

**Impact of Financial Access on the Growth of Tourism Businesses in the Kambari Game Reserve, Mutum Buyi, Taraba State. Nigeria**

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**Abstract**

*This study investigates the effect of financial access measured through availability, affordability, and accessibility on the growth of tourism businesses in Mutum Buyi, Taraba State. The background to this study lies in the growing recognition of financial inclusion as a catalyst for rural tourism development. The study is anchored on the Social Capital Theory, which emphasizes the value of social networks, trust, and cooperation in facilitating access to resources and opportunities, including financial services, especially in underserved communities. A quantitative survey research design was adopted. Data were collected through structured questionnaires administered to a stratified random sample of 250 respondents, including tourism business owners, entrepreneurs, and financial stakeholders. Multiple regression analysis was used to assess the relationships between the independent variables and business growth indicators. Findings revealed that availability ( $\beta = 0.25, p = 0.001$ ), affordability ( $\beta = 0.18, p = 0.001$ ), and accessibility ( $\beta = 0.20, p = 0.002$ ) of financial services significantly and positively influence the growth of tourism businesses, while the constant ( $\beta = 2.35, p < 0.001$ ) shows strong baseline growth potential. The study concludes that financial access is a critical driver of tourism enterprise growth in rural settings. It recommends increasing the availability of financial outlets, introducing subsidized loan schemes to enhance affordability, and expanding digital banking services to improve accessibility. These measures are essential for fostering sustainable tourism development in Mutum Buyi.*

**Keywords:** Tourism Growth, Financial Accessibility, Rural Development, Sustainable Tourism, Economic Diversification

**Introduction**

Tourism has long been acknowledged as a key driver of economic growth, cultural exchange, and global connectivity. It contributes significantly to gross domestic product (GDP), creates employment opportunities, and fosters

infrastructure development, particularly in developed regions such as Europe and North America. These regions have maximized the economic benefits of tourism by implementing supportive policies and making substantial investments in tourism infrastructure, resulting

in job creation, cultural preservation, and increased foreign exchange earnings (Smith & Robinson, 2019; UNWTO, 2018). However, the global tourism sector is not without challenges, including fluctuating demand, environmental concerns, and the need for continuous innovation. Research underscores the importance of access to finance in enabling tourism businesses to overcome these challenges, adapt to changing circumstances, and maintain sustainable growth (Berger & Udell, 1998).

In Sub-Saharan Africa, tourism represents a significant economic sector, offering potential for revenue generation and community development. The region's appeal lies in its unique natural landscapes, rich biodiversity, and diverse cultural heritage, which collectively attract millions of tourists annually (Rogerson & Saarinen, 2018). Despite this potential, tourism growth in Sub-Saharan Africa faces several constraints, including limited access to finance, inadequate infrastructure, and political instability. These factors impede the competitiveness and sustainability of tourism enterprises in the region (Scheyvens & Biddulph, 2018). Studies suggest that improved financial access for tourism businesses can mitigate these barriers, empowering them to expand and contribute to broader economic development goals (Saganga & Thereza, 2023).

In Nigeria, the tourism sector remains underutilized despite its potential to drive economic diversification and development. Constraints such as inconsistent policies, inadequate infrastructure, and limited financing options hinder the growth of tourism enterprises, particularly in rural areas (Esu, 2015). Access to finance is vital for these businesses to enhance service quality, expand market reach, and build resilience against economic fluctuations (Ezeuduji, 2017). By improving financial access, Nigerian tourism businesses could leverage the country's rich cultural and natural assets to foster sustainable growth and economic transformation (John & Rivera, 2019; Odeh et al., 2025).

The Kambari Game Reserve in Mutum Buyi, Taraba State, Nigeria, presents a unique case for examining the impact of financial access on rural tourism development. Renowned for its biodiversity and scenic landscapes, the reserve holds significant potential as a rural tourism destination (Audu, 2020). In recent years, there has been a noticeable shift in how tourism businesses in this region respond to improved access to financial services. Entrepreneurs who have secured funding through cooperative societies, microfinance institutions, or mobile banking platforms have begun investing in infrastructure upgrades, diversifying their services, and increasing their workforce. These financial interventions have contributed to enhanced visitor experiences, longer tourist stays, and stronger community participation.

However, this transformation remains uneven, as many businesses continue to face financial exclusion due to inadequate service coverage, high interest rates, and bureaucratic lending procedures. This study, therefore, investigates the influence of financial access on the growth of tourism businesses in the Kambari Game Reserve, addressing a critical gap in understanding the financial needs of rural tourism enterprises. By focusing on this context, the research aims to provide practical insights into promoting sustainable tourism development in rural Nigeria.

The general objective of the study is to investigate the influence of access to finance on the growth of tourism businesses in Kambari Game Reserve. The specific objectives are to:

- i. Assess the effect of the availability of financial services on the growth of tourism businesses at Mutum Buyi, Taraba State.
- ii. Evaluate how the affordability of financial services affects the growth of tourism businesses at Mutum Buyi, Taraba State.
- iii. Determine the effect of accessibility of financial services on the growth of tourism

businesses at Mutum Buyi, Taraba State.

## **2.0 LITERATURE REVIEW**

### **Concept of Financing**

Financing is critical for the growth of tourism businesses, particularly in rural areas. Alemayehu and Van-Vuuren (2017; Salawudeen et al., 2020) defined financing as the process through which businesses acquire the funds necessary for operations, investments, and expansion. This process is especially pertinent in rural Nigeria, where financing plays a significant role in improving infrastructure, service quality, and marketing efforts to attract tourists. According to Rivera and Gutierrez (2019), the strategic management of financial resources ensures the sustainability of tourism enterprises, especially in areas with irregular income streams.

Two main types of financing commonly used by tourism businesses are debt financing and equity financing (Tengco, 2014; Salawudeen et al., 2020). Debt financing allows businesses to access capital through loans or bonds, requiring repayment with interest over time. Although it offers the advantage of maintaining ownership, it imposes significant financial obligations on tourism enterprises, particularly those with limited income (Abdulsaleh & Worthington, 2013; Salawudeen and Dandago, 2020). Conversely, equity financing involves selling shares of ownership in a business, which alleviates cash flow pressure but dilutes control (Larmie, 2018). This approach can be beneficial for tourism businesses in rural areas if they attract investors who see potential growth opportunities (Salazar, Soto, & Mosqueda, 2012).

The role of financing in tourism growth is pivotal. It enables businesses to invest in essential areas such as infrastructure, services, and marketing, driving the development of

tourist destinations (Salazar et al., 2012; Salawudeen and Dandago, 2020). In rural areas like those surrounding tourism hot spots in Nigeria, access to financing can unlock the sector's potential, fostering sustainable growth.

### **Availability of Financial Products**

The availability of various financial products such as loans, grants, and investment capital is essential for the growth of tourism businesses. Beck (2010) argued that access to a diverse array of financial products helps businesses overcome capital constraints and pursue expansion. For rural tourism enterprises, loans are a critical form of financing, enabling businesses to build infrastructure, improve services, and manage operational costs (Seth, 2018). Loan availability depends on factors such as creditworthiness and the perceived risk of the tourism sector (Ankara, 2012; Chusho, 2013).

Grants, unlike loans, are funds that do not require repayment and are often provided by government agencies or private organizations. These grants can help fund projects aimed at improving infrastructure, preserving cultural heritage, or promoting sustainability (Seth, 2018). Investment capital, in the form of equity financing, is another important resource, particularly for large-scale projects. It is influenced by investor confidence, potential return on investment, and the attractiveness of the tourism sector (Ankara, 2012; Chusho, 2013). Ensuring a robust market for investment capital is crucial for supporting the growth of rural tourism businesses.

### **Affordability of Financial Services**

The affordability of financial services is a key factor influencing access to financing. As Abdul-Rahamon and Adejare (2014) noted, the cost of financial products – including interest rates, fees, and other charges – directly impacts a business's ability to secure financing. For tourism businesses in rural areas, affordability is essential to maintaining operational efficiency and ensuring growth prospects

(Anderson, 2017). High interest rates can significantly strain cash flow, making borrowing less attractive for businesses with irregular revenues (Babu, 2017). Conversely, lower interest rates help reduce financial burdens, facilitating investment in infrastructure and marketing (Barasa, 2013; Odeh et al., 2025).

Fees associated with financial products, such as application and processing fees, can further impact affordability. Barboni et al. (2013) highlighted that excessive fees could deter businesses from applying for loans or grants. Therefore, financial institutions should aim to provide transparent and reasonable fee structures to enhance access to financing for small and medium-sized enterprises (SMEs) in rural areas.

Rugare (2020) argued that affordability also entails managing the long-term financial impact of borrowing. Financial products with low interest rates and minimal fees can ease the operational strain on businesses, enabling them to focus on growth and sustainability.

### **Accessibility of Financial Services**

Accessibility of financial services refers to the ease with which businesses can obtain and utilize financial products (Fiseha & Oyelana, 2015). For tourism businesses in rural Nigeria, this includes factors such as loan accessibility, proximity to financial institutions, and the simplicity of application processes. Donkor et al. (2018) emphasized that rural tourism enterprises face significant barriers in accessing financing due to complex procedures and a lack of nearby financial institutions. Simplifying loan application processes and reducing bureaucratic hurdles can significantly enhance access to financial products for these businesses.

The proximity of financial institutions plays a crucial role in financial accessibility, particularly in rural regions where banks may be sparse or absent. Establishing more accessible branches or leveraging digital

banking solutions can improve financial service availability (Hackmann, Kolstad, & Kowalski, 2015; Salawudeen and Dandago, 2020). Furthermore, simplifying application procedures and offering financial advisory services can foster greater accessibility for rural tourism businesses (Haddad & Lotfaliei, 2019).

### **Eligibility Criteria for Financial Services**

Eligibility criteria for financial services are the requirements businesses must meet to qualify for loans, grants, or investment capital. These criteria often include factors such as creditworthiness and collateral requirements (Haron et al., 2013; Abdullahi et al., 2025). For rural tourism businesses, these criteria can present significant challenges, particularly due to limited financial histories and the lack of tangible assets to pledge as collateral (Ibrahim & Bauer, 2013). Hovakimian et al. (2012) suggested that addressing these challenges through alternative credit assessments or innovative collateral solutions could improve access to financing.

Offering unsecured loans or revising eligibility requirements to accommodate the unique circumstances of rural businesses can foster greater inclusion (Manzoor & Sahito, 2021). Revising collateral requirements and implementing flexible creditworthiness assessments can enhance access to financial products for rural tourism businesses, supporting their growth and sustainability (Haron et al., 2013).

### **Growth of Tourism Businesses in Rural Nigeria**

The growth of tourism businesses in rural Nigeria is influenced by various factors, including access to financing, infrastructure development, and marketing strategies. Abubakar and Kassim (2018) emphasized that access to financial resources enables businesses to invest in infrastructure, improve services, and market attractions. In rural Nigeria, where infrastructure may be underdeveloped, investment in transportation, accommodation,

and communication networks is vital for supporting tourism growth.

Effective marketing strategies are also crucial for attracting visitors and raising awareness of local tourism offerings. Aghughu, Alenoghena, and Amase (2022) highlighted the role of digital platforms and partnerships with travel agencies in boosting tourism visibility. By leveraging these strategies, tourism businesses can effectively promote unique attractions, such as wildlife and scenic landscapes, contributing to regional economic development.

The growth of tourism businesses in rural Nigeria presents significant potential for economic development and job creation. However, addressing challenges such as financing, infrastructure, and marketing is essential for fostering long-term growth and sustainability.

### **Influence of Access to Financing on the Growth of Tourism Businesses in Rural Nigeria**

The availability and accessibility of financial resources play a critical role in the growth of tourism businesses, particularly in rural regions. In rural Nigeria, where tourism is often underdeveloped due to limited financial support, access to financing can significantly influence various operational and developmental aspects of tourism enterprises (Mokua, 2013). Financing enables tourism businesses to invest in key areas such as infrastructure, service enhancement, expansion, sustainability, and the local economy. Below are the primary ways in which access to financing impacts the growth of tourism businesses in rural Nigeria:

#### **Infrastructure Development**

Access to financing provides tourism businesses with the capital required to invest in essential infrastructure. This is particularly important in rural areas, where infrastructure is

often inadequate. Financial resources enable businesses to build or upgrade vital facilities such as hotels, lodges, transportation networks, and visitor centers (Mokua, 2013). Infrastructure improvements not only enhance accessibility but also improve the overall tourist experience, making destinations more attractive. For instance, financing can support the development of lodges near attractions, providing better accommodations and enhancing the region's competitiveness (Mokua, 2013).

#### **Service Enhancement**

Financial resources are crucial for improving the quality of services provided by tourism businesses. This includes upgrading facilities, acquiring new equipment, and investing in staff training. By securing financing, businesses can adopt modern technologies, improve customer service, and create innovative tourism offerings, such as guided tours or adventure activities (Mokua, 2013). These improvements contribute to higher visitor satisfaction, repeat business, and positive reviews, all of which are essential for the sustainability and growth of tourism enterprises.

#### **Expansion and Diversification**

Financing enables the expansion and diversification of tourism businesses, allowing them to reach new markets and broaden their product offerings. For example, businesses may use financial support to introduce new types of accommodations, such as eco-lodges or luxury tents, or diversify into new tourism experiences like cultural tours or wildlife safaris (Mokua, 2013; Salawudeen and Dandago, 2020). By diversifying, businesses can attract a broader range of tourists, reduce reliance on a single market segment, and foster long-term growth and stability.

#### **Conservation and Sustainability Initiatives**

Access to financing also supports conservation and sustainability efforts within tourism



businesses. For tourism ventures located near natural attractions, such as Kambari Game Reserve, financial resources can be directed toward environmental conservation programs, community engagement, and the adoption of sustainable tourism practices (Mokua, 2013; Abdullahi et al., 2025). Sustainable practices not only help preserve natural resources but also enhance the long-term appeal of the destination and attract environmentally-conscious tourists.

### **Economic Impact**

The economic implications of access to financing extend beyond individual businesses and influence the broader local economy. Tourism businesses that receive financial support are more likely to thrive, creating job opportunities and stimulating local economies (Mokua, 2013). A successful tourism business can increase demand for local products, services, and crafts, benefiting the entire community. By generating additional revenue, such businesses contribute to regional economic vitality and promote sustainable economic development.

### **Theoretical Framework**

Social Capital Theory is particularly relevant to this study, as it emphasizes the importance of relationships, networks, and community engagement in fostering the growth of rural tourism businesses.

Social Capital Theory focuses on the value derived from social networks, relationships, and community engagement. Bourdieu (1986) introduced the concept of social capital, emphasizing how social networks facilitate access to resources, information, and support. The theory highlights the role of trust, reciprocity, and collaboration in fostering community-driven development and growth.

In the context of rural tourism businesses in Nigeria, Social Capital Theory underscores the importance of local networks and relationships

in securing financial resources and fostering collaboration. Strong social capital within communities surrounding tourism destinations like Kambari Game Reserve can enhance businesses' access to financing, build local support, and promote sustainable growth (Putnam, 1995). Involving local communities in tourism development ensures that benefits are distributed equitably and encourages culturally sensitive and sustainable practices.

Despite its advantages, Social Capital Theory has limitations, such as difficulties in measuring social networks and the potential for exclusionary practices that limit diversity and innovation (Putnam, 1995). Additionally, while social capital is crucial, it may not fully account for external factors, such as economic conditions, that influence business success.

### **Empirical Literature**

This section of the study reviews existing research on the influence of access to financing on the growth of tourism businesses, specifically examining how financial resources, including their availability, affordability, accessibility, and eligibility, impact tourism enterprises in various regions. The empirical literature highlights the role that financial access plays in shaping the development and success of tourism businesses in different settings, with a particular emphasis on rural areas.

Tinsley and Lynch (2007) explored the role of small and medium-sized enterprises (SMEs) in rural tourism development in the United Kingdom. Their study focused on the impact of financial constraints on the growth of small tourism businesses in rural England. Through a mixed-methods approach, which included a sample of 40 tourism SMEs, the authors found that limited access to financing hindered business growth, innovation, and expansion. Specifically, they noted that financial limitations restricted businesses' ability to invest in essential services and infrastructure, crucial for competing in the tourism market. Tinsley and Lynch (2007) recommended that

government support programs should be enhanced and that financial literacy among tourism SMEs be improved to boost their participation in the market.

Similarly, Jones and Simmons (2007) conducted a study on the importance of financing for tourism-related SMEs in Australia. They surveyed 100 tourism SMEs across various states, using quantitative methods such as multiple regression analysis. The study revealed that inadequate access to capital had a significant negative effect on the growth and sustainability of these businesses. The authors emphasized systemic barriers that hindered access to capital, including rigid lending policies of financial institutions. Jones and Simmons (2007) called for reforms in the lending policies of financial institutions to address the specific needs of tourism SMEs, while also recommending that tourism entrepreneurs improve their business models to enhance their chances of securing financing.

John and Rivera (2019) extended the discourse by investigating the role of greater access to finance as a driving factor for the sustainability of tourism-related SMEs in the Philippines. The study used a survey method and engaged 34 SMEs in the tourism sector. The findings highlighted the importance of financial capacity building for SMEs, noting that easier access to finance could help enhance their sustainability and competitiveness. The study proposed a framework to empower tourism SMEs by ensuring easier access to financing through liberalized policies of commercial and universal banks. John and Rivera (2019) recommended policy measures to improve financing conditions for SMEs to allow them to better leverage globalization opportunities.

Expanding the focus to the African context, Saganga and Thereza (2023) examined the relationship between tourism growth and financial sector development across 43 African economies. Using data from the World Bank and IMF between 1995 and 2020, the authors employed various econometric techniques to analyze the mutual reinforcing effects between

tourism growth and financial sector development. They concluded that there was a symbiotic relationship between these two sectors, with financial sector development facilitating tourism growth. However, they noted that financial constraints still posed challenges to SMEs in rural tourism areas. They advocated for the promotion of inbound tourism and improvements in financial infrastructure to support tourism businesses (Saganga & Thereza, 2023).

Isaac (2014) explored the challenges and roles of SMEs in the development of tourism in Ghana, focusing on Cape Coast in the Central Region. Through a qualitative research approach involving 30 SME owners, Isaac found that SMEs in the tourism sector faced numerous financial constraints, including limited access to financing, high-interest rates, and low patronage. The study highlighted the need for financial support from the government, financial institutions, and non-governmental organizations (NGOs). Isaac (2014) recommended the creation of an enabling environment for SMEs to foster sustainable tourism development and socio-economic growth.

In the Nigerian context, Bala (2020) conducted a study on financial resource mobilization among informal entrepreneurs in North West Nigeria. The study used a qualitative inductive methodology and found that institutional asymmetry played a significant role in shaping how entrepreneurs accessed financial resources. Bala (2020) recommended targeted financial policies and support mechanisms to address the challenges entrepreneurs face in securing financing.

Adeyemi (2014) explored the challenges faced by SMEs in the Nigerian tourism industry, particularly in Lagos and Abuja. The study found that financial constraints, high-interest rates, and limited access to credit facilities significantly hindered the growth and expansion of tourism businesses. Using a mixed-methods approach, the study revealed that tourism SMEs in Nigeria were severely

impacted by the lack of accessible financing options. Adeyemi (2014) called for policy reforms to create more accessible financing options tailored to the tourism sector and enhance the sustainability of tourism businesses in Nigeria.

Okeke and Okeke (2017) examined the factors influencing access to finance for tourism SMEs in Nigeria, specifically in Enugu State. Their study found that poor financial infrastructure, coupled with a lack of support from both the government and financial institutions, posed significant challenges to SMEs in the tourism sector. The authors recommended improving financial infrastructure and creating more favorable policies for SMEs in order to foster business growth. Okeke and Okeke (2017) emphasized the need for collaboration between the Nigerian government and financial institutions to create accessible financial products for tourism SMEs.

### **Study Gaps**

The reviewed studies highlight the significant role that access to finance plays in the growth of tourism businesses, particularly for SMEs. While the findings of these studies are valuable, there are several gaps in the literature. For instance, John and Rivera (2019) focus on the Philippines but do not consider the unique challenges faced by rural tourism businesses in African contexts. Similarly, Saganga and Thereza (2023) emphasize macroeconomic factors in African countries without addressing the localized issues faced by rural tourism businesses in specific countries like Nigeria. Isaac (2014) provides insights into the challenges faced by SMEs in Ghana but does not focus on rural settings like Nigeria's Kambari Game Reserve. Additionally, while Bala (2020) explores financial resource mobilization in Nigeria, the study does not specifically address the tourism sector.

This study seeks to fill these gaps by focusing on the influence of access to finance on the growth of tourism businesses in rural Nigeria, offering localized insights that are under

explored in the existing literature. By focusing on the specific financial needs of tourism businesses in rural settings, this study will contribute to a deeper understanding of the barriers and opportunities that influence the growth of these businesses.

### **3.0 METHODOLOGY**

The research adopts a quantitative approach to provide a comprehensive understanding of the impact of financial access on tourism business growth. The quantitative aspect of the study assesses the extent to which various dimensions of financial access – availability, affordability, accessibility, and eligibility – affect tourism enterprises in the Kambari Game Reserve. The quantitative method design is particularly suitable for this study as it allows for both statistical analysis of financial barriers and in-depth insights into the personal and organizational experiences of tourism businesses in the study area. The study aims to offer robust findings that can contribute to effective policy formulation and business strategies.

The target population for this study consists of tourism business owners, managers, and key stakeholders operating within the Kambari Game Reserve and its surrounding areas. These include small and medium-sized tourism enterprises (SMEs), such as tour operators, accommodation providers, and local service providers that rely on tourism for their livelihoods. The population is relatively small, and the focus is on understanding the specific challenges faced by these tourism enterprises in terms of financial access.

A purposive sampling technique is employed to select participants who meet specific criteria: they must own or manage a tourism business in the Kambari Game Reserve, and they must have experience with accessing finance for business operations. This technique ensures that the sample consists of individuals who are directly affected by the financial access issues being studied. In total, 250 participants are selected for the quantitative survey, ensuring a



sufficient sample size for statistical analysis including tourism business owners, financial institution representatives, and local government officials. This provides a diverse set of perspectives on the challenges and solutions related to financial access.

The quantitative data is collected through a structured questionnaire designed to assess the availability, affordability, accessibility, and eligibility of financial resources for tourism businesses in the Kambari Game Reserve. The questionnaire is developed based on a review of relevant literature and tailored to the unique context of rural tourism in Nigeria. Key variables are identified, including access to financial products (loans, grants, etc.), interest rates, loan conditions, and barriers to obtaining financing.

The questionnaire includes both closed-ended and Likert scale questions to measure respondents' perceptions of financial access and its impact on business growth. A five-point Likert scale is used to assess the extent to which participants agree or disagree with statements related to the financial challenges they face.

The quantitative data is analyzed using descriptive and inferential statistical techniques. Descriptive statistics, including frequencies, percentages, and means, are used to summarize the responses and provide an overview of the financial access issues faced by tourism businesses in the Kambari Game Reserve. Inferential statistics, such as regression analysis, are used to determine the relationships between financial access and business growth. This helps in identifying the extent to which different dimensions of financial access (availability, affordability, accessibility, and eligibility) impact the performance of tourism businesses in the study area.

Data is analyzed using Statistical Package for the Social Sciences (SPSS) software, which provides reliable tools for performing regression analysis and other statistical tests. A significance level of 0.05 is set for all statistical tests, and the results are interpreted in light of the research objectives.

## 4.0 RESULTS AND DISCUSSION

### Demographic Profile of Respondents

The quantitative survey involved 250 participants comprising tourism business owners and managers. The demographic analysis revealed the following:

**Table 1. Demographic Analysis**

Demographic Attribute	Category	Percentage
<b>Gender Distribution</b>	Male	60%
	Female	40%
<b>Age Range</b>	18-29 years	25%
	30-45 years	55%
	Above 45 years	20%
<b>Business Types</b>	Accommodations	40%
	Tour Operators	30%
	Other Services (e.g., crafts)	30%

Source: SPSS Output, 2025

**Table 2. Financial Access Dimensions**

Dimension	Key Findings	Percentage of Respondents (%)
<b>Availability</b>	Access to formal financial products (e.g., bank loans, grants)	35%
	Reliance on informal sources (personal savings)	50%
	Reliance on informal loans (family, friends)	15%
<b>Affordability</b>	High-interest rates as a barrier to borrowing	70%
	Interest rates on available loans (annual)	20-30%
<b>Accessibility</b>	Financial institutions located far from respondents	65%
	Complex application processes deter potential borrowers	50%

Source: SPSS Output, 2025

From the analysis, the study assessed three key dimensions of financial access: availability, affordability and accessibility. The findings for each are summarized below: on *Availability*: Only 35% of respondents reported having access to formal financial products such as bank loans or grants. The majority relied on informal sources, including personal savings (50%) and loans from family or friends (15%). On *Affordability*: High-interest rates were a major

barrier, with 70% of respondents indicating that the cost of borrowing was prohibitive. Interest rates on available loans ranged from 20-30% annually. On *Accessibility*: Geographic and bureaucratic challenges limited accessibility, with 65% of respondents stating that financial institutions were located far from the Kambari Game Reserve. Additionally, complex application processes deterred 50% of potential borrowers.

### Multiple Regression Analysis

A multiple regression analysis was conducted to examine the impact of financial access on key business growth indicators, including revenue growth, customer base expansion, and service quality improvements. Financial access was measured through variables such as access

to formal loans, microfinance support, and credit facilities, while business growth was assessed through reported revenue changes, customer base size, and service quality enhancements.

**Table 3. Regression Results**

Variable	Coefficient ( $\beta$ /beta $\beta$ )	Standard Error	t-Statistic	p-Value
Constant	2.35	0.58	4.05	0.000
Availability	0.25	0.07	3.57	0.001
Affordability	0.18	0.05	3.60	0.001
Accessibility	0.20	0.06	3.33	0.002

Source: SPSS Output, 2025

The regression analysis conducted in this study revealed a significant impact of financial access dimension such as availability, affordability

and accessibility on key business growth indicators, including revenue growth, service quality, and market reach. The results

demonstrate that businesses with access to formal financial services experience substantial

advantages over those relying on informal sources of funding.

### Test of Hypothesis

#### **H<sub>01</sub>: Availability of financial service have no significant effect on the growth of tourism businesses at Mutum Buyi, Taraba State.**

The findings indicate that businesses with availability to formal financing reported a 25% higher revenue growth rate compared to those that depended solely on informal funding sources such as personal savings or loans from family and friends. This suggests that formal financial access provides businesses with the necessary capital to invest in operational expansion, inventory, and strategic business development. The regression analysis further confirmed that the coefficient for financing availability was positive and statistically significant ( $p < 0.01$ ), reinforcing the strong impact of financial availability on revenue generation.

#### **H<sub>02</sub>: Affordability of financial services have no significant effect on the growth of tourism businesses at Mutum Buyi, Taraba State.**

The study also found that businesses that are able to afford financial aids receiving financial support were more likely to invest in employee training, technology, and infrastructure, leading to significant improvements in service quality. Financially empowered businesses had the

resources to train their workforce, upgrade their facilities, and adopt better customer service practices, which in turn enhanced overall customer satisfaction. The regression results demonstrated a strong positive correlation between financial affordability and service quality improvement, indicating that businesses that can afford greater financial capacity were able to provide higher-quality services, thereby gaining a competitive edge in the market.

#### **H<sub>03</sub>: Accessibility of financial services have no significant effect on the growth of tourism businesses at Mutum Buyi, Taraba State.**

Access to finance played a crucial role in enabling businesses to expand their marketing efforts, thereby increasing their customer base. Businesses with adequate financial resources were able to invest in promotional activities, digital marketing strategies, and brand positioning, which led to a 20% increase in customer acquisition. The regression analysis further confirmed that the coefficient for marketing expansion was positive and statistically significant ( $p < 0.05$ ), signifying that accessibility to financial support directly contributes to business visibility and customer growth.

**Table 4: Model Summary:**

Model	R <sup>2</sup>	Adjusted R <sup>2</sup>	F-Statistic	p-Value
Business Growth Model	0.72	0.70	15.82	< 0.001

Source: SPSS Output, 2025

These results indicate that financial access is a key predictor of business growth, explaining 72% of the variation in revenue, service quality, and market reach. The high F-statistic and low p-value confirm the overall significance of the model. These results confirm that financial access plays a crucial role in enhancing business growth by increasing revenue,

improving service quality, and expanding market reach. The significant p-values across all independent variables suggest strong evidence supporting these relationships.

