

Assessing the Socio-Economic Impact of Indigenous Fairs and Festivals on Local Communities: Evidence from Himachal Pradesh

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Abstract

Indigenous fairs and festivals play a vital role in preserving cultural heritage, boosting tourism, and enhancing the socio-economic well-being of local communities. Despite their growing significance, limited empirical research has examined their impact from both tourist and community perspectives, particularly in Himachal Pradesh (HP), a state renowned for its rich cultural traditions and vibrant indigenous celebrations. This study addresses that gap by investigating the socio-economic effects of popular indigenous fairs and festivals in HP. Using a quantitative research design, primary data were collected through structured questionnaires administered to 513 respondents, comprising 264 tourists and 249 local residents. The data were analyzed using descriptive statistics, an Independent Samples t-test, Welch ANOVA, and the Games-Howell post hoc test in IBM SPSS Statistics.

Findings reveal that most respondents perceive indigenous festivals as important for preserving culture, promoting tourism, generating employment, supporting local industries, and improving community health. Notably, no significant difference emerged between tourists and locals regarding perceived socio-economic impact, although significant differences were found among tourist subgroups. These results underscore the role of indigenous festivals in fostering sustainable tourism and inclusive regional development. The study recommends strengthening destination management, upgrading tourism infrastructure, encouraging community participation, and adopting effective promotional strategies to maximize the socio-economic benefits of indigenous festivals in Himachal Pradesh.

Keywords: *Indigenous fairs and festivals, Socio-economic impact, Festival tourism, Local communities, Sustainable tourism.*

1. INTRODUCTION

Festival has always been recognized as the expression of cultural identity, religious beliefs and social traditions which play a significant role in the preservation of community heritage and regional development. Indigenous fairs and festivals throughout the world are more than just ceremonies; they are devices to promote cultural exchange, social unity, economic activity and tourism promoting. As cultural tourism has developed, these traditional events have become more and more important as tools to create jobs, boost local business, protect intangible culture and enhance the competitiveness of a destination. As such, indigenous festivals have become an important tool for governments and tourism planners to use in sustainable tourism and inclusive socio-economic development.

India is well known for its cultural diversity, and each region hosts a variety of folk festivals and fairs that have been celebrated over centuries, symbolizing religious beliefs, folklore, music, dance, handicrafts and the traditions of the

region. These events draw millions of local and international tourists annually, and boost the demand for housing, transport, handicrafts, food and other tourism services, thus contributing to the local economy. Indigenous festivals are also opportunities for artisans, farmers, performers and small entrepreneurs to exhibit and sell while ensuring the preservation of indigenous knowledge systems and building community identity. For this reason, festivals are now seen as opportunities for the preservation of culture and the promotion of economy simultaneously, and are being increasingly recognized as strategic resources.

Himachal Pradesh is rich with indigenous customs and rich variety of festivals that make it a unique state among all the other culturally rich states of India. The state celebrates various famous fairs and festivals, each holding its own unique historical, religious and socio-cultural significance such as Kullu Dussehra, International Shivratri Festival (Mandi), Minjar Fair, Renuka Fair, and Lavi Fair. The festivals are huge annual events and are an important source of livelihood for local communities. During festivals, more visitors come in which boosts the income of local resident vendors, cultural performers, transport operators, restaurants and hotels in the region. Beyond their economic presence, these festivals foster social bonding, engage communities, and perpetuate traditional cultural practices handed down through the generations.

Festival tourism has garnered significant academic interest in recent two decades. The previous studies have shown that festivals play an important role in destination branding, satisfaction of visitors, employment, entrepreneurship and regional development (Getz, 2010; Richards, 2018; Quinn, 2005). In the same way, international organisations like UNESCO (2003) and UN Tourism (formerly UNWTO) have been emphasising the need for cultural festivals in protecting intangible cultural heritage and supporting sustainable tourism and community development. Even with these efforts, socio-economic impacts of indigenous fairs and festivals are not always even. The level of economic benefits can vary depending on the tourism infrastructure, community involvement, government support, marketing, and destination management practices. Thus, an empirical study is needed to determine the benefits and problems encountered by locals in participating in the indigenous festival.

While there are some studies available on festival tourism that have been conducted in various parts of the country as well as internationally, studies specifically on the indigenous festivals and fairs of Himachal Pradesh have remained limited. The majority of previous studies have focused on tourism promotion, the preservation of culture or visitor satisfaction, rather than on the social and economic effects that local communities feel as a result of the visits. In addition, there is not much research that has compared the views of locals and tourists on employment generation, income generation, business development and participation in the community through traditional festivals. These perceptions are also little explored in terms of the influence of demographic characteristics and occupational differences.

Recognizing these gaps, the current study aims to explore the socio-economic effects of the indigenous fairs and festivals on the local community in the state of Himachal Pradesh. The study investigates the role of selected festivals in promoting tourism, generating employment, developing local businesses, preserving culture and involving local communities by analysing the perception of tourists and locals. The study is based on primary data gathered from 513 respondents and offers empirical evidence to the ever expanding literature on festival tourism and sustainable regional development. The results will contribute to the development of strategies by the tourist offices, destination management organisations, the local community and the government in order to support the sustainable socio-economic development of the region and the long-term preservation of indigenous cultural heritage, while promoting cultural tourism.

1.1. Research Objectives

1. To examine the socio-economic impact of indigenous fairs and festivals on local communities in Himachal Pradesh.

2. To compare the perceptions of tourists and local residents regarding the socio-economic impact of indigenous fairs and festivals.
3. To analyse differences in perceptions of the socio-economic impact across occupational groups and tourist-origin categories.

2. LITERATURE REVIEW

The literature on festival tourism has expanded significantly over the past three decades as researchers have increasingly recognized festivals as important drivers of tourism development, cultural preservation, community participation, and regional economic growth. Initially, festivals were viewed primarily as cultural and religious celebrations; however, contemporary research considers them multidimensional events that generate economic, social, cultural, and environmental impacts. This section reviews the existing literature related to indigenous fairs and festivals, festival tourism, socio-economic impact, community development, and previous empirical studies to establish the theoretical foundation of the present research.

