hand, for those neighbourhoods less affected by relocation, their perceptions might be different.

Table 9: Respondents General Perceptions upon Social Impacts

No	Impact Statement	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
17	Increased Recreational Facilities	0.3	1.2	23.3	55.3	17.4	3.90	0.699
18	Increased pride of residency	0	1.2	26.7	51.9	19.3	3.90	0.711
19	Well maintained services and facilities	0.6	2.5	26.5	54.2	13.7	3.80	0.730
20	Increased quality of life	1.6	5.0	32.4	49.5	10.0	3.62	0.797
21	Over crowdedness	0	21.6	24.3	32.4	21.6	3.64	1.070
22	Reduced opportunity for local	1.6	11.8	35.2	41.4	8.1	3.43	0.866
23	Increased Crime rate	5.3	24.2	36.3	24.2	6.5	3.03	0.996
24	Widening income gap	5.0	20.5	36.6	29.5	5.9	3.11	0.974
25	Disturb daily life	4.0	21.8	35.8	30.8	6.5	3.14	0.971
26	Alienation of relationships	3.7	27.3	34.5	28.3	5.0	3.03	0.957
27	Feeling of being exploited	2.5	17.1	37.9	33.5	6.5	3.25	0.910
28	Violation of privacy	3.7	19.3	34.2	33.2	7.1	3.21	0.970

Notes: * The option “I don’t know” was excluded from the analysis for mean and standard deviant.

The above analysis could be summarized into three conclusions: (1) residents in the historic districts acknowledged the positive social impacts of tourism development

there; however, the perceived positive impacts seems to be caused by physical environment improvement; (2) residents show large variances on the negative impacts. Slightly more residents were negative towards tourism development there while there were also many residents believed that tourism development is not the only factor contributing to the negative social impacts. Almost 40% of them were neutral towards the negative side as tourism development is at early stage and the negative impacts seem to be not so obvious; (3) tourism development caused relocation has worsened the quality of life for the relocated residents however, improvement of public infrastructure in the neighbourhood exerted positive impacts upon sitting residents quality of life.

5.4.3.3 Cultural impacts

The most important tourism resource of urban historic district is its cultural value. Increasing tourist arrivals and intensifying commercialization of heritage products would certainly have an impact on the cultural environment. The interviews with key informants also revealed that cultural concerns are the other frequently mentioned impacts. Table 10 presents the findings of residents' general perceptions of cultural impacts caused by tourism development in their community.

As seen from the statistics, the majority of the respondents agreed the positive impacts of tourism development upon conservation of ancient buildings and traditional cultures. More than 80% respondents claimed that tourism development in their community facilitated preservation of ancient buildings. Since 2002, the city government invested huge amount of money in upgrading the historic districts with particular focus on preservation and renovation of historic buildings. The figure from the developer revealed that 0.45 billion RMB has been invested in renovation of deteriorating old buildings in the Dongguan Street from November 2007 (Interviewee, 2009). There were 2.8% of them did not agree with this statement and 16.5% showed neutral perceptions. Some residents complained that many buildings in Donguan Street have been demolished and reconstructed to cater to the interests of the tourists and other culture seekers which can not reflect the original beauty of the buildings. Around 70% of all respondents expressed their concerns that reconstructed artificial buildings have resulted in loss of the authenticity. The interviews with the developer confirmed that many beautiful ancient buildings on both sides of Dongguan Street are reconstructed ones as the original ones without historic values were too terrible and costly to renovate. Though they followed the original design and invited the original residents to crosscheck, and used unique bricks, the original beauty of those buildings and the overall atmosphere can never be reconstructed again.

Around 80% of all respondents acknowledged that tourism development has preserved and revitalized traditional cultures(78.9%) and triggered a variety of cultural events in the historic districts(76%). Only very limited number of them disagreed with this. Take Dongguan Street, the main block in the historic district, for instance, the developer has a very strict set of criteria in selecting enterprises on both sides of the street. As observed by the researcher, most of existing shops are culture-

related; they demonstrate and sell traditional handcraft, such paper-cutting, jade, antiques, lacquerware, folk fabrics, Calligraphy, old brands (those shops with hundreds of years history in Yangzhou) and etc. The interviews with the entrepreneurs there reveal that tourists were not the only customers. Many local Yangzhou citizens also come here to visit and buy art products. These shops or workshops, to certain extent, serve as tools to preserve local culture from permanent loss. The government also organized some cultural events for local residents as well as for the tourists. One day before the researcher left the city, the government organized onsite-storytelling performance in Dongguan Street. Storytelling has a long history in Yangzhou and was listed as national non-material heritage in 2006. But it suffered substantial decline because of absence of interests and financial resources. Apart from entertaining tourists and residents, Onsite storytelling performance is believed to arouse citizens' interests in local arts and therefore revitalize local traditional cultures. The statistical result also confirmed the positive impact that more than 70% of respondents agreed that tourism development in their communities increased their pride in local arts, crafts and other cultural expressions.

Comparatively, 60.6% of all respondents worried that shops targeted to tourists destroyed the overall beauty of their neighbourhood and around 70%(69.9%) of them also concerned about that too much commercial development in their community might also destroy the organic charm of their community. The whole street has been developed into a shopping street for antiques, local traditional foods and handcraft which is irrelevant to residents' daily lives at all while previously it was a vivid street for breakfast with old neighbours, tea-breaks in the afternoon, playing chess with old friends, and small talks with shop owners and neighbour while having a hair cut. Those memories have gone for ever. In the open questions in the survey, one respondent criticized current positioning strategy of the redevelopment in their community. He commented that Dongguan Street should not be a street for sales of antiques, jade and other cultural product. Instead, it should be street with various functions, for example, exhibition venues to demonstrate local culture, workshops to preserve local handcrafts, and stages for local performance. It is understandable that 65.5% of them believed that tourism development would change the style or forms of traditional arts and crafts because of economy-driven motivations and 54.1% believed that tourism development has resulted in loss of traditional cultures.

Host and guest interactions have been a hot topic in tourism studies. Community tourism development could bring opportunities for mutual learning to both tourists and residents. This was acknowledged by residents that 68.6% of them considered tourism development would bring more opportunities for them to exchange with tourists and learn their cultures. Only extreme minority disagreed with this impact while 27% of them chose a neutral attitude. The reason for neutral attitude is probably lies in the origins of the tourists as the main group of tourists come from the Yangtze Delta Area, such as Shanghai, Nanjing, Taizhou, and etc, whose culture are quite similar to Yangzhou's culture. This also explains why the majority of the respondents do not recognize the negative impact of demonstration effect. More than half reported disagreement or indifference to the impact of imitating tourist behaviors(55.6%).

With regard to relocation, previous research revealed that only 24% of residents agreed to be relocated without any condition. The majority of them want to stay in the community after their houses being upgraded(Huang 2008). This was supported by this survey that 72.5% of the respondents believed that large scale of relocation has resulted in loss of living culture. The researcher's observation also confirmed this impact. In the evening, there are very few residents hanging around in the street and talking with each other, which used to be common. Dongguan Street becomes a "dead" street with very few people in the street. However, there may be other reasons contribute to this situation as well. For instance, it is usually very hot in the summer evenings and residents tend to stay home rather than hanging out. And now residents might find other evening entertainments in stead of chatting with neighbours. Besides, young generations are less likely to communicate with their neighbours. But, given large portion of old residents in the historic district, the negative impacts of relocation upon living culture could not be neglected. The interviews with the residents revealed almost same story. Many researches have confirmed that compensation is an influential factor in influencing resident residential satisfaction; however, as suggested from the results of interviews, it is not all about compensation. They are more attached to the way of life in the heritage community and many of them are pressured about moving to high rise buildings.

Table 10: Respondents General Perceptions upon Cultural Impacts

No	Impact Statement	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev. *
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
29	Preservation of ancient buildings	0.6	2.2	16.5	63.4	17.4	3.95	0.693
30	Revitalized traditional cultures	0.6	1.2	19.3	64.3	14.6	3.91	0.661
31	Increased number of cultural activities	0.3	1.2	21.2	62.3	13.7	3.89	0.649
32	Increased pride in local arts, crafts and cultural expressions	0.3	1.6	23.9	59.9	13.0	3.85	0.666
33	More opportunity to exchange with tourists	0	2.5	27.0	55.6	13.0	3.81	0.688
34	Change style or forms of traditional culture	0.3	4.7	28.3	53.0	12.5	3.74	0.750
35	Large scale of relocation resulted in loss of living culture	0.3	4.4	21.2	49.8	22.7	3.92	0.804
36	Imitate tourist behaviors	2.5	16.8	33.2	37.6	6.8	3.30	0.925
37	Tourist-targeted shops destroyed original charm	0.9	9.6	27.0	46.6	14.0	2.97	0.923
38	Re-constructed artificial old building resulted in loss of authenticity	0.6	6.2	21.7	51.6	18.3	3.82	0.828

39	Over-commercialization resulted in loss of original charm	1.2	4.7	22.7	54.7	15.2	3.79	0.804
40	Loss of traditional culture	2.8	17.4	23.9	43.2	10.9	3.43	0.993

Notes: * The option "I don't know" was excluded from the analysis for mean and standard deviant.

To conclude, the survey revealed that residents acknowledged the contributions of tourism development to conservation and preservation of ancient buildings and traditional cultures however they are conservative towards the methods being used and the process to preserve and conserve the buildings and cultures there.

5.4.3.4 Environment impacts

Water is an important element of the historic district in Yangzhou. However, the quality was extremely poor decades ago because of untreated rain and sewage were poured into the rivers directly. It also contaminated the underground water. Some residents recalled that the river used to generate bad smell and were quite dirty. In 2002, Yangzhou was selected as pilot city for Ecocity programme under the project cooperated by national government and GTZ. Water quality improvement programme was carried out in the city and achieved significant success. The water quality, though far from excellent, was greatly improved. The smells are gone and fish could be seen from the river. Since water tour was not the major product, the impact of tourism upon water quality was not measured in the survey. Talks with the residents also confirmed that water quality was not influenced by tourism development at all.

As shown in Table 11, 61.5% of the residents complained about increasing noise pollution caused by growing number of tourists. Since most of the districts used to be residential areas, it is understandable that pouring tourists in the neighbourhood would generate more noise. However, it can not be neglected that 30.7% of total respondents perceived this neutrally. Possible explanation is that the historic district, as the business centre, has always been noisy compared with other districts, and increasing tourists arrivals does not exceed their threshold of acceptance.

It is interesting that 33.3% of all respondents did not believe that tourism development would generate more trash and more than half of them hold a neutral perception. Only 12.2% worried about this. Information collected from the developer explained that much money has been spent to keep the historic district clean and tidy. In the main shopping street, cleaners are hired to clear away the trash on the street. A solid waste collection centre was build up in the historic district. However, this situation was not so positive for the non-tourism streets. Solid wastes are thrown away randomly in some small lanes. Most of these trashes are from local residents rather than tourists. However, tourism development does generate garbage; discarded construction materials are not cleared away timely after completion of the construction work, which was commented negatively by many interviewees.

Nonetheless, most of the residents believed that tourism development raised their awareness to protect the environment (79.2%). Since their neighbourhoods have been developed as showcase to tourists, residents may be motivated to protect the environment not only to provide a favourable environment for tourism development but also to demonstrate their personal quality. However, it is debatable that tourism contributes to increasing awareness to protect the environment as environment protection has been a hot topic in China for years.

Table 11: Respondents General Perceptions upon Environmental Impacts

No	Impact Statement	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
41	Awareness to protect environment	0.3	0.3	18.9	64.6	14.6	3.94	0.615
42	More noise	0.3	6.5	30.7	51.9	9.6	3.65	0.759
43	More trash	4.0	29.3	54.5	10.0	2.2	3.72	0.700

Notes: * The option “I don’t know” was excluded from the analysis for mean and standard deviant.

Overall speaking, the residents acknowledged the positive environment impacts of tourism development in their community, such as facilitation of residents’ awareness to protect the environment, water quality improvement, cleaner streets in the tourism area, and etc. However, they were also concerned about the negative impact of noise pollution caused by growing number of tourists in their community. Since the waste facilities were not sufficient and waste collection programme is not so effective in the historic district, residents are the major producers of some wastes. Tourists and tourism development could not be blamed for that.

5.4.3.5 Overall impacts and attitude

Above analysis reveals that most residents confirmed the negative impacts brought by intensive tourism development in their community, such as generation of revenues for the government, preservation of old buildings, improvement of infrastructures and many other aspects. On the other hand, they also realized the negative impacts, such as loss of authenticity, noise pollution because of more traffic and tourists, price increase of goods and services, and etc. In addition, it seems that local residents do not receive actual economic benefits at personal level because very limited number of them could afford to open a shop there because of high rents.

Table 12 presents the findings of residents perceived overall impacts of tourism development and their attitudes towards current and future tourism development. Despite the negative impacts, the majority of the residents perceived more positive impacts than negative impacts(74.2%) and slightly less than 70% of the respondents expressed their support for current tourism development. This could indicate that residents still believed that tourism development might contribute to revitalization of the historic district and the overall living environment there even they acknowledged

some negative impacts, which is evidenced by the statistical result that 65.8% of them were supportive towards future tourism development in their community.

Comparison between the figures of support for current tourism development and future development shows that residents were more conservative towards future tourism development and the share of supporters shrinks. This could reflect residents' concern for the future impacts of tourism development in their community. Given the low level of participation in tourism planning, this is normal because of so many uncertainties in the future. However, there is another interesting phenomenon that there were more strong supporters for future development than current strong supporters. There are many reasonable explanations. For instance, those who benefit from current tourism development in their community may want to get more from future tourism development. Or, those who do not receive actual benefits now believes the great market potential and wish for more intensive efforts to promote tourism development there.

Table 12: General Perceptions upon Overall Impacts and Attitudes for Tourism Development

Impact Statement	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
Positive impacts outweigh negative impacts	1.2	1.2	23.0	66.1	8.1	3.79	0.656
Support current tourism development	0.3	0.9	28.9	59.9	9.9	3.78	0.638
Support for future development	0.9	1.2	31.7	54.3	11.5	3.74	0.709

Notes: * The option "I don't know" was excluded from the analysis for mean and standard deviant.

5.4.3.6 Factor analysis of perceived impacts

As discussed in chapter 3 and previous section, 43 items were included in the final survey to measure residents perceived impacts of tourism development in their community and 3 items were listed to measure overall perceptions and attitude towards current and future tourism development. Given the relatively large number of indicators, exploratory factor analysis was performed to reduce the indicators. Exploratory factor analysis has been used extensively by many scholars as a very helpful tool to identify inter-correlated variables and reduce large number of indicators into small but more meaningful ones(S.N. 2009). It could also help understand the internal construct of the indicators.

A typical exploratory factor analysis is executed through seven steps, from reliability measurement and correlation matrix, through choice of factor analysis or principal component analysis, retained factors and factor rotation, to interpret and use the results from the analysis. In the first step, Kaiser-Meyer-Olkin test is often used to test whether the sample is big enough and suitable for factor analysis. Field(2000) suggested that an adequate sample should have a KMO value greater than 0.6. In the second step, it is important to make sure that the variables are correlated but the

correlation should not be too high. Bartlett's test is performed to examine whether the original correlation matrix is an identity matrix. The test has to be significant. The third step needs to choose between principal component analysis and factor analysis. There is hot debate over these two approaches. Compared with principal component analysis, factor analysis is more correct in theory but it is more complicated. However, Field(2000) suggested that the results from both approaches do not have significant differences. In selection of the factors to be retained, the Guttman-Kaiser rule is applied that only those factors with greater Eigenvalue than 1 could be retained. The next step is to decide which method of rotation to be used in the analysis. There are two types of rotation, orthogonal and oblique rotation; the difference between which is whether there is correlation between extracted factors. In orthogonal rotation, there is no correlation while in oblique rotation there exists. In interpretation of the factor loadings, it is often recommended that only interpret those indicators with an absolute value greater than 0.4(Field 2000).

In this research, the following choices are made for the exploratory analysis. Firstly, the KMO value should be greater than 0.6 and the Bartlett's test confirms that the original matrix is not an identity matrix; Secondly, principal component analysis with varimax rotation, one method of the orthogonal rotation, will be applied to group the variables; Thirdly, only those factors with an eigenvalue greater than 1 would be retained; Fourthly, with regard to interpretation of factor loadings, two criteria from Hatcher(1994) is applied: (1) loading at only one factor and with a loading score higher than 0.40; (2) loaded at a factor showing an internal reliability alpha score higher than 0.70. Since the main purpose for this factor analysis is to summate residents' perceived impacts into a smaller and manageable number of factors, the process of extracting factors should stop when the extracted factors are no longer significant.

The first factor analysis was performed through principle component analysis with varimax rotation. The KMO value for the first analysis was 0.841, far greater than 0.6 and the Bartlett's test also confirmed the original matrix was not an identity matrix. These two indicators reveal that the sample is very suitable for factor analysis and the result from such analysis is acceptable and reliable. Under the Guttman-Kaiser rule, 11 factors with eigenvalue higher than 1 were extracted, with cumulative explained variance of 64.383%. One item "my living standard has increased because of tourism development" in the economic domain were found loaded on two factors with both loading score higher than 0.40. Therefore, it was removed. The item "reduced opportunity in using recreational and entertainment facilities" in the social domain was also removed since none of its loadings on these eleven factors were greater than 0.40. Reliability analysis was performed to validate this item and it was found that the internal reliability, namely the Cronbach's coefficient Alpha, will decrease if it is included in any of the 11 factors, which means no satisfactory explanation can be drawn from it.

