Success Factors of Community-based Tourism (CBT) -
Important criteria towards competitive strategies

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Profession: Tourism Consultant
Mission: To say sometimes NO to Community-based Tourism Projects
Gaps and Challenges of CBT (Selections!)

1. Basic Understanding of CBT

2. Marketing and Product Development – Case Study from Bolivia

3. Income Distribution and Power & Control Relationship

4. Well Done! - Case Study from Thailand

5. The aspect of organisational culture & community culture

6. Recommendations towards a successful strategy
1. Basic understanding of Community-based Tourism (CBT)
Tourism in 'Developing Countries'

- Tourism can make a major contribution not only to economic growth but also to poverty reduction and empowerment in developing countries (see concept of Pro-Poor-Tourism).

- Tourism = quite often one of the few development opportunities for the poor.

- An increasing number of projects has been developed to use tourism in addressing these issues.

Sources: Ashley, Goodwin and Roe, 2001a,b; Ashley, 2002; Ashley and Mitchell, 2008; Meyer, 2006; Saville, 2001
Despite CBT is a niche product in tourism, CBT projects got a lot of financial support in the past ten years by international development agencies all over the world.
My focus is more on Mainstream Tourism

How to integrate communities/poor people successfully into mainstream tourism?
Community-based Tourism (CBT) is a form of tourism in which a significant number of local people has substantial control over, and involvement in its tourism development and management. The major proportion of the benefits remains within the local economy.
What is community-based tourism?

> Members of the community, even those who are not directly involved in tourism enterprises, gain some form of benefit as well (community fund, multiplier effect etc.)

Häusler/Strasdas, 2003
(Western/German Perspective)
SUSTAINABLE TOURISM

Economic benefits
Natural/Cultural Conservation
Grassroot democracy

Community Based Tourism

Impacts

Social Impacts
Economic Impacts
Environmental Impacts

Conceptual Framework of community based tourism impacts in Thailand:
Sustainable Tourism is the main concept of community-based tourism.

Source: Kantamaturapoj, 2005:3
What is community-based tourism?

“Community-based Tourism is a type of tourism run by and for local communities with a high level of participation.”

(Thailand)
Definition / Concept of CBT – A lot of misunderstandings in the past:

- Many western experts did not understand the local / regional concepts of CBT

- Academic Focus has been too much on “economic benefits” in the international discussion (aspects of participation/empowerment are highly important).

- Many local communities did not understand the objectives and aims of CBT (Tourism is a service-orientated business).

- Many local NGOs and Tour Operators did not understand the meaning of CBT (you have to focus on both aspects: participation.empowerment and business)
Definition of CBT – Look behind the mask

- All stakeholders should define and discuss the common vision and targets of CBT before starting a project.
2. Market and Product Development and Expectations by Community Members

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_Tourism Consultant in Bolivia (2003 - 2005)

_Centrum für internationale Migration und Entwicklung (CIM); www.cim-online.de

_Local organization: “Servicio Nacional de Áreas Protegidas” – SERNAP La Paz/Bolivia; www.sernap.gov.bo
Tourism in Protected Areas - Major Problems

¡Pressure of donor agencies and communities to implement as many community tourism projects as possible!
Involvement of Donor Agencies in Bolivia

Result: Bolivia has now more than 80 community-based tourism projects

...and
More than 80 CBT-Projects - Same Profile

- A lodge + ...
- Near or in a protected area
- Offers an “ecotourism” product
- The original idea came from a NGO
- It was developed within 3 up to 12 months
- The investment ranges normally from US-$ 30,000 up to US$ 100,000
- Target groups: foreign ecotourists
- No market alliances
- No administrative framework
Amboró National Park

- 12 CBT-Projects
- ca. 4000 visitors
- 93 communities
- ca. 6000 qkm
CBT at Amboro National Park
AREA PROTEGIDA AMBORO
Parque Nacional y Area Natural De Manejo Integrado
Ministerio de Desarrollo Sostenible y Planificación
Servicio Nacional de Areas Protegidas – SERNAP

“ECOTURISMO COMUNITARIO” “VOLCANES”
Amboró - CBT projects and their problems

- All CBT-Projects are looking for the same market
- Target Group: Young, international backpackers; ...but Main visitor group: Bolivian Families
- The flow of visitors has been low and not sufficient for all CBT projects
- Bad quality of services and infrastructure
- Difficulties of access at rainy season
- Misunderstanding of tourism business
What has happened?