2.1 Indigenous Fairs and Festivals

Indigenous fairs and festivals are communal activities that are traditionally held based on the historical, religious and cultural practices of a specific region or ethnic community. The events embody the sense of community and serve as a medium for conserving traditions, customs, rituals, folk arts, traditional music and dance, handicrafts and Indigenous Knowledge. The indigenous festivals, as opposed to commercially organised ones, have grown over generations and remained a strong symbol of the cultural values and social structure of the communities hosting the festival.

The indigenous festivals of Himachal Pradesh like Kullu Dussehra, International Shivratri Festival (Mandi), Minjar Fair, Renuka Fair, and Lavi Fair are important cultural heritage of the state. The festivals not only being religious in nature but also a significant socio-economic activity, providing temporary jobs, boosting handicraft markets, enhancing local food culture and attracting tourists. These festivals continue to be popular, contributing to the continuity of the culture and also being important for the local economy.

Indigenous festivals serve as a double-edged sword, both in maintaining indigenous cultures and developing tourism. Scholars claim that indigenous festivals have dual functions; maintaining indigenous cultures and developing tourism. Getz (2010) states that festivals are community-based events which make the visitor experience memorable and strengthen the local identity. In the same way, Richards (2018) demonstrates that the modern-day tourist also wants a more genuine experience, thereby making indigenous festivals to be a resource for tourism in the destinations wanting to be unique in the competitive tourism market.

2.2 Festival Tourism

Festival tourism is the travel which is driven entirely or partially by the attendance to festivals, fairs and special events. Festivals provide unique experiences and experiences that cannot be easily duplicated, thus growing it one of the fastest growing areas of cultural tourism. Conventional tourism attractions fail to allow the visitors to engage in direct interaction with the local culture, tradition, and communities, which reduces the attractiveness of the destination and the satisfaction of the visitors.

Research on event tourism indicates that festivals play an important role in the branding, image building and competitiveness of a destination. Festivals increase the visitation rate, prolong the length of stay of tourists, mitigate the seasonality and diversify tourism products. They also spend more on lodging, transportation, food service, shopping and entertainment, which stimulates local economies.

According to Getz and Page (2016), festivals are a strategic tourism resource which affects the destination development by the marketing function, the tourists' motivation and the involvement of the community. Richards and Londoño (2022) also state that festivals are important in reinforcing the identity of destinations, because they offer unique cultural experiences that are able to appeal to both domestic and foreign tourists. There is also a strong recent trend of systematic reviews showing that festival visitors make significant economic contributions to the area where the festival is held, especially when there is active engagement by local businesses and cultural industries in the festival. International research in recent years has continued to confirm the positive impact festivals have on the development of a destination. Teixeira et al. (2025) concluded that Community Based festivals can bring a significant socio-economic impact to the community by boosting tourism revenue, fostering place attachment and supporting local businesses. Likewise, local festivals have been found to boost the appeal of destinations and to foster the good health of communities by sustaining and maintaining their culture and raising economic incomes (Luna, 2021).

2.3 Socio-Economic Impact of Indigenous Fairs and Festivals

Indigenous fairs and festivals have gained increasing attention in tourism research for their socio-economic contributions, encompassing employment generation, income growth, business development, infrastructure improvement, and enhanced quality of life for host communities.

Socially, these festivals foster community participation, volunteerism, and social cohesion while enabling intergenerational transmission of traditions, customs, and values. Culturally, they serve as vital tools for safeguarding intangible heritage—music, dance, folklore, and indigenous knowledge—supporting UNESCO's (2003) view of festivals as instruments for cultural preservation and sustainable development.

Prior studies reinforce these findings. Getz (2010) highlighted festivals' role in boosting destination competitiveness, job creation, and community engagement, while Quinn (2005) emphasized their contribution to social capital and cohesion. Kim, Uysal, and Sirgy (2013) linked festival tourism to improved resident quality of life through employment and better public services. However, scholars note that socio-economic outcomes vary based on destination characteristics, infrastructure, stakeholder involvement, and management practices, highlighting the need for region-specific empirical research.

Recent studies further support these benefits: Nair and Babu (2022) found Kerala's religious festivals significantly improved livelihoods and community involvement, while Mokabe (2024) identified cultural festivals as effective tools for boosting local businesses and regional economic development.

2.4 Community Development through Indigenous Festivals

Considering the local community's active engagement and support to be essential to the sustainable tourism efforts, community development is one of the main themes of current research on festival tourism. Indigenous fairs and festivals are a platform for the residents to get engaged in planning, organising and running cultural events and at the same time they can enjoy of various economic activities associated with the tourism events. Involvement in the community helps to ensure tourism development is culturally appropriate, socially inclusive and economically rewarding for local communities.

The term community based tourism was introduced by Murphy (1985), who argued that sustainable tourism development needs to be considered as an active involvement of local communities in tourism development planning and decision making. With this basis, Arcodia and Whitford (2006) showed how communities festivals help build social capital by fostering trust, cooperation, and civic participation in the community. Mair and Whitford (2013) also proposed the need to involve the local community to ensure the sustainability of festival tourism as locals are a key factor in maintaining cultural authenticity and visitor satisfaction.

Indigenous festivals in the context of HP highlight the opportunities for the members of the community to be involved as organisers, volunteers, performers, artisans, entrepreneurs and service providers. This involvement helps to boost household incomes, foster cultural identity, maintain traditional practices and support regional development that is inclusive. Therefore, the indigenous festival is an important tool that can facilitate sustainable development of the community as well as the preservation of cultural values to balance economic growth and cultural conservation. Community engagement has become one of the most important factors in the success of festivals in the long-term. In conclusion, Pitanatri et al. (2025) noted that the Nusa Penida Festival helped to boost local economic activities and improve social cohesion and cultural identity. Similarly, Rompas et al. (2025) showed that tourism events can stimulate economic growth by boosting tourism spending, employment, and business development, providing benefits to the local region that can contribute to the achievement of sustainable regional development.