The remaining 41 indicators were factor analyzed again following the same procedures. Both the KMO value(0.838) and Bartlett's test result indicated that the

sample is sufficient enough for factor analysis and the result of the factor analysis is reliable. 11 factors were found with eigenvalue greater than 1 and they explained 65.561% of total variance. Table 13 presents the details of extracted factors.

Table 13: Results of Factor Analysis for Perceived Impacts

Factor	Factor Loading	Eigenvalue	Explained Variance (%)	Cronbach's Alpha
Factor 1 Positive Macro Economy Impacts		8.075	19.696	.816
create job opportunities	.663			
bring more economic benefits to local business	.751			
Attract more investments to our community	.770			
Improve service quality of local business	.718			
Generate more revenues to governments	.541			
Factor 2 Creative Destruction Effects		3.695	9.012	.816
Loss of living culture caused by relocation	.458			
Destruction of overall atmosphere by tourist targeted shops	.672			
Destruction of authenticity by reconstructed buildings	.811			
Destruction of original beauty by over commercial exploitation	.773			
Loss of traditional cultures	.734			
Factor 3 Social Well-beings		3.343	8.153	.822
Increased recreational and entertainment facilities	.695			
Increased pride in living in the community	.748			
Well maintained facilities and services	.759			
Improved quality of life	.762			
Unpleasant over-crowdedness	.557			
Factor 4 Personal Economic Impacts		1.982	4.835	.803
Improve many residents' economic condition	.715			
Increase my household income	.815			
Improve my housing condition	.777			
Improve residents' living condition via relocation	.677			
Factor 5 Negative Social Impacts at Community Level		1.911	4.661	.798
Increased crime rate	.708			
Widen income gap	.836			
Disturb daily life	.773			
Factor 6 Cultural Renaissance and Exchange		1.741	4.246	.770
Create more cultural events	.562			
Increased pride in traditional culture and handcrafts	.714			

Opportunities for cultural exchange and communication	.741			
Change the style or forms of traditional cultures	.598			
Factor 7 Negative Economic Impacts		1.515	3.696	.716
Price increase of goods and services	.663			
Shortage of goods and services	.533			
Price increase of real estate	.811			
Increase of living costs	.717			
Factor 8 Building and Culture Preservation		1.291	3.149	.806
Facilitate conservation of historic buildings	.759			
Protection and revitalization of traditional cultures	.804			
Factor 9 Emotional Suffering		1.226	2.990	.767
Alienation with neighbors	.530			
Feeling of being exploited	.653			
Feeling of violation of personal privacy	.725			
Factor 10 Environment Impacts		1.092	2.662	.728
Awareness of environment protection	.489			
Noise pollution	.741			
More trash	.763			
Factor 11 Public infrastructure and Service Improvement		1.008	2.459	.553
Improve public infrastructure	.663			
Improvement of quality of public services	.556			
Total Variance Explained(%)		65.561		

The internal reliability coefficient of these 11 factors ranged from 0.553 to 0.822. Only the last factor revealed very low Cronbach's alpha score(0.553), however the rest were all much higher than the criterion of 0.4. Though the construct of the last factor may not be very reliable, it was retained for interpretation.

Factor 1 was labelled as "Positive Macro Impacts", including 5 items, namely "create job opportunities", "bring more benefits to local business", "attract more investment to our community", "improve service quality of local business", "generate more revenues to governments". These impact statements were all related to the positive impact upon macro economy. It explained 19.696% of total variance, with an internal reliability higher than 0.80.

Another five items were grouped into the second factor, accounting for 9.012% of total explained variance. These five items are "loss of living culture", "destruction of overall atmosphere by tourist targeted shops", "destruction of authenticity by reconstructed buildings", "destruction of original beauty by over commercial exploitation", and "loss of traditional cultures". This factor depicted the impacts caused by relocation, reconstruction and redevelopment which were all variances of creative destruction; therefore, it was named as "Creative Destruction Effects".

Five impacts statement from social domains were grouped into the third factor labelled as "social well-beings". The factor is consists of impacts "increased

recreational and entertainment facilities”, “increased pride in living in the community”, “well maintained facilities and services”, “improved quality of life” and “unpleasant over-crowdedness”. These five items include both positive and negative statements and differ in levels of measurement. But they were all related to the domain of social well-being, and hence were labelled as “social well-beings”. It explained 8.253% of total variance and is a reliable construct as the Cronbach’s alpha value is greater than 0.7.

Perceived economic benefits at personal level was the fourth factor extracted from the principal component analysis. Four items were grouped into this factor, explaining 4.835% of total variance. These four items include “increase many residents’ economic condition”, “increase my household income”, “improve my housing condition” and “improve residents’ living condition via relocation”. Internal reliability coefficient is far greater than 0.70.

Factor 5 was named as “negative social impacts at community level” as three items grouped in this factor were all related to negative social impacts upon local community including “increased crime rate”, “widen income gap” and “disturb daily life”. These three items explained 4.661% of total variance with a high Cronbach’s alpha value at 0.798.

Factor 6 explained 4.246% of total variance. It includes five impacts in cultural domain, namely “create more cultural events”, “increased pride in traditional culture and handcrafts”, “opportunities for cultural communication and exchange”, and “change the style or forms of traditional cultures”. It was named as “Cultural renaissance and exchange”.

Four negative economic impacts were grouped into the seventh factor with Cronbach’s alpha value slightly higher than 0.7. The factor consists of impact statements “price increase of goods and services”, “shortage of goods and services”, “price increase of real estate” and “increase of living costs”. It accounts for 3.696% of total explained variance.

Factor 8 is consists of two items representing 3.149% of total explained variance. These two items are “facilitate conservation of historic buildings” and “protection and revitalization of traditional cultures”. These two items described the impacts of tourism development upon local cultures and architectural heritage and were therefore named as “building and culture preservation”.

Factor 9, named as “emotional suffering”, include three socio-psychological impacts, namely “alienation with neighbours”, “feeling of being exploited” and “feeling of violation of personal privacy”. Those three items explained 2.990% of total variance and was relatively reliable as the value of Cronbach’s alpha reached 0.767.

All of three environmental impacts were grouped into one factor, including “awareness of environment protection”, “noise pollution” and “more trash”. The eigenvalue was slightly greater than 1 and it represents 2.662% of total explained variance. Since these three items are all related to environment impacts; it was

therefore named as “environment impacts” without any differentiation of positive and negative items.

The last factor was labelled as “improvement of public infrastructure and service” that consists of two items, including “improve public infrastructure” and “improvement of quality of public services”. These two items accounted for 2.459% of total explained variance. The internal reliability was smaller than 0.7 but remain higher than 0.4. Therefore, this factor was retained and interpreted.

The first three factors “positive macro economic impacts”, “creative destruction effects” and “social well being” represented 37.681% of total explained variance. Each of them accounted around 10% of total explained variance. This indicates that the respondents were more concerned about these three main issues, especially the impacts upon local economic development. Besides, heritage concerns outweighed personal economic gaining from tourism development in their community. This could be explained by the fact that many respondents have been living in this community for more than 20 years and has developed strong attachment to the community. Change of the landscape and living style in their community might impose strong pressure on them if the process is not under their limit of acceptance. Hence, they are very sceptic about the ability of tourism to preserve architectural heritage and revitalize local cultures, especially the way of their lives.

5.4.4 Three Predictive Variables

5.4.4.1 Place attachment

In this thesis, place attachment is constructed in two domains, namely place dependency and place identity. Place dependency refers to functional attachment to a place based on the physical features of a place. In this thesis, it was measured by two objective indicators that one on residents’ or their family members’ income source and one on the length of residency supplemented by two subjective indicators, one item on residents’ preference for the location to live under the same condition between the historic district and other residential areas and the other one measuring residents attitude towards the living style in the historic districts. Place identity reflects residents’ emotional relationships and bonds with a place. It is a mix of self identity, self esteem and emotional attachment. It was measured by three indicators on self identity and emotional attachment through five point Likert scale and one question by asking residents’ identity as a local citizen.

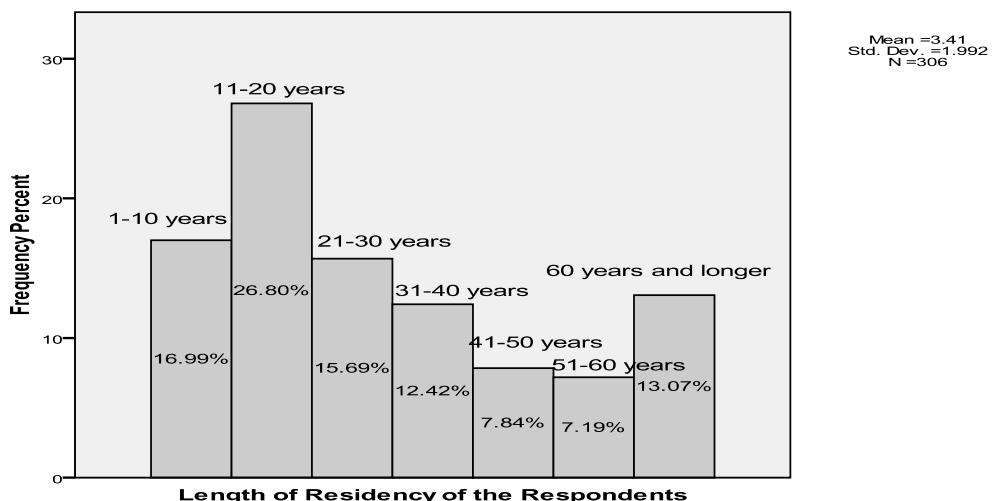
5.4.4.1.1 The objective indicators

According to the statistics, 20 out of 304 valid respondents reported they or their family members were engaged in tourism related business, among which 9 were directly involved in tourism industry working as a tour guide or in a hotel and accounted for 45% of valid sample. Three people reported they or their relatives have

ever worked in a restaurant and one reported experience as a driver. There is also one people holding a research position on tourism related studies. There are many reasons contributing to this situation. Firstly, traditionally, jobs in tourism industry are considered as low skilled and low-income, such as restaurant attendants, bar waiters and etc, which local people do not want to take. Therefore, the respondents might not want to release their real occupation to avoid discrimination. Secondly, the respondents might not fully understand what kind of jobs could be categorized as tourism industry related given their limited knowledge on this topic. For instant, respondents might consider restaurant waiter or waitress as non-tourism related jobs. As such, it is understandable there is large number of missing values in this question. There is also a third explanation that this could be another reflection that the sample respondents do not receive economic benefits at a personal level as they do not benefit from the positive impacts of job creation brought by tourism development in their community.

With regard to the length of residency, it varies drastically ranging from 1 year to 83 years, with an average of 27.71 years. 62.5% of the respondents have been living in the historic district for over 20 years. Chart 1 presents the detailed descriptions of the length of residency of the respondents.

Chart 1: Distribution of Respondents in terms of Length of Residency



With regard to the objective indicator on place identity, among 312 valid answers, 91.7% of them claimed themselves as local citizens while less than 10% consider them as migrants. This answer should be interpreted with caution because of the Hukou Registration System. Though most of the respondents claimed themselves as Yangzhou local citizens, many of them might just move into the neighbourhood because of retirement, education, and etc. Also, for those claimed themselves as migrants, the figure might also not reflect the real situation as some of them might have been living in the neighbourhoods for years without Yangzhou Hukou, which was supported by the Crosstab analysis as shown below.

Table 14: Length of Residency and Yangzhou Local Citizenship

Length of Residency	Yangzhou Local Citizenship		Total
	Yes(Frequency)	No(Frequency)	
1-10	37	14	51
11-20	80	2	82
21-30	46	2	48
31-40	38	0	38
41-50	24	0	24
51-60	22	0	22
>60	24	8	32
Total	271	26	297

5.4.4.1.2 The subjective indicators

The following analysis revealed that a majority of the respondents were strongly attached to their community as more than 60% of them agreed or strongly agreed with the scale measuring their place identity and place dependency.

More than 70% of the respondents reported that they would not substitute any other community with same living condition for this neighbourhood (71.1%). 66.1% of all respondents suggested that they feel enjoyable in living in current community as they like the living styles there. These two indicators as a whole suggested that the respondents have developed quite strong emotional dependency on the community.

67% of total sample respondents supported that they feel themselves an integrated important part of their community. This is reasonable given China's communal political background. 71.7% of them confirmed that they cherish the relationships with their friends and neighbours in the community. This indicates that social interaction in the host community is very important to the respondents to develop place identity. The finding supported residents' negative perceptions towards relocation. To some extent, it cuts off the residents' existing social connections and requires them to develop new ones. Since most of the respondents were elderly, development of new social interactions and social belongings is time-consuming and a little difficult, resulting in gradual destruction of the self-efficacy of the relocated residents or will-be relocated residents. This reasoning is supported by the result that 64.6% of all respondents felt sad to move out the community and only 3.7% wanted to move.

Table 15: Descriptive analysis of Place Attachment

Statement on Place attachment	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
I would rather living in this community than elsewhere with same condition	0.3	1.2	25.8	53.7	17.4	3.88	0.710
I feel like an important part of my community	0.3	2.8	26.7	56.8	10.2	3.76	0.686

I feel sorry to leave the community	0.3	3.4	28.6	53.7	10.9	3.74	0.714
I cherish the relationships and friendships with my neighbors	0	0.6	25.8	59.9	11.8	3.84	0.621
I love the living style in this community	0.3	1.2	29.2	54.3	11.8	3.79	0.677

Notes: * The option “I don’t know” was excluded from the analysis for mean and standard deviant.

Factor analysis revealed a different construct of five statements on place identity and place dependency. Five indicators were grouped into two factors with total explained variance at 69.124%. “I would rather living in this community than elsewhere with same condition” “I feel like an important part of my community” and “I love the living style of the community” were categorized into the first factor, explaining 55.756% of total explained variance. The remaining two indicators were grouped into the second factor, namely “I feel sorry to leave the community” and “I love the living style in this community”. It represents 13.369% of total explained variance. Both factors shown a relatively reliable construct; the internal reliability coefficient for factor 1 is 0.715 and is 0.661 for the second factor. Factor 1 was labelled as “self-identity and place dependency” while the second factor was named as “emotional attachment”.

5.4.4.2 Participation

In this research, participation is considered as very effective predictor of residents’ perceptions. Interviews with local residents and officer in GTZ confirmed that the great majority of local residents were not even invited in the public hearings not speak of the planning process. Thus, the variable of participation was revised into two sections. The first section, through multiple choices, aims to understand residents’ previous participation experience, possible forms of participation and the reasons that they do not participate. The second section explores residents’ perceptions towards community participation through 12 items in a five point Likert scale. These 12 items were constructed in four domains according to previous definitions of what to participate, namely “educational and training opportunities”, “environment protection”, “tourism planning and management” and “benefits distribution”. This section will present the general finding on community participation in tourism development in the host community.

5.4.4.2.1 Situation of community participation

Prior to this research, another study on community participation in urban historic district redevelopment was carried out in Shuangdong Streets under the supervision of the author². The latter research chose a larger sample of 800 residents and received

² This study on community participation was initiated by the students in local university and was led by the author. The figures cited in this paragraph are based on the analysis of this study.

766 valid questionnaires. Part of the research findings provides background information about community participation in the redevelopment project. Less than 2% of the 800 respondents joined public hearings, the main forms of public participation in China, regarding to the redevelopment projects. Most of them were only involved through participating in surveys including the surveys distributed by local university students and other researchers. More than 80% of the respondents expressed their strong feelings to participate no matter whether they were involved in the development projects or not. 265 out of 764 respondents reported that the planning process of redevelopment projects should combine the strength of government, residents, and experts. 26.5% of them reported that residents should be the main source of suggestions and ideas. Around 40% of the respondents argued that residents should be the main evaluator of such redevelopment as they are the main beneficiaries or sufferers. Only 2.4% of all respondents claimed that they were very familiar with government plans and even less were familiar with the implementation process while a large majority reported their unfamiliarity. Poor communication is the major problem hindering residents' participation. A majority of the respondents expressed their willingness to know more about the plan and implementation of development projects there however they did not know where to find the information. Government development plan in China is often publicized in the official website which limited the potential users of such information. Moreover, bureaucracy in local government departments restricted citizens' visit for future information. More than 40% of respondents reported that there was no communication at all between government and resident either in the planning or implementation of current development projects and another 20% of them claimed that communication was insufficient. However, even they participate, their voices were very likely to be ignored as 67.4% of all respondents agreed that their opinions were hardly respected and reflected in the projects. These facts could partially explain that only half of total respondents were satisfied with the redevelopment projects.

Though this study is based on a different sample, the above findings confirmed two facts that (1) local residents were not fully engaged in the development projects; most of them were passive participants; (2) there exists strong will from local residents to participate in redevelopment projects which were ignored by local government and developer. In order to increase response rate for this research, similar questions on community participation were not included in this survey. Table 16 illustrated the general findings on participation as a supplement to above mentioned research.

The analysis from this study is consistent with the other study that the great majority of the residents do not have any participation experiences, representing almost 90% of the sample. Another 7.8% of the respondents claimed that they have participated in tourism impact evaluation. This needs more justification as some of them might mistake this research as a part of local government projects, which is a potential limit of this research to reflect the real situation.