### **Discussion of Findings**

The findings from this study reveal several critical barriers to financial access that impede

the growth of tourism businesses in the Kambari Game Reserve. These barriers – characterized by limited availability, high costs, geographic inaccessibility, and collateral requirements – highlight systemic challenges that constrain rural tourism enterprises.

From the first findings, Only 35% of respondents had access to formal financial products such as loans or grants, while 50% relied on personal savings and 15% on family or friends for funding. This reliance on informal sources is indicative of the limited penetration of financial institutions in rural areas, consistent with studies by Rogerson and Saarinen (2018) and Scheyvens and Biddulph (2018), which highlight similar gaps in Sub-Saharan Africa. Formal financial institutions often perceive rural tourism businesses as high-risk due to their small scale, seasonal demand, and dependence on external factors such as infrastructure and security. Addressing this gap requires tailored financial products that account for the unique characteristics of the rural tourism sector.

From the second findings, the prohibitive cost of borrowing, with interest rates ranging from 20-30% annually, was a significant barrier for 70% of respondents. This aligns with findings from Ezeuduji (2017), who noted that high-interest rates deter small-scale entrepreneurs in Nigeria from seeking formal financing. High borrowing costs not only restrict access to credit but also limit investment in growth-enhancing initiatives, such as infrastructure upgrades and marketing. Reducing these costs through subsidized loans or low-interest credit schemes is crucial to fostering rural tourism development.

From the third findings, Geographic and bureaucratic challenges were highlighted as major accessibility issues, with 65% of respondents stating that financial institutions were located far from the Kambari Game Reserve. This lack of proximity increases transaction costs and time spent accessing financial services, a challenge echoed in the work of Saganga and Thereza (2023). Digital banking and mobile money services could bridge this gap by enabling remote access to

financial services, reducing reliance on physical branches, and improving convenience for rural businesses.

## **5.0 CONCLUSION**

The findings of this study underscore the importance of addressing financial barriers to unlock the growth potential of tourism businesses in the Kambari Game Reserve. A holistic approach involving government policies, innovative financial products, and community-based initiatives is essential to achieving financial inclusion. By empowering entrepreneurs and fostering sustainable tourism development, stakeholders can contribute to the economic transformation of rural communities in Nigeria.:

## **Recommendations**

1. **Enhance the Availability of Financial Services in Mutum Buyi:** Stakeholders such as government agencies, microfinance institutions, and commercial banks should work collaboratively to increase the presence of financial service providers in Mutum Buyi. Establishing more physical and digital banking outlets will ensure tourism entrepreneurs can easily access essential financial services, thereby promoting business expansion.
2. **Promote Affordable and Tailored Financial Products for Tourism Businesses:** Financial institutions should design and implement affordable credit schemes, low-interest loan facilities, and flexible repayment plans specifically for tourism-related businesses. This affordability will empower more entrepreneurs to access funds for business development and innovation.
3. **Improve Financial Accessibility Through Financial Literacy and Mobile Banking:** Efforts should be made to increase entrepreneurs' awareness and understanding of financial services through targeted financial literacy programs. Additionally, leveraging mobile banking platforms and agent banking can

bridge the gap between financial institutions and tourism entrepreneurs in remote or underserved areas like Mutum Buyi.

### Contributions to Knowledge

This study contributes to the body of knowledge on financial access barriers and their implications for the growth of rural tourism businesses in Nigeria. It provides empirical evidence of the critical interplay between financial inclusion and sustainable tourism development. The findings also extend existing literature by offering a nuanced understanding of the challenges and opportunities in the context of rural tourism enterprises.

### Suggestions for Future Research

i . Future studies should compare financial access barriers across various rural tourism regions in Nigeria to identify common trends and region-specific challenges.

ii. Investigate the role of mobile banking and digital financial platforms in improving access to finance for rural tourism businesses.

iii. Conduct long-term studies to assess the sustained impact of financial access on business growth and resilience.

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