2.5 Recent Empirical Studies on the Socio-Economic Impact of Festivals

Empirical studies conducted over the past few years have ample evidence of multidimensional socio-economic benefits of indigenous fairs and festivals to the host communities. Nair and Babu (2022) studied the socio-cultural and economic implications of religious festivals in Kerala and concluded that the festivals built the livelihoods of the local communities with employment opportunities, boosted income, expanded business activities and engaged the community. The study also highlighted the importance of community participation in promoting the sustainability of cultural festivals.

Likewise, Mokabe (2024), studied socio-economic impact of the Phalaphala FM Royal Heritage Festival in South Africa and concluded that festivals boost local economic development by an upsurge of tourists spending, aiding small businesses and generating short-term job opportunities. The study also pointed out that cultural festivities also enhance regional identity and residents' quality of life.

In another recent study Teixeira et al. (2025) assessed the socio-economic impact of Bons Sons Music Festival (Portugal). They discovered that community-based festivals bring a lot of economic advantages via the tourism sector, local entrepreneurship and business development, and bring together a lot of social advantages via the building of social cohesion and safeguarding cultural heritage. The authors came up with the final conclusion that festivals are an effective tool for SDD.

Similarly, Pitanatri et al. (2025) investigated the socio-economic impacts of the Nusa Penida Festival in Indonesia and found that the festival tourism had a great impact on the local employment, income and empowerment of the people. The study also showed that destination image and visitor satisfaction also improved, highlighting the role of indigenous cultural events in terms of development.

In addition, Rompas et al. (2025) conducted an economic analysis of the Tomohon International Flower Festival via the mixed methods approach. The results showed that the tourism events had positive effects on the household income, business performance, tourism demand and regional economic growth. The authors suggested improving the destination management and community involvement to achieve maximum socio-economic benefits in the long term. Similarly, community festivals have been found to increase the attractiveness of their destination, maintain local heritage and increase social well-being for residents by Luna (2021). The study found that for the long-term viability of festival tourism initiatives, there should be ongoing government involvement and community participation.

2.6 Summary of Literature

The literature reviewed suggests that indigenous fairs and festivals are a strong marketing tool for tourism development, cultural heritage conservation, job creation, boosting local economy and improving the well-being of the

community. The various studies carried out in India and abroad have yielded positive economic and socio-cultural results of festival tourism. However, the current literature on festivals is largely devoted to the analysis of a single festival, a place, and/or an international environment. There is scanty empirical evidence available in the socio-economic impact of indigenous fairs and festivals in Himachal Pradesh from both tourist and locals' view point. In addition, there are few comparative analyses across the various groups of the respondents. Hence, the present study aims to fill this research gap with its study about socio-economic impact of selected indigenous fairs and festivals based on the primary data gathered from the respondents of 513.

2.7 Research Gap

While many studies have been conducted on the functions of festivals in the promotion of tourism, cultural preservation and local economic development (LEDs) (Getz, 2010; Quinn, 2005; Richards, 2018; Kim et al., 2013), it is still found that there are some gaps in the research. The existing research work has been limited to the individual festivals, urban cultural events and international celebration spots and there is comparatively less empirical evidence on the indigenous fairs and festivals of the Himalayan region of India.

Moreover, studies have mainly focused on either tourists' experience or residents' perception separately. There are very few studies that have been conducted which have analyzed both the tourist's and local resident's perceptions of the socio-economic impact of indigenous fairs and festivals at the same time. It implies that a thorough picture of the economic and social contributions of these events by different stakeholder groups cannot be achieved.

A major gap in the available literature is the lack of studies that focus on the full socio-economic aspects of tourism, with less attention given to local well-being, cultural preservation and community participation and participation.

Empirical studies of the socio-economic impact of indigenous fairs and festivals like Kullu Dussehra, International Shivratri Festival in Mandi, Minjar Fair, Renuka Fair and Lavi Fair on the socio-economic development of the people in the context of state of Himachal Pradesh are very few and far between. Furthermore, no complete statistical analysis (Independent samples t-test and Welch ANOVA) have been performed to compare stakeholder perceptions by different stakeholder groups.

In view of this, the present study has focused on examining the socio-economic impact in an empirical manner of some of the selected indigenous fairs and festivals of Himachal Pradesh from the perspective of both the tourists and the locals of the region using primary data. This study offers comparative evidence on the perceptions of the stakeholders and makes a significant addition to the existing literature of festival tourism, sustainable community development and cultural heritage management.

2.8 Research Contribution

This study adds to the body of literature by offering empirical proof of the socio-economic contribution of the indigenous fairs and festivals in terms of tourists as well as locals of Himachal Pradesh. It builds upon the existing literature by using comparative statistical analysis to investigate the perceptions of stakeholders and provides policy-relevant information for sustainable tourism development, cultural heritage protection and community-based tourism planning.

3. RESEARCH METHODOLOGY

3.1 Research Design

The present study was based on the quantitative type of descriptive and analytical research method and focused on socio-economic impact of indigenous fairs and festivals on local community of HP. The use of quantitative research approach was adopted because of the ability to systematically gather numerical data and statistically analyze the large amount of responses received. For summarizing the sociological and demographic data and perceptions of the respondents on socio-economic impact of indigenous fairs and festivals, the descriptive method was used in the study.

Analytical component involved examining difference between respondent groups and investigating the relationship that exists between the selected research variables using appropriate inferential statistical techniques.

The study is a cross sectional study because the primary data of the study were taken from the respondents during the selected indigenous fairs and festivals in the period. The design of the research allowed the researcher to collect empirical information on the role of indigenous festivals in the economy, society and culture, and to derive statistically valid results for policy recommendation.