In terms of possible forms of participation, most of respondents chose passive forms of participation. For instance, a great majority of them claimed that they would get

relevant information from all sorts of media such as newspaper, TV or internet, representing 81.2% of all respondents. Also there were more than 30% of all the respondents choose to join in public hearings and residents meetings, or participate in the surveys or elect representatives to sit in the development board. Only less than 10% of the residents agreed to participate more actively, such as discuss with government or developer on tourism related issues through a standing organization frequently or provide consultancy or suggestions for local governments. This should not be considered as contradictory with previous findings. Nor does it imply that local residents are not ready to accept a bottom up approach. There are many reasons complicates the situation.

Table 16: General Finding on Community Participation

Community Participation	Frequencies	Percentage(%)
Previous Participation Experiences (N=306)		
Seminar on tourism planning and consultancy	2	0.6
Public Hearing	2	0.6
Implementation or management of tourism development	2	0.6
Impact Evaluation	24	7.8
Other activities	2	0.6
None of above	277	89.8
Possible Forms to Participate(N=312)		
Get information from all sorts of media	256	81.2
Join in public hearings organized by government or developer	92	29.5
Elect or serve as community representative to participate in all tourism development related affairs	77	24.7
Participate in surveys conducted by government or developer	108	34.6
Participate in seminars and residents meeting organized by government or developer	120	38.5
Agree to relocate without causing any unpleasant issues	23	7.4
Discuss with members in a standing organization regarding to community tourism development issues	26	8.3
Actively provide suggestions to government and relevant organizations	1	0.3
Reasons for Non-Participation (N=312)		
Lack of relevant knowledge on tourism	149	47.8
Government or developer did not intend to involve the community	146	46.8
I am not interested in tourism development project and it is government responsibility	23	7.4
I am not sure about how to participate because insufficient communication with government	121	38.8
My opinions won't affect government decision and it will hardly accepted by relevant authorities	116	37.2
I don't think my living condition would change by participation	31	9.9
Others	11	3.5

The analysis on the impediments hindering residents participation confirmed that most of the residents would like to participate in the redevelopment projects, only 7.4% of total respondents claimed that they were not interested in tourism oriented

redevelopment in their community as it was the responsibility of local government. Social exchange theory was challenged again that only around 10% of total respondents reported that participation in tourism development projects would not improve their living condition was the reason for their non-participation. In other words, most of respondents do not consider material or economic incentive as a major motive for participation. More than 40% of the respondents listed insufficient knowledge on tourism as a main reason that limited them from participation. Besides, many of them did not feel being empowered as their inputs were hardly accepted by relevant authorities. These two perceptions, maybe misunderstandings, could be attributed to the absence of communications and institutions to encourage and ensure local participation. 46.5% of all respondents agreed that government and developer did not ever intend to engage local community and almost 40% of the sample respondents claimed that they had no idea of how to participate. Other reasons specified by the respondents including timing(2.9%) and loss of trust(0.6%).

5.4.4.2.2 Perceptions of community participation

Instead of measuring forms of participation, the research changed the strategy to measure residents' perceptions towards participation. The analysis further confirms that local residents were prepared to participate as evidenced by Table 17.

As seen from the table, almost 3/4 of all respondents agreed that local residents should have more training opportunities not only on tourism related issues but also on local cultures. Both mean scores for the first two statements reached at 3.93 and showed little variance. Regarding to preservation of local heritage resources and protection of local environment, more than 70% supported that local community should actively participate on environment related issues. For instance, 75.8% of all respondents agreed that local residents should take the initiatives to preserve local cultural and natural environment and community members should stop tourists from damaging local cultural and natural resources.

Regarding to formulation of environmental regulations and policies, the majority of the respondents acknowledged the role of local residents; however, significant variance revealed on this issue. A great majority of the respondents claimed that local community should get involved in the whole process of tourism development and their opinions should be respected. This is supported by that 71% of all respondents agreed that residents are entitled to veto government plans if the plan could not get support from the majority. Also, almost 75% of the respondents claimed that community involvement in tourism development planning, implementation and evaluation should be institutionalized and respected. With regard to decision-making, 67.4% of the sample respondents agreed that local residents are entitled to decide what heritage resources should be commoditized as tourism products though; there were also more than 1/4 was a little conservative. This also applies to free usage of tourism facilities and tourist sites. Though most of the respondents agreed that local residents should use these facilities for free; there were also around 1/4 claimed to be

neutral. In terms of employment and business opportunities, more than 60% of all respondents agreed that local residents should be put in the priority list. To be specific, 72.5% of them supported that government should give local residents more incentives to run tourism related business within their community. Nonetheless, with regard to job opportunities incurred by tourism development, only slightly more than 60% of them supported that local resident should be shortlisted with priority to ensure the jobs would not all be occupied by migrants. There are two reasons leads to the disagreement on this issue. Firstly, as discussed above typical image on tourism related jobs as low skilled and low paid results in low attractiveness of such jobs to local residents. Secondly, there were migrants in the sample, representing 8% or even higher percentage. Despite the disparities, more than 70% of the respondents agreed that the benefits brought by tourism development should be widely distributed in their neighbourhoods.

Table 17: Residents' Perceptions towards Participation

Community Participation	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
Residents are entitled to have more opportunity to learn tourism and culture related knowledge	0.3	0.3	22.4	57.1	16.8	3.93	0.664
Residents are entitled to have more opportunity to receive tourism related services skills	0.3	0.6	18.9	61.8	14.6	3.93	0.632
Residents should take the responsibility to preserve historic buildings, conserve natural environment and revitalize traditional culture	0.3	0.3	20.8	58.7	17.1	3.95	0.656
Residents should stop tourists from destroying community environment and heritage resources	0.3	0.3	20.5	61.5	14.3	3.92	0.629
Residents are entitled to discuss with government, developers and other relevant authorities to formulate policies and regulations on environment improvement and protection	0.3	0.3	24.2	54.7	17.1	4.04	2.315
Residents are entitled to veto government future plans if the majority of the residents disagreed with the plan	0.3	1.9	22.7	56.5	14.6	3.87	0.692
Residents are entitled to take part in tourism development planning, implementation and evaluation and should be respected	0.3	0.9	21.7	58.4	16.5	3.92	0.672
Residents are entitled to decide what heritage resources(culture and buildings) could be used for tourism commoditization	0.3	1.6	26.7	53.1	14.3	3.83	0.702
Residents are entitled to enter tourist sites and use tourism facilities without any charges	0.3	2.8	25.8	54.0	14.3	3.81	0.723
Residents are entitled to be employed in tourism related positions with highest priority so that jobs created by tourism development would not all be occupied by migrants	2.8	5.0	26.7	50.6	12.4	3.67	0.868
Residents are entitled to receive policy incentives to operate tourism related business in the host community	0.6	2.5	21.4	59.9	12.7	3.84	0.698
Benefits induced by tourism development in the community should be distributed as wide as possible in the community.	0.6	3.1	20.2	62.4	10.2	3.81	0.684

Notes: * The option "I don't know" was excluded from the analysis for mean and standard deviant.

An exploratory factor analysis with same procedures as discussed above was computed for respondents' perceptions of participation. The KMO value is 0.872 and result of Bartlett's test is also satisfactory. Three factors were extracted from principal component analysis, with total explained variance at 61.230%. The item on residents' right to decide what heritage resource could be commoditized was found loaded on two factors with loading scores greater than 0.40. Thus, it was removed from interpretation. Only one item loaded on the third factor, namely residents' right to formulate environment policy. Though the eigenvalue is greater than 1, it is also considered as not significant to explain the variance. The rest 10 items were factor analyzed again. Two factors were extracted, with total explained variance at 58.784%. Table 18 presents the detailed result of the second factor analysis. Factor 1, including 6 items, was labelled as "participation in training, environment protection and planning and implementation"; it accounted for 43.728% of total explained variance, which indicates that this factor almost contains the majority of the information of the raw data. Factor 2 is consists of 4 items that measuring residents' perceptions towards the benefits brought by tourism development, such as job and business opportunities, free use of facilities and services, and benefits distribution. It was therefore labelled as "distribution of benefits incurred by tourism development". This factor explained around 15% of total explained variance with Cronbach's alpha value greater than 0.7.

Table 18: Factor Analysis of Residents' Perceptions towards Community Participation

Statement	Factor Loading	Eigenvalue	Explained Variance (%)	Cronbach's Alpha
Factor 1		4.373	43.728	.848
Residents are entitled to have more opportunity to learn tourism and culture related knowledge	.690			
Residents are entitled to have more opportunity to receive tourism related services skills	.718			
Residents should take the responsibility to preserve historic buildings, conserve natural environment and revitalize traditional culture	.735			
Residents should stop tourists from destroying community environment and heritage resources	.770			
Residents are entitled to veto government future plans if the majority of the residents disagreed with the plan	.730			
Residents are entitled to take part in tourism development planning, implementation and evaluation and should be respected	.673			
Factor 2		1.506	15.056	.784
Residents are entitled to enter tourist sites and use tourism facilities without any charges	.639			
Residents are entitled to be employed in tourism related positions with highest priority so that jobs created by tourism development would not all be occupied by migrants	.854			

Residents are entitled to receive policy incentives to operate tourism related business in the host community	.821
Benefits induced by tourism development in the community should be distributed as wide as possible in the community.	.673
Total	58.784

5.4.4.3 Political identification

In this thesis, one objective indicator and three subjective indicators were used to operationalize this concept. The objective indicator is included in the second section of the questionnaire asking respondent's political status. Descriptive analysis revealed that a majority of the respondents do not join in any political parties, representing 61.8% of the respondents. 16.15% of the respondents were participants of China Youth League, the party for Chinese youth. 17.08% of them were members of China Communist Party. There were also 2.17% of the respondents were members of other democratic parties, however, as clearly stated in the constitution, they are under directly leadership of China Communist Party. Therefore, these three groups should be considered as the same in nature.

The other three subjective indicators were measuring resident perceptions of government's and developer's performance. As revealed in Table 19, respondents' satisfaction with the performances of government and developer were not very high. Only slightly more than 50% of the respondents claimed that they were satisfied with government performance while 37.3% of them hold a neutral attitude. This also applies to respondents' satisfaction with developer's performance that only 51.9% of total respondents were comfortable with developer's performance. The reasons are multifold. For instance, it could be caused by insufficient communication with the local residents from government and developer. Or residents attributed the negative impacts incurred by tourism development to government and developers. The reasoning was supported by the finding on the third indicator that respondents' satisfaction with government performance increased by 7% on condition that community tourism is well managed.

Table 19: Respondents' Perceptions of Government's and Developer's Performance

Statement on Place attachment	Respondents Frequencies Valid Percent(%) N=322					Mean *	Std. Dev.*
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree		
Satisfaction with government performance	0.9	5.3	37.3	44.7	9.0	3.57	.773
Satisfaction with developer's performance	0.9	8.1	35.4	45.7	6.2	3.50	.779
Increased satisfaction with government performance in future	0.3	8.7	28.3	47.5	13.0	3.66	.691

Notes: * The option "I don't know" was excluded from the analysis for mean and standard deviant.

5.4.5 Clusters of Perceptions

One of the major implication of social representation theory is to identify different sub-groups with same social representations in a given population frame. Though it is not a statistical inference technique, it is of particular value in market segmentation. Cluster analysis was thus employed in this study to classify respondents with same perceptions of the impacts of tourism development and analyze the characteristics of each group so that some implications could be concluded.

5.4.5.1 Cluster solution

Cluster analysis is performed through three steps. Firstly, to measure the similarity of individual cases in order to determine the most appropriate cluster solutions. Secondly, execute the clustering process and group each case into a cluster. Finally, with the assistance of some descriptive variables, conclude the profiling of clusters(Hair et al 2005).

Since no exact clusters were determined before the analysis, hierarchical cluster analysis was used to determine the range of plausible clusters. Following that, a K-means cluster analysis was computed to identify the most appropriate cluster solution. Instead of using individual impact statements, extracted factors from previous principal component analysis were chosen for the cluster analysis. Since the raw data on tourism impacts may contain variables with interdependencies which might influence the result from cluster analysis, using the factors could eliminate this problem. Prior to the analysis, examination on the raw data for eliminate outliers were processed and confirmed that the raw data do not contain any outliers that would influence the result of cluster analysis.

In order to get the estimate of the initiate range of possible clusters, hierarchical cluster analysis with the squared euclidean distance methods was performed. In the hierarchical cluster analysis, the major issue is to decide the most appropriate cluster solutions through the analysis of agglomeration schedule and icicle plot. It is not a statistical procedure and there are no common criteria in cluster analysis to determine the most appropriate number clusters. For practical reasons, it is suggested that 2 to 8 clusters is favourable as they are easy to handle and to apply into future research. Alternatively, a simple method that has been frequently used in empirical studies is to analyze the fusion process in the agglomeration schedule. Large increases of the agglomeration coefficients indicate a decrease in similarity between clusters and could best differentiate each cluster(Hair et al 2005). The result from agglomeration schedule of the first cluster analysis revealed that 2 to 7 cluster solutions are reasonable; 2 to 4 more favourably (See Table 20). The following analysis shows that coefficient changes significantly for the first seven steps of clustering, which indicate that an appropriate cluster solution should falls in between 2 clusters to 7 clusters.

Table 20: Initial Cluster Solutions

Cluster Solutions	Coefficiency	Change (%)
7	32.603	16.97
6	38.134	4.27
5	39.762	6.36
4	42.292	8.65
3	45.948	20.85
2	55.529	24.30
1	69.024	-

After repeated testing, a two-cluster solution is chosen to group 322 cases into two categories, with 204 cases in cluster 1 and 118 cases in cluster 2. Descriptive statistical technique was computed again to compare the differences between the two groups, with the result shows as follows(See Table 21).

As seen from the table that these two clusters has shown significant differences on most the items, which indicates that two cluster solution is satisfactory to differentiate different groups within the sample.

The first cluster is comprised of 204 cases, accounting for the majority of the sample respondents. All of the mean scores, for both positive statements and negative statements, are higher than 3. The most distinctive feature is that respondents of this cluster agreed with most of negative social impacts as evidenced by the mean scores of emotional suffering and negative social impacts at community level. Though they also scored higher than average score of 2.5 on positive impacts, they remain less positive compared with second cluster of respondents. In terms of economic impacts, respondents from the first group claimed positively towards positive impacts, including positive impacts at macro level, personal economic benefits and improvement of public facilities and infrastructures; the latter two scores higher than cluster two and revealed significant differences from the second cluster. However, they also perceived more negative economic impacts than the second group. Regarding to cultural and physical environment impacts, they are less supportive towards both positive and negative statements from cluster two. Hence, this cluster is named as “ambivalent with social and macro economy concerns”.

118 respondents representing 36.6% of the whole sample were categorized into the second group. Similar to the first group, they both acknowledged the positive impacts and negative impacts of tourism development. They are relatively more optimistic towards tourism contribution to local cultures and building preservation as most of the positive statements in cultural domain are higher than 4. On the other hand, they are more pessimistic towards negative impacts of tourism development upon local architectural heritage and traditional cultures. Besides, it could also find that they perceived less negative social impacts with many mean scores lower than 3. In terms of economic impacts, generally, they acknowledged the positive impacts of tourism development upon local economy through stimulating macro economy and improvement of public infrastructures. Nonetheless, they reported disagreement on economic benefits at personal level. Moreover, they also revealed higher mean score in the environment impact domain. Though no significant difference was found from

the first group on overall perceptions of tourism impacts, the second group evidenced significant differences from the first cluster in terms of their support for current tourism development and future tourism development. Based on above analysis, this cluster was labelled as “ambivalent with culture and personal economic concerns”.

While the analysis do show some distinctive differences on some impact items, however, it is somewhat disappointing that both clusters have shown high scores on positive impacts and scores relatively low on negative impacts with only two exceptions, namely personal economic impacts and negative social impacts. To some statisticians, this might be called an inappropriate cluster solution. The reason may lie in that many respondents reported their perceptions as neutral as seen from previous analysis.