- Market potential was not evaluated
- Competitiveness of the destination was not evaluated
- Marketing efforts and costs were not calculated
Benefits did not come in the quantity and in the expected time
Some communities have taken a loan in order to finance shares of their project.
Result:

Harm has been done to these communities!
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Highly relevant before starting a CBT-Project:

Development of Strategy towards

- Business Plan
- Administration Plan
- Marketing Strategy
- Product Development
- Target Groups
- Cooperation with Private Sector
- Communication Channels
4. Income Distribution and (Internal) Power & Control Relationship

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Income Distribution and Power Relationship


- Social Research Institute, Chiang Mai University. 25 February 2005
The Chairman of the CBT Project was the community leader and was recently upgraded to be provincial deputy.

The relationship between the Chairman and villagers could be defined as power and dependent relations, caused by the politics.

The manager of the tourism management centre was his son. Main tasks: Distribution of tourists into the homestays, contacting boats for transfers and reservation.
The study found out that four owners of Thai traditional houses were in the same kinship relationship.

Only a few members had big shares and income distribution was unequal.

The richest household got 76% of the total income whereas the rest got 24%.

More than 80% of villagers did not participate in the tourism project and they did not benefit from tourism activities.
Keep on mind! Successful CBT is linked to...

Empowerment & Participation
(how to integrate not so well-off families into the project)

Capacity Building
4. Well done! – CBT- Case Study in Thailand
Leeled Community in Southern Thailand

Source: “Community based Tourism as a tool for community development and coastal resource management: A case study of Leeled Subdistrict, Suratthani province, Southern Thailand”. Peter Richards, The Responsible Ecological Social Tours Project (REST), Thailand
Leeled Community in Southern Thailand

- Main Targets of CBT-Project (2002-2007, eight villages):
- Additional Income!
- Community Development and Coastal Resource Management
Leeled Community in Southern Thailand

Results:
Average increase of income per household through tourism: 8%
Community Fund: 800 Hectares of new mangrove growth; Waste management camps in 8 villages

„Side Effects“:
- Cleaner waterways, rubbish free
- Development of local leaders
- Very high sense of local pride
Leeled Community in Southern Thailand

- Preparation Process (8 Months): Feasibility Study and Introduction of CBT to the communities
- Defining the Goals of the Project like Human Resource Development, Cultural Exchange and Additional Income
Leeled Community in Southern Thailand

- Year 2 & 3 – Field Work:
  - Environmental Education
  - Waste Management
  - Guide Training
  - Green Product Development
  - Local Curriculum etc.
  - …and Practise, Practise, Practise (Pilot Tours)
- „Co-Management“ – Advisory Board on Provincial Level
Leeled Community in Southern Thailand

- **Important factor:**
- **Strong cooperation with the private sector**
- **20 groups per year (6-12 pax)**
Leeled Community in Southern Thailand

- Key Factors of Success:
- Cooperation with provincial professionals/officers
- Long-term project (5 years) with intensive training
- Direct cooperation with a tour operator/s (private sector)
Tour Operators are not Community Workers

- One must also consider that tourism and hospitality are service and entertainment industries, which means that those who work in these fields, from local guides to top management, are trained in hospitality and business affairs, not in working with communities.
One of the main challenges

Private Business – Community Relationship:

For tourism entrepreneurs keen to act in community-sensitive ways, there will be the need to understand more about local culture and their organisational behaviour of the community related to tourism.
Communities, like businesses, are based on complex social systems with existing livelihood strategies that might even be incompatible with the organisational culture of the tourism firm.
Community Culture and Organisational Culture of a tourism company

Even the meaning and purpose of working within an ‘organisation’ can have a different cultural background. In individualistic cultures (mostly with a Western background) organisations are essentially *instruments*, deliberately assembled and contrived in order to serve individual owners, employees, and customers. Members of organisations enter into relationships because it is in their individual interest to do so. Their ties are abstract and legal, regulated by contract.
In community cultures, community organisations are often linked to a larger family, community or clan which develops and nurtures its members and may live longer than the members do (Trompenaars and Hamden-Turner, 2007).
Community Culture and Organisational Culture of a Tourism Company

Therefore, the transition toward a model of effective business cooperation between Community-based tourism villages and private tourism sector requires significant organisational learning for all stakeholders involved, including a profound analysis of organisational culture and community cultures, to avoid

a) potential conflicts or negative impacts and/or
b) to use synergistic effects as a positive element of the two cultures (Rathje, 2004).
6. Recommendations towards a successful CBT Strategy

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Involvement of STAKEHOLDERS
- Requirements for a successful CBT Projects -

Public Sector:

1. Idea/Vision: Effective and efficient tourism authorities at national, regional and local levels strongly supporting the idea/vision of CBT
2. Fairs/Conferences: Financial and logistic support towards participation at national/regional/international fairs and conferences
3. Marketing: Financial and logistic support towards a successful marketing campaign and publication of promotion material
4. Education: Development of curriculum for local tourism advisers who can facilitate and design the implementation of sustainable and responsible tourism projects
- Requirements for a successful CBT Projects -

Private Sector (local Tour Operators, Hotels etc.):

1. **Fair Partnerships**: Willingness to cooperate with local communities in a participatory way (e.g. to define together common goals)

2. **Marketing**: To develop marketing strategies and competition analysis together with local communities (e.g. to analyse together USP and local/regional/international competitors)

3. **Transparency**: Interest to develop a transparent accounting system, clearly understandable by community members in order to avoid mistrust
Communities:

- **Fair Partnerships:** Willingness to cooperate with local tour operators and local authorities
- **Networks:** To establish networks among other community-based projects (lessons-learnt/marketing partnerships/ see Community-based Tourism Institute in Thailand, www.cbt-i.org)
- **Expectations:** To realize that a successful CBT implementation can take up to five (maybe even more) years
Academics / Tourism Consultants:

Before starting a project:

- Livelihood Analysis: socio-economic and socio-cultural framework e.g. gender specific workload, seasonal calendar; power relationship within the village, concept of hospitality
- Requirements /Livelihood analysis

- Unfortunately most donor agencies are not interested and not willing to finance a livelihood analysis or similar research.
- Requirements for a successful CBT Projects -

**Academics / Tourism Consultants:**

- **Before starting a project - Livelihood Analysis:** socio-economic and socio-cultural framework e.g. gender specific workload, seasonal calendar; power relationship within the village, concept of hospitality

- **Networking:** Interest in exchange of data and information with communities, private and public sector (feedback)

- **Learn from communities:** Willingness to work in the field with local communities
Key aspects towards successful CBT-Projects:

_Livelihood Analysis (organisational culture / community culture)
_Multistakeholder Dialogues
_Strong Network Activities
_To have a lot of staying power!
Thank you for listening!
References (Selection)

- Jones, Holly and Epler Wood, Megan: Community Based Tourism Research Initiative. Survey Results Demonstrating the Connection that Community Based Tourism Projects have to Protected Areas. EplerWood International. February 2007
- Kantamaturapoj, Kanang: Impacts of Community Based Tourism in Thailand: A case study of Plai Pong Pang Village, Samutsongkram Province. Social Research Institute, Chiang Mai University. 25 February 2005