3.2 Study Area

This study was done in the state of Himachal Pradesh in the North-Western Himalayan region of India. The state boasts of its traditional culture, religious practices, landscapes and countless local festivals and fairs which mark the passing of the year. These festivals are a vital part of the state's cultural heritage and play a crucial role in the development of tourism and local economy.

The present study is based on five major indigenous fairs and festivals which were purposively selected due to its historical significance, popularity among tourists and socio-economic importance.

District	Festival	Nature of Festival	Major Attraction
Kullu	Kullu Dussehra	Religious and Cultural	Internationally renowned Dussehra celebration
Mandi	Shivratri	Religious	Procession of local deities and cultural performances
Chamba	Minjar Fair	Cultural	Traditional procession and folk celebrations
Sirmaur	Renuka Fair	Religious	Pilgrimage and cultural tourism
Shimla (Rampur)	Lavi Fair	Trade and Cultural	Historic Indo-Tibetan trade fair

Table 1. Selected Indigenous Fairs and Festivals Included in the Study

Source: Compiled by the author based on the selected study locations.

These festivals are also a source of attracting thousands of domestic and foreign tourists annually, and they offer important employment, trade, promotion of handicrafts, preservation of culture and participation opportunities for the community. Hence, they can be used to discuss the socio-economic effect of indigenous fairs and festivals on the local people.

3.3 Population of the Study

The selected indigenous fairs and festivals of Himachal Pradesh were the target groups, including tourists and local residents. Both stakeholder groups were included since they are the key players and beneficiaries of festival tourism. The tourists shared their experiences and perceptions about the socio-economic advantages of the festival while the locals shared their experiences on employment, business, cultural preservation and community participation with indigenous festivals.

By including both groups of the respondents, a holistic socio-economic assessment of indigenous fairs and festivals could be done from the multiple stakeholder perspectives.

3.4 Sampling Technique

The study used non-probability sampling technique of convenience sampling method for collecting primary data from the respondents who attended the selected indigenous fairs and festivals. Convenience sampling was deemed to be appropriate as the study was carried out during the live festival events, and the respondents were approached based on their willingness and availability to participate in the survey. Probability sampling methods were not feasible due to the dynamism of the festival environment and the lack of a complete sampling frame.

Data were gathered from several festival venues and tourists and locals were included to enhance representativeness of the sample. This strategy allowed for the recruitment of a sample of respondents with a variety of demographic and festival experiences.

3.5 Sample Size

The final analysis was presented on 513 valid responses. The sample consisted of 264 tourists (51.46%) and 249 local residents (48.54%). The final sample size was adequate for descriptive and inferential statistical analyses.

Hair et al. (2019) noted that the sample size of more than 500 respondents is deemed to be very satisfactory for multivariate statistical analysis and provides greater reliability and generalizability of the research responses. Hence the sample of 513 respondents was found appropriate to study the socio-economic effect of indigenous fairs and festivals in HP.

Respondent Category	Frequency	Percentage
Tourists	264	51.46
Local Residents	249	48.54
Total	513	100.00

Table 2. Distribution of Respondents

Source: Primary Survey (2025–2026).

3.6 Research Instrument

A structured questionnaire was designed following extensive review of literature on the festival tourism, socio-economic development, participation of the community and cultural heritage in order to gather primary data for the present study. A questionnaire was prepared to explore the perception of the respondents about indigenous fairs and festivals of HP. The instrument was pre-tested by subject experts before final survey to guarantee the relevance, clarity, content validity of measurement items.

The questionnaire was divided into two parts. The first section included information on demographic characteristics of the respondents such as the age, sex, educational qualification, occupation, respondent category (tourist or local

resident) and tourist origin. The second section contained statements covering four constructs: Tourism Promotion (TP), Socio-Economic Impact (SEI), Marketing Strategies (MS) and Problems and Challenges (PC). The responses were recorded on a five point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree.

The questionnaire consisted of four constructs, but the present paper will only focus on the Socio-Economic Impact (SEI) construct because of the research objectives. Based on these reasons, only the answers that relate to the SEI construct were analyzed and interpreted in this research, other constructs will be analyzed and interpreted in future research.

Construct	Number of Items	Measurement Scale
Tourism Promotion	10	Five-point Likert Scale
Socio-Economic Impact	10	Five-point Likert Scale
Marketing Strategies	10	Five-point Likert Scale
Problems and Challenges	10	Five-point Likert Scale
Total	40	Five-point Likert Scale

Table 3. Measurement of Research Variables

Source: Developed by the author.

3.7 Pilot Study

A pilot study was done to test the clarity, reliability and suitability of the questionnaire before conducting the main survey. The pilot survey was conducted with respondents from the target population to find ambiguities in the questions wording, sequencing of questions, and the overall structure of the questionnaire. Some minor changes were made to enhance the presentation and meaning of some statements based on feedback received during the pilot phase. The results of the pilot study also proved it suitable to conduct the final survey as it was appropriate to collect data related to the socio-economic impact of indigenous fairs and festivals.

3.8 Reliability and Validity of the Instrument

The reliability of research instrument was determined by Cronbach Alpha indicator which is the most widely accepted indicator of internal consistency in the social sciences research. Hair et al. (2019) suggested that Cronbach's Alpha coefficient of 0.70 is an acceptable level of reliability.

The reliability coefficient of the questionnaire was 0.895, which is good level of internal consistency among the items of the measurement. Additionally, the value of the research instrument was obtained at 0.908 for McDonald's value, which further demonstrates the robustness and stability of the research instrument.

Scale	Number of Items	Cronbach's Alpha	McDonald's Omega	Interpretation
Overall Research Instrument	40	0.895	0.908	Excellent Reliability

Table 4. Reliability Statistics of the Research Instrument

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

The questionnaire was assessed by experts in tourism, management and methodology of the research to establish content validity. They made suggestions on item wording, sequence, and relevance which was reflected in the final administration of the questionnaire with no changes made after the questionnaire was administered. The extensive literature search that was carried out enabled the test to be constructed in a manner that ensured its face and content validity.

3.9 Data Collection Procedure

Primary data were collected through a field survey conducted during selected indigenous fairs and festivals organized across different districts of Himachal Pradesh. The researcher personally went to each of the festival venues and applied the structured questionnaire to the tourists and locals who willingly took part in the research. The respondents were briefed on the research objectives and that their responses would be treated with confidentiality and anonymity and only for academic research.

The number of valid questionnaires for final statistical analysis was 513. To achieve accurate and reliable findings, the responses that were incomplete and inconsistent were eliminated during data screening.

3.10 Data Analysis Techniques

Raw data collected was coded and analyzed with IBM SPSS Statistics. The statistical tools used to accomplish research goals and test the proposed hypotheses were descriptive and inferential statistics.

Research Objective	Statistical Technique
Objective 1: To examine the socio-economic impact of indigenous fairs and festivals on local communities in Himachal Pradesh.	Descriptive Statistics (Mean and Standard Deviation)
Objective 2: To compare the perceptions of tourists and local residents regarding the socio-economic impact of indigenous fairs and festivals.	Independent Samples t-test
Objective 3: To analyse differences in perceptions of the socio-economic impact across occupational groups and tourist-origin categories.	Welch ANOVA and Games–Howell Post Hoc Test

Table 5. Statistical Techniques Used in the Study

Source: Developed by the author.

The selected statistical techniques enable a comprehensive examination of the socio-economic impact of indigenous fairs and festivals and facilitated meaningful comparisons between different respondent groups.

3.11 Ethical Considerations

The research conducted in this study was in accordance with the ethical guidelines of social science research. The survey was voluntary and informed consent was obtained from all respondents before data collection. Each participant was told about the purpose of the study and that their answers would be anonymous and confidential. The survey did not take any personally identifiable item and the data was only used for academic and research purposes. In addition, data were analysed and reported without changing or manipulation which ensures credibility, transparency and integrity of the research.

4. RESULTS AND DISCUSSION

In this section, the results obtained from the statistical analysis of the primary data collected from selected indigenous fairs and festivals in Himachal Pradesh from 513 respondents (tourists and locals) are presented. The analysis first starts with the demographic characteristics of the respondents and then descriptive analysis of the socio-economic impact of indigenous fairs and festivals. Followed by inferential statistical analyses, which test the proposed hypotheses.

4.1 Demographic Profile of Respondents

Demographic profile gives an overview of the respondents that took part in the survey. Gender, age, educational qualification, marital status, respondent category, tourist origin, occupation and monthly income were analyzed to find out the nature of the study sample. Tables 6–9 present the findings.

Variable	Category	Frequency	Percentage
Gender	Male	281	54.8
	Female	229	44.6
	Prefer not to disclose	3	0.6
Age (Years)	18–25	212	41.3
	26–35	139	27.1
	36–45	102	19.9
	46–55	56	10.9
	Above 55	4	0.8

Table 6. Gender and Age-wise Distribution of Respondents (N = 513)

Source: Primary Survey (2025–2026).

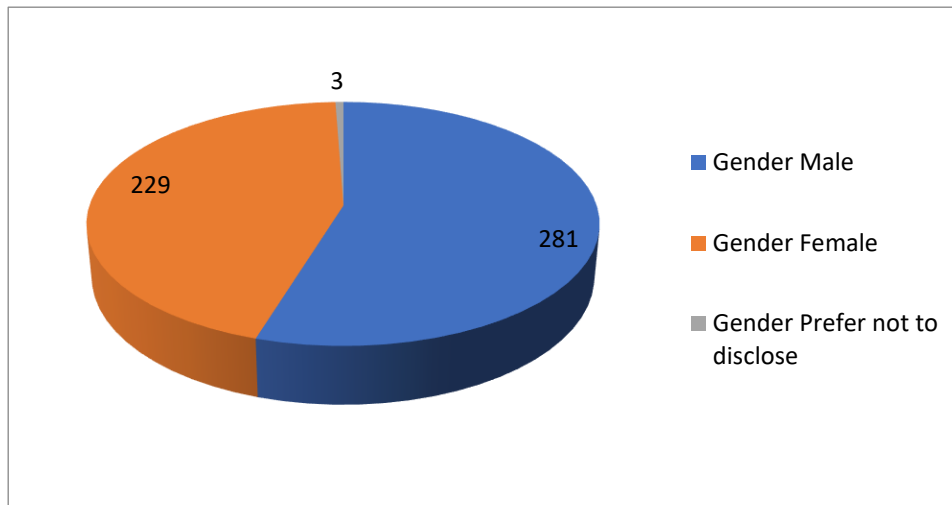


Figure 1. Gender-wise Distribution of Respondents

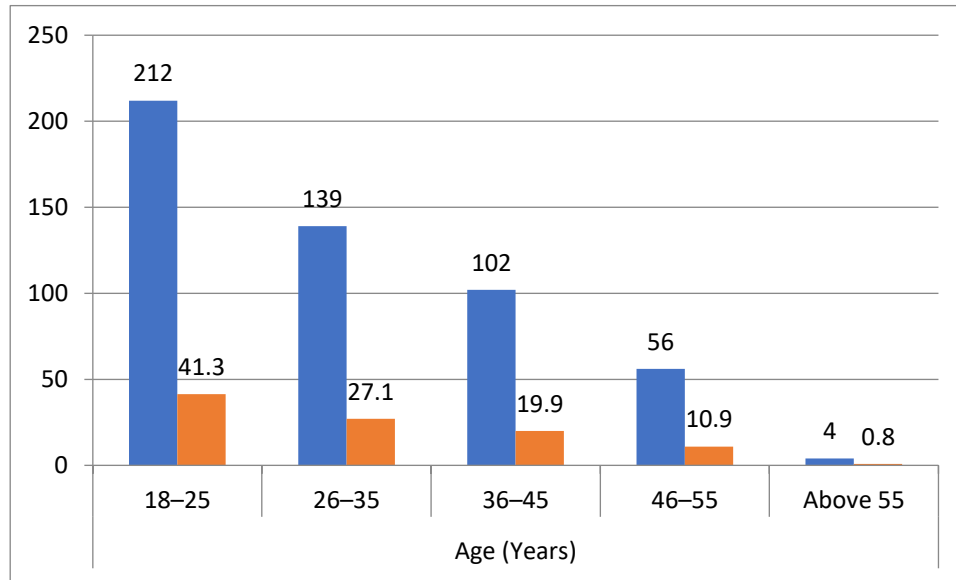


Figure 2. Age-wise Distribution of Respondents

Interpretation

Table 6 indicates that the majority of respondents were male 281 (54.8%), while 229(44.6%) were female and 3(0.6%) preferred not to disclose their gender. The age distribution reveals that 212(41.3%) of respondents belonged to the 18–25 years age group, followed by 139 (27.1%) in the 26–35 years category. Respondents aged 36–45 years constituted 102(19.9%), whereas 56(10.9%) belonged to the 46–55 years group. Only 4(0.8%) of the respondents were above 55 years of age. These findings indicate that indigenous fairs and festivals attract a relatively younger population, suggesting greater participation and interest among young adults.

Variable	Category	Frequency	Percentage
Educational Qualification	Primary	12	2.3
	Secondary	43	8.4
	Graduate	255	49.7
	Postgraduate & Above	173	33.7
	Prefer not to disclose	30	5.8
Marital Status	Married	277	54.0
	Single	235	45.8
	Prefer not to disclose	1	0.2

Table 7. Educational Qualification and Marital Status of Respondents (N = 513)

Source: Primary Survey (2025–2026).

Interpretation

Table 7 shows that 49.7% of respondents were graduates, while 33.7% had postgraduate or higher qualifications. Respondents with secondary education accounted for 8.4%, whereas 2.3% had primary education. Regarding marital

status, 54.0% of respondents were married, and 45.8% were unmarried. The high proportion of educated respondents indicates that participants were capable of providing informed opinions regarding the socio-economic impact of indigenous fairs and festivals.

Variable	Category	Frequency	Percentage
Respondent Category	Tourists	264	51.46
	Local Residents	249	48.54
Tourist Origin	Himachal Pradesh	465	90.6
	Other Indian States	44	8.6
	International	4	0.8
Occupation	Business	126	24.6
	Farmer	120	23.4
	Artisan	31	6.0
	Service Sector	236	46.0
Monthly Income	Below ₹10,000	87	17.0
	₹10,000–25,000	146	28.5
	₹25,001–50,000	110	21.4
	₹50,001–75,000	41	8.0
	Above ₹75,000	43	8.4
	Prefer not to disclose	86	16.8

Table 8. Respondent Category, Tourist Origin, Occupation and Monthly Income (N = 513)

Source: Primary Survey (2025–2026).

Interpretation

The study included 249 locals (48.54%) and 264 tourists (51.46%), offering a balanced representation of the two main stakeholder groups. The vast majority of responders (90.6%) were from Himachal Pradesh, while 0.8% were foreign tourists and 8.6% were from other Indian states. In terms of occupation, the majority of respondents (46.0%) worked in the service sector, followed by company owners (24.6%), farmers (23.4%), and artisans (6.0%). Regarding monthly income, 28.5% of respondents said they made between ₹10,000 and ₹25,000, while 21.4% said they made between ₹25,001 and ₹50,000. These results show that the study was successful in capturing the opinions of respondents from a variety of economic and occupational groups, which improved the research findings' representativeness and credibility.

Statement	Mean	Standard Deviation	Rank
SEI1	4.23	0.710	1
SEI2	4.09	0.778	4
SEI3	4.19	0.761	2
SEI4	4.12	0.753	3

SEI5	3.99	0.835	8
SEI6	3.92	0.813	9
SEI7	4.04	0.705	6
SEI8	3.83	0.819	10
SEI9	4.06	0.750	5
SEI10	4.00	0.764	7

Table 9. Descriptive Statistics of Socio-Economic Impact of Indigenous Fairs and Festivals (N = 513)

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

Interpretation

The descriptive statistics of respondents' opinions about the Socio-economic effects of indigenous fairs and festivals in Himachal Pradesh are shown in Table 9. The mean values ranged from 3.83 to 4.23, indicating a positive perception of the socio-economic contributions of indigenous festivals. The results show that respondents generally expressed a high level of agreement with all the statements. SEI1 was ranked first and had the highest mean score (Mean = 4.23; SD = 0.710) of all the statements, indicating that respondents firmly believed that indigenous fairs and festivals are important for promoting local culture and customs. SEI3 had the second-highest mean score (Mean = 4.19; SD = 0.761), followed by SEI2 (Mean = 4.09; SD = 0.778) and SEI4 (Mean = 4.12; SD = 0.753). These results show that respondents thought indigenous festivals were crucial for creating jobs, promoting local businesses, and developing tourism.

Respondents acknowledged the beneficial impact of indigenous fairs and festivals on local economic development, infrastructure improvement, handicraft promotion, and income generation, as evidenced by the favorable responses to the remaining statements, which had mean scores higher than 3.80. Although the perception was generally positive, SEI8 had the lowest mean score (Mean = 3.83; SD = 0.819), indicating relatively lower agreement regarding this aspect of socio-economic development.

The comparatively low standard deviation values for each statement show that respondents' opinions are consistent, indicating widespread agreement about the positive Socio-economic impact of indigenous festivals and fairs. Overall, the results show that these celebrations are seen as crucial tools for promoting cultural heritage, boosting tourism, creating jobs, assisting regional companies, and improving the Socio-economic well-being of Himachal Pradesh communities. These results are in line with earlier research that found cultural festivals have a major impact on community involvement, destination appeal, and local economic development (Getz, 2010; Quinn, 2005; Richards, 2018).

4.3 Hypothesis Testing

To find out if respondents' opinions about the Socio-economic effects of indigenous fairs and festivals varied by respondent category, occupational background, and tourist origin, inferential statistical techniques were used. The five percent significance level was used to test the hypotheses.

4.3.1 Difference between Tourists and Local communities

H_{01} : There is no statistically significant difference between tourists and local communities regarding their perceptions of the socio-economic impact of indigenous fairs and festivals.

Variable	Tourists (n = 264) Mean $\pm$ SD	Local Residents (n = 249) Mean $\pm$ SD	T	Df	p	Decision
Socio-Economic Impact	4.05 $\pm$ 0.496	4.05 $\pm$ 0.485	0.043	511	.966	Fail to Reject H_{01}

Table 10. Independent Samples t-Test for Socio-Economic Impact by Respondent Category

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

An independent samples t-test was conducted to study whether tourists and local residents differ in their perceptions of the socio-economic impact of indigenous fairs and festivals. The analysis showed no statistically significant difference between the two groups, $t(511) = 0.043$, $p = .966$. Tourists recorded a mean score of 4.05 (SD = 0.496), while local residents also recorded a mean score of 4.05 (SD = 0.485).

The mean difference was only 0.00188, and Cohen's d was 0.004, indicating a negligible practical difference. Levene's test was also non-significant, $F(1, 511) = 0.041$, $p = .839$, confirming that the assumption of equal variances was satisfied. Therefore, the null hypothesis was not rejected. The findings indicate that tourists and local residents hold almost identical and highly positive perceptions of the socio-economic contribution of indigenous fairs and festivals.

4.3.2 Difference across Occupational Groups

H_{02} : There is no statistically significant difference in perceptions of socio-economic impact across occupational groups.

Occupational Group		N	Mean	SD
Business		126	4.10	0.459
Farmer		120	4.03	0.505
Artisan		31	4.06	0.479
Service Sector		236	4.03	0.502
Welch's F	df1	df2	P	Decision
0.676	3	125	.568	Fail to reject H ₀₂

Table 11. Welch ANOVA for Socio-Economic Impact across Occupational Groups

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

Welch's ANOVA was applied to determine whether perceptions of socio-economic impact differed across occupational groups. The results indicated that the differences were not statistically significant, Welch's $F(3, 125) = 0.676$, $p = .568$. Business respondents recorded the highest mean score ($M = 4.10$, $SD = 0.459$), followed by artisans and craftspeople ($M = 4.06$, $SD = 0.479$). Respondents engaged in farming and the service sector recorded identical mean scores of 4.03. Levene's test was non-significant, $F(3, 509) = 0.426$, $p = .735$, showing that the homogeneity of variance assumption was satisfied. The Games–Howell post hoc comparisons also showed no significant pair wise differences, as all p-values exceeded .05.

Comparison	Mean Difference	P
Business–Farming	0.0726	.641
Business–Artisan	0.0371	.980
Business–Service	0.0679	.565
Farming–Artisan	–0.0355	.983
Farming–Service	–0.0047	1.000
Artisan–Service	0.0308	.987

Table 12. Games–Howell Pairwise Comparisons across Occupational Groups

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

So, H_{02} was not rejected. The findings recommend that respondents from business, farming, artisan, and service-sector backgrounds likewise recognize the contribution of fairs and festivals to cultural conservation, tourism development, local business activity, and community welfare.

4.3.3 Difference Across Tourist-Origin Groups

H_{03} : There is no statistically significant difference in perceptions of socio-economic impact across tourist-origin groups.

Tourist Origin		N	Mean	SD
Himachal Pradesh		465	4.03	0.496
Other Indian states		44	4.22	0.409
International		4	3.83	0.236
Welch's F	df1	df2	P	Decision
5.44	2	8.07	.032	Reject H ₀₃

Table 13. Welch ANOVA for Socio-Economic Impact by Tourist Origin

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

Perceptions of Socio-economic impact varied statistically significantly among tourist-origin groups, according to Welch's ANOVA (Welch's $F(2, 8.07) = 5.44$, $p = .032$). The highest mean score was given by respondents from other Indian states ($M = 4.22$, $SD = 0.409$), with Himachal Pradesh respondents coming in second ($M = 4.03$, $SD = 0.496$). The mean score for foreign visitors was the lowest ($M = 3.83$, $SD = 0.236$).

The Shapiro-Wilk test revealed non-normality even though Levene's test was not significant ($F(2, 510) = 0.941$, $p = .391$). Because of the differential group sizes, especially the relatively small foreign grouping, Welch's ANOVA was kept.

Comparison	Mean Difference	P	Interpretation
Himachal Pradesh–	–0.187	.017	Significant

Other Indian states			
Himachal Pradesh– International	0.209	.321	Not significant
Other Indian states– International	0.395	.071	Not significant

Table 14. Games–Howell Pairwise Comparisons by Tourist Origin

Source: Computed from Primary Survey Data using IBM SPSS Statistics.

A significant difference was found between Himachal Pradesh and other Indian states in terms of the Games–Howell test ($p = .017$). Respondents from other states in India showed a positive attitude towards the socio-economic role of indigenous fairs and festivals, whereas the respondents from HP showed negative attitude towards the same. The other comparisons were not significant. Hence, H_{03} was rejected. The results from conclusions related to international tourists, however, must be interpreted with care due to the small number of international tourists who participated in the study.

5. DISCUSSION OF FINDINGS

The results indicate indigenous fairs and festivals are seen as crucial in terms of the socio-economic development of local communities of Himachal Pradesh. The mean scores on the items were 3.83 to 4.23 suggesting consistently positive perceptions. The top rated comments were for the promotion of local culture and traditions, then employment, then increased local business opportunities. This reveals that respondents do not only see fairs and festivals as acts of cultural celebration but also as an instrument to boost tourism, generate livelihoods and foster local business, and preserve regional identity.

The perception of cultural preservation is strong, which is also consistent with the argument that festivals boost a sense of belonging and help to pass on cultural knowledge from one generation to the next. Indigenous events serve as opportunities for traditional music, dance, rituals, crafts, food, and local customs, and help to maintain intangible cultural heritage. This echoes Getz (2010) and Richards (2018) who saw festivals as cultural-tourism assets, which can make destinations more attractive to visitors and offer a more authentic experience.

High mean score on the employment generation scale suggests that festivals offer economic opportunities to local population. There are some jobs that are temporary and seasonal, such as the transportation, accommodation, food services, event management, retailing and security sectors and cultural performances. Local vendors, artisans, farmers, self-help groups and small entrepreneurs can also benefit from enhanced spending of visitors. The results are congruent with those of Felsenstein and Fleischer (2003) who noted that festivals increase local economic activity through increased spending of visitors and through other business opportunities.

It also revealed that the views of the tourists and local residents were nearly equal in regard to socio-economic impact. This similarity is significant because it implies a mutual perception of the benefits of festivals by visitors and host communities. The lack of a stakeholder group difference in the positive effect also shows that the positive impact is not limited to one stakeholder group. Both groups recognised the role that festivals play in the preservation of culture, in the development of tourism, in business and in a community's wellbeing.

No significant difference was observed between the groups of occupations. The mean score for respondents was slightly higher for those involved in business, but the results were not statistically significant. This suggests that

festivals have a wide recognition among the businessmen, farmers, artisans, and service providers that they are socio-economically important. The consistency reinforces the case for indigenous festivals to have broader impacts beyond the direct tourism enterprises.

However, there was a large difference between the groups of tourists. The perception of socio-economic benefits was stronger among the respondents from other states of India than the respondents from HP. Differences between the festival and their normal environments make the commercial activity, cultural displays, visitor spending and destination development more easily detected to external domestic visitors. Long-term economic and infrastructural consequences might be assessed more conservatively by local respondents, who do not necessarily see these events so frequently. The relatively low score for the infrastructure-related item suggests that the long-term benefits of infrastructure were seen as less significant than cultural and immediate economic benefits. This implies there are tangible benefits to festivals in the short term, but not all of these enhancements are equally effective and permanent, for example, road improvements, sanitation facilities, parking systems, public transport, accommodation and crowd management may not be as successful or be sustained as the festival. Therefore, good public policy should transform the use of the festival into an ongoing process of local development.

The results of the present study are in line with recent empirical research by Nair and Babu (2022), Teixeira et al. (2025), Mokabe (2024), Pitanatri et al. (2025), and Rompas et al. (2025), who all found that indigenous and community festivals play an important role in employment creation, local business development, tourism growth, cultural preservation, and community well-being.

Overall, the study results show that the indigenous fairs and festivals have immense potentials in inclusive regional development. They have most to offer in the field of cultural preservation, employment creation, tourism marketing and business development. However, improved infrastructure, institutional coordination and regional and global promotion is needed to make sure that these benefits are maintained and shared.

6. CONCLUSION

In the present study attempt has been made to study socio-economic impact of indigenous fairs and festivals on local communities of the state of HP, the primary data has been collected from 513 respondents. The results indicated overall favorable attitudes and feedback on their role in preserving culture, promoting tourism, creating jobs, offering opportunities for local businesses, engaging citizens and improving the welfare of their region.

The most perceived benefits were the promotion of local culture and tradition, job creation and business expansion. The outcomes indicate the cultural and economic roles of the festivals of the indigenous community. They are able to maintain traditional practices and provide livelihoods and income to visitors.

There was no statistically significant difference between tourists and residents in the perception of benefits to the festival, suggesting that both local and tourist groups perceive the festival as having a benefit. Likewise, there were no significant differences between the perception of the people in the different occupations. But there were notable disparities among the categories of tourists by origin, namely respondents from other Indian states showed higher perceptions than respondents from HP.

The study shows that the indigenous fairs and festivals are effective tools for sustainable cultural tourism and inclusive regional development. Their contribution can be strengthened through the improvement of infrastructure, the involvement of local stakeholders, improving destination management and organizing Promotional campaigns. Policymakers should consider these events not only as cultural events but as strategic development assets to leverage for jobs, business, heritage preservation, and community health.

6.1 Policy and Practical Implications

There should be an enhancement of the road connectivity, public transport, sanitation, parking and accommodation, safety and crowd management facilities at major festival sites in the Government of H.P. and tourism agencies. Subsidized stall and training to local artisans, farmers, cultural performers, self-help groups, and micro-enterprises, and prioritization of festival marketplaces to them, and providing digital-payment support.

Local communities should be engaged in planning and decision-making processes for the management of festivals, in order to ensure that the benefits of such tourism are felt locally. Additional participation from other Indian states and international markets can be achieved through digital campaigns, multilingual promotional materials, and working with travel operators. It is also important that authorities put in place systems to track visitor expenditure, jobs created, waste produced and the level of satisfaction within the community following key events.

6.2 Limitations of the Study

The study adopted the convenience sampling technique, and hence, the results cannot claim to be the representative of all attendees at indigenous fairs and festivals in H.P. state. The data were of a cross-sectional nature and assessed perceptions at one point in time. The number of international tourists was considerably low, giving only four respondents in this category. The study used perceptions of individuals rather than objective economic data like income, employment, turnover of the business or visitors' expenditure.

6.3 Directions for Future Research

Moving forward, future studies could use probability sampling and gather longitudinal data pre-, during, and post-festival. Larger samples of international visitors can be included in the research and comparative studies can be carried out between different states of the Himalayas. Future studies could incorporate the results of the surveys with hard economic data, such as the income of households, sales of vendors, spending of visitors, job creation, and public infrastructure investment. Qualitative interviews with artisans, festival organizers, local government and community members can also yield additional information on the distribution of the benefits related to the festival.

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