Table 21: Clusters of Respondents Perceptions

	Cluster 1(N=204)		Cluster 2 (N=118)	
	Mean	S.D	Mean	S.D
Factor 1 Positive Macro Economy Impacts				
create job opportunities*	3.71	.747	4.05	.572
bring more economic benefits to local business*	3.71	.751	4.03	.543
Attract more investments to our community*	3.66	.766	3.91	.716
Improve service quality of local business	3.73	.780	3.87	.701
Generate more revenues to governments	3.93	.724	3.93	.682
Factor 2 Creative Destruction Effects				
Loss of living culture caused by relocation*	3.77	.753	4.16	.833
Destruction of overall atmosphere by tourist targeted shops	3.61	.877	3.70	.878
Destruction of authenticity by reconstructed buildings	3.83	.837	3.80	.815
Destruction of original beauty by over commercial exploitation	3.79	.785	3.79	.839
Loss of traditional cultures*	3.28	.987	3.69	.964
Factor 3 Social Well-beings				
Increased recreational and entertainment facilities*	3.79	.671	4.10	.706
Increased pride in living in the community*	3.81	.656	4.05	.778
Well maintained facilities and services*	3.70	.680	3.96	.786
Improved quality of life*	3.58	.713	3.70	.922
Unpleasant over-crowdedness	3.67	.762	3.59	.945
Factor 4 Personal Economic Impacts				
Improve many residents' economic condition *	3.33	.788	3.08	.876
Increase my household income*	3.06	.890	2.75	.846
Improve my housing condition*	3.29	.816	2.57	.880
Improve residents' living condition via relocation*	3.28	.846	2.56	.870
Factor 5 Negative Social Impacts at Community Level				
Increased crime rate*	3.45	.847	2.33	.817
Widen income gap*	3.52	.754	2.43	.920
Disturb daily life*	3.42	.845	2.67	.991

Factor 6 Cultural Renaissance and Exchange				
Create more cultural events*	3.74	.644	4.16	.569
Increased pride in traditional culture and handcrafts*	3.70	.656	4.10	.607
Opportunities for cultural exchange and communication*	3.69	.675	4.01	.666
Change the style or forms of traditional cultures*	3.60	.729	3.97	.728
Factor 7 Negative Economic Impacts				
Price increase of goods and services*	3.72	.719	3.53	.740
Shortage of goods and services	3.46	.872	3.54	.881
Price increase of real estate*	3.94	.771	3.76	.779
Increase of living costs	3.84	.667	3.82	.790
Factor 8 Building and Culture Preservation				
Facilitate conservation of historic buildings*	3.83	.719	4.15	.594
Protection and revitalization of traditional cultures*	3.82	.642	4.06	.670
Factor 9 Emotional Suffering				
Alienation with neighbors*	3.26	.908	2.64	.914
Feeling of being exploited*	3.35	.869	3.08	.956
Feeling of violation of personal privacy	3.26	.924	3.13	1.043
Factor 10 Environment Impacts				
Awareness of environment protection*	3.81	.606	4.17	.562
Noise pollution*	3.57	.737	3.78	.781
More trash*	3.62	.694	3.90	.677
Factor 11 Public infrastructure and Service Improvement				
Improve public infrastructure*	3.60	.727	3.36	.770
Improvement of quality of public services*	3.63	.777	3.50	.738
Overall Perceived Impacts and Attitude				
Positive impacts outweigh negative impacts	3.74	.647	3.86	.666
Support current tourism development*	3.70	.608	3.93	.663
Support for future development*	3.65	.697	3.91	.702

Note: * T-test was performed to test the significance between two clusters. Those items marked with * reveals significant differences between groups(P<0.05).

5.4.5.2 Profiles of clusters

The last step is to profiling the sample. Some socio-demographic factors and independent variables were identified from literature review as influential factors in shaping respondents' perceptions. In this research, variables listed as follows will be used to examine the profiles of cluster memberships (See Table 22).

Table 22: Independent Variables for Profiling of Clusters

Variables	Indicators	Measurement
Socio-demographic	Gender	Male(1) and Female(2)
	Age	Seven groups; minimum requirement 16
	Education	Five categories, from primary school or below to postgraduate or higher
	Income	Five groups with one extra for those do not want to answer, ranging from 12000 RMB to 100,000 and higher
	Occupation	Seven categories
	Place attachment	Tourism Industry Yes(1) or No(2)

	Working Experience	
	Length of Residency	Recoded into seven categories
	Yangzhou Citizenship	Yes(1) or No(2)
	Self-identity and place dependency	Derived from factor analysis Factor score with method of regression, scale
	Emotional attachment	Derived from factor analysis Factor score with method of regression, scale
Participation	Participation in Training, environment protection , planning and implementation	Derived from factor analysis Factor score with method of regression, scale
	Distribution of benefits	Derived from factor analysis Factor score with method of regression, scale
Political Identification	Political Party Membership	Four categories
	Satisfaction of government performance	Five point scale 1= strongly disagree; 2= disagree; 3=neutral; 4=agree; 5=strongly agree
	Satisfaction developer's performance	Five point scale 1= strongly disagree; 2= disagree; 3=neutral; 4=agree; 5=strongly agree
	Increased Satisfaction government performance in future	Five point scale 1= strongly disagree; 2= disagree; 3=neutral; 4=agree; 5=strongly agree

The summary on the analysis of two cluster profiles according to above mentioned ordinal and nominal variables is listed in Table 23.

Table 23: Cluster Profiles

Variable	Category/Mean & S. D.	Ambivalent with social economy concerns N=204	Ambivalent with personal economic and culture concerns N=118
Gender	Male	51.5%	55.7%
	Female	48.5%	44.3%
Age	16-18 years old	11.8%	14.2%
	19-25 years old	12.3%	7.1%
	26-30 years old	12.3%	7.1%
	31-40 years old	11.2%	15.0%
	41-50 years old	15.3%	17.7%
	51-60 years old	8.9%	13.3%
	Older than 61	22.2%	25.7%
	Primary school or less	15.6%	21.1%
	Junior high school	19.1%	19.3%
	Senior high school or vocational school	33.7%	26.3%
Highest Level of Education	Undergraduate or higher level of vocational school	28.1%	22.8%
	Research students	3.5%	10.5%
	Master/Ph.d or higher		
	12000 RMB or less	26.1%	29.5%
Annual Income	12001-30000 RMB	31.0%	19.6%
	30001-50000 RMB	17.7%	20.5%
	50001-100000 RMB	4.9%	4.5%
	>100001 RMB	2.0%	5.4%
	Student	19.3%	14.2%
Occupation	Employee of enterprises	22.8%	19.5%
	Public Servants	3.0%	6.2%
	Teacher	7.4%	10.6%
	Self-employed	15.3%	17.7%
	Retired	23.3%	25.7%
	Others	8.9%	6.2%

Tourism experience	industry working	Yes	6.7%	6.4%
		No	93.3%	94.6%
		1-10 year(s)	13.9%	22.3%
		11-20 years	28.4%	24.1%
		21-30 years	13.4%	19.6%
Length of Residency		31-40 years	14.4%	8.9%
		41-50 years	9.8%	4.5%
		51-60 years	6.2%	8.9%
		>61 years	13.9%	11.6%
Yangzhou Citizenship		Yangzhou Local	94.5%	86.7%
		Temporary Resident	5.5%	13.3%
Self identity and place dependency		Mean Factor Score	-0.1042	0.1801
Emotional Attachment		Mean Factor Score	-0.0794	0.1373
Participation in Training, environment protection , planning and implementation		Mean Factor Score	-0.0918	0.1587
Distribution of benefits		Mean Factor Score	-0.0591	0.1021
Political Party Membership		Members of China Communist Party	18.2%	16.8%
		Members of Youth League	21.7%	8.0%
		Members of other democratic Parties	2.0%	2.7%
		No political party membership	58.1%	72.6%
Satisfaction of government performance		Mean	3.50	3.71
		S.D	0.777	0.752
Satisfaction of developer's performance		Mean	3.46	3.56
		S.D	0.829	0.682
		Mean	3.62	3.73
Increased Satisfaction of government performance in future		S.D	0.837	0.820

Discriminant analysis was therefore computed in SPSS to further explore the profile information of sample respondents in these two different clusters. Discriminant Function Analysis has been frequently used to predict group membership based on various variables. There are two major contributions of such analysis. Firstly, the result of discriminant analysis is a function that explains how one or more derived clusters differ in various different but interrelated variables. The function could also allow prediction of how to group new observations to a certain group based on the values of some influential variables. The discriminant analysis was performed by stepwise operation with the method of Wilks' lambda. The value of Box's M reached 21.327, far higher than 0.05, which indicates that the result of discriminant analysis would be satisfactory. The value of F-test is 0.002, far smaller than 0.05, implying that the possibility of wrong classification is acceptable. The analysis resulted in one discriminant function with eigenvalue of 0.054 and canonical correlation of 0.226. The test of the discriminant functions reveals that the functions is valid(Wilk's Lambda=0.949, chi-square=13.848, df=3, and p=0.003<0.005). In the stepwise analysis, three variables entered analysis, namely, political party membership, satisfaction of government performance and Yangzhou citizenship. The standardized canonical discriminant function coefficients results in an equation that $DS=0.536*YC+0.666*PPM+0.552*SGP$ where DS stands for Discriminant Score, YC is short for Yangzhou Citizenship, PPM stands for Political Party Membership and SGP is for Satisfaction with government performance. This equation indicates the importance of the three variables in determining which cluster the respondents belong to. As revealed in this analysis, all three variables are very important while political party membership is the most important one. The canonical discriminant function coefficients suggested the un-standard discriminant function: $CM=6.311+1.956*YC+0.544*PPM+0.705*SGP$ where CM is short for cluster membership. This equation could be used to calculate out the discriminant value which is used to classify a given case. 65% of original cases are correctly classified. Table 24 and Table 25 further examined the influences other variables in determining cluster memberships.

Table 24: Differences of Cluster Profiles

Indicators	Cluster	Crosstab Analysis	X2	p
Gender	1	104 Male: 98 Female	.511	.475
	2	64 Male: 51 Female		
Age	1	Younger	6.331	.387
	2	Older		
Education	1	high schools and university	9.154	.057
	2	Dumbbell Shaped		
Income	1	Low or middle income	6.913	.227
	2	Low or middle income		
Occupation	1	Retired, students, employee	5.248	.512
	2	Retiree, employee, self-employed		
Tourism Industry Working Experience	1	No tourism industry working experience	.013	.909
	2	No tourism industry working experience		
Length of Residency	1	11-30 years	10.528	.104

	2	1-20 years		
Yangzhou Citizenship	1	Local citizen	5.662	.017*
	2	Local citizen		
Political Party Membership	1	Youth League and CCP	10.726	.013*
	2	No Party Memberships		

Table 25: Differences of Cluster Profiling

Indicator		t	p
Self identity and place dependency		-2.494	.013 *
Emotional Attachment		-1.893	.059
Participation in Training, environment protection , planning and implementation		-2.199	.029 *
Distribution of benefits		-1.409	.160
Satisfaction of government performance		-2.357	.019 *
Satisfaction of developer's performance		-1.063	.289
Increased Satisfaction of government performance in future		-1.187	.236

Based on the above analysis, it is confirmed that Yangzhou citizenships, satisfaction of government performance and political party memberships are the most influential factors determining the cluster membership of respondents. Other variables such as socio-demographic factors do not reveal significant impact on respondents' general perceptions of tourism development in their neighbourhoods. It is identified that the respondents in cluster two "ambivalent with personal economic and cultural concerns" are more likely to be local citizens without any party memberships and more satisfied with government performance. On the other hand, those in cluster one seems to be local younger residents that joined in political parties or organizations and less satisfied with government performance. Besides these three variables that identified in the discriminant analysis, T-test also found significant differences between groups in terms of self-identify and place dependency, and participation in training, environment protection, planning and implementation.

5.4.6 Hypothesis testing

Existing researches have explored extensively on the influences of some predictive factors upon residents' perceptions. Interviews with key informants also suggested that residents' perceptions might vary in accordance with some variables, such as demographic characteristics. One of the research objectives is to identify the factors that influencing residents' perceptions of tourism development and determine their roles in influencing residents' perceptions and attitude. Demographic characteristics, place attachment, participation and political identification were chosen as predicative variables in this research, and four categories of hypothesis were formulated in Chapter 2. However, some of the hypothesis requires revision after the above analysis, especially hypotheses in the domains of place attachment and participation. These two variables were operationalized to both subjective and objective indicators (see annex 18 for revised Hypothesis).

T-test and one way ANOVA were performed to test the hypotheses based on the measurement of the variables (See annex 19 for detailed result).

Most of the hypotheses are not supported in this research. Only some variables were found as influential in determining residents' perceptions of tourism development impacts, especially the variable political self-identification. The analysis revealed that socio-demographic characteristics have no influence on residents' perceived impacts of tourism development. Age and occupation was found as an important predicator factor for residents' support for future tourism development. However, post hoc analysis through one way ANOVA did not reveal significant differences within groups.

Two objective variables from place attachment were also identified as influential predicators. Length of residency was found with significant influence upon residents' support for current tourism development while local citizenships were found exerting significant impacts on residents' support for future tourism development. Two conclusions are drawn based on the testing. Residents who live in the historic district longer are less supportive towards current tourism development than those who live shorter. This is in consistent with most findings as residents with longer residency are more pressured by changes to local living environment. With stronger attachment, the residents with longer residency are more apt to oppose tourism development rather than support. The second hypothesis that residents who are Yangzhou local citizens perceive more positive impacts than those temporary residents is supported. Residents who are Yangzhou local citizens perceive more positive impacts than those temporary residents. This might be caused by improved city image and increased pride as a local citizen. Besides, since tourism development did change the physical appearance of the neighbourhoods, and it also improved the infrastructures in the historic district, local citizens, as the permanent residents, are likely to welcome the development. Furthermore, as temporary residents in the historic district or as they claim themselves as non-local citizens, temporary residents may not care as much as local residents regarding to community issues.

Three subjective indicators in political identification were all confirmed as effective predictive variables. All the following hypotheses were supported: (1) Residents who are more satisfied with government performance perceive more positive impacts and are more supportive towards current as well as future tourism development than those less satisfied with government performance; (2) Residents who are more satisfied with developer's performance perceive more positive impacts and are more supportive towards current as well as future tourism development than those less satisfied with developer's performance; (3) Residents whose satisfaction with government performance would increase if tourism development is well managed perceive more positive impacts and are more supportive towards current and future tourism development than those would not increase their satisfaction. Post hoc test was performed to examine the difference within groups. Significant differences were found within groups. The post hoc analysis revealed complicate relations between satisfaction with government performance and their overall perceptions, support for current tourism development and support for future tourism development. For instance, the post hoc test revealed that those hold neutral attitude towards government performance perceived more positive impacts than those strongly satisfied with government

performance. This may imply that tourism impacts are very likely to be caused by many different factors among which some could not be controlled by the government. This contradicts with the findings from in-depth interview that local government considers the negative impacts could be avoided through careful planning and learning from other cities.

ANOVA test was carried out for each indicator within every extracted factor. Five subjective indicators on place attachment were also found as important predictor for the three independent variables, which implies that the correlations between place attachment and overall perceived impacts and support for current and future tourism development. On the other hand, hypotheses on correlations between perceptions on community participation in tourism development and three dependant variables were only partly supported. Those highly supported that community are entitled to receive training on culture and tourism skills and community are responsible for heritage and physical environment protection were found with significant differences within groups in terms of perceived overall impacts. However, with regard to community's role in tourism planning and implementation, both two indicators were confirmed with no significant influences. Another noteworthy point is that residents, who agreed that community residents should be given priority to start business, get employed in tourism related positions and use tourist sites and tourism facilities freely were found with significant differences between groups in terms of their support for tourism development. Post hoc test revealed that those who believed that local residents should be employed in tourism related jobs were more supportive towards current and future tourism development. Similar result were identified that those strongly agreed that local residents should receive preferential policy to start tourism business in the neighbourhood was found less supportive towards current and future tourism development. This might imply that local residents have a strong demand to receive personal economic benefits from tourism development in terms of job opportunities and business opportunities. It is not surprising that those hypotheses on participation in tourism planning and management were not supported in this research since most of the residents do not have actual participation experience. The hypothesis on social exchange theory was also supported by the research as those perceived more positive impacts are more supportive towards future tourism development.

5.4.7 Importance of Indicators

The results from hypothesis testing revealed that resident' perceptions of tourism impacts and attitudes on tourism development only differ in a few variables. The main reasons to identify those influential predicative variables is to conclude some practical lessons for future references. Therefore, regression analysis is employed to identify the effectiveness of each indicator in influencing resident support for future tourism development.

Hair et al(2005) argued that sample size is critical to the appropriateness and statistical power of multiple regression analysis. They suggested that 15 to 20 observations for each independent variable are more appropriate to achieve generalized results. 16 independent variables were either identified from literature review or extracted from factor analysis. The sample size is 322, which just meets the requirement for multiple regression analysis. To get the best result from

multiple regression analysis, it is suggested that the variables with little correlation among them should be highly related with dependent variable. Among the 16 independent variables, four of them are extracted from principal component analysis. Factor score was calculated via regression and little correlations could be found between them. To avoid the problems of multi-collinearity issue in the regression model, the VIF value was calculated, ranging from 1.000 to 1.803, which indicates that the model does not have collinearity problem. All 16 independent variable were included in the analysis. The regression analysis resulted in a multiple correlation coefficient(R) of 0.388 and an adjusted R square of 0.140 which means that 14% of the variance in residents' support for future tourism development could be explained by this generated equation. The F-value in the ANOVA test was 14.081, $p < 0.001$ suggested that the variables entered in regression analysis are significant predictor of residents' support for future tourism development. Four indicators were included in the final regression equation which formulated as follow:

$$\text{RSFTD} = 3.200 + 0.149 * \text{SGP} + 0.133 * \text{EA} + 0.093 * \text{BD} + 0.084 * \text{SIPD}$$

Where RSTD is short for resident support for future tourism development; SGP stands for satisfaction with government performance; EA stands for emotional attachment; BD is short for widest distribution of benefits in host community; and SIPD equals self-identity and place dependency.

The standardized regression coefficient resulted in standardized regression model: $\text{RSFTD} = 0.173 * \text{SGP} + 0.187 * \text{EA} + 0.131 * \text{BD} + 0.118 * \text{SIPD}$. It is therefore concluded that four variables were found as important indicators for residents' support for future tourism development, namely satisfaction with government performance, emotional attachment, benefits distribution, and self-identity and place dependency. The former two exert larger influence on residents' support for future tourism development while the influences of the latter two variables are smaller. Emotional attachment was confirmed as the most effective predictor. None of social demographic characteristics were found as significant indicators. The objective indicators on place attachment and political identification were also found of no significant influences. All subjective indicators on place attachment were confirmed as influential variables. Both social representation theory and social exchange theory seem to be reflected in the equation. However, it should be pointed out that the power of such equation is only indicative.

5.5 Comparison of perceptions

This research also conducted in-depth interviews to five major groups of stakeholders to investigate their perceived impacts of heritage tourism development upon local community. Some findings from the interviews have been used to triangulate and explain the findings from quantitative analyses; however, it remains necessary to compare their perceptions in a more formal way. The quantitative analysis revealed that even the residents may perceive the same impacts differently. This is consistent with the social representation theory that individual social representations are shaped by different sources of stimuli. Differing in knowledge structural and social networks, it is understandable that residents may perceive the impacts differently. This also applies to the varied perceptions among different stakeholders.

The government perceive heritage tourism development in the host community is free of problem. Or, the negative impacts could be avoided through learning experiences and lessons from other cities. Similar to government perceptions, the result from interviews with entrepreneurs found that they also mainly perceive positive impacts and the negative impacts were minor and even negligible. The other groups of stakeholders however revealed more ambivalent perceptions. The residents perceived three major impacts as discussed extensively above, namely macro economy impacts, cultural and heritage concerns and social well-beings. They reported their strong concerns about creative destruction effects. The tourists were interviewed with a different question by asking their preference to living in the historic district. The results show that they were positive towards the recreated tourist environment but if they were residents there, they would feel more negative impacts such as tourist intrusive behaviour and noises. The preservationists were more concerned about demolition of the original buildings and relocation of original residents. They are worried about current practices in destroying the authenticity. Table 26 presented the comparison of perceived impacts based on frequencies mentioned in the interviews and the results from statistical analyses above.

Table 26 Comparison of Perceived Impacts

Stakeholders	Most frequently mentioned positive impacts	Most frequently mentioned positive impacts	Overall
Government	Physical upgrading of houses; Improvement of public infrastructure; Economic advancement(investment & tourism industry development); Preservation and renovation of historic buildings Urban marketing strategy;	Acknowledge potential impacts such as inflation, congestion and disturb to daily life; but they do not consider these impacts have not revealed now and could be solved by planning	Positive
Entrepreneurs	Macro economy development; Physical upgrading;	Not revealed yet	Positive
Residents	Local economy development; Social well-being; Increased urban image and self identity;	Creative destruction; Relocation process	Ambivalent
Tourists	Physical upgrading of houses; Improvement of infrastructure; Local cultural revitalization; Increased cultural identity	Disturb to daily life; Pollute overall atmosphere; Over-commercialization; Destruction of original buildings	Ambivalent
Preservationists	Improved local capacity Physical upgrading of houses; Increased public space; Growing macro economy Improved image of the city and the district;	Destruction of original buildings; Relocation of original residents; Lack of community participation;	Negative

Source: based on the data collected from field work

The differences between government & entrepreneurs and the latter three groups could be attributed to the political nature of the government and self-psychological defence mechanisms. Government are reluctant to admit the negative side of tourism development especially those impacts caused by policy mistakes such as reconstruction twice of the buildings. Since both government and entrepreneurs have invested large amount of money in the historic district, they are more likely to distort and ignore the negative impacts so as to avoid cognitive dissonance.

Summary

This chapter presented the main findings from thorough statistical analysis and triangulated with the findings from qualitative methods. The result shows that most residents perceived more positive impacts and are more supportive towards tourism development in their community. However, many of them hold conservative attitude. 11 domains of tourism development impacts were extracted from analysis, based on which sample respondents were grouped into two clusters. Place attachment, political self-identification and satisfaction with government performance were identified as significant predictors for residents' support for future tourism development.

Chapter 6: Conclusion

Introduction

This research used both qualitative methods and quantitative approaches to examine resident perceived impacts. This chapter will first summarize the major findings identified from this research. Lessons learnt from the empirical study will also be discussed as implications for sustainable heritage tourism in the host community. The limitations and contributions of this study will also be pointed out. This chapter closes with the recommendations for future research.

6.1 Research findings and discussion

To present more clear research findings, the research questions on the first chapter were revisited. The following paragraphs will answer the specific questions respectively.

6.1.1 Government motivations and its roles

Because the methodological difficulties in studying government behaviour, government motivations behind tourism development were seldom researched in China. However, as the major investor, manager, regulator and coordinator for tourism development, it is very worthwhile to conduct such an investigation.

The results from interviewees revealed that Yangzhou government attached very high expectations on development related issues. By promoting heritage tourism, they wish to advance urban economic development, tourism industry in particular. Their desired outcomes include physical upgrading of deteriorating housings and public infrastructures, increasing public space and beautifying the physical environment. These motivations are not new and have been explored extensively in existing literature. Besides, the macro background in which heritage tourism was promoted also implies government strong determinations in changing the physical images of the host community.

Nonetheless, the results also revealed some objectives that had rarely been discussed in western literature, such as improve government capacity in communication and managing urban heritage, and improve the quality of public services (Madrigal 1995). Moreover, the government also purposely tried out participatory approach in a pilot project, through which they also want to encourage public participation and get commitment from local community. These motivations were also unexpected by the researcher. Possible reason lies in that western government authorise have already established high standard for public service delivery and government capacity was stronger than Chinese counterparts. Moreover, community participation is not new for western countries. Another noteworthy motivation is to enhance citizens' and migrants' qualities. This again is rarely reported in existing literature and significantly correlates with the context of Chinese cities. Because of many historic reasons, education system through which to improve citizens' qualities was break down till 1978, resulting in profound impacts of Chinese people's qualities. By promoting tourism development, Yangzhou government also expects to improve citizens' qualities through a serial of education programmes which in turn will create a more

favourable and friendly tourism environment. These development related objectives could also be considered as the intangible benefits that local government wants to realize from heritage tourism development.

The government also reported their high expectations on facilitating urban heritage preservation and cultural revitalization through commoditization of the heritage resources in the host community. Government perceived a positive interaction between preservation and development. By preserving heritage resources, urban tourism product could be diversified and benefits generated by tourism could be further used to preserve the heritage resources. Different from academic literature that emphasized more negative interactions, Chinese government perceive the disputes on “preservation and development” in a positive way.

In addition to urban economic growth, the results show that government also expecting improvement of software and org-ware, aiming at an overall upgrade of the city through exploring the largest potential of heritage tourism in the host community.

In politically centralized but socio-economically decentralized China, government remain the dominant actor in tourism development and management. Differing from existing western literature, high level of government involvement in commercialization and commoditization of urban historic district is a distinctive feature of Chinese practices and requires more objective evaluation on this issue. On the positive side, government involvement could ensure a balanced development through careful planning. However, it could also be very risky when government lacks of relevant experience and capacity. Private sector has seen increasing involvement in tourism development, nonetheless, given their relatively short development history and profit-driven development objective, their roles in commercialization and commoditization of urban heritage community will remain weak.

6.1.2 Impacts of tourism development

Through literature review, various impacts of tourism development were identified, which could be categorized into four domains, namely economic, social, cultural and environmental. Given the unique context of heritage community, cultural impacts were addressed. The empirical study developed a scale containing 43 impact indicators to measure residents' perceptions of tourism development in their community. In-depth interviews, observations, and other qualitative methods were adopted in this research to investigate how tourism development impacts were perceived by different stakeholders. The results from statistical analysis and thematic analysis revealed that tourism development already exerts some influences on the community, among which some are very profound.

Economically, this research identified that most residents and key informants recognized the contributions of tourism development to Yangzhou's economic growth. Though tourism industry is not a dominant industry in the overall economy for the city, it will experience substantial growth in the coming years because of government investment in improving the physical and information accessibility, and integrating and diversifying urban tourism products. The multiplier effect of tourism industry to secondary industries such as real estate,

transportation, retain industry and many others is becoming more salient and has been acknowledged by most of interviewees and respondents. Government strong determination in promoting heritage tourism development in the host community would exert great economic impact on economic revitalization of urban historic district. However, as reported from both interviews and survey results, local residents do not receive personal economic benefits from tourism development in their community in terms of housing condition improvement, household income and living standard increase. It is identified that most residents have strong expectations on tourism development to facilitate their housing upgrade. On the other hand, interviewees also reported negative perceptions of tourism development, such as inflation and increased living costs. However, those impacts were not so obvious as many of residents hold a conservative attitude. This might also indicate that compared with other tourist destinations, negative economic impacts upon urban heritage setting are likely to be caused by various factors, and tourism is not the only factor that contributing to such problems(Nasser 2003).

Socially, the research identified that tourism development in the heritage community has contributed to increased public space and recreational facilities, which resulted in increased self-identity. The interviews revealed that relocation resulted in decline of quality of life to the relocated residents. Most of social negative impacts as emphasized in western literature did not receive support from the sample in this study, such as crimes, disturb of daily life, congestions and etc(Gursoy et al 2007; Ap 1998). Most respondents in the survey were conservative towards negative social impacts. This might be ascribed to the relative low education of the respondents as the interviews with tourists revealed that they prefer not to live in this community because of large volume of tourists which would disturb the quiet and peaceful life in the neighbourhoods. Another possible justification lies in that heritage tourism in the host community remains at the stage of exploitation when the negative social impacts might not be apparent(Butler 1997). The third possible reason might be that in the heritage setting where used to be a residential neighbourhood, residents developed strong attachment to the place and thus was more concerned about the physical changes to the community as these changes, if beyond their control, are very likely to result in their declined self efficacy and psychological pressure (Breakwel 1986).

Culturally, the research found that most informants were ambivalent on the impacts of tourism development upon local cultural and heritage resources. They recognized the positive impacts of tourism development upon revitalization of traditional handcrafts and arts, and on preservation of historic buildings. However, they were highly concerned about the upgrading process and were worried about potential impacts of commercialization and commoditization of heritage sources. Huge investment has been made to create tourist catered front stage authenticity while the back stage authenticity has seen gradually declining and vanishing. Existing literature also found the impacts of tourism on host-guest encounters but both impact items did not receive significant support from the research results.

Environmentally, no serious negative environment impacts caused by tourism development were found in this research. This is different from findings based on rural settings(Allen et al 1993; Purdue et al 1987). Since the historic district is located in the city centre, many negative environment impacts could not easily to

ascribe to tourism development. Besides, the research location is lack of waste treatment facilities which is also a possible explanation.

Generally, respondents reported more benefits from tourism development and they expressed their support for current tourism development. However, though there are many of them also supportive towards future tourism development, many of them hold a conservative attitude. This could indicate that local residents have realized the negative side of tourism development in their neighbourhoods.

Further analysis identified 11 major factors of impacts of tourism development in the heritage community as discussed extensively in chapter 5. Three most important impacts are positive macro economy impacts, creative destruction effects and social well-beings. This is in consistent with the findings from interviews that most interviewees were more concerned about the contributions of tourism development to macro economy development and heritage preservation. Well acknowledged impacts on local economy development and urban development are not difficult to understand given the context of developing country and prevailing ideology. However, heritage concerns outweighed the negative social impacts and personal economic benefits; this finding is unexpected and is also different from western literature whose results prioritized the social impacts (Andereck et al 2005; Gursoy et al 2007). This could be explained by different research locations. Since this research is conducted in an urban setting, respondents may not necessary perceive many social problems such as crime and income gap as externalities of tourism development. Besides, they might also be more tolerable compared with rural sample. From the perspectives of urban marketing as well tourism marketing, government as the investor and manager of heritage tourism in the host community, they need to communicate well with all positive and negative impacts to local residents so as to get residents' commitment and their support. If there were any misunderstandings regarding to heritage preservation, a better communication strategy should be formulated to clarify them.

General comparison of stakeholders' perceived impacts reveals that government and private entrepreneurs tend to perceive more positive impacts while the latter three groups were ambivalent. There are many explanations for the variances, such as growth machine theory, social representation theory and cognitive dissonance theory.

So far, the research has examined government objectives and perceived impacts respectively; it is worthwhile to compare the findings from both sections and check whether the objectives have been achieved and identify the conflicts between them.

The research found that government effort to advance urban development was recognized by most respondents. Significant improvement was achieved in upgrading the physical environment of the historic district in terms of public infrastructures, housing upgrading and environment quality improvement. The potential impacts on local economy such as employment opportunities, government revenues and many other economic benefits were recognized by most interviewees. Though no statistics were consulted regarding to key indicators on this issue, it may still imply success for the government as their effort to promote urban development received support from almost all residents. However, as for

the intangible benefits, very limited evidence could be found to indicate achievement on those objectives. For instance, encouraging public participation in planning even seems to be removed from government objective list.

6.1.3 Grouping respondents: apply social representation theory

A major application of social representation theory is to identify different groups with same social representations so that better communication or marketing strategies could be formulated.

The sample respondents were categorized into two sub-groups “ambivalent with social and macro economy concerns” and “ambivalent with culture and personal economic concerns”. The first group generally perceived less positive impacts and were less supportive compared with the second group. The first cluster is more concerned about the impacts of tourism development on macro economy development and they were more conservative regarding to some negative social impacts, such as “disturb daily life”, “widen income gap”, “feeling of alienation” and etc. The second cluster also revealed ambivalent perceptions. On one hand, they high positively perceived the contributions of tourism development upon local economy development and cultural revitalization. On the other hand, they also reported their strong concerns on creative destruction effects and personal economic benefits. However, generally both groups all reported positive impacts outweigh negative impacts and are supportive towards tourism development.

Discriminant analysis was used to examine the influences of the independent variables in determining the cluster memberships. Three variables were considered as most important, namely Yangzhou citizenships, political party memberships and satisfaction with government performance. There are more local and young citizens in cluster one. Other variables were also found as important factors in deciding cluster attachment, including self-identity, and perceptions towards participation in tourism planning, management, implementation and monitoring.

These findings are not consistent with most western literature which often identified clearer cluster typology, such as haters, realists or ambivalents, and lovers(Fredline and Faulkner 2000; Madrigal 1995). Neither the predictive variables for cluster membership were found similarities with existing literature. For some statisticians, the cluster solution may not be a perfect one. But this result is still understandable given the dynamics in China's socio-economic background. China is gradually changing from planned economy to market economy. Government is retraining from many economy activities and private sector has grown significantly while on the other hand, government is reluctant to give up the political power for concerns of ensuring a stable environment. This resulted in conflicts in liberalism and conservatism. As discussed in earlier chapter that traditional culture requires common citizens to follow and obey government decisions rather than challenging them. Commoditization and commercialization of heritage resources in urban historic district is initiated and managed by government. Through educational programmes by media, government reports, and other forms of communications, the prevailing ideology is to boost urban economy development and realize physical upgrading, which influenced residents' dominant social representations. However, on the other hand, growing

influence from market force challenged some of government activities. Another possible reason is that urban historic district is a more complex system and some social and environment impacts could not be easily to be ascribed to increasing tourist arrivals. Also, there is a third explanation. Heritage tourism development in the host community was strongly promoted by local government as a way to enhance urban competitiveness; the case of the research location has been used in many academic journals and international reports as best practice. The respondents might not be absolutely honest since reporting negative impacts, especially social and economic impacts, is very likely to be labelled as anti-government and anti-party. This could be an influential factor given the research was conducted three months before the National Holiday.

6.1.4 Predictive variables and their roles

This research chose four intrinsic factors as predictive variables in influencing residents' perceptions and attitudes towards tourism development. Socio-demographic variables were found no influence on residents' perceptions and attitudes, which is different from many existing research findings that consider age, gender and occupation as discriminant variables. Though age and occupation do reveal significant correlations with attitude towards tourism development, however, those two variables were not found overly important through ANOVA analysis. Place attachment, political identification and perceptions of community participation were found significant correlations with perceived impacts and attitude towards tourism development. Results from regression analysis reported four most important predictive variables among 16 variables, namely satisfaction with government performance, emotional attachment, perceptions on participation through benefits distribution and self-identity and place dependency. Two domains in place attachment were all reported as significant discriminant variables. This could indicate that in the heritage setting, place attachment, including functional and emotional attachment is a more effective variable in influencing residents' perceptions of tourism impacts. Since the tourism development project is initiated by local government, residents' negative perceptions of tourism impacts might be transferred to negative perceptions of government performance and vice versa. It is recommended that future research should explore more about the causal relations between (1) residents' perceptions of tourism development impacts; (2) place attachment as constructed into emotional attachment and place dependency & self-identity; (3) satisfaction with government performance and (4) participation experience or perceptions towards participation.

6.2 Recommendation for sustainable tourism development

Based on the research process and research findings, the following recommendations are concluded.

(1) Bring more actual personal benefits to local residents

As the research findings suggest, local residents do not receive actual economic benefits from tourism development no matter in terms of their housing upgrading or household income, or new job opportunities. Though the negative impacts such as price increase of food and real estate are not so obvious now and could not be attributed to tourism development in the host community entirely, residents may

feel increasing pressure because of increasing living costs while their earnings remain same. This is very possible as existing studies reported price differences between tourism zones and non-tourism zones. Besides, in addition to price inflation, residents are also responsible to maintain their housing so as not to destroy the overall authenticity of the neighbourhoods which will also add costs to them. As the demographic characteristics in this research revealed that dumbbell shaped age structure is very obvious, which means that the kids and old people occupied very large portion of total population in the historic district. Moreover, many households in the research location were low-income families. They are more vulnerable to the negative economic impacts. It is therefore recommended that government should take some measures to bring actual economic benefits to the sitting residents to the host community. Possible solutions could be direct economic compensation. Or, government could provide training programmes to local residents to help them get employed in tourism industry. Alternatively, government should contribute to upgrading and maintaining of local residents' housing conditions.

The survey also revealed the public infrastructure has been largely improved in the host community. However, compared to with the investment on tourism infrastructure, public infrastructure improvement was far behind tourism infrastructure investment. It is true that those two types of infrastructures could not be separated clearly; however, given these neighbourhoods now are still residential areas, it is believed that investment on public infrastructures such as sanitary system upgrading, waste treatment system, public toilets construction and maintaining, are more meaningful than demolition and reconstruction the buildings for tourism related business. Besides, it is also identified that local residents are not entitled to use some tourism facilities for free. For instance, the renovated gardens are transformed into a five star hotel and local residents are not allowed to enter any more. Hence, investment in non-tourism facilities should also be emphasized in promoting heritage tourism development in urban historic district in China. Improvement on those public infrastructures will not only increase residents' perceived quality of life but also create a more favourable environment for tourism development.

(2) Preserving and maintaining the way of life

Extensive literature argued that preservation of historic buildings and other physical heritage resources does not equal to preserve the historic district way of life which is more difficult to preserve when the most important element of residents is relocated elsewhere. Results from this research indicate that most of residents tend to stay in original community rather than being relocated elsewhere and compensation is not a big issue. From their point of view, they feel pressured mainly because of their strong emotional bond with the original community. Though the government claimed that only 20% of original residents would be relocated, the plan is somehow doubted strongly by some scholars and preservationists by deductions of current trend and government's ambitions.

Besides, the survey also indicates that aging population is a big problem for the historic district. Since most of young residents who are capable of buying apartments have relocated to other areas, it will become more challenging for local government to maintain the life style of urban historic district. If the trend

continues and the government could not realize its objectives to attract new residents in the neighbourhoods, the whole area may gradually lose its residential function and the life style will disappear eventually. Moreover, as interviews with tourists confirmed that the traditional life style is being polluted by increasing intensive business activities.

(3) Monitoring the commercialization process

Commercialization of heritage resources in the host community was concerned by respondents in both survey and interviewees. The respondents were worried that changing former residential buildings into tourism related shops would gradually pollute the overall atmosphere of the host community, turning it into a shopping centre rather than an area that could showcase the histories and life styles that evolved in centuries.

Results from interviews with residents and planners reveal that most of them reserved their comments on current positioning strategy, transforming the area into a tourist shopping street for antiques, traditional handcrafts, and other cultural products. They are more favourably towards small scale relocation and remain the main function of urban historic district as a residential area; commercial function should be encouraged and explored in a moderate manner. And they were more in favour of adding more cultural amenities and tourist sites to the community rather than transferring the land use right of renovated architectures to private companies for commercial development.

The interviewees with tourists also provide inputs on this issue. They suggested that they prefer the commoditization that allows them to experience the past through enjoying the aesthetic and architectural beauty of urban historic district. Therefore, consensus could be found from both host and guest sides which might result in a win-win situation. However, tourist behaviour studies were significantly hindered by insufficient support from local government, limited capacity of local research institutions and absence of academic interests of local scholars. As the big consumer for current commoditized heritage products, tourist behaviour studies should receive more attention and support from government and think tanks. This lesson should not only be to apply to tourist behaviour studies; in general, tourism related research is less developed in the city; more research effort should be put to conduct extensive research on tourism industry in the city. A tourism database covering not only key indicators but also wider and more frequently development details is also essential to provide valuable input for future research, such as deciding the carrying capacity of the host community to avoid irrevocable damages to local ecosystem.

(4) From result oriented to process-oriented

The research found that local government has very clear objectives for the future of the heritage community and the urban historic district. It is better to have a clear picture of what the urban historic district will be than launch a development programme without a clear objective. However, motivated by economic benefits, plus the significant influences from top officials to showcase their political achievement, heritage tourism development in the host community became a little radical and too much emphasis was attached to the final result while the process was ignored. And in most cases, it was perceived as unpleasantly. For instance,

many interviewees commented the relocation process as brutal, painful, and hurtful. Since one of government objectives is to improve government capacity in managing heritage resources, it is suggested a process-oriented approach should be adopted to receive more support and understanding from local community.

(5) Encouraging wider and more active community participation

A Better communication strategy might be helpful to change some negative perceptions by residents. The result from this research revealed that satisfaction with government performance and place attachment are important discriminant factors in deciding the cluster memberships. It might result in changes of residents' perceived impacts by improving their perceptions on government performances. The cluster analysis also revealed that residents with higher education are more concerned about cultural revitalization. Government could organize workshops to invite their opinions and clarify the objectives and misunderstandings through which to receive more support and commitment from local community.

However, communication strategy could not solve all the problems. It is strongly recommended that a bottom-up approach should be adopted so as to better understand how different stakeholders perceive same development plan and consensus could be reached. The research found that community participation in heritage tourism planning was at manipulative level which might explain many negative comments were received in the interviews. The local community reported a strong desire to participate in tourism planning, management, evaluation, environment protection and benefits sharing. The community-based planning approach which aims at community participation and empowerment is highly recommended to Yangzhou government not only to reinforce existing development plan but also to resolve emerging conflicts. This may sound a little unrealistic given China's unique political context; however such a approach is worth trying.

6.3 Academic contributions

This research has conducted an extensive study on the impacts of tourism development upon urban heritage community from various stakeholders' perspective with a focus on residents' perceptions. Apart from some practical applications concluded from the results of the impact assessment, the research also contributed to existing large body of tourism impacts studies in the following aspects.

First of all, as discussed in problem statement, this research was conducted in an urban destination in a developing country. This is the most important contribution of this research. It could provide better understandings on urban heritage community members' perceptions of tourism development and their consequential attitude in a developing country.

Secondly, this research conducted an extensive literature review from multiple disciplines, including tourism sciences, architecture, urban renewal, and psychology. Two frameworks were set up based on existing literature, one to explain the mechanisms of tourism development impacts upon local community and the other one to explain how social representations are formed and how these

social representations would influence attitude. Based on the first framework, “agents of sustainable tourism development”, the research conducted a thorough investigation of the impacts of heritage tourism development as perceived by five major stakeholders. This is an original contribution to existing studies which only focused one particular stakeholder. Based on the second framework, the research adopted many statistical methods to identify residents’ common social representations of tourism impacts and their consequential attitude. This research partly confirmed the validity and applicability of social exchange theory in China’s cultural background. Moreover, some variables such as place attachment, political identification and participation were operationalized based on existing literature and case context. Through regression analysis and discriminant analysis, this research identified that only three variables are important predictors for resident attitude towards tourism development. Other frequently mentioned demographic factors were not found with significant importance. These findings also contribute to existing understanding of predictive variables for the impacts of commercialization of urban heritage resources. Besides, this research also contributed to better understanding of government motivations in promoting heritage tourism in urban historic districts. Some motivations were not found in western practices. However, since the research is conducted in socialist China, direct applications of the findings from this research might be problematic.

6.4 Limitations

Despite the common constraints of time, experiences and resources, the research also has some limitations on the methodology.

Firstly, in-depth interviews were carried out to investigate government motivations to promote heritage tourism in urban historic district and their perceived impacts on residents. Due to the sensitivity of this issue, especially in 2009 the 60th anniversary of the establishment of People’s Republic of China, government officials were reluctant to reveal the negative side honestly. Besides, some interviews were cancelled because of A(H1N1) in field work. Moreover, given time framework, the synergies and conflicts between other agents of sustainability were not analyzed systematically in this thesis.

Secondly, the research highly relies on statistical analyses; however, the sample size limited the reliability and validity of the research findings. Because of time constraint, only 400 residents were selected as sample and only 322 valid questionnaires were retained. Though it just meets the minimum requirement for regression analysis, given the case with missing values, this sample remain too small and limited the validity of the result from regression analysis. Moreover, the sample was biased on the area where tourism development activities were intensive, the less intensive areas and non-tourism areas were under-represented which constrained the analysis of the variable of proximity. The quality of the returned questionnaires should also be concerned. Although the researcher followed strictly the sampling methods and required the selected respondent from each household to fill the questionnaire by himself/herself, it is unsure whether the questionnaire was completed as requested since it was conducted in a self-administered way.

Thirdly, it also has to admit that the operationalization of some variables was not perfect. The research focused on the intrinsic variables including place attachment, political self-identification, and perceptions towards participation, though these variables were carefully operationalized based on existing literature, they may still be insufficient to measure these variables comprehensively. Each of them is a complex social phenomenon and is very difficult to measure them accurately. Besides, initially the thesis aims to compare perceived impacts between those with participation experience and those without such experiences. However, given the real situation, the variable was operationalized to perceptions of participation in the field work and may limit the findings on this variable.

6.5 Recommendations for future research

The research purposely investigated the impacts of tourism development in the heritage community from the perspectives of various stakeholders not only to supplement and triangulate the findings from survey method but also to understand thoroughly the real impacts of heritage tourism upon local community. As the agents of sustainable tourism development, five key stakeholders (governments, residents, preservationists, entrepreneurs and tourists) and their synergies are believed to result in changes in the economic, social, cultural and environment structure of the host destination. The results from in-depth interviewees also reveal that different stakeholder perceive the impacts of the same development activity differently. Hence, a more systematic study of perceived impacts from various stakeholders' perspectives and the conflicts between them will be included for future research to obtain more insightful understandings of the impacts of heritage tourism. Moreover, during the interviews, it was found that authenticity was perceived differently by different stakeholders. Since the major value of historic district is its authenticity which links the supply and demand side of the market, it is worthwhile to conduct a research to compare how different stakeholders perceive authenticity.

Given the time frame and budget of this research, exploratory factor analysis was adopted in this analysis. Future research could use confirmatory factor analysis to validate the construct and explore more about the relations between those independent variables and dependants. A structural equation model might be better to analyze the interrelations between variables.

Only intrinsic variables were included in this research to identify their influences on residents' social representations. These variables were found effective predictors. However, the external factors such as destination development stage and the influences from media are all effective variables in shaping individual social representations and their roles should be further studied.

The host community is at its early stage of creative destruction, some impacts especially social impacts are not identifiable currently. Therefore, it is worthwhile to follow up the development process and conduct impact studies again in a few years to compare with the findings from this research. Alternatively, comparative studies with other tourism impact assessments in urban historic district at advanced stages could provide more insights into the key factors that influence perceived impacts. Besides, this research addressed the differences in social and economic background between western and Chinese cities. However, there may

also exist some similarities, for instance, tourist motivations, place attachment and many others. Comparative studies on these variables might yield more generalized findings.

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Annex

Annex 1: China Inbound Tourism Development (1978 - 2008)

Year	Inbound Tourist Arrivals	Increase of Inbound Tourist Arrivals	Foreigners	Growth of Inbound Foreigners	Foreign Revenue ¹	Increase of Foreign Revenues
1978	1809221	/	229646	/	2.6	/
1979	4203901	132.36%	362389	57.80%	4.5	73.08%
1980	5702536	35.65%	529124	46.01%	6.2	37.78%
1981	7767096	36.20%	675153	27.60%	7.9	27.42%
1982	7924261	2.02%	764497	13.23%	8.4	6.33%
1983	9477005	19.59%	872511	14.13%	9.4	11.90%
1984	12852185	35.61%	1134267	30.00%	11.3	20.21%
1985	17833097	38.76%	1370462	20.82%	12.5	10.62%
1986	22819450	27.96%	1482276	8.16%	15.3	22.40%
1987	26902267	17.89%	1727821	16.57%	18.6	21.57%
1988	31694804	17.81%	1842206	6.62%	22.5	20.97%
1989	24501394	-22.70%	1460970	-20.69%	18.6	-17.33%
1990	27461821	12.08%	1747315	19.60%	22.2	19.35%
1991	33349757	21.44%	2710103	55.10%	28.5	28.38%
1992	38114945	14.29%	4006247	47.83%	39.5	38.60%
1993	41526945	8.95%	4655857	16.21%	46.8	18.48%
1994	43684456	5.20%	5182060	11.30%	73.2	56.41%
1995	46386511	6.19%	5886716	13.60%	87.3	19.26%
1996	51127516	10.22%	6744334	14.57%	102	16.84%
1997	57587923	12.64%	7428006	10.14%	120.7	18.33%
1998	63478401	10.23%	7107747	-4.31%	126	4.39%
1999	72795594	14.68%	8432296	18.64%	141	11.90%
2000	83443881	14.63%	10160432	20.49%	162.2	15.04%
2001	89012924	6.67%	11226384	10.49%	177.9	9.68%
2002	97908252	9.99%	13439497	19.71%	203.9	14.61%
2003	91662082	-6.38%	11402855	-15.15%	174.1	-14.62%
2004	109038218	18.96%	16932506	48.49%	257.4	47.85%
2005	120292255	10.32%	20255137	19.62%	293	13.83%
2006	124942096	3.87%	22210266	9.65%	339.5	15.87%
2007	131873287	5.55%	26109668	17.56%	419.2	23.48%
2008 ²	130027393	-1.40%	24325337	-6.83%	408.43	-2.57%

Note: 1 foreign Revenues is in 100 million USD

2 The Figures of 2008 was from the website of National Tourism Administration of People's Republic of China

Available from <http://www.cnta.gov.cn/>

Sources: National Tourism Statistics Yearbook, Various Versions and own calculations

Annex 2: China Domestic Tourism Development (1985-2008)

Year	Domestic Tourists (million)	Growth	% of all population ¹	Revenue (billion RMB)	Increase	% of total revenue from Tourism	Average Expenditures per visitor (RMB)
1985	240	/	NA	8	/	NA	
1986	270	12.50%	NA	10.6	32.50%	NA	33.33
1987	290	7.41%	NA	14	32.08%	NA	39.26
1988	300	3.45%	NA	18.7	33.57%	NA	48.28
1989	240	-20.00%	NA	15	-19.79%	NA	62.33
1990	280	16.67%	23.73	17	13.33%	NA	62.5
1991	300	7.14%	24.37	20	17.65%	NA	60.71
1992	330	10.00%	27.5	25	25.00%	NA	68.97
1993	410	24.24%	34.17	86.4	245.60%	NA	75.76
1994	524	27.80%	43.67	102.35	18.46%	61.84	210.73
1995	629	20.04%	52.4	137.56	34.40%	65.57	196.73
1996	640	1.75%	53	163.84	19.10%	65.87	218.41
1997	644	0.63%	52.1	211.27	28.95%	67.88	255.94
1998	695	7.92%	55.7	239.12	13.18%	69.5	328.06
1999	719	3.45%	57.16	283.19	18.43%	70.8	345
2000	744	3.48%	58.7	317.55	12.13%	70.27	394
2001	784	5.38%	61.43	352.24	10.92%	70.52	426.6
2002	878	11.99%	68.35	387.84	10.11%	69.67	449.5
2003	870	-0.91%	67.32	344.23	-11.24%	70.5	395.7
2004	1102	26.67%	84.77	471.07	36.85%	68.87	427.5
2005	1212	9.98%	92.69	528.59	12.21%	68.77	436.1
2006	1394	15.02%	106.04	622.97	17.86%	69.72	446.9
2007	1610	15.49%	121.85	777.06	24.73%	70.92	482.6
2008 ²	1712	6.34%	128.91	874.9	12.59%	75.42	NA

Note: 1 The number of total population was from the website of China Population Information.

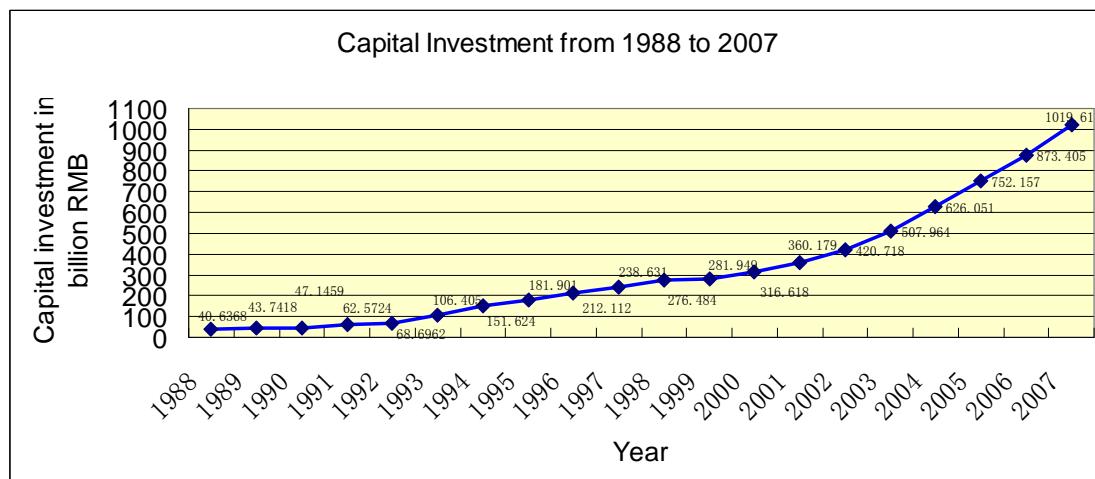
See from <http://www.cpirc.org.cn/tjsj/tjsj.asp>

2 The figure for 2008 was from website of National Tourism Administration.

Available from <http://www.cnta.gov.cn/>

Sources: China National Tourism Statistics Yearbook, Various Years and Own calculations

Annex 3: Capital investment growth from 1988 to 2007



Source: based on statistics from China Tourism Statistics Yearbook, various versions

Annex 4: Inbound Tourist Arrivals in Key Urban Tourism Destinations (1982 and 2007)

City	Tourist in 1982 (in 10,000)	% of national total	Tourist in 2001	% of national total	Changes of Share in national total	tourists in 2007	% of national total	changes of share in national total
Guangzhou	245	30.93%	442.47	4.97%	-25.96%	223.16	1.69%	-3.28%
Beijing	46.67	5.89%	285.79	3.21%	-2.68%	382.61	2.90%	-0.31%
Shanghai	37.12	4.69%	204.26	2.29%	-2.39%	442.61	3.36%	1.06%
Zhuhai	20.22	2.55%	109.91	1.23%	-1.32%	50.66	0.38%	-0.85%
Guilin	18.1	2.29%	93.26	1.05%	-1.24%	82.6	0.63%	-0.42%
Hangzhou	16.2	2.05%	81.94	0.92%	-1.12%	145.37	1.10%	0.18%
Nanjing	10.8	1.36%	46.98	0.53%	-0.84%	76.3	0.58%	0.05%
Suzhou	11.3	1.43%	63.5	0.71%	-0.71%	121.83	0.92%	0.21%
Shantou	5.62	0.71%	21.21	0.24%	-0.47%	7.9	0.06%	-0.18%
Xi'an	9.09	1.15%	67.2	0.75%	-0.39%	85.09	0.65%	-0.11%
Wuxi	6	0.76%	34.56	0.39%	-0.37%	43.1	0.33%	-0.06%
Luoyang	2.26	0.29%	10.64	0.12%	-0.17%	21.5	0.16%	0.04%
Fuzhou	3.9	0.49%	31.88	0.36%	-0.13%	34.45	0.26%	-0.10%
Huhehot	1.02	0.13%	2.03	0.02%	-0.11%	7.95	0.06%	0.04%
Nanning	1.28	0.16%	5.56	0.06%	-0.10%	10.3	0.08%	0.02%
Tianjin	4.26	0.54%	42.14	0.47%	-0.06%	95.24	0.72%	0.25%
Datong	1	0.13%	5.61	0.06%	-0.06%	9.76	0.07%	0.01%
Harbin	1.6	0.20%	16.97	0.19%	-0.01%	20.56	0.16%	-0.03%
Jinan	0.8	0.10%	9.77	0.11%	0.01%	9.7	0.07%	-0.04%
Quanzhou	4.26	0.54%	49.08	0.55%	0.01%	5.69	0.04%	-0.51%
Shenyang	1.29	0.16%	16.1	0.18%	0.02%	37.88	0.29%	0.11%
Chengdu	2.9	0.37%	34.51	0.39%	0.02%	52.16	0.40%	0.01%
Changsha	1.7	0.21%	22.86	0.26%	0.04%	37	0.28%	0.02%
Wuhan	1.9	0.24%	28.6	0.32%	0.08%	43.43	0.33%	0.01%
Chongqing	2.04	0.26%	31.32	0.35%	0.09%	62.24	0.47%	0.12%
Xiamen	3.25	0.41%	50.23	0.56%	0.15%	46.34	0.35%	-0.21%
Kunming	3.2	0.40%	59.08	0.66%	0.26%	48.76	0.37%	-0.29%
Dalian	1.71	0.22%	43.33	0.49%	0.27%	75.02	0.57%	0.08%
Total	463.49	58.52%	1910.8	21.47%	-37.05%	2279.21	17.28%	-4.18%

Sources: China National Statistics Yearbook, Various Versions and own calculations

Annex 5: Tourism Development in Yangzhou

Year	Domestic Tourists ¹	Growth Rate	National Growth Rate	Revenues ²	Growth Rate	National Growth Rate
1989	160	NA	-	NA	NA	-
1995	301.20	88.25%	162.08%	19. 14	/	/
2000	436.66	44.97%³	18.28%	37. 26	94.67%	130.84%
2005	1113.05	154.90%	62.90%	92. 36	147.88%	66.46%
2006	1316.10	18.24%	15.02%	115. 10	24.62%	17.86%
2007	1522.42	15.68%	15.49%	144. 00	25.11%	24.73%

Note 1: in 10,000

2: in 100 million RMB

3: The figure higher than national average was highlighted in bold.

Source: Jiangsu Statistics Yearbook, 2008

Annex 6: Tourism Development in Yangzhou (From 1990-2007)

Year	Inbound tourist Arrivals ¹	Growth Rate	National Growth Rate	Foreigners ²	Growth Rate	Foreign Revenues ³	Growth Rate	National Growth Rate
1990	17500	/	/	NA	/	/		
1995	38177	118.15%⁴	68.91%	NA	/	1024	/	
1996	52583	37.73%	10.22%	33336	/	/		
1997	61542	17.04%	12.64%	40223	20.66%	/		
1998	66668	8.33%	10.23%	44330	10.21%	/		
1999	72272	8.41%	14.68%	45080	1.69%	/		
2000	85477	18.27%	14.63%	53579	18.85%	3935	284.24%	293.24%
2001	100825	17.96%	6.67%	54072	0.92%	/		
2002	121274	20.28%	9.99%	61635	13.99%	/		
2003	129145	6.49%	-6.38%	75525	22.54%	/		
2004	188044	45.61%	18.96%	133423	76.66%	/		
2005	238649	26.91%	10.32%	164995	23.66%	15177	285.72%	85.80%
2006	300711	26.01%	3.87%	203281	23.20%	20819	37.18%	15.87%
2007	374789	24.63%	5.55%	268086	31.88%	28163	35.28%	23.48%

Note: 1: in 10,000;

2: Tourists from Macau, Hong Kong and Taiwan are not included. Besides, foreign Chinese are not accounted in as well.

3: in 10,000 USD

4 The figure higher than national average is highlighted in bold.

Source: Yangzhou Statistic Yearbook and Jiangsu Statistic Yearbook, Various versions and own calculations

Annex 7: Tourism development in key tourist cities in Jiangsu between 1995 and 2007(in 10,000)

City	1995	Rank	2000	Rank	2005	Rank	2006	Rank	2007	Rank
Nanjing	764.66	3	1272.70	2	3189.66	2	3700.01	2	4488.88	2
Wuxi	841.08	1	1127.77	3	2637.50	3	3032.89	3	3350.76	3
Xuzhou	177.84	8	360.09	7	993.59	7	1148.50	7	1344.15	7
Changzhou	331.30	4	428.33	6	1282.78	4	1502.00	4	1746.95	4
Suzhou	821.06	2	1496.05	1	3656.87	1	4135.34	1	4792.39	1
Nantong	228.44	7	319.88	8	743.08	8	882.87	8	1072.13	8
Yangzhou	301.20	5	436.66	5	1113.05	6	1316.10	6	1522.42	6
Zhenjiang	259.67	6	442.75	4	1166.97	5	1380.60	5	1589.88	5

Source: Jiangsu Statistics Yearbook, 2008 and own calculations

Annex 8: Interview questions

Interviewees	Interview Focus
Government officials	<ul style="list-style-type: none"> -conservation and development of urban historic district in Yangzhou; -situation of tourism oriented tourism development in historic district in Yangzhou; -government department involved in tourism development projects; -Major development projects, investments and policies and plans; -tourism impact on residents(relocated and remains)
Travel agency	<ul style="list-style-type: none"> -recent tourism development in Yangzhou(numbers, products); -recent tourist behavior changes; -major tourism products in historic district; -tourism impacts on local residents; -future marketing strategies;
Planners and Preservationists	<ul style="list-style-type: none"> -Key objectives for historic district revitalization and development in Yangzhou; -Key tourism and non-tourism investment; -The roles of planners in tourism development projects; -relations between development and conservation; -relations between tourist related driven artificial authenticity and original authenticity for residents; -Tourism impacts on local residents; -future trend of tourism oriented historic district development
Entrepreneur	<ul style="list-style-type: none"> -Situation of business operation in historic district in Yangzhou; -relationship between entrepreneur and government; -characteristics of tourists to historic district; -structures of business in historic district; -prediction of future business development; -future development of the historic district;
Local residents	<ul style="list-style-type: none"> -tourism impacts in their community
Tourists	<ul style="list-style-type: none"> -motivations and expectations of travelling to historic district; -perceptions of their experiences quality; -tourism development impacts upon local community;
Scholars	<ul style="list-style-type: none"> - tourism development in Yangzhou; -conservation, development and authenticity; -tourism development impacts upon local community;

Annex 9: Interview Outlines for Government Official

[Introduction of the researcher and the purpose of this study]

[Icebreaker]

- how long have you been working in this position?
- how long have you been working on the tourism development project?

[Formal questions]

- Would you please briefly introduce the tourism development plan in historic district in Yangzhou?
- What is the main purpose and motivation for government to promote tourism development in that community?
- Would you please introduce some key projects, such as the objectives, the year of the project, the investor, the amount of investment and etc?
- How do you think the relationships between conservation and development in historic district in Yangzhou?
- What do you think are the major differences between Yangzhou and other cities in tourism development in historic district, such as Suzhou, Nanjing, and etc?
- How do you evaluate the role of government in tourism development in that area?
- What are the major strategies to revitalize economy development there?
- What are the major tourism development and management strategies for that area?
- What do you think of the contribution of tourism to that area and to the city as a whole?
- What do you think of the impacts upon community resulted from tourism development?
 - What are the most positive impacts?
 - What are the most negative impacts?
- What do you think of the impacts upon relocated households? Which community has they been relocated to?
- What are the plans and target for the development of that area?

[Close the interview. Thank the interviewee.]

Annex 10: Interview Outlines for Developers

[Introduction of the researcher and the purpose of this study]

[Icebreaker]

- How long have you been working here?

[Formal Questions]

- When did your company start business here?
- What are major objectives of your company?
- What are the main business areas of your company?
- What are your development strategies?
- What are the main development projects in the historic areas?
- What is current tourism development situation in the host community?
- What do you think of commercialization of local cultures?
- What do you think of substantial relocation of residents?
- What do you think of possible impacts on local community?
- What do you think are the most positive impacts upon local residents?
- What do you think are the most negative impacts upon local residents?
- What do you think of possible impacts upon relocated residents?
- What are the future development plans in the host community?
- What do you think of the future of the host community?

[Close the interview. Thank the interviewee]

Annex 11: Interview Outlines for Tourism Administration Executive

[Introduction of the researcher and the purpose of the study]

[Icebreaker]

- how long have been involved in this project?
- How do you feel about current development situation of the community?

[Formal Questions]

- Could you please briefly introduce current tourism development strategy in Yangzhou?
- Could you please briefly introduce current tourism development strategy in the host community? What are the key investments? What are the key projects?
- What are the motives and goals of tourism development in the host community?
- What are the key stakeholders involved in tourism development?
- What are the strategies to involve them?
- What do you think of the relationships between tourism development and conservation?
- What do you think of business development in the host community?
- What do you think of possible impacts on host community?
 - What do you think are the most positive impacts?
 - What do you think are the most negative impacts?
 - What do you think of the possible impacts upon relocated residents?
- What do you think of the characteristics of tourists to the host community and to Yangzhou as a whole?
- What are the future tourism development plans in this area?
- What do you think of major problems to improve in future?

[Close the interview. Thank the Interviewee.]

Annex 12: Interview Outlines for Planners

[Introduction of the researcher and the purpose of the study]

[Icebreaker]

--how long have been involved in this project?

--How do you feel about current development situation of the community?

[Formal Questions]

-- What is current tourism development situation in the host community?

-- Who are the major investors? What are the major motives to develop tourism in that community?

-- What do you think of the relationships between conservation and tourism development? How do you take account of sustainability issue?

--what do you think of commercialization of local cultures?

--How do you evaluate government's role in tourism development in host community?

-- What strategies have been used in tourism planning process? What is the relationship with GTZ? What is the role of community?

-- What do you think of possible impacts on host community?

-- What do you think are the most positive impacts?

-- What do you think are the most negative impacts?

-- What do you think of the possible impacts upon relocated residents?

-- What are the future plans for the host community?

[Close the interview. Thank the interviewee.]

Annex 13: Interview Outlines for Scholars

[Introduction of the researcher and the purpose of this study]

[Icebreaker]

-- What is your recent research focus?

[Formal Questions]

-- Would you please briefly describe tourism development in historic district in Yangzhou?

-- What do you think of current development?

-- What do you think of conservation and tourism development?

-- What do you think of commercialization and authenticity?

-- What do you think of government's role in tourism planning and development?

-- What do you think of possible impacts on host community?

-- What do you think are the most positive impacts?

-- What do you think are the most negative impacts?

-- What do you think of the possible impacts upon relocated residents?

-- What do you think of the future of host community?

-- Do you have suggestions for tourism development in heritage community?

[Close the interview. Thank the interviewee]

Annex 14: Interview Outlines for Travel Agency

[Introduction of the researcher and the purpose of the study]

[Icebreaker]

-- How long have you been working in tourism industry?

[Formal Questions]

-- What is your business strategy for promoting Yangzhou especially the historic district?

-- What do you think are the major selling points of the historic district?

-- What are the major changes of tourist characteristics to Yangzhou in recent years?

-- How do the tourists feel about the historic district in your guided tourist groups?

-- How do you evaluate government's role in tourism development in the host community?

-- What do you think are the differences between Yangzhou and other cities in terms of tourism development in historic district?

-- What do you think are the major problems of current tourism development in the historic district?

-- What do you think of possible impacts on host community?

-- What do you think are the most positive impacts?

-- What do you think are the most negative impacts?

-- What do you think of the possible impacts upon relocated residents?

-- What do you think of future changes of tourist characteristics and numbers?

-- What is your opinion toward future tourism development in the host community and in Yangzhou?

-- What do you think need to be future strengthened to improve tourist experience?

[Close the interview. Thank the interviewee]

Annex 15: Interview Outlines for Entrepreneur

[Introduction of the researcher and the purpose of the study]

[Icebreaker]

- When did you start your business here?
- Why do you move you business here?

[Formal Questions]

- Could you please briefly introduce your business?
- What are the major sources of income of your business? Who are your major target groups of customers?
- Why do you choose this business?
- Are there any government policy incentives or restrictions?
- What do you think of the relationships between tourism development and small tourism entrepreneurs?
- According to your observation, what are the major characteristics of the tourists in this community?
- How do you evaluate current private business situation in this community?
- What do you think of the impacts of tourism in this community?
 - What do you think are the most positive impacts?
 - What do you think are the most negative impacts?
- What do you think of the future of tourism development in this community?
- What are your suggestions or other opinions toward tourism development?

[Close the interview. Thank the interviewee.]

Annex 16: Interview Outlines for Residents

[Introduction of the researcher and the purpose of this study]

[Icebreaker]

- How long have you been living in this community?
- What do you think of the changes in recent years?

[Formal questions]

- Are you familiar with tourism development plan in your community? Would you list some major projects?
- What do you think of possible impacts on your community?
 - What do you think are the most positive impacts?
 - What do you think are the most negative impacts?
- What do you think of your neighbors that been relocated to other communities? Do they like the result?(for remaining residents)
- What do you think of your relocation experience? How do you feel about it? What do you think of current tourism development in your community? (for relocated residents)
- What do you think of the future tourism development in your community?
- What are your comments or suggestions?

[Close the interview. Thank the interviewee.]

Annex 17: Interview Outlines for Tourists

[Introduction of the researcher and the purpose of this research]

[Icebreaker]

- How many times have you been here?
- How do you feel about the city?

[Formal Questions]

- What do you think of tourism development here in this community?
- Compared with other historic district, what do you think of this one? What is the major difference?
- What do you think of the major problems in tourism development here?
- How do you evaluate your experience here today?
- What do you think of possible impacts on host community?
 - What do you think are the most positive impacts?
 - What do you think are the most negative impacts?
 - What do you think of the possible impacts upon relocated residents?
- Will you choose to live here if possible? Why?

[Close the interview. Thank the interviewee.]

Annex 18: Revised Hypotheses

Variable			Hypothesis
Demographic	Gender	H1a	Male residents perceive more positive than female do
		H1b	Male residents are more supportive towards current tourism development
		H1c	Male residents are more supportive towards future tourism development
	Age	H2a	The older the residents are, the less positive impacts they may perceive from tourism development.
		H2b	The older the residents are, the less supportive they are towards current tourism development.
		H2c	The older the residents are, the less supportive they are towards future tourism development
	Education	H3a	Residents with higher education level perceive more positive impacts than those with lower education background
		H3b	Residents with higher education level are more supportive towards current tourism development than those with lower education background
		H3c	Residents with higher education level are more supportive towards future tourism development than those with lower education background
	Income	H4a	Residents with higher income perceive more positive impacts than those with lower income
		H4b	Residents with higher income are more supportive towards current tourism development than those with lower income
		H4c	Residents with higher income are more supportive towards future tourism development than those with lower income
	Occupation	H5a	There are significant differences among different occupational groups in perceiving tourism impacts
		H5b	There are significant differences among different occupational groups in terms of their support for current tourism development
		H5c	There are significant differences among different occupational groups in terms of their support for future tourism development
Place Attachment	Tourism Industry working experience	H6a	Residents or their family members with working experience in tourism industry perceive more positive impacts than those or their family members without such experiences.
		H6b	Residents or their family members with working experience in tourism industry are more supportive towards current tourism development than those or their family members without such experiences.
		H6c	Residents or their family members with working experience in tourism industry are more supportive towards future tourism development than those or their family members without such experiences
	Length of Residency	H7a	Residents with longer residencies perceive more positive impacts than those with shorter residencies.

		H7b	Residents with longer residencies are more supportive towards current tourism development than those with shorter residencies.
		H7c	Residents with longer residencies perceive are more supportive towards future tourism development than those with shorter residencies.
Yangzhou Citizenship		H8a	Residents who are Yangzhou local citizens perceive more positive impacts than those temporary residents.
		H8b	Residents who are Yangzhou local citizens perceive more positive impacts than those temporary residents.
		H8c	Residents who are Yangzhou local citizens perceive more positive impacts than those temporary residents.
Self-identity and place dependency		H9a	Residents who with stronger self-identity and are dependent on the host community perceive more negative impacts than those with weaker self-identity and less depended.
		H9b	Residents who with stronger self-identity and are dependent on the host community are less supportive towards current tourism development than those with weaker self-identity and less depended.
		H9c	Residents who with stronger self-identity and are dependent on the host community are less supportive towards future tourism development than those with weaker self-identity and less depended.
Emotional attachment		H10a	Residents who with stronger emotional attachment perceive more negative impacts than those less emotionally attached.
		H10b	Residents who with stronger emotional attachment are less supportive towards current tourism development than those less emotionally attached.
		H10c	Residents who with stronger emotional attachment are less supportive towards future tourism development than those less emotionally attached.
Participation	Participation in training, environment protection, planning and implementation	H11a	There are significant correlations between resident perceptions on community involvement in training programme, environment protection, planning and implementation of development projects and their perceived overall impacts.
		H11b	There are significant correlations between residents' perceptions on community involvement in training programme, environment protection, planning and implementation of development projects and their support for current tourism development.
		H11c	There are significant correlations between residents' perceptions on community involvement in training programme, environment protection, planning and implementation of development projects and their support for future tourism development.

	Benefits distribution	H12a	There are significant correlations between residents' perceptions on community's right to widely share benefits brought by tourism development for future tourism development and their perceived overall impacts.
		H12b	There are significant correlations between residents' perceptions on community's right to widely share benefits brought by tourism development for future tourism development and their support for current tourism development.
		H12c	There are significant correlations between residents' perceptions on community's right to widely share benefits brought by tourism development for future tourism development and their support for future tourism development.
Political Self-identification	Political Party Membership	H13a	Residents who are members of any political parties perceive more positive impacts than those without any political party memberships.
		H13b	Residents who are members of any political parties are more supportive towards current tourism development than those without any political party memberships.
		H13c	Residents who are members of any political parties are more supportive towards future tourism development than those without any political party memberships.
	Satisfaction with government performance	H14a	Residents who are more satisfied with government performance perceive more positive impacts than those less satisfied with government performance.
		H14b	Residents who are more satisfied with government performance are more supportive towards current tourism development than those less satisfied with government performance.
		H14c	Residents who are more satisfied with government performance are more supportive towards future tourism development than those less satisfied with government performance.
	Satisfaction with developer's performance	H15a	Residents who are more satisfied with developer's performance perceive more positive impacts than those less satisfied with developer's performance.
		H15b	Residents who are more satisfied with developer's performance are more supportive towards current tourism development than those less satisfied with developer's performance.
		H15c	Residents who are more satisfied with developer's performance are more supportive towards future tourism development than those less satisfied with developer's performance.
Increased satisfaction with government performance if tourism development is		H16a	Residents whose satisfaction with government performance would increase if tourism development is well managed perceive more positive impacts than those who would not increase their satisfaction.
		H16b	Residents whose satisfaction with government performance would increase if tourism

	well managed		development is well managed are more supportive towards current tourism development than those would not increase their satisfaction
		H16c	Residents whose satisfaction with government performance would increase if tourism development is well managed are more supportive towards future tourism development than those would not increase their satisfaction
H17			Residents perceived more positive impacts are more supportive towards future tourism development.

Annex 19: Results of Hypothesis Testing by T-test or ANOVA test

Hypotheses	F or T value*	Sig.	Conclusion
H1a	.198*	.843	
H1b	.361*	.719	No significant difference exists.
H1c	1.641*	.102	
H2a	.399	.879	No significant difference exists.
H2b	1.443	.198	
H2c	2.916	.043	Post hoc tests found no significant differences.
H3a	1.196	.312	
H3b	.813	.518	
H3c	.863	.486	No significant difference exists.
H4a	1.175	.321	
H4b	.662	.652	No significant difference exists.
H4c	.883	.493	
H5a	1.239	.286	No significant difference exists
H5b	1.855	.088	
H5c	2.379	.029	Post hoc tests found no significant differences.
H6a	.027	.978	
H6b	.608	.544	
H6c	1.453	.147	No significant difference exists.
H7a	.855	.528	No significant difference exists.
H7b	2.706	.014	Post hoc tests revealed the residents with less than 10 years of residency are significantly more supportive than those with 41-50 years of residency($p=0.017$) and those with more than 60 years of residency($p=0.048$).
H7d	1.620	.141	No significant difference exists.
H8a	-2.079*	0.038	Significant difference exist between Yangzhou local citizens and temporary residents
H8b	-1.845*	0.066	No significant difference exists.
H8c	-1.625*	.105	No significant difference exists.
H9a	Vary	<0.001	Three indicators within this factor were all found as significant predators for three dependent variables($P<0.001$)
H9b	Vary	<0.001	
H9c	Vary	<0.001	
H10a	Vary	<0.001	Three indicators within this factor were all found as significant predators for three dependent variables ($p<0.001$).
H10b	Vary	<0.05	
H10c	vary	<0.05	
H11a	Vary	From <0.05 to 0.374	Perceptions on skills training and environment protection reveled significant differences among groups in terms of overall perceived impacts ($p<0.05$).
H11b	Vary	>0.05	No significant difference exists.
H11c	Vary	>0.05	No significant difference exists.
H12a	Vary	>0.05	No significant difference exists.
H12b	Vary	From <0.05 to 0.489	Job opportunities, business priorities and free entry to tourist sites were found with significant differences between groups(p range from <0.001 to 0.013)
H12c	vary	From <0.05 to 0.080	Job opportunities, business priorities and free entry to tourist sites were found with significant differences between groups(p range from <0.001 to 0.013)
H13a	-.329*	.742	No significant difference exists.
H13b	-.315*	.753	

H13c	-.698*	.486	
H14a	2.613	.035	Post hoc test revealed significant difference between neutral group and “strongly satisfied” group(p=0.016)
H14b	9.941	.000	Post hoc test revealed significant difference between “strongly satisfied” group and “unsatisfied” group(p=0.001), between satisfied group with “strongly satisfied” group(p<0.001).
H14c	7.118	.000	Post hoc test revealed significant difference between neutral group and “satisfied” group(p=0.001)
H15a	5.178	.000	Post hoc test revealed significant difference between neutral group and “satisfied” group(p<0.001)
H15b	8.887	.000	Post hoc test revealed significant difference between neutral group and “satisfied” group(p<0.001), between neutral group and “strongly satisfied group”(p=0.001)
H15c	5.905	.000	Post hoc test revealed significant difference between neutral group and “satisfied” group(p<0.001)
H16a	3.467	.009	Not able to perform Post hoc test
H16b	19.267	.000	
H16c	14.096	.000	
H17	13.172	.000	Post hoc test revealed significant differences between “strongly agree” and “disagree” group(p=0.014), between “neutral” group and “agree” group(p<0.001), between “neutral” group and “strongly agreed group”(p<0.001)

Notes: * T-test was performed.

The indicators under each factor was performed with ANOVA individually

Annex 20: Questionnaire[English version]

Questionnaire for Tourism Development Impacts in Historic District

Dear Respondents:

My name is Yunpeng Zhang, a master candidate of Institute for Housing and Urban Development Studies, Erasmus University Rotterdam, the Netherlands, and I am conducting a research under the supervision of Dr. Alexander Otgaar from Erasmus School of Economics, Erasmus University Rotterdam. As a part of my research, this survey was constructed to investigate residents' perceptions toward tourism development impacts in historic district in Yangzhou. I would appreciate your time and effort in filling the questionnaire and sharing your experience.

This questionnaire is constructed in three parts and it will take you less than 15 minutes. Although the questions aim to understand your experience and opinions, you may decline to answer any questions you do not feel comfortable with or not wish to answer. All the information in this questionnaire you provided will be considered as confidential and will be grouped with other questionnaires. The coding on the top is only for data input purpose. Any disclosure of your personal information is considered as a violation of your privacy and research ethics. You may take any legal actions to protect your rights. The results of survey will only be used for the research. Upon receiving this questionnaire, if you have any questions regarding to this research, or would like to have additional information in helping you make any decision about participation, please feel free to contact me or my supervisor, Dr. Alexander Otgaar(English or Dutch). The contact information is listed below.

Thank you in advance for your interest and participation for this study.

YUNPENG ZHANG

Urban Management and Development

Institute for Housing and Urban Development Studies

Erasmus University Rotterdam, the Netherlands

Tel: 0031-6-81556152

0086-514-85200123

Alexander Otgaar (Dr.)

Department of Regional, Port and Transport Economics

Erasmus School of Economics

Erasmus University Rotterdam, the Netherland

Tel: 0031-10-4081578/4089153

YOU MAY KEEP THIS PAGE FOR YOUR REFERENCE

Questionnaires of Tourism Development Impacts in Historic District for Local Residents

Date:

Location:

Number:

Part 1: Perceived Impacts of Tourism Development

Instructions: The following statements try to understand your opinions regarding to the impacts of tourism development. It is divided to five parts, economic impact, social impact, cultural impact, environmental impact and overall impact. Based on your experience, please tell me how much do you agree or disagree with each statement. Please mark that box with “√”.

1 Economic impacts of tourism development in Urban Historic District

1= strongly disagree; 2=disagree; 3=neutral 4 =agree 5=strongly agree 6=I don't know

No.	Economic impacts of tourism development for historic district	1	2	3	4	5	6
1	Tourism development would create employment opportunities						
2	Tourism development would bring economic benefits to local business						
3	Tourism development would bring more investments to our community						
4	Tourism development will improve services quality of local business						
5	Tourism development would generate more revenues to Yangzhou Government						
6	My living standard has increased because of tourists spending in my community						
7	Tourism development helps improve the economic situation for many residents in our community						
8	Tourism development has increased my household income						
9	Tourism development has improved my housing condition						
10	Relocation will improve the living standard of residents						
11	Infrastructure(roads, parking and etc) has been improved because of tourism development in our community						
12	Public services quality has been improved due to tourism development in our community						
13	The price of good and services have been increased because of tourism development						

14	Tourism development created shortage of services and foods for local residents					
15	Real estate price has increased because of tourism development					
16	The living costs in the community has been increased because of tourism development					

2: Social Impacts of Tourism Development in Urban Historic District

No.	Social Impacts of Tourism Development in Urban Historic District	1	2	3	4	5	6
17	Recreational and entertainment facilities and spaces has been increased because of tourism development						
18	I feel more proud to live in this community after tourism development in our community						
19	The facilities and services has been well maintained because of tourism development						
20	Our quality of life has been increased because of tourism development						
21	Tourism development has created unpleasantly over-crowdedness in our community						
22	Tourism development has resulted in unpleasantly over-crowdedness in entertainment and recreational facilities for local residents						
23	Tourism development has resulted in crime rate increase(such as theft)						
24	Tourism development widened the income gap						
25	Large number of tourists has disturbed our daily life						
26	The relationships with neighbours were alienated.						
27	I feel been exploited by tourism development in my community, the daily life of resident comes a part of tourism resource.						
28	I feel my privacy has been violated by tourism development in our community, and tourists usually come into residents' house because of curious.						

3: Cultural Impacts of Tourism Development in Urban Historic District

No.	Cultural Impacts of Tourism Development in Urban Historic District	1	2	3	4	5	6
29	Tourism development has facilitated preservation of ancient buildings						
30	Tourism development has revitalized traditional cultures						

31	Tourism development has created a variety of cultural activities in my community					
32	Tourism development in my community has increased my pride in local crafts, arts and other cultural expressions					
33	Increased number of tourists has provided me with more opportunities to exchange with tourists and learn from their cultures					
34	Tourism development has changed the style or forms of traditional arts and crafts					
35	Large scale of relocation resulted in loss of living culture					
36	Tourism development encourages me to learn from tourists and imitate their behaviour directly or indirectly.					
37	Many tourists targeted shops destroyed the atmosphere of our neighbourhood					
38	Artificial and re-built buildings destroyed the original charm of my community					
39	Commercialization has resulted the loss of original charm of the community					
40	Tourism development has resulted loss of traditional culture					

4: Environmental Impacts of Tourism Development in Urban Historic District

No.	Environmental Impacts of Tourism Development in Urban Historic District	1	2	3	4	5	6
41	Tourism development has raised awareness of protecting the natural environment						
42	Tourism development creates more noise than before						
43	Tourism development produces more trash than before						

5: Overall Impacts of Tourism Development in Urban Historic District

No.	General Impacts of Tourism Development in Urban Historic District	1	2	3	4	5	6
44	In general, I think positive impacts outweigh the negative impacts of tourism development						
45	I support tourism development in my community						
46	I will continue supporting tourism development in my community						

Part 2: Personal Information

This section is designed to collect your personal information. Please answer these questions based on your personal background and experience. Please fill the brackets with corresponding letters

47 Gender: () A Male B Female

48 Age: () A 16-18 B 19-25 C 25-30 D 30-40
E 40-50 F 50-60 G 60 or older

49 Education: () A Primary school B Junior high school C Senior high school/vocation
or lower al training school
D Undergraduate E Postgraduate(Master/ Ph.D/ higher)
(3 or 4 years)

50 Yearly income : A 12000 RMB or lower B 10001-30000 RMB
C 30001-50000RMB D 50000-100000 RMB
E higher than 100001 F prefer not to say

51 Occupation: () A Student B Enterprises C Government staff
worker
D Teacher E Self- F Retire
employment
G Others, please specify

52 Have you or any member in your family ever worked in tourism related industries, such as hotels, travel agencies, and others?
A Yes, please specify who and which sector
B No

53 Are you Yangzhou local? () A Yes B No

54 How long have you been living in this community? ____years

55 Your political status () A Member of China B Member of
Communist Party Youth League
C Other democratic Parties D Not belong to
any political groups

Please tell me how you feel about the following statements. Please tick accordingly.

1= strongly disagree; 2=disagree; 3=neutral 4 =agree 5=strongly agree 6=I don't know

		1	2	3	4	5	6
56	I would rather live in this community than elsewhere (Living, Education , Employment and so on).						
57	I feel like an important part of my community						
58	I feel very sorry to leave the community						

59	Friendships with my neighbours in this community is important to me					
60	I love the living style in my community					
61	I am satisfied with government performance in tourism planning in our community					
62	I am satisfied with government performance in tourism management/operation in our community					
63	My overall satisfaction over government performance will increase if tourism development is well managed by government					

Community Participant is generally acknowledged to be a necessary factor of sustainable tourism development. Do you have the following experience? If yes, please tick in the box in the front, it could be a multible-choice question.

64a Do you have an experience below, please choose ()

- A Join in meetings and workshops about plan and community tourism development.
- B Join in a public hearing for tourism development plans in our community.
- C Join in the implementation and management work of community tourism development.
- D Join in the impacts evaluation of community tourism development
- E Join in the other implementation and management workshops of community tourism development, please specify :
- F None of above

64b Satisfaction for your experience (if the best is 5 points) _____

65 The main reasons for not participating in tourism development, management, monitoring, evaluation is ()

- A I'm not familiar about the related theme of tourism development
- B Government and developer are not considering for community participation for advices or opinions
- C I'm not interested because the tourism development is a government thing.
- D I'm not familiar how to join in decision making for tourism development, government apartment is not to publicize much.
- E I don't think that I have much power to influence governmental decision, my advice or opinions are difficult to be adopted by government.
- F I don't think I can improve my life condition through joining in decision-making and implementation of tourism development programmes
- G Other causes:

66 How would you participate in planning, implement, management of community tourism development? ()

- A Get tourism development information from various medias.
- B Join in the public hearings organized by government or developer.
- C Vote or be a delegate to join in workshops for tourism development
- D Join in surveys conducted by government or developer.
- E Join in residents meetings, workshops hold by government or developer.
- F Relocation by related government apartment.
- G Discuss plan, implement, management of tourism development with government or developer through a standing organization.
- H Provide plans or advices for government voluntary and actively.
- I Others:

What do you think about the following statement on community participation? Please tick accordingly.

1= strongly disagree; 2=disagree; 3=neutral 4 =agree 5=strongly agree 6=I don't know

No.	Statement of community participation	1	2	3	4	5	6
67	Residents are entitled to have more opportunity to learn tourism and culture related knowledge						
68	Residents are entitled to have more opportunity to receive tourism related services skills						
69	Residents should take the responsibility to preserve historic buildings, conserve natural environment and revitalize traditional culture						
70	Residents should stop tourists from destroying community environment and heritage resources						
71	Residents are entitled to discuss with government, developers and other relevant authorities to formulate policies and regulations on environment improvement and protection						
72	Residents are entitled to veto government future plans if the majority of the residents disagreed with the plan						
73	Residents are entitled to take part in tourism development planning, implementation and evaluation and should be respected						
74	Residents are entitled to decide what heritage resources(culture and buildings) could be used for tourism commoditization						
75	Residents are entitled to enter tourist sites and use tourism facilities without any charges						
76	Residents are entitled to be employed in tourism related positions with highest priority so that jobs created by tourism development would not all be occupied by migrants						
77	Residents are entitled to receive policy incentives to operate tourism related business in the host community						
78	Benefits induced by tourism development in the community should be distributed as wide as possible in the community.						

Part 3 : Your Suggestions

This part invites your comments and opinions for future tourism development in this community.

79 What do you think of current development situation in your community? Are there any problems or issues you want to raise?

80 Do you have any suggestions for future development plans in your community?

81 Do you have any other questions related to this study?

Thanks again for your participation in this study. If you would like to receive the research findings, please leave your email address or personal contact information here, or you may contact me later. The final research report will be ready after 25th September 2009.

Yes, I would like to receive the final research findings, here is my contact information
Email:

Address:

Post Code:

Other contact: