

Toolkit on

Poverty Reduction

through

Tourism in Rural Areas



International
Labour
Office
Geneva



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Foreword

The importance of tourism for job creation and poverty reduction in rural areas of developing and least developed countries (LDCs) should not be underestimated. Tourism is increasingly recognized as a major source of economic growth, especially in poor countries.

Its value chain and its significant connections to other sectors such as agriculture, construction, utilities and transport can contribute to poverty reduction. With regard to the supply chain in the sector, one job in the core tourism industry indirectly generates 1.5 additional jobs in the related economy. In 2010 the sector's global economy accounted for more than 235 million jobs, equivalent to about 8 per cent of the overall number of jobs (direct and indirect), or one in every 12.3 jobs. In 2010 travel and tourism were estimated to have generated about 9.3 per cent of global GDP, while tourism investments were estimated at 9.2 per cent of total global investments.

The ILO's mission is to promote decent work within the context of poverty reduction. The ILO's Decent Work Agenda directly relates to poverty reduction through an integrated approach that has four pillars: rights at work, employment, social protection and social dialogue.

The theme of this toolkit is the ways in which tourism can be a driver of poverty reduction.

The toolkit outlines the background to poverty reduction approaches and how the ILO is involved within the context of decent work and the United Nations Millennium Development Goals. Recent developments in tourism and a vision for an inclusive, pro-poor tourism industry are summarized.

While local/rural communities and small enterprises are the primary target group, the toolkit is directed towards a wide range of actors that share an interest and are involved in reducing poverty through tourism. Within this framework, it aims to be useful for:

- ✓ national government representatives;
- ✓ local/rural authorities representatives;
- ✓ local/rural community organizations' representatives;
- ✓ representatives of employers' organizations;
- ✓ trade union representatives;
- ✓ representatives of support institutions (e.g. NGOs); and
- ✓ representatives of the local/rural tourism industry.





The toolkit is organized around five modular chapters.

1. The tourism industry and poverty reduction – general overview
2. Human resources, decent work and social dialogue
3. Promotion and marketing in tourism
4. Tourism market
5. Tourism business

The chapters can be used together or independently, fully or in part, according to the training needs of participants and trainers. Some parts can also be used for other purposes (for advocacy, awareness raising and information, and as a background source).

The toolkit is part of the ILO's wider effort to promote decent work in the tourism industry and aims to contribute to poverty reduction through tourism and the promotion of employment in rural areas.

This toolkit has been discussed during an international tripartite experts' workshop that took place at the International Training Centre of the ILO in Turin in August 2011. We thank all representatives from governments, workers' and employers' organizations in Bangladesh, Gambia, Laos, Lesotho and Nepal for their constructive contributions and valuable remarks. Inputs and comments from the ILO rural focal points and the rural employment and decent work programme units within the ILO were also very helpful in developing and finalizing the text. The toolkit is additionally built on material and information from – and cooperation with – the UNWTO ST-EP Foundation, the ITC and the World Travel & Tourism Council. We are also grateful for resource contribution from the ILO/IFC Better Work partnership.

I hope that this toolkit will stimulate and encourage poverty reduction strategies and policies through local, national and regional training in this key industry.

Alette van Leur
Director, Sectoral Activities Department
ILO, Geneva, November 2011

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Chapter

1

The tourism industry
and poverty reduction –
general overview

CHAPTER 1

THE TOURISM INDUSTRY AND POVERTY REDUCTION – GENERAL OVERVIEW

Learning objectives

At the end of this chapter,¹ participants will be able to:

1. explain definitions of tourism and describe the main characteristics of the tourism sector in the context of globalization and sustainability;
2. analyse present multidimensional positive and negative impacts and effects of tourism on local/rural development, as a basis for the definition of strategies and actions to enhance the positive and minimize the negative; and
3. identify concepts and approaches to enhance the potential contribution of tourism to poverty reduction with particular attention to key actors and inequalities.

Target audience

R = Relevant

PR = Partially relevant

NR = Not relevant

Target groups	Chapter 1
National Government representatives	R
Local/rural authorities representatives	R
Local/rural community organizations representatives	R
Owners of small scale tourism enterprises and cooperatives	R
Trade Union representatives	R
Representatives of employers' organizations	R
Representatives of support organizations	R
Representatives of the local/rural tourism industry	R

¹ Unless otherwise specified, this chapter is based on a series of documents and publications of the International Labour Office.





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5. Key actors, sectors and inequalities	<ul style="list-style-type: none">• Women• Sexual harassment, sex tourism and HIV/AIDS• Migrant workers• Children

Unit 1: The tourism industry

1 Definition²

Tourism is defined as the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. The ILO definition of the Hotels, Catering and Tourism (HCT) sector differs from the definition of the tourism sector used by most organizations. The definition of the Hotels, Catering and Tourism (HCT) sector includes not only the services provided to travellers but also those for residents. For the ILO, the HCT sector comprises:³

- ✓ hotels, boarding houses, motels, tourist camps and holiday centres;
- ✓ restaurants, bars, cafeterias, snack bars, pubs, night clubs and similar establishments;
- ✓ institutions that provide meals and refreshments within hospitals, factory and office canteens, schools, aircraft, and ships;
- ✓ travel agencies, tourist guides and tourism information offices; and
- ✓ conference and exhibition centres.

2 Sector characterization and growth trends

Tourism is one of the fastest-growing economic sectors in countries around the world. It is very labour-intensive and is a significant source of development and employment, especially for those with limited access to the labour market, such as women, young people, migrant workers and rural populations. It can significantly contribute to social and economic development and to poverty reduction.

Despite occasional setbacks, international tourist arrivals increased by an annual average of 4.3 per cent between 1995 and 2010. In 1950 the travel industry recorded only 25 million international tourist arrivals; arrivals had grown to 277 million in 1980, 675 million in 2000, 922 million in 2008, and 940 million in 2010. And it is expected that the growth will continue to accelerate during the next decade.

² See also the *International standard industrial classification of all economic activities*: <http://unstats.un.org/unsd/cr/registry/regcst.asp?Cl=27> (accessed 29 Sep. 2011).

³ The definition refers to 1980, when the ILO Governing Body created the ILO Industrial Committee for the HCT. See also ILO Sectoral Activities Department: *Human resources development, employment and globalization in the hotel, catering and tourism sector*, Report for the discussion at the Tripartite Meeting on Human Resources Development, Employment and Globalization in the Hotel, Catering and Tourism sector, Geneva, 2–6 Apr. 2001, p. 5.

WHO IS A TOURIST?

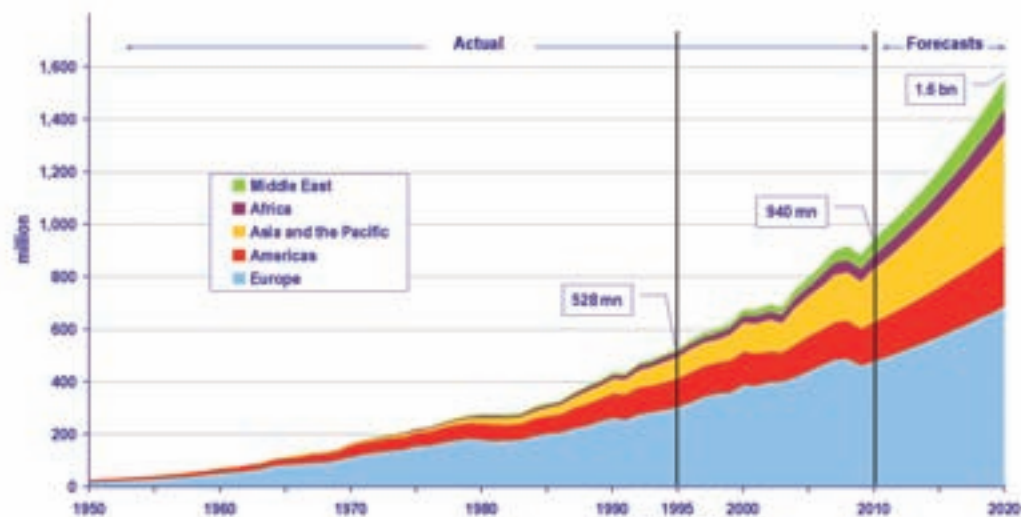
- A **domestic tourist** is a resident of a country visiting his own country.
- An **international tourist** is a visitor who stays in a country other than his/her own for at least one night.
- A **same-day visitor** is someone who does not spend the night in a place visited.
- A **resident of a country** is someone who has (i) lived for most of the last year there, or (ii) has lived there for a shorter period and intends to return within 12 months to live in that country.

The key point is that **a tourist in statistical definitions differs from what many local people perceive as a tourist, which is someone on holiday!** Business tourists and people popping over the border to do shopping or trading also count. So be careful when using local statistics. Also, most statistics do not include domestic tourists because they are hard to measure – though they may be important to local efforts to harness tourism. It is estimated that domestic travel and tourism is up to ten times more significant than international market, in terms of arrivals.





International Tourist Arrivals by region (million)



Source: UNWTO: Tourism 2020 Vision.

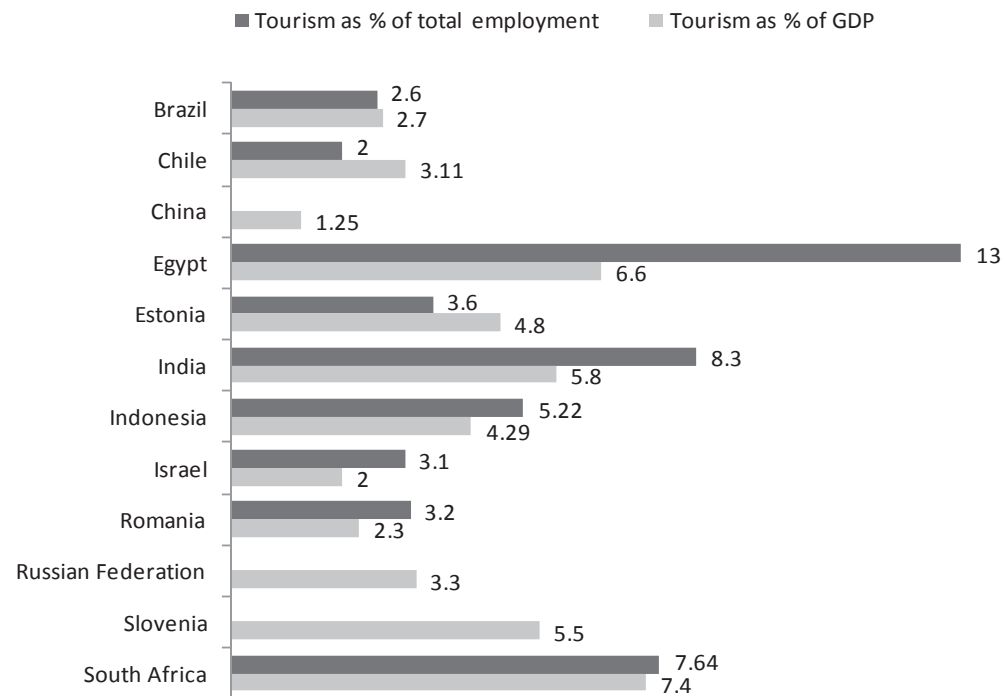
Over the past decade, international tourism arrivals have differed across regions of the world. In emerging regions, international tourist arrivals have continuously risen, from 31 per cent in 1990 to 47 per cent in 2010.

FACTS AND FIGURES

Despite structural changes due to new technologies, the industry remains a major source of employment, particularly in developing countries, where it has grown rapidly in recent decades.

- In 2010 travel and tourism were estimated to have generated about **9.3 per cent of global GDP**. Tourism investments were estimated at 9.2 per cent of total global investments.
- **Tourism exports** represent **30 per cent of world exports** of commercial services (6 per cent of total exports of goods and services).
- **International tourist arrivals** increased **4.3 per cent** annually between 1995 and 2008. In 1950 the travel industry recorded only 25 million international tourist arrivals; arrivals had grown to 277 million in 1980, 675 million in 2000, 922 million in 2008, and 940 million in 2010.
- With regard to the **supply chain**, **one job** in the core tourism industry indirectly generates **1.5 additional jobs** in the related economy. In 2010 the sector's global economy accounted for more than **235 million jobs**, equivalent to about **8 per cent** of the overall number of jobs (direct and indirect), or one in every 12.3 jobs.
- **Women are strongly represented: they account for between 60 and 70 per cent** of the labour force.
- **Youth employment** is significant in the sector. Half of the tourism workforce is under 25.
- **Tourist arrivals in LDCs** (1998–2008) have tripled, with an average annual growth rate of 13 per cent, and with tourism revenues increasing from 1 to 5.3 billion US dollars.
- Out of **48 LDCs**, **29** have selected tourism as an important sector for growth and development; and international tourism is among their top three foreign exchange earners.
- Tourism is the **leading services export in LDCs**, representing 33 per cent of LDC exports and 65 per cent for island LDCs.

Tourism in non-OECD member countries, emerging markets 2009 ¹³



Source: ILO: *Developments and challenges in the hospitality and tourism sector*, Issues paper for discussion at the Global Dialogue Forum for the Hotels, Catering, Tourism Sector, Geneva, 23–24 Nov. 2010., p. 39.



EXERCISE

Per country (individually or in groups), collect and analyse existing data and information about tourism.

Questions as a guide for your analysis

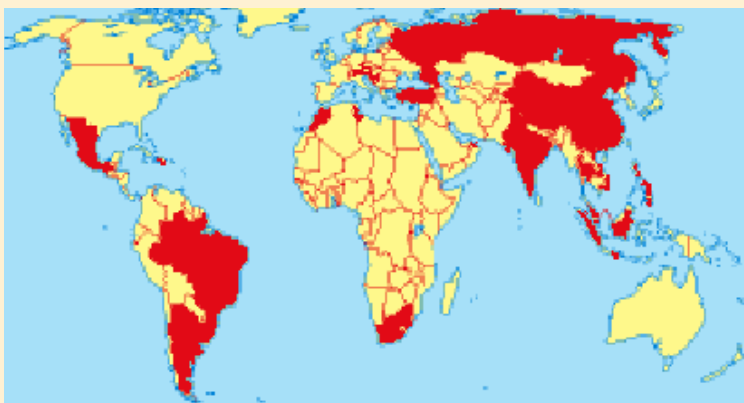
- How important is tourism in the economy?
- Which are the general patterns and characteristics of tourists?
- How can you characterize employment in the sector (e.g. working conditions, female and youth employment?)
- What are your main conclusions regarding the tourism sector in your country or region?



3 Tourism and poor/developing countries

Tourism is increasingly a major, if not the main, source of growth, employment, income and revenue for many of the world's developing countries. The sector is currently ranked first or second in the export earnings of 20 of the 48 least developed countries (LDCs) and is demonstrating steady growth in at least 10 others. As such, tourism has become one of the main engines of socio-economic progress for many countries and a development priority for a majority of LDCs.

Developing countries with high arrival numbers⁴



Most new jobs in developing countries are created in the tourism industry. Tourism is the major services export for many developing countries and has significant potential to provide competitive advantage for poorer and least developed countries.

In countries that are most dependent on tourism (particularly small islands) tourism can account for 30–90 per cent of GDP and 50–90 per cent of exports, and can employ 20–50 per cent of the population.

⁴ *Pro-Poor Tourism info-sheets: Sheet No 5*, http://www.propoortourism.org.uk/info_sheets/5%20info%20sheet.pdf (accessed 29 Sep. 2011).

The risks of extreme dependency on tourism

Tourism can be adversely affected by different types of crisis, including political crises and natural disasters. During such crisis situations, decreases in tourist arrivals occur, resulting in loss of income for those who have invested in tourism related activities. This has happened, for example, in Egypt, Tunisia, Bali and Thailand. Though these experiences have also proved that usually tourism is able to overcome such crises quite quickly, extreme dependency on tourism is not healthy and it is recommended that attention should also be paid to other sectors in the interests of more balanced, sustainable and reduced-risk economic development and the implementation of a poverty reduction strategy. Complementary government measures to assist investors in tourism in crisis situations, like the Crisis Management Fund implemented in Sri Lanka, allow manageable transition situations until the crisis is overcome.

(http://www.sltda.gov.lk/trade_support_schemes)

EXERCISE

Can you imagine/describe actual or potential impacts of a crisis on tourism in your country?
Can you recommend preventive measures different actors (governments, investors, communities) could take to minimize potential negative impacts?

4 Globalization and tourism

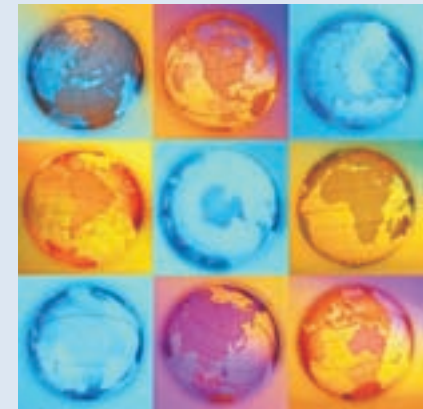
Changes in ownership and capital structure, acquisitions, mergers and buyouts, combined with the development of information and communications technologies (ICTs), are the most important factors driving globalization in the tourism sector. More and better-informed consumers are more value-for-money oriented. Tourism services cannot be transferred from one place to another to save costs but the general trend towards providing tourism services at the lowest possible cost may lead to a drastic reduction in all costs, including labour costs, leading to lower revenues, increased insecurity and deterioration of working conditions.

Globalization has a different impact on developed and developing countries. Present data on tourism receipts and arrivals suggest that most of the benefits in the sector accrue to developed countries. For some developing countries, globalization has led to privatization and deregulation, with resultant changes in employment structures. In other developing countries, however, globalization has ushered in increased investment flows, multinational enterprises and new technologies, and has created and increased employment. To ensure that the benefits of sectoral globalization are as widely distributed as possible, cooperation is necessary between developed and developing countries and care should be duly taken of issues relating to culture, tradition and the environment.

Developing countries should be assisted in such areas as **internet marketing, human resource development strategies, exchange of experiences, and necessary funding** to make the national tourism economy competitive and sustainable. There is a need for **a legal framework that balances business needs to expand and prosper, and workers' rights. Respect for ethical principles and rising awareness of tourism in education** are important to address the potential negative consequences of globalization and should be monitored and implemented with the participation of all stakeholders, including equal access between men and women to ICTs.

The ILO *Declaration on Social Justice for a Fair Globalization* (2008) aims to formulate an effective response to the growing challenges of globalization. Freedom of association, the right to collective bargaining and the elimination of discrimination in employment and occupation are the key principles of the declaration.⁵

⁵ See: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_099766.pdf.



Globalization refers to the increasing unification of the world's economic order through the reduction of such barriers to international trade as tariffs, export fees, and import quotas. The goal is to increase material wealth and the abundance of goods and services through an international division of labour, by efficiencies catalysed by international relations, specialization and competition. It describes the process by which regional economies, societies, and cultures have become integrated through communication, transportation, and trade. The term is most closely associated with economic globalization: the integration of national economies into the international economy through trade, foreign direct investment, capital flows, migration, the spread of technology, and military presence. However, globalization is usually recognized as being driven by a combination of economic, technological, sociocultural, political, and biological factors. The term can also refer to the transnational circulation of ideas and languages.





5 Globalization and informal economy⁶

In recent decades employment in the informal economy has risen rapidly in all regions of the developing world and various forms of non-standard employment have emerged. These include street vendors in Bogota, shoeshine boys and rickshaw pullers in Calcutta, garbage collectors in Cairo, home-based garment workers in Manila and home-based electronic workers in Kuala Lumpur. In several countries the development of tourism is strongly based on the informal sector.

There is a link between working in the informal economy and being poor, and the growth of an economy strongly based on an informal industry does not have a positive long-term effect on productive employment generation. Average incomes are lower in the informal economy and, as a result, poverty is more prevalent among people working in the informal economy than in the formal sector. Additionally, the informal sector is often linked to poor working conditions; weak social protection, including health and pension schemes; and a lack of access to vocational training, skills development and education, collective bargaining and social dialogue.

Globalization of the economy tends to reinforce the links between poverty, informality, and gender. Global competition tends to encourage formal firms to shift formal wage workers to informal employment arrangements and to encourage informal units to shift workers from semi-permanent contracts to piece-rate or casual work arrangements. It also often leads to shifts from secure self-employment to more precarious self-employment, as producers and traders lose their market niche. With these shifts, and as more and more men enter the informal economy, women in the sector tend to be pushed towards the lowest-paying jobs: for example, as petty traders or industrial outworkers.

To date, few policy makers have explicitly addressed the opportunities and constraints faced by informal producers/workers in the context of global integration and competition. In large part, this is because they remain undercounted in official statistics and poorly understood.

⁶ Based on M. Carr and M. Alter Chen: *Globalization and the Informal Economy: How Global Trade and Investment impact on the Working Poor* (WIEGO, 2001) http://www.ilo.org/wcmsp5/groups/public/@ed_emp/documents/publication/wcms_122053.pdf.

Gender issues in the informal sector: A Philippine case study

Attention has been drawn to the fact that prostitution has increased in many developing countries, often in new forms, particularly in some countries in South East Asia that present a phenomenal rise in the numbers of young women prostitutes.

In the Philippines, migrant women represent a majority of those employed in the “hospitality industry”. Experiences of migrant women employed in bars reveal working conditions and structures that, instead of improving their situation financially, commit them to a cycle of dependence from which it is difficult to escape. Working in bars was not their intention on arrival as migrants. The decision to do so was made as options decreased and responsibilities increased, in terms of children or other family responsibilities.

Conditions under which women are employed do not fulfil the criteria for formal sector employment, i.e. salary/wage, social security benefits, pensions, etc. What they do could be considered casual work, with most women earning only through commission.

The women’s relationship with the management is complex and exploitative, whereby the management accumulate at the women’s expense. The cycle of dependency develops, often through debt initially, but also through the complex interpersonal relations and the cultural norms that underpin them.

(<http://www.trocaire.org/resources/tdr-article/gender-issues-informal-sector-philippine-case-study>)

6

All sectors of contemporary tourism are dynamic and subject to constant change and evolution. Examples include the development of fast food, the creation of the first, standardized chain hotels and the rise of economy brands in accommodation and air transport, to name but a few. In this, the industry is no different from other sectors of the consumer economy. Changes have become particularly marked over the past decade with respect to the range of products and services offered within hotels and restaurants and these, in turn, have had significant implications for workplace practices and relations. Key changes in this environment have included:

- ✓ increased focus on financial and operational **competitiveness**;
- ✓ challenges with respect to **consistency in regard to national and international standards** relating to operations, service, employment and ethics; and
- ✓ the continuing **importance of SMEs** within the sector in all countries.

Adventure Tourism



EXERCISE

Reflect on the questions below in groups (organize the groups depending on the audience).

1. Which major changes have been experienced in your country (or region or community) in recent years as a consequence of globalization?
2. Which are the most important changes regarding the tourism industry that have taken place in your country (or region or community) in the past decade?
3. What consequences did these changes have on women's and men's lives and well-being?

Organize your answers in the following table and share your results:

Changes	Positive changes	Negative changes	Effects on women's lives and wellbeing	Effects on men's lives and wellbeing
Changes from globalization				
Changes in tourism				

- ➡ Can you identify common patterns?
- ➡ Which factors have been important to enhance positive effects on people's lives and well-being?
- ➡ Which have been the main causes for the negative effects on people's lives and well-being?





Unit 2: Tourism, poverty reduction and development

1 Tourism and the Millennium Development Goals



The importance of the sector in alleviating poverty and facilitating development in less developed and emerging economies has been recognized. The growing significance of tourism to developing countries is closely linked to the role of employment in promoting the Millennium Development Goals (MDG) and especially employment and poverty reduction (Goal 1), gender and empowerment of women (Goal 3) and the relationship between employment and environmental sustainability (Goal 7).

However, it is important to recognize that, even though tourism creates jobs and contributes significantly to economic growth, it is not automatically a formula for poverty reduction. On the other hand, the strategically important question regarding the achievement of development goals is how to move from niche tourism to mainstream tourism. Developing countries should highlight the sector in their national Poverty Reduction Strategy Papers (PRSPs) and financing institutions need to recognize the impact of tourism in their support strategies, which requires the involvement of all stakeholders through meaningful social dialogue.

There are **three types of impact that tourism can have on the poor**:⁷

1. earning income;
2. development of local/rural economies and people's livelihoods; and
3. impacts on the natural and cultural environment in which they live.

⁷ Anna Spenceley, Caroline Ashley and Melissa de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009), p. 20.

THE UNITED NATIONS MILLENNIUM DEVELOPMENT GOALS (MDGs)

At the Millennium Summit in September 2000 the largest gathering of world leaders in history adopted the UN Millennium Declaration, committing their nations to a new global partnership to reduce extreme poverty and setting out a series of time-bound targets, with a deadline of 2015, known as the Millennium Development Goals.

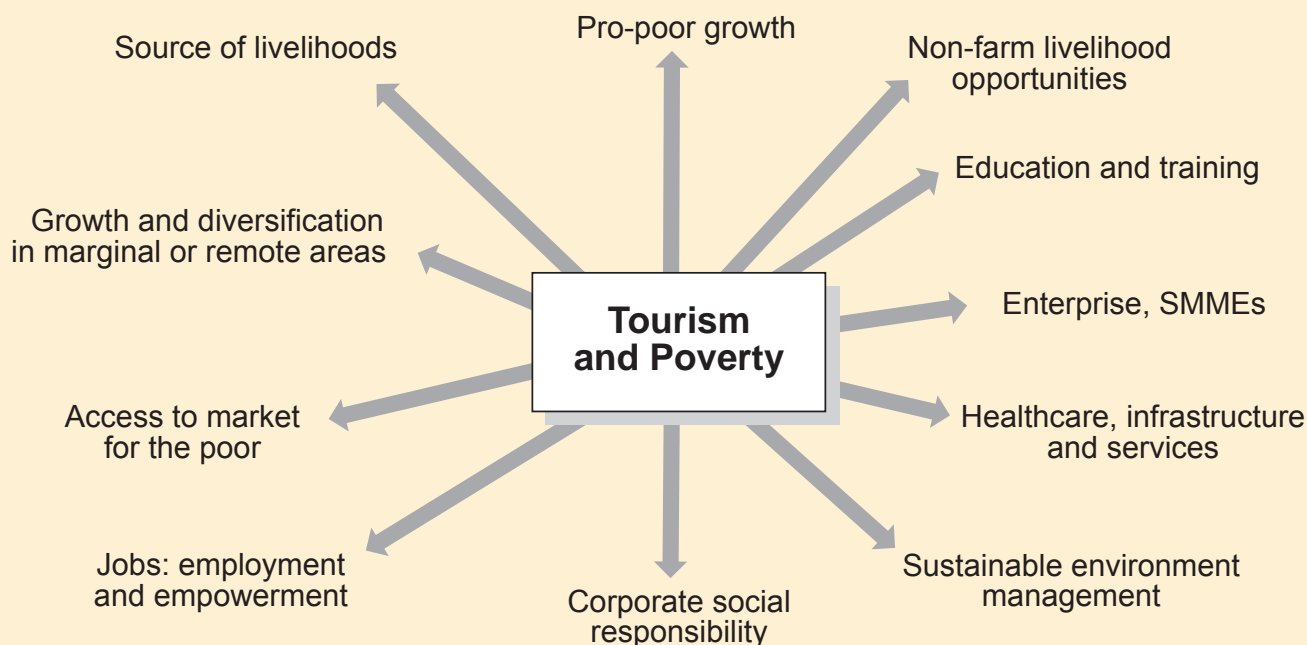
- Goal 1: eradicate extreme hunger and poverty
- Goal 2: achieve universal primary education
- Goal 3: promote gender equality and empower women
- Goal 4: reduce child mortality
- Goal 5: improve maternal health
- Goal 6: combat HIV/AIDS, malaria and other diseases
- Goal 7: ensure environmental sustainability
- Goal 8: develop a global partnership for development

In 2007 the Secretary-General of the UN launched a two-year effort devoted to actions that “promote full employment and decent work for all.” In 2008 a **new target for employment** and **four new employment indicators** were included under MDG1: achieve full and productive employment and decent work for all, including women and young people.

- Growth rate of labour productivity (GDP per person employed).
- Employment-to-population ratio
- Proportion of employed people living below the poverty line
- Proportion of own-account and contributing family workers in total employment (vulnerable employment rate)

2 Multiple relations between tourism and poverty

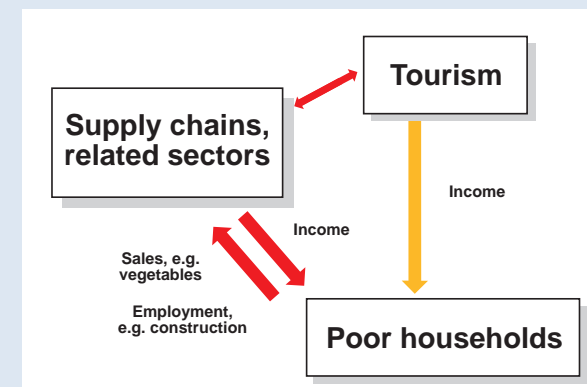
The relations between tourism and poverty are multiple and dynamic. With this framework, the relation between the tourism sector and related sectors is a precondition for poverty reduction. The following graph presents a proposed analysis of the main issues that determine the relationship between tourism and poverty:⁸



Your turn: can you identify other aspects and relations that are not included in the graph? Use the previous group exercise to contextualize the “tourism and poverty” map for your country (or region or community).

⁸ *Pro-Poor Tourism info-sheets: Sheet No 3*, http://www.propoortourism.org.uk/info_sheets/3%20info%20sheet.pdf (accessed 29 Sep. 2011).

DIRECT AND INDIRECT PARTICIPATION OF POOR PEOPLE IN TOURISM



Taken from: Anna Spenceley, Caroline Ashley and Melissa de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009), p. 35.

Direct participation in tourism is when poor people provide goods and services to tourists. They may work in a hotel or restaurant, sell crafts on the pavement, run rickshaws or boats for tourists, or host them in their village.

Indirect participation is when poor people work in the sectors that *supply* tourism. They may grow and sell vegetables that are served up in tourist hotels, or work for the construction or soft furnishing sectors that provision hotels.



3 Poverty reduction strategies and plans

Policies, regulations and clear strategies are the basis for sustainable tourism development, large-scale poverty reduction, the protection of natural resources and ways of life, and the promotion of economic development. In addition, they help to maintain social cohesion and the identities of local/rural communities. Governments play a major role in establishing development strategies, programmes, policies and statutory conditions related to safety, security, and sanitation, working conditions, infrastructure, education and training. These policy frameworks are the basis to:

- **evaluate and monitor the environmental impact** of major tourism developments;
- encourage industry supply chains to **source locally** and reduce reliance on imported items;
- **promote local ownership** by facilitating access to finances through credit and loan facilities for the poor, guaranteeing fair economic returns on the resources the communities are managing with a special attention to providing access for youth and women;
- **support formal local/rural employment** through the development of job outreach programmes that help educate and inform local/rural populations about job prospects in the tourism industry and related sectors, as well as about the consequences and risks of informality;
- **strengthen collaboration and communication** between the tourism industry and local/rural communities to facilitate the provision of food, goods, services or infrastructure by communities and to help them better understand the needs of the industry; and
- **address current work deficits**, particularly in poor working conditions at the workplace and the elimination of child labour.

Moving on from community-based tourism towards tourism-led poverty reduction

In a review of 218 Community-Based Tourism Enterprises (CBTEs) operating in 12 southern African countries, Spenceley (2008) identified severe business capacity constraints. Limitations reported by CBTEs included accessibility (among 91 per cent of enterprises), market access (72 per cent), advertising (70 per cent) and communications (57 per cent) – despite more than half of the CBTEs receiving some form of external support from a third party compounded by a lack of access for women.

Also in southern Africa Dixey (2008) found that only 9 of 25 CBTEs in Zambia evaluated had sufficient information on their income to compare their level of donor investment, visitor numbers, gross revenue and net income. Key determinants of success were linkages to tourism companies, proximity to main tourism routes, competitive advantage, financial management, visitor handling and community motivation.

In looking for reasons why these problems occur, Häusler (2008) found that in CBTE funding proposals in South America and Asia, donor agencies frequently considered participation, gender, empowerment and capacity building in their criteria. However, proposals have not been required to address business plans, administration, marketing strategies, product development, target groups, cooperation with private sector or communication channels.

4 Different (not mutually exclusive) poverty-reduction approaches to tourism⁹

- **Inclusive tourism** fosters links and interaction between the different actors in the tourism industry, partnership with private actors, stimulation of the local economy, integration of women, and involvement of local communities to better understand their needs and wants.
- **Sustainable tourism** is committed to the enhancement of local prosperity by maximizing the contribution of tourism to the destination's economic prosperity. It should generate income and decent employment for workers without affecting the environment and culture of the tourists' destination and ensures the viability and competitiveness of destinations and enterprises to enable them to continue to prosper and deliver benefits in the long term.
- **Responsible tourism** minimizes negative economic, environmental and social impacts; generates greater economic benefits for local people and enhances the well-being of host communities, improves working conditions and access to the industry; involves local people in decisions that affect their lives; makes positive contributions to the conservation of natural and cultural heritage, and to the maintenance of the world's diversity; provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local cultural, social and environmental issues; and is culturally sensitive, engenders respect between tourists and hosts, and builds local pride and confidence.
- **Pro-poor tourism** is tourism that results in increased net benefits for poor people. Pro-poor tourism is not a specific product or niche sector but an approach to tourism development and management. It enhances the linkages between tourism businesses and poor people, so that tourism's contribution to poverty reduction is increased and poor people are able to participate more effectively in product development.
- **Fair trade tourism** is about ensuring that the people whose land, natural resources, labour, knowledge and culture are used for tourism activities actually benefit from it.
- **Community-based tourism** is tourism in which local residents (often rural, poor and economically marginalized) invite tourists to visit their communities with the provision of facilities and activities.
- **Ecotourism** is tourism that unites conservation, communities and sustainable travel. It implies responsible travel to natural areas that conserves the environment and improves the well-being of local people.¹⁰

⁹ Anna Spenceley, Caroline Ashley and Melissa de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009), p. 32.

¹⁰ http://www.ecotourism.org/site/c.orLQKXPCLmF/b.4835303/k.BEB9/What_is_Ecotourism__The_International_Ecotourism_Society.htm

PRO-POOR TOURISM STRATEGIES

Increase economic benefits	Enhance non-financial livelihood impacts	Enhance participation and partnership
1. Boost local/rural employment, wages 2. Boost local/rural enterprise opportunities 3. Create collective income sources – fees, revenue shares	1. Gender responsive capacity building and training including balanced responsibility. 2. Mitigate environmental impacts 3. Address competing use of natural resources 4. Improve social, cultural impacts 5. Increase local/rural access to infrastructure and services	1. Create more supportive policy/planning framework 2. Increase participation of the poor in decision-making 3. Build pro-poor partnerships with private sector 4. Increase flows of information, communication

Source: <http://www.propoortourism.org.uk/>

EXERCISE

In groups per country (or region or community) select the five key elements to enhance the poverty-reduction potential of tourism. Then describe for each element a proposal on what concrete strategies and actions to undertake.



INSPIRING EXAMPLES: “MAKING SUCCESS WORK FOR THE POOR: PACKAGED TOURISM IN NORTHERN TANZANIA”¹¹

The main focus of the analysis has been to explore the Tanzanian part of the tourism global value chain that stretches from the international tourists' country of origin to Northern Tanzania. The reason for the focus is simple: Tanzanian stakeholders cannot directly influence the value chain overseas. In addition, tourism research has often been so preoccupied by the extent of the value captured by international interests that the host country is forced into the unhelpful role of powerless 'victim' of globalization. But the opposite is true. There are many very practical steps that Tanzanians can take to strengthen tourism and its links to poor people in their country.

Approximately 38 per cent of the revenue from a Mount Kilimanjaro climbing holiday package sold in Europe (including flights) accrues within Tanzania. When a tourist's discretionary spend is included, the in-country share of the total package cost rises to over 41 per cent. Twelve per cent of total tourist expenditure (including the international package cost and discretionary spend) is pro-poor. Extrapolating the average Mount Kilimanjaro climber expenditure to the estimated 35,000 annual climbers, the result is a total in-country tourist expenditure of just under US\$50million per year. This is a significant economic input in a rural context. Of this total, 28 per cent, or over \$13million, is considered pro-poor expenditure.

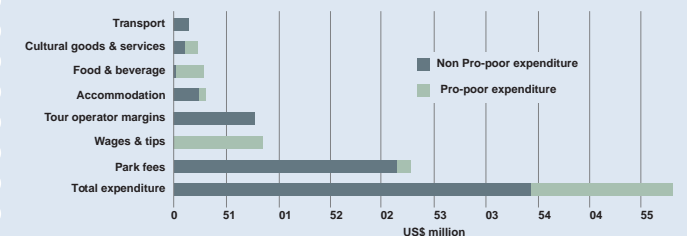
The main direct beneficiaries of the Mount Kilimanjaro climbing value chain are climbing staff (mostly women), who receive 62 per cent of pro-poor expenditure, as well as non-managerial accommodation staff.

To some people, the fact that Tanzania is only capturing about half of the global value chain in holiday packages sold in Europe may sound like exploitation. For a long-haul tourist destination (where the flights normally constitute about 40 per cent to 50 per cent of total package costs) this is to be expected. To a Tanzanian selling that other great export commodity, coffee, it would sound like a dream. Each US dollar spent on a package holiday to Tanzania in Europe generates about three times the pro-poor impact (11 per cent for safaris and 12 per cent for Kilimanjaro climbing holidays, compared with 4 per cent coffee) and five times the value for Tanzania (41–53 per cent compared with 8 per cent) compared with one dollar spent on a bag of Tanzanian coffee in Europe.

¹¹ Jonathan Mitchell, Jodie Keane and Jenny Laidlaw: *Making success work for the poor: Packaged tourism in Northern Tanzania* (Arusha, ODI and SNV, 2009).



Figure 3: Mount Kilimanjaro climber expenditure



Unit 3: Effects of tourism on local/rural development

1 Effects on local/rural economic development¹²

Tourism can **positively affect local/rural economic development** in the following ways:

- ✓ stimulating the creation and growth of new enterprises;
- ✓ bringing an export market right to the doorstep of many sectors (businesses that start selling new products to tourists and find success can end up as exporters, so helping the economy diversify);
- ✓ stimulating the development of new infrastructure and transport services;
- ✓ going hand in hand with upgrading workforce skills (it provides incentives for local/rural people to earn new languages and customer service skills);
- ✓ contributing to the tax base of national government, and sometimes also paying fees or licenses to local government; and
- ✓ providing incentives and funds for natural, cultural and historical resources to be managed in a more sustainable manner.

Tourism can also have **negative knock-on effects, particularly affecting the poor**:

- ✓ tourism can increase competition for water, land, and other natural resources;
- ✓ as tourism boosts demand for local/rural goods (food, land, construction), so local prices will rise, and if these goods and services are also purchased by the poor, the value of their small income goes down;
- ✓ in a small economy with a large tourism sector, the country's exchange rate can be affected;
- ✓ tourism can aggravate social tension and cultural disruption; and
- ✓ in several countries, sex tourism has grown to major proportions and is strongly linked to child and adolescent abuse, the dissemination of HIV/AIDS and sexual harassment.



Definitions of social and cultural impacts of tourism

- **Social impacts** are those that impact on life in an organised community; such as crime, employment, prostitution, religion, gambling, demonstration effect, xenophobia, disruption of community bonds, migration, changes in clothing and language, overcrowding of infrastructure, accommodation, services, and standards of health.
- **Cultural impacts** are those that affect the patterns, norms, rules and standards that find expression in behaviour, social relations and artefacts. It includes items of handicrafts, language, traditions, food, art, music, history, architecture, education, dress and leisure activities (Source: Mathieson and Wall, 1982).

¹² Anna Spenceley, Caroline Ashley and Melissa de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009) pp. 41–42.





2 Impacts on society and culture

Tourism inevitably impacts on society and culture – in both positive and negative ways. While appreciating the positive changes, efforts must be directed to minimizing the negative ones.

Society	Culture
Positive impacts	
<ul style="list-style-type: none"> Improved infrastructure and increased access to infrastructure and amenities. Increased access to information (through improved infrastructure and communications). Capacity building and education. Empowerment. Strengthening of community institutions Gender equity. Tolerance and respect. Gaining knowledge about other societies and cultures and increasing tolerance for people from different cultures. 	<ul style="list-style-type: none"> Increased pride in culture. Revitalisation of culture. Improved conservation and restoration of cultural heritage sites. Increased sales of local crafts and associated increase in pride and self-confidence.
Negative impacts	
<ul style="list-style-type: none"> Erosion of societal values. Crime, prostitution and exploitation of children. Local resentment when excluded from tourism or amenities and obvious disparities in wealth between the tourist and locals. Loss of access to resources. Inappropriate behaviour for the local society causing distress amongst the locals. 	<ul style="list-style-type: none"> Erosion of local culture. Loss of culture. Degradation of cultural sites.

Tourism can facilitate better relations and understanding between people and cultures. Tourism is a tool to build peace and enhance cooperation between different peoples, creating a unique enabling environment for collaborative and intercultural relations. Tourism is a platform for honest intercultural dialogue and global respect.

Ways to maximise positive impacts and mitigate negatives ones

The following measures can assist to reduce the negative impacts of tourism and contribute to enhancing the positive impacts. **Local participation** is a common thread in all of them.

- 1 Planning, impact assessment and monitoring.
- 2 Stakeholder engagement and collaboration.
- 3 Equitable benefit distribution and respect for local people.
- 4 Information and Interpretation.
- 5 Maintain and encourage social and cultural diversity.

Unit 4: Sustainability issues

1 Sustainable development

The World Commission on Environment and Development in 1987 (Brundtland Commission) defined sustainable development as “**development that meets the needs of the present without compromising the ability of future generations to meet their own needs.**”

2 Sustainable tourism



Sustainable tourism is composed of three pillars: social justice, economic development, and environmental integrity. It is committed to the enhancement of local prosperity by maximizing the contribution of tourism to the destination's economic prosperity, including the amount of visitor spending that is retained locally. It should generate income and decent employment for workers without affecting the environment and culture of the tourists' destination and ensure the viability and competitiveness of destinations and enterprises to enable them to continue to prosper and deliver benefits in the long term. In this sense, development should be a positive experience for local/rural populations, tourism companies, workers and tourists themselves.

Sustainable tourism should make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural resources and biodiversity. It should respect the socio-cultural authenticity of host communities, conserve their established and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance; while ensuring viable, long-term economic operations, providing equal socio-economic benefits to all stakeholders, including stable employment, income opportunities, social services to host communities, and contributing to poverty alleviation.

Tourism can have fundamental **positive impacts on the environment and biodiversity conservation** for a number of reasons, including the following:

- ✓ *tourism can generate revenue in areas of high biodiversity* such as protected areas, and help to make them economically viable;
- ✓ *tourism can raise public support for conservation* since it can provide environmental education to visitors and local/rural people;
- ✓ *tourism* can also generate direct employment and catalyse economic opportunities for local/rural people. Beneficiaries may consequently perceive a direct value from biodiversity, which may provide incentives to conserve natural areas;
- ✓ *tourism* can be less environmentally damaging than other revenue generating industries based on natural resource use, including forestry, slash and burn agriculture, pastoral farming and wood collection;
- ✓ *tourism* may be one of the few economic activities suited to take place within conservation areas located on marginal land; and
- ✓ *tourism* based on natural resources can theoretically be sustainable if its impacts are managed and mitigated.

Taken from: Anna Spenceley, Caroline Ashley and Melissa de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009), p. 48.



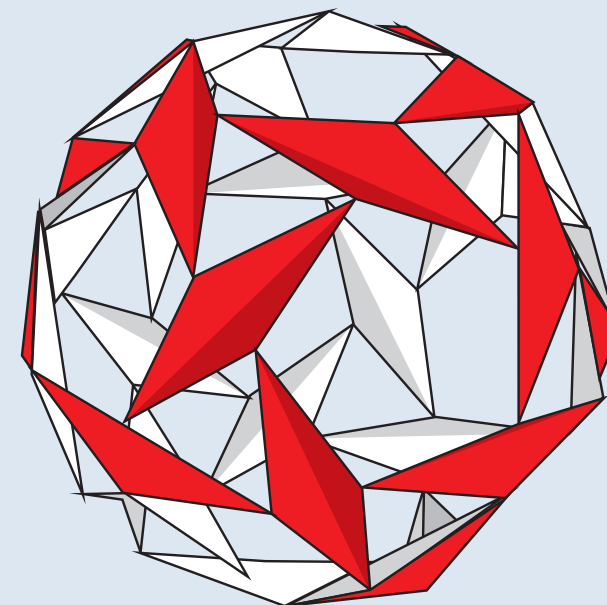


Components of sustainable tourism



SYNERGY IMPACTS

Tourism can impact on all aspects of people's lives – economic, social, cultural, and environmental – simultaneously. For example, a tourism initiative aimed at enhancing local/rural economic development through nature-based tourism can have the added benefits of empowering the local/rural people through their involvement in decision-making, contributes to a sense of ownership over the resource and an associated sense of pride, which in turn can improve conservation of the natural resources through increased protection and reduced harvesting. Tourism activities can also result in improved access to infrastructure, which is beneficial for the community.



Unit 5: Key actors, sectors and inequalities

1 Women

Table 1 Hotel/restaurant employees who are women by region (%)

Region	Regional average
Latin America	58.5
Caribbean	55.4
Africa	47.0
Oceania	46.8
Asia	35.4
Average	48.62

Source: ILO Laborsta Database.

Women make up between 60 and 70 per cent of the labour force in the tourism industry. Most of the jobs for women are in unskilled or semi-skilled work and they are often employed in the informal sector with poor wages and working conditions. Women are therefore vulnerable in the industry and face precarious types of jobs, inequality, violence at work, stress and sexual harassment. For the ILO, the term “equal remuneration for men and women workers for work of equal value” refers to rates of remuneration established without discrimination based on sex.¹³ Women workers earn up to 25 per cent less than male colleagues performing equal work.¹⁴

The low level of women’s participation in workers’ organizations, with even fewer women at higher levels of representation, often puts them in a weaker bargaining position. Gender issues, such as workplace safety, including workplace violence, are often insufficiently addressed.

- ✓ Women are well represented in service and clerical level jobs but poorly represented at professional levels.
- ✓ The tourism sector has almost twice as many women employers as other sectors.
- ✓ One in five tourism ministers worldwide are women.
- ✓ Women make up a much higher proportion of own-account workers in tourism than in other sectors.
- ✓ A large amount of unpaid work is being carried out by women in family tourism businesses.

The elimination of these gender patterns would not only improve the lives of women workers in the industry, but would also ensure a wider pool of more competent staff available to employers in the sector as well as help create opportunities and jobs in SMEs.

¹³ ILO Equal Remuneration Convention, 1951 (No. 100).

¹⁴ See: ILO: *Breaking Through the Glass Ceiling: women in management. Update 2004* (Geneva, 2004), p. 30.

Tourism has the potential to be a vehicle for the empowerment of women in developing regions. Tourism provides better opportunities for women’s participation in the workforce, women’s entrepreneurship, and women’s leadership than other sectors of the economy.

Main recommendations

Employment

Increase awareness of the important economic role that women play in the tourism industry. Strengthen legal protection for women in tourism employment; such protections include minimum wage regulations and equal pay laws. Improve maternity leave requirements, flexible hours, work-from-home options, and arrangements for childcare.

Entrepreneurship

Facilitate women’s tourism entrepreneurship by ensuring women’s access to credit, land and property as well as providing appropriate training and resources to support women’s enterprises.

Education

Promote women’s participation in tourism education and training and improve the educational level of women already working in different areas of the industry through a targeted and strategic programme of action.

Leadership

Support women’s tourism leadership at all levels (public, private, community) by establishing leadership programmes at the national level and in large and small-scale tourism enterprises.

Community

Ensure that women’s contribution to community development is properly recognized and rewarded by taking into account women’s unpaid work and by monitoring tourism activities carried out in the household and in the community.

Source: UNWTO and UN Women: *Global report on women in tourism 2010: Preliminary findings* (Madrid, UNWTO, 2011), p. vi.



INSPIRING EXAMPLES: TOURISM AND WOMEN¹⁵**Case Study A: Mulala Cultural Tourism Enterprise, Arusha, Tanzania***By Mary Lwoga (texte edited)*

Eight women in the Mulala village of Tanzania have united to form the Agape Women's Group, a co-operative working within the framework of the Mulala Cultural Tourism Enterprise, an enterprise established with the joint support of the Tanzania Tourist Board and the Netherlands Development Organization (SNV) with the aim of creating tourism activities that benefit local populations, alleviate poverty and offer a tourism experience to complement conventional safaris. Upon arrival, tourists are warmly welcomed by the women of Mulala, led by Mama Anna Pallangyo (Head and Co-ordinator of the Tourism Enterprise): They are encouraged to visit Mt. Meru Forest Reserve and take tours designed to showcase local cheese-making, dairy keeping, gardening and farming activities, bread-making, tailoring or coffee growing. Not only does the program directly benefit the eight families of the Women's Group, but the entire 2,500 strong Mulala community has gained by it. Every tourist makes a contribution to the Village Development Fund, which is used to improve school buildings, the local dispensary and in other community development projects. Thanks to their good contacts in the tourism sector, the Agape Women's Group has also managed to establish business linkages with tourist lodges in the area for the supply of homemade cheese. This has become another important income source for the members of the women's group, as well as for other farmers in the village, from which the women's group purchases milk to produce cheese.

Factors Influencing Success and Lessons Learned

- Local women entrepreneurs like Mama Anna took the initiative and drove this Cultural Tourism Program towards success.
- Women were supported and encouraged to participate in the project from its inception.
- Training in business skills, pricing, linking to markets and record keeping was provided to all the project participants, ensuring they were equipped with the information necessary to benefit from tourism.

**Case Study B: Three Pioneering Nepali Sisters***By Kristie Drucza (text edited)*

In response to the demand for women guides in an otherwise male-dominated sector in the Himalayas, the three Chhetri sisters founded the Three Sisters Adventure and Trekking Company in 1994 to provide a women-only trekking option for tourists. Five years later, they registered Empowering Women Nepal (EWN) as an NGO.

The Nepali company trains local women as guides and porters, while offering them 'empowerment training' to help them cope with discrimination. In this deeply patriarchal society, restrictions on women's mobility render most single women housebound and most married women unemployable. Nevertheless, over the last decade, EWN has trained and motivated over 800 Nepali women to enter the tourism industry. The sisters currently employ one hundred women in their trekking company, who earn an average of 120,000 rupees per year (US\$ 1,709) once they become experienced guides.

Overcoming local skepticism through sheer determination, a clear vision of their mission, and the support of their family, the sisters have managed to break down several entrenched gender stereotypes. As one sister, Lucy Chhetri puts it: 'We have demonstrated that women are mentally, physically and emotionally as strong as men'. Due largely to their efforts, women now make up between five and ten percent of guides and porters in Nepal, offering tourists greater choice and advancing the empowerment and economic status of Nepali women.

- Factors Influencing Success and Lessons Learned
- Family support for and between women greatly bolsters their confidence, determination, and ability to succeed
- Women's potential to succeed in tourism often goes unrealized, not due to the lack of potential, but rather due to the lack of opportunities
- Questioning restrictive traditional gender roles by male community members can support women's freedom to pursue entrepreneurial initiatives in the tourism sector.

¹⁵ Taken from: UNWTO and UN Women: Global report on women in tourism 2010: *Preliminary findings* (Madrid, UNWTO, 2011).

2 Sexual harassment, sex tourism and HIV/AIDS

HIV is a major threat to the world of work. It is affecting the most productive segment of the global population and as such the labour force. It is imposing huge costs on enterprises in all sectors including tourism through declining productivity, increasing labour costs and loss of skills and experience. The AIDS epidemic has a particular impact on women and girls and the impact also strikes at the most vulnerable and marginalized groups in society. Particular challenges are faced by rural populations who often lack of access to HIV prevention, treatment care and support. As an industry employing a large number of women, young people and migrant workers, the tourism sector is particularly concerned by the HIV/AIDS epidemic. According to the UNAIDS 2010 *Global Report*, an estimated 2.6 million people were newly infected in 2009, young people aged 15–24 made up 41 per cent of all new HIV infections; and women accounted for 52 per cent of all people living with HIV during that year. In sub-Saharan Africa it is estimated that 13 women become infected with HIV for every 10 men (www.unaids.org).

A more comprehensive approach is required in places where the epidemic is more generalized, as is the case in many LDCs. HIV behaviour change communication and the use of peer education is essential to increase information on ways of HIV transmission and prevention methods.

HIV/AIDS in tourism is strongly linked to sexual harassment and the growing industry of sex tourism. In 1995 the UNWTO adopted a *Declaration on the Prevention of Organized Sex Tourism*, which defines sex tourism as “trips organized from within the tourism sector, or from outside this sector but using its structures and networks, with the primary purpose of effecting a commercial sexual relationship by the tourist with residents at the destination.” In many tourism destination areas the spread of prostitution has caused an increase of severe diseases, in particular for women. Prostitution also often implies abuse and violence against women and severe consequences for social integration. Attractions for sex tourists include reduced costs for services, along with either legal prostitution or indifferent law enforcement and access to child prostitution, this last one a multi-billion-dollar industry believed to involve as many as 2 million children around the world, according to UNICEF estimates. Human rights organizations warn that sex tourism contributes to human trafficking and child prostitution. Very low salaries and poor working conditions have been identified as leading factors in motivating women and men to increase their income through sex work.

Sexual harassment is intimidation, bullying or coercion of a sexual nature, or the unwelcome or inappropriate promise of rewards in exchange for sexual favours. In some contexts or circumstances, sexual harassment may be illegal. It includes a range of behaviour from seemingly mild transgressions and annoyances to actual sexual abuse or sexual assault. Sexual harassment is a form of illegal employment discrimination in many countries, and is a form of abuse (sexual and psychological) and bullying.

Tourism and sexually transmitted diseases (STDs)

Two studies in sexually transmitted disease (STD) clinics found that 20 per cent–42 per cent of international travellers had sex with a new partner during travel. STDs, including HIV, are a risk worldwide, not only for local people but also for fellow travellers. However, official data on the prevalence of STDs are often unknown, and many travellers may be unaware of the risks. (<http://wwwnc.cdc.gov/travel/yellowbook/2012/chapter-3-infectious-diseases-related-to-travel/perspectives-sex-tourism.htm>).

EXERCISE

In groups or individually, reflect on the situation of sexual harassment, sex tourism and HIV/AIDS in your country (or region or community).

- Is this an actual problem? If not, could it become one in the near future?
- What are the main consequences?
- Which factors or characteristics of tourism contribute (or could contribute) to creating such situations and threats for the local/ rural population?
- What measures would you propose to minimize impacts and risks?





3 Migrant workers

Migrant workers are common in the tourism sector and they are in need of better social protection. The number of international migrants is estimated to be 175 million, accounting for 3 per cent of the global population. Women represent half of these international migrants. Although accurate estimates for the number of migrant workers in the tourism sector are not available, it is known that such workers are a vulnerable group and are disproportionately highly employed in the sector, concentrated in lower paid, low-skilled and less stable jobs. This is due to language factors and unfamiliarity with the host culture. The proliferation of temporary migration schemes should not be allowed to lead to the curtailment of the rights of migrant workers in the workplace, especially regarding the principles of equality of treatment with national workers, and of non-discrimination. Discrimination against migrant workers is reflected in their poor integration in host societies, their high unemployment rates, lack of recognition of their skills and experience, as well as growing xenophobia. The growth of temporary labour migration poses special problems for the integration of temporary migrant workers in destination countries.

4 Children

Child labour remains particularly common in or around the industry: the informal employment relations in small enterprises favour it. In the hotel and restaurant subsectors, which include bars, children can be exposed to physical and moral hazards that damage them for the rest of their lives, owing to the association of some of these enterprises with alcohol, the sex industry, violence and illicit drugs.

There is a clear need for social protection to eradicate this stain, in conjunction with measures to alleviate poverty in order to attack its root cause. An estimated 13–19 million children under 18 years of age work in an occupation tied to tourism. This represents 10–15 per cent of the global tourism workforce. A further 2 million children in the world are victims of commercial sexual exploitation. The ILO Worst Forms of Child Labour Convention, 1999 (No. 182), defines these worst forms as including the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances, and work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

GENDER ROLES IN DAHSHUR, EGYPT

A study performed in 2009 by the Center for Development Services to establish the socio-economic conditions of Dahshur and its satellite communities concluded that “*women conditions in all villages were very similar. There was general consensus amongst all those interviewed, men and women, regarding the role of a married woman; taking care of children and running household chores. The local culture of these societies have set certain roles for a married woman directed towards her responsibilities, usually unpaid, such as working in the farm with her husband, taking care of the children, taking care of the cattle, bringing water, disposing of dirty water, garbage disposal, and food preparation. The situation for young girls is a bit different in terms of work, either in farming or clothing industries where culturally a single young woman has more freedom to take on a job compared to a married woman, whether inside the village or not, when available. Some families justify girls’ work, particularly poor families, as a type of contribution by the girl towards her wedding costs.*” (Center for Development Services (2009). *Establishing the Socio-Economic Profile of Dahshur and its Satellite Communities*. Cairo).



INSPIRING EXAMPLES: THE ECO-FRIENDLY MARA SERENA SAFARI LODGE¹⁶

“The Mara Serena Safari Lodge is committed to a long-term policy of sustainable conservation, which is linked to a programme of committed community support, designed to include both visitors and staff members. Our contribution towards sustaining the community that surrounds us includes; provision of drinking water and conservation centres.

“In terms of its own ecological ‘footprint’, the lodge abides by a code of responsible practice in relation to: energy conservation, waste recycling (glass, plastics, ‘wet waste’), sewage disposal, air emissions, non-CFC use, pesticide use, noise reduction and visual pollution. Wherever possible, local produce is featured on the menus.

“In order to promote the overall health of their workforce, Serena has also established the Employee Wellness Programme, which aims to address the holistic health needs of not only Serena’s staff, but also of the communities that surround their lodges. In essence, the programme is devoted to reducing the incidence of accident and illness in the workplace, promoting healthy lifestyles, maximizing potential, and promoting optimum quality of life.

A wide range of campaigns is currently taking place, each tailored to the specific needs of the area in which it is located. Prevalent campaigns include; health and safety in the work place, HIV/AIDS, sexual harassment, gender equality and drug and alcohol abuse.”



“Located at the very centre of the famous ‘Mara Triangle’ of the world-renowned Masai Mara National Reserve in Kenya, the Mara Serena Safari Lodge is the ultimate safari destination. Set high on a bush-cloaked hill with long views over the savannah and down to the winding coils of the hippo-filled Mara River, it stands centre-stage to one of Africa’s most dramatic wildlife arenas, with a ringside seat for the ‘greatest wildlife show on earth’, the legendary migration of the wildebeest.”

¹⁶ <http://www.serenahotels.com/serenamara/default-en.html> (accessed 29 Sep. 2011).





AN INTEGRATED BALANCE: HOW ARE WE DOING IN RELATION TO TOURISM FOR POVERTY REDUCTION AND LOCAL/RURAL PEOPLE'S WELL-BEING?

1. Identify the **three main ideas or key messages** you take from this chapter.
2. Individually or in groups apply the following matrix to develop a comprehensive, summarized analysis and balance on the actual effects of tourism, taking into consideration the different aspects addressed throughout this chapter.

ACTUAL IMPACTS AND EFFECTS OF TOURISM AND PROPOSED MEASURES TO ENHANCE THE POSITIVE AND MINIMIZE THE NEGATIVE						
EFFECTS	Economic/ poverty	Social	Cultural	Environmental	Women	Specific groups (migrants, children)
Positive						
Negative						
Proposed measures to enhance the positive and minimize the negative						



EMERGING STRATEGIC APPROACHES

Current thinking in tourism focuses on interventions that are more strategic, based on an open-minded assessment of where impact can be created at scale. Their aim should be to:

- engage the **private sector** in expanding opportunities for poor people, and take advantage of the growing business case for the tourism sector to demonstrate its commitment to destination development;
- link poor people to opportunities in **mainstream** tourism, not just niche tourism;
- **assess** and then tackle the main market blockages that limit participation of the poor;
- be open to working at any different point in the tourism value chain, **wherever there is greatest potential** for pro-poor change; and
- **evaluate the potential environmental, cultural, social impacts** of the intervention and type of enterprise being developed.

Do this during the planning stage in participation with local stakeholders, to ensure that overall the impacts will be beneficial.



SUMMARY OF KEY ISSUES AND IDEAS

Tourism is defined as the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.

Tourism is one of the fastest-growing economic sectors in countries around the world. It is very labour-intensive and is a significant source of development and employment. It can significantly contribute to social and economic development and to poverty reduction.

Tourism is increasingly a major source of growth, employment, income and revenue for many of the world's developing countries. Most new jobs in developing countries are created in the tourism industry

Tourism can facilitate better relations and understanding between people and cultures.

Policies, regulations and clear strategies are the basis for sustainable tourism development, large-scale poverty reduction, the protection of natural resources and ways of life, and the promotion of economic development.

Sustainable tourism is composed of three pillars: social justice, economic development, and environmental integrity.

While developing, implementing and evaluating tourism-related policies, it is important to take into account their impact on women, migrant workers and children.

The tourism sector is particularly concerned by the HIV/AIDS epidemic. HIV behaviour change communication and the use of peer education is essential to increase information on ways of HIV transmission and prevention methods.



APPENDIX TO CHAPTER 1

INSPIRING EXAMPLES: TOURISM AND WOMEN¹

Case Study A: Mulala Cultural Tourism Enterprise, Arusha, Tanzania

By Mary Lwoga



Eight women in the Mulala village of Tanzania have united to form the Agape Women's Group, a cooperative working within the framework of the Mulala Cultural Tourism Enterprise, an enterprise established with the joint support of the Tanzania Tourist Board and the Netherlands Development Organization (SNV) with the aim of creating tourism activities that benefit local populations, alleviate poverty and offer a tourism experience to complement conventional safaris. Upon arrival, tourists are warmly welcomed by the women of Mulala, led by Mama Anna Pallangyo (Head and Co-ordinator of the Tourism Enterprise). They are encouraged to visit Mt. Meru Forest Reserve and take tours designed to showcase local cheese-making, dairy keeping, gardening and farming activities, bread-making, tailoring or coffee growing. Not only does the programme directly benefit the eight families of the women's group, but the entire 2,500 strong Mulala community has gained by it. Every tourist makes a contribution to the Village Development Fund, which is used to

improve school buildings, the local dispensary and in other community development projects. Thanks to their good contacts in the tourism sector, the Agape Women's Group has also managed to establish business links with tourist lodges in the area for the supply of homemade cheese. This has become another important income source for the members of the women's group, as well as for other farmers in the village, from which the women's group purchases milk to produce cheese.



Factors influencing success and lessons learned:

- local women entrepreneurs like Mama Anna took the initiative and drove this cultural tourism programme towards success;
- women were supported and encouraged to participate in the project from its inception; and
- training in business skills, pricing, linking to markets and record keeping was provided to all the project participants, ensuring they were equipped with the information necessary to benefit from tourism.

¹ Taken from: UNWTO and UN Women: *Global Report on Women in Tourism 2010: Preliminary Findings* (Madrid, UNWTO, 2011).

Case Study B: Three Pioneering Nepali Sisters

By Kristie Drucza



In response to the demand for women guides in an otherwise male-dominated sector in the Himalayas, the three Chhetri sisters founded the Three Sisters Adventure and Trekking Company in 1994 to provide a women-only trekking option for tourists. Five years later they registered Empowering Women Nepal (EWN) as an NGO.

The Nepali company trains local women as guides and porters, while offering them “empowerment training” to help them cope with discrimination. In this deeply patriarchal society, restrictions on women’s mobility render most single women housebound and most married women unemployable. Nevertheless, over the last decade, EWN has trained and motivated over 800 Nepali women to enter the tourism industry. The sisters currently employ 100 women in their trekking company, who earn an average of 120,000 rupees per year (US\$1,709) once they become experienced guides.

Overcoming local scepticism through sheer determination, a clear vision of their mission, and the support of their family, the sisters have managed to break down several entrenched gender stereotypes. As one sister, Lucy Chhetri, puts it: “We have demonstrated that women are mentally, physically and emotionally as strong as men.” Due largely to their efforts, women now make up between five and ten per cent of guides and porters in Nepal, offering tourists greater choice and advancing the empowerment and economic status of Nepali women.

Factors influencing success and lessons learned:

- family support for and between women greatly bolsters their confidence, determination, and ability to succeed;
- women’s potential to succeed in tourism often goes unrealized, not due to the lack of potential, but rather due to the lack of opportunities; and
- questioning restrictive traditional gender roles by male community members can support women’s freedom to pursue entrepreneurial initiatives in the tourism sector.



Chapter

2

Human resources,
decent work and
social dialogue

CHAPTER 2

HUMAN RESOURCES, DECENT WORK AND SOCIAL DIALOGUE

Learning objectives

At the end of this chapter,¹ participants will be able to:

1. outline and analyse the employment patterns and working conditions in tourism from the perspective of the Decent Work Agenda and the Millennium Development Goals (MDGs);
2. recognize key elements and formulate proposals in the area of human resource development, with particular attention to vocational training;
3. identify key legal international instruments that promote and protect human rights, decent work, ethical conducts and social dialogue in the sector; and
4. formulate concepts and practice to encourage social dialogue at different levels.

Target audience

R = Relevant

PR = Partially relevant

NR = Not relevant

Target groups	Chapter 2
National Government representatives	R
Local/rural authorities representatives	R
Local/rural community organizations representatives	PR
Owners of small scale tourism enterprises and cooperatives	R
Trade Union representatives	R
Employers organizations representatives	R
Representatives of support organizations	R
Representatives of the local/rural tourism industry	R

¹ Unless otherwise specified, this chapter is based on a series of documents and publications of the International Labour Office.





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CHAPTER 2: Human resources, decent work and social dialogue

UNITS	CONTENTS
1. Tourism and employment	<ul style="list-style-type: none">• General patterns• Working conditions• Occupational safety and health (OSH)
2. Tourism and decent work	<ul style="list-style-type: none">• Definition• Decent work, poverty reduction and the MDGs
3. Human resources	<ul style="list-style-type: none">• Human resource development (HRD)• Vocational training
4. Legal frameworks	<ul style="list-style-type: none">• Conventions and Recommendations• Fundamental Conventions• The World Tourism Organisation Code of Ethics
5. Social dialogue	<ul style="list-style-type: none">• Definition• Strategic importance• Benefits of social dialogue

Unit 1: Tourism and employment

1 General patterns

As already mentioned, tourism is extremely labour intensive and a significant source of employment. It is among the world's top creators of jobs, requires varying degrees of skills and allows quick entry into the workforce for young people, women and migrant workers. It accounts for 30 per cent of the world's export services.

Direct occupations are not the only jobs linked to the sector's activities; there are also many jobs that have indirect relationships with the sector, and the many types of workplace contracts include full-time, part-time, temporary, casual and seasonal employment. The sector often crosses the fluid boundaries between the informal economy and the formal economy, with a number of formal establishments offering black market jobs. Opportunities for street vending in high-traffic areas for tourists generate livelihoods predominantly for women and children, in such activities as food stalls, sales of trinkets and artisan crafts. In contrast to other industries, employment tends to be oriented towards people under 35 years of age, half of whom are 25 or under, and a large number are women.

Employment in the tourism sector accounted for more than 235 million jobs in 2010 (8 per cent of the overall number of jobs (direct and indirect) or one in every 12.3 jobs). The sector's global economy is expected to provide 296 million jobs in 2019.²

2 Workings conditions

As already mentioned in the first chapter, particular groups like women, migrants and children suffer disadvantageous and very frequently illegal working conditions that include lower wages and ranks, unequal opportunities (for training, in higher positions, or in participation in decision-making) and greater vulnerability to abuse and exploitation. Owing to prevailing gender roles, perceptions and conditions, women are often forced to accept working conditions that inhibit them from exercising some of their fundamental human rights related to equal pay for equal work, maternity protection, social security and family leave.

² Source: ILO: *Developments and challenges in the hospitality and tourism sector*, Issues paper for the Global Dialogue Forum for the Hotels, Catering, Tourism Sector, Geneva, 23–24 Nov. 2010.

Direct Employment refers to people directly employed in the tourism industry. This generally includes those jobs with face-to-face contact with visitors, such as workers in airlines, hotels, car rental, restaurants, retail and entertainments.

Indirect employment generally refers to people working for industry suppliers such as airline caterers, laundry services, food suppliers, wholesalers and accounting firms; government agencies; and firms manufacturing and constructing capital goods, exported goods and commodities used in tourism, including steel, lumber, oil, etc.

Self-employment includes family- and owner-operated businesses as well as community enterprises directly or indirectly related to the tourism industry.





Furthermore, consumer demand patterns in hotels and restaurants are characterized by working conditions that are frequently described as unsocial, and irregular working hours in the form of split shifts, weekend shifts, nightshifts, or work during holiday periods. These working conditions heighten stress on workers with family responsibilities, particularly women, who carry the majority of the care burden for children and the elderly, as well as for household chores. Reliance on family members – or private or public services – for childcare becomes crucial for these workers.

The predominance of on-call, casual, temporary, seasonal and part-time employment is related to insecurity, comparatively low pay (frequently below the national average), job instability, limited career opportunities, a high level of subcontracting and outsourcing, and a high turnover rate. Nevertheless, some people who have other occupations, such as students, often benefit from part-time employment. All of these vary from country to country.

Globalization and demographic changes have forged a link between the growing demand for labour in the tourism sector and labour migration. Labour migration, when properly governed, can help to fill labour shortages in both high-skills and low-skills parts of the market, rejuvenate populations and enhance labour market efficiency, and promote entrepreneurship, dynamism, and diversity in destination and originating countries. The development of tourism products, the provision of labour and cultural enrichment are further positive results of migration. Migrant workers may bring new skills and knowledge to destination countries that could make companies more competitive, helping the country to grow. In some cases, originating countries also may benefit from temporary migration through the learning experiences offered by migrant work and the remittances sent to their home country. As a result, migrants may bring new skills, knowledge and decent work experiences back to their countries of origin and share them with local co-workers and organizations.

It is important to highlight that the sector and its informal components provide a significant number of jobs to workers with little or no formal training and who do not want to enter into long-term employment commitments (e.g. students). Tourism can provide opportunities for those facing significant social and capability disadvantages in a way that is not always offered in other environments.

International concerns on tourism

Exploitation, unethical and unfair forms of trade in tourism are of great international concern. Some of the specific issues include human trafficking and sexual harassment, mainly in relation to women and children.

Also, environmental damage that affects local/rural people's lives and opportunities often results from rapid and uncontrolled development due to tourism, which has also caused many communities to be forcibly displaced from their traditional lands, with indigenous groups being particularly vulnerable.

Another concern relates to the right to water, which constitutes one of the most fundamental human rights. For local/rural communities in many countries, this right is being undermined by the extra burden of tourism on arid destinations facing water shortages. Showers, swimming pools and watering of lawns can destroy water reserves, and often tourists are ignorant of the fact that the local/rural populations lack water for their personal use and for irrigation.

Source: Tourism Concern,
<http://www.tourismconcern.org.uk>
(accessed 4 Oct. 2011).

EXERCISE

In groups, analyse the working conditions of different particular vulnerable groups in the tourism sector. Beyond country/region/community particularities, focus on shared characteristics and trends. Next, identify measures that could improve working conditions for members of these groups.

EXISTING WORKING CONDITIONS			
Women	Migrants	Youth	Other vulnerable groups (identify)
PROPOSED MEASURES TO IMPROVE EXISTING WORKING CONDITIONS			
Women	Migrants	Youth	Other vulnerable groups (identify)



The EQUAL project called **Revalue Work to Promote Gender Equality in Portugal** (assisted by the ILO in 2005–08) was undertaken with the following main objectives:

- promote equality between women and men in the restaurant and beverage sectors;
- deepen social dialogue; and
- contribute to the revaluation of female-dominated professions by experimenting with a new, gender-neutral job evaluation methodology developed by a tripartite group.

The project aimed to redress the imbalance in particular occupations; to modernize the sector's occupational classification systems; and to establish remuneration systems based on transparent and gender-neutral criteria and procedures, in accordance with ILO Convention 100.

Source: *EQUAL: Revalorizar o trabalho para promover a igualdade*, Lisbon, OIT, 2007, http://www.ilo.org/public/portugue/region/eurpro/lisbon/html/portugal_equal_pt.htm (accessed 4 Oct. 2011).



CHALLENGING EXAMPLES: THE NATIONAL PROFILE OF WORKING CONDITIONS IN THE UNITED REPUBLIC OF TANZANIA³

Towards a healthier workplace

Many informal workers encounter unsafe working conditions. They often work in deteriorating buildings that lack sanitary facilities or drinkable water and that have poor waste disposal systems. Moreover, in the informal sector there is often little difference between working and living conditions. Employers in the United Republic of Tanzania often have no access to formal services to help them provide occupational health and environmental services to their employees.

Improving labour inspection

It is clear from the National Employment Policy that there is a need to improve the functioning of the Labour Inspectorate. Adequately equipped with the tools that they need for their work, labour inspectors would be able to follow up the application of labour legislation, even in establishments in rural areas.

Social security challenges

The need for a social protection framework is closely linked to poverty and vulnerability. It is a daunting challenge to design social security measures that extend to the informal sector, but such efforts would help to end the vicious cycle of poor job quality, low income and dangerous working environments for those without social protection.

Gender concerns

Historically, women have engaged in unskilled work and entered the labour market as low-level employees. Although there have been improvements in laws and policies, the reality is changing only very slowly and there is an urgent need for labour policies that would ensure that women are better protected and, most importantly, well paid.

The informal economy

The most significant challenge for labour law is to extend its reach to the informal sector, particularly since the formal sector accounts for less than 6 per cent of the total labour force. In principle, trade unions should provide workers with information on their legal entitlements. However, the structure and size of firms in the informal economy are major obstacles in efforts to unionize and raise awareness. More active and creative methods need to be developed to reach out to informal sector workers.

The notion of quality of working life has evolved from a preoccupation with certain of the dimensions of paid labour – primarily working hours, wages and maternity protection – towards embracing a more extensive set of elements of both paid and unpaid work. It also encompasses the intersection between the labour market and the lives of workers that take place beyond paid work. This new paradigm embraces dimensions of working life central to concerns about the impact of economic and social changes on workers and their families. These issues are yet to be fully integrated into the most prominent policy responses to the globalized economy. Governments from across Africa have forcefully called for action to overcome these challenges. The African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa (Ouagadougou, September 2004) overwhelmingly endorsed the ILO's Decent Work



Agenda with an emphasis on the creation of quality jobs. The Government of the United Republic of Tanzania supports this pan-African call for the integration of employment growth and improved quality of work.

³ Source: International Labour Office (2009). National Profile of Working Conditions in the United Republic of Tanzania. Geneva: International Labour Office. http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_119347.pdf

3 Occupational safety and health (OSH)⁴

Occupational safety and health (OSH) aims for:

- the promotion and maintenance of the highest degree of physical, mental and social well-being of workers in all occupations;
- the prevention among workers of adverse effects on health caused by their working conditions;
- the protection of workers in their employment from risks resulting from factors adverse to health; and
- the placing and maintenance of workers in an occupational environment adapted to their physical and mental needs.



In other words, occupational safety and health encompasses the **social, mental and physical well-being of workers**. OSH must be supported with adequate (and enforced) labour laws based on international standards. Ideally, this means that the laws focus on prevention rather than compensation.



The minimizing of stress that is often caused by work overload and working too long hours without adequate breaks, is particularly important in this industry. High stress is also often associated in the industry with threats of violence at work. **Lower stress levels means fewer accidents and illness, and better service quality. Fewer accidents, less time loss as a result, a more serene experience for guests and an enhanced reputation of the local industry are all benefits of good health and safety measures.**

Food poisoning, for example, is often a high risk in the industry. Motor vehicle accidents are another high risk, especially with hotels and tour groups. Coping with extreme weather events is often a risk factor in tropical areas. Avalanches and fires are often high risks in alpine and urban destinations respectively.

Mozambique: High exposure to physical risks in the workplace and influence of work on health

Workers in Mozambique are exposed to various types of physical risk. Noise, especially from loud music and people, is a common risk in overcrowded informal sector activities. Moreover, given the nature of the climate, high temperatures particularly affect workers in the informal sector.

Workers are often vulnerable to risks from dangerous people (such as thieves and poachers). The incidence of physical violence and harassment is particularly high in the tourism sector as workers in this sector are more likely to be attacked by thieves, especially when they hold cash after sales.

Many workers in all sectors are also subject to inadequate safety and health standards and environmental hazards. They are also often poorly informed about risks at work (see picture on the left), which means that they are not well prepared to cope with them. Women are more vulnerable to such risks.

About 32 per cent of workers report that their health is affected by their work. Overall fatigue, hearing problems and backache are the most commonly cited negative health effects of work.

Source: International Labour Office (2009). *National Profile of Working Conditions in Mozambique*. Geneva: International Labour Office. http://www.ilo.org/wcmsp5/groups/public/-ed_protect/-protrav/-travail/documents/publication/wcms_119345.pdf

⁴ Source: Tourism Safety & Health Programme, Egypt, <http://shstandards.com/start.asp> (accessed 4 Oct. 2011).



Unit 2: Tourism and decent work

1 Definition

Decent work means work that is **productive**, that delivers a **fair income**, **workplace security** and **social protection for families**, better prospects for **personal development** and **social integration**, **freedom** for people to express their concerns, organize and **participate in the decisions** that affect their lives and equality of opportunity and treatment for all women and men. The promotion of decent work is the central objective of the ILO.

2 Decent work, poverty reduction and the MDGs

The ILO's concept of "decent work" cuts across the MDGs. Through the promotion of decent work, the ILO can contribute significantly to MDG achievement, especially to the major goal of halving the incidence of poverty by 2015. The Decent Work Agenda can also have major effects on the other seven goals. Within the list of MDG targets and indicators, the ILO is specifically responsible for indicator 11, on the share of women in waged employment in the non-agricultural sector, as well as indicator 45 on unemployment of 15–24 year-olds. Target 16, 13 on youth employment is also directly relevant to ILO activities. Work is central to people's well-being. As well as providing income, work can make for social and economic advancement. Work can strengthen individuals, their families and communities. This, however, hinges on work that is decent.

The Decent Work Agenda is an integrated approach to the objectives of full and productive employment for all at global, regional, national, sectoral (industry) and local/rural levels. It rests on four pillars (or main elements), which are these:

The four pillars of the Decent Work Agenda

- Standards and rights at work
- Employment creation
- Social protection
- Tripartism and social dialogue



ILO decent work indicators:

- Employment opportunities
- Adequate earnings and productive work
- Decent hours
- Combining work, family and personal life
- Work that should be abolished
- Stability and security at work
- Equal opportunity and treatment in employment
- Safe work environment
- Social security
- Social dialogue, workers' and employers' representation
- Economic and social context of decent work

Pro-poor tourism measures within the decent work-MDG matrix

Pillar	Rights	Employment	Social protection	Dialogue
Goal				
Reduce poverty and hunger	Help expand tourism work that incorporates rights. Favour suppliers that respect rights	Expand quality jobs and opportunities in tourism and supply chains	Provide jobs that have social protection, support government social protection	Consult with employers, unions and communities related to tourism on poverty reduction
Universal primary education	Encourage staff to allow children to go to school	Deny child labour in the tourism industry and supply chains	Promote parental leave, family-friendly work flexibility for staff	Consult with schools in community
Gender equality	Implement gender equality in tourism industry	Provide equal job opportunities for women	Provide maternity protection in the industry	Consult employers, unions, community, government
Child health	Support children health and immunization programmes in community	Eliminate child labour in tourism industry	Provide leave to care for sick children	Consult employers, unions, community, government
Maternal health	Support maternity rights at work in industry	Provide or support health facilities at work	Implement national and international standards on maternity protection	Consult employers, unions in industry, government, community
Reduce HIV, malaria, TB and other disease	Ensure non-discrimination for people with HIV in tourism jobs	Set up workplace information and prevention programs	Support health programs and facilities in community	Consult employers, unions in industry, government, community
Environmental sustainability	Promote rights to sustainable environment for communities, tourists and staff	Use local labour to protect and maintain environment	Ensure sustainable practices in location and consumption	Consult employers, unions, government, community
Build development partnership	Work with development organizations to improve rights in the industry	Work with development organizations on pro-poor job creation	Work with development organizations on industry social protection that benefits the poor	Consult employers, unions, community, development organizations

EXERCISE

Using the table on the left, establish a diagnosis for your community, region or country. Share your analysis and establish comparative conclusions between countries, regions or communities.

As a second step, identify the main areas that need improvements and propose concrete measures.

The ILO's Decent Work Agenda directly relates to poverty reduction. The ILO summarized this relationship in 2005:

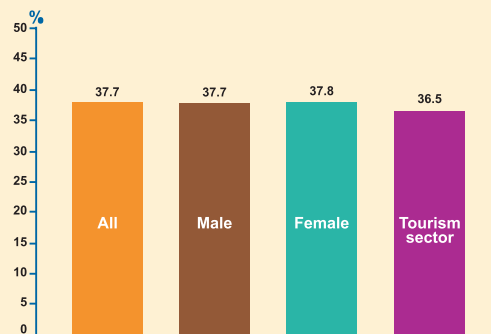
- ✓ rights enable the empowerment of men and women to escape poverty;
- ✓ employment involving productive work is the principal route out of poverty;
- ✓ social protection safeguards against poverty; and
- ✓ dialogue, or employers' and workers' organizations participating in shaping government policy, is key to poverty reduction.



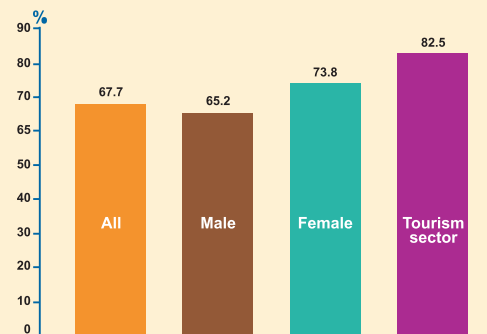


ILLUSTRATIVE DATA ON CHALLENGES REGARDING WORKING CONDITIONS: THE CASES OF MOZAMBIQUE AND TANZANIA

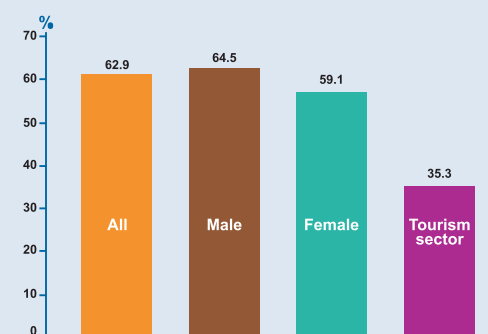
Percentage of workers with a written contract or agreement,
United Republic of Tanzania, 2009



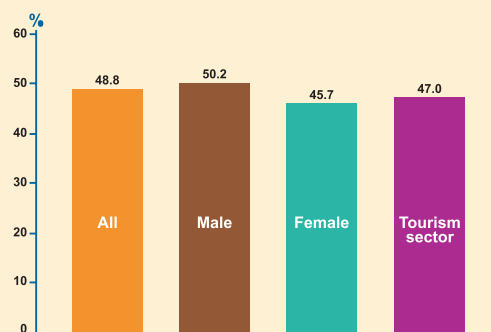
Percentage of workers aware of their legal entitlements concerning
minimum wages, hours of work and maternity protection,
United Republic of Tanzania, 2009



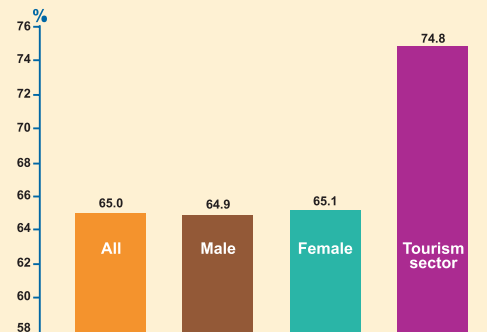
Percentage of workers who work more than 50 hours per week,
United Republic of Tanzania, 2009



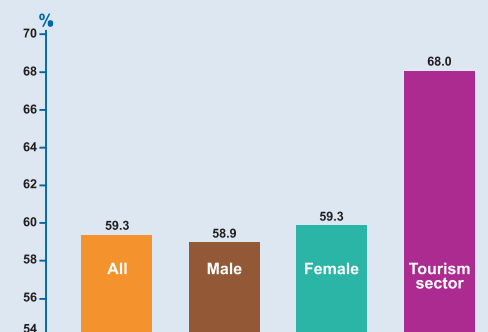
Percentage of workers with a written contract or agreement,
Mozambique, 2009



Percentage of workers aware of their legal entitlements concerning
minimum wages, hours of work and maternity protection,
Mozambique, 2009



Percentage of workers who work more than 50 hours per week,
Mozambique, 2009



Unit 3: Human resources

1 Human resource development (HRD)

The tourism sector is experiencing a shortage of skilled labour and high turnover rates. Innovative and comprehensive human resource development strategies are crucial in order to attract and retain qualified workers in the sector and to maximize the returns on investments made in training. An appropriate strategy should be developed and implemented by governments in consultation with the social partners to ensure that international mobility of workers respects local/rural working conditions. Training should be integrated in HRD programmes to provide workers with portable skills and measures should be taken to increase investment in training, so that workers' potential is maximized. Therefore four key requirements can be identified in relation to HRD:

- ✓ develop comprehensive HRD strategies;
- ✓ include much better vocational training in those strategies;
- ✓ involve the social partners in them; and
- ✓ address issues associated with the international mobility of workers.

2 Vocational training

Vocational training, including apprenticeships, is a major part of human resource development planning. Some of the key questions to be decided are the nature and extent of training required and the degree of industry support. The overarching concern for vocational training, however, is **that it must be relevant to real work and industry demands into the future**. Cultural and basic language training needs to account for the larger and growing sources of tourists. Management training needs to be more open and democratic – and more ecologically sensitive – because that is the future everywhere. **Vocational training is only sustainable when it is based on structured labour–management relations**. This not only for all questions of curriculum and certification, but it is also important to motivation and quality. **Vocational training has to be linked to the improvement of working and living conditions in order to build motivation**.

EXERCISE

In groups per country (or region or community) or individually analyse the issue of vocational training and answer: a) do you presently identify vocational training (including apprenticeships) initiatives? b) if so, how do you assess these?; and c) what changes and innovations would you propose? Take into account the needs of particular vulnerable groups.

Present vocational training	Changes and innovations proposed



INSPIRING EXAMPLES: THE YOUTH CAREER INITIATIVE (YCI)⁵

The Youth Career Initiative (YCI) is a six-month education programme that provides disadvantaged young people with life and work skills. The purpose is to empower young participants to make informed career choices and realise the options available to them, enabling them to improve their employability and enhance their long-term social and economic opportunities.

YCI is made possible thanks to a unique partnership with the international hotel industry, whereby participating properties provide the human, operational and training resources to deliver the programme.

Eligible candidates are typically between 18 and 21 years old, have recently finished high school, are able to make a full-time commitment to the programme, and are considered to be at risk of exploitation. Suitable participants should also be able to show a willingness to learn and a desire for self-development but have no other means to improve their lives; this means that they have limited or no opportunities to find decent, legitimate employment or continue in further education. Each country's programme is tailored to suit the local needs of its young people – YCI is used as a tool to tackle or prevent issues such as youth unemployment, social exclusion, poverty, and exploitation.

The initiative provides an opportunity for disadvantaged young people to participate in an education programme within internationally recognized branded hotel chains. Hotels use their training and development programmes to teach the theoretical component of the programme, and senior managers and staff provide a mentoring scheme. YCI brings together organizations from the private, public and non-profit sectors to create a high-impact, low-cost, needs-focused sustainable programme that addresses social issues in local/rural communities across the globe.



“The initiative provides a practical platform for governments, companies, and non-profit organisations to work collaboratively towards the Millennium Development Goals (MDGs) – in particular poverty alleviation.”

YCI originated in Bangkok in 1995 as the Youth Career Development Program; a community initiative from Pan Pacific Hotels Group established to “give something back” to society and to demonstrate the company’s commitment to lifelong learning. The model was created by Lyndall DeMarco, Corporate Director of Education with Pan Pacific, and Dr Kitiya Phornsadja, Child Protection Officer for UNICEF Thailand. The programme began with eight girls and one boy from welfare schools in Northern Thailand. The scheme was so successful for both the students and the hotel that it was expanded to allow more young people and hotel companies to participate in Bangkok. In 1998 the scheme launched in the Philippines. Indonesia was the next market to adopt the programme in 2004. Today its global presence includes Ethiopia, an LDC:



Each year, over 50 leading hotels empower some 420 young people in 11 countries.

⁵ Source: Youth Career Initiative, <http://www.youthcareerinitiative.org> (accessed 4 Oct. 2011).

CULINARY UNION TRAINING CENTER UNITED STATES

The Culinary Union Training Center (CUTC) is a single-union, multi-employer, labour-management partnership that covers nearly 50,000 unionized workers in Las Vegas, the fastest growing service and tourism centre in the United States. Recognizing the rapid expansion of the industry, rising consumer expectations for quality and an increasing demand for trained workers, the Las Vegas Culinary Workers Local 226 of the Hotel Employees and Restaurant Employees (HERE) negotiated the creation of a jointly trusted training fund and centre in its 1989 contract. The partnership's own facility, the CUTC, provides pre-employment training for



hourly workers entering the hotel industry as well as upgrade training for current union members. The CUTC is the main route by which employers find "work ready" employees. It also is the vehicle through which entry level workers and immigrants begin to acquire skills needed to move up in the fast-paced hospitality industries and acquire a practical appreciation of union-provided benefits, including training. The CUTC is recognized for accepting every person referred to it, regardless of learning or social disabilities. Two-thirds of its graduates obtain jobs with HERE-represented employers and their turnover rate is half that of other new hires. The CUTC plays a critical role in the ability of HERE and its signatory hotels to grow in stride with the breakneck expansion of the Las Vegas hospitality industry.⁶



TANZANIA TOURISM TRAINING PROGRAMME

The overall objective of the programme is to improve the tourism training standards in Tanzania in order to enhance the quality of services offered, thus leading to further growth in the industry and increased earnings from tourism and employment, hence contributing to poverty alleviation. **The TTTP project addresses the following areas:**

- increase the tourism and hospitality industries' capacity to conduct in-service training through a national industry based Train the Trainer programme with skills upgrading to be presented in the main tourist centres of Tanzania;
- upgrade teaching standards in tourism training institutes;
- develop and introduce a national curriculum for Tourism Studies;
- support accreditation bodies in developing accreditation policies for the national tourism curricula and for tourism training institutes; and
- establish institutional frameworks to ensure the sustainability of the project's objectives.

Source: Tanzania Tourism Training Programme, <http://www.ttp Tanzania.com/Admin/ttpinfo1.htm> (accessed 4 Oct. 2011).

⁶ Source: The Working for America Institute: *High Road Partnerships Case Studies*, <http://www.workingforamerica.org/documents/highroadreport/appendix2.htm> (accessed 4 Oct. 2011).





Unit 4: Legal frameworks

1 Conventions and Recommendations

International labour standards are legal instruments drawn up by the ILO's constituents (governments, employers and workers) setting out basic principles and rights at work. They are either *Conventions*, which are legally binding international treaties that may be ratified by member states, or *Recommendations*, which serve as non-binding guidelines that frequently supplement a Convention with detailed guidelines on its application. Recommendations can also be autonomous, i.e. not linked to any Convention.

Conventions and Recommendations are drawn up by ILO's constituents and are adopted at the ILO's annual International Labour Conference. Once a standard is adopted, member states are required under the ILO Constitution to *submit* them to their competent authority (normally the parliament) for consideration. In the case of Conventions, this means consideration for *ratification*. If it is ratified, a Convention generally comes into force for that country one year after ratification. Ratifying countries commit themselves to implementing the Convention and adapting their national law and practice as well as reporting on its application at regular intervals.

2 Fundamental Conventions

The ILO's Governing Body has identified eight Conventions as "fundamental", covering subjects that are considered as fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation. These principles are also covered in the ILO's *Declaration on Fundamental Principles and Rights at Work* (1998).

Further Conventions and Recommendations cover subjects that are of high importance for the tourism sector, such as the Working Conditions (Hotels and Restaurants) Convention, 1991 (No. 172), and Recommendation, 1991 (No. 179) or the Human Resources Development Recommendation, 2004 (No. 195), among several others.

EIGHT FUNDAMENTAL CONVENTIONS

- 1 Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
- 2 Right to Organize and Collective Bargaining Convention, 1949 (No. 98)
- 3 Forced Labour Convention, 1930 (No. 29)
- 4 Abolition of Forced Labour Convention, 1957 (No. 105)
- 5 Minimum Age Convention, 1973 (No. 138)
- 6 Worst Forms of Child Labour Convention, 1999 (No. 182)
- 7 Equal Remuneration Convention, 1951 (No. 100)
- 8 Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

CONVENTION AND RECOMMENDATION ON TOURISM

- 1 Working Conditions (Hotels and Restaurants) Convention, 1991 (No. 172).
- 2 Working Conditions (Hotels and Restaurants) Recommendation, 1991 (No. 179).

EXERCISE

In groups, select and analyse one of the listed Conventions (see annex). Imagine you belong to the ILO and have to make a presentation on the key points and most relevant issues to an audience related to the tourism sector. You can choose a more specific target audience (e.g. hotel managers, community enterprises, informal workers). Present to the group.

3 The World Tourism Organisation Code of Ethics⁷

The UNWTO elaborated a Global Code of Ethics in 2001, setting a voluntary framework for the responsible and sustainable development of tourism. It addresses the rights and responsibilities of all tourism stakeholders. The Code includes Articles that shape behaviour requirements for destinations, governments, tour operators, developers, travel agents, workers and travellers. Its third Article – Tourism, a factor of sustainable development – and fifth – Tourism, a beneficial activity for host countries and communities – stated that the economic, social and cultural benefits of tourism are of particular interest for the sustainable development of the sector.

Article 5 of the Code of Ethics specifically recommends that local people should share equitably in the economic, social and cultural benefits they generate, particularly in the creation of jobs resulting from them, that tourism should help raise local standards of living, and that where skills are equal, priority should be given to local recruitment.

Article 9 of the Code refers to the rights of the workers and entrepreneurs in the tourism industry.



ARTICLES OF THE UNWTO CODE OF ETHICS

- 1 Tourism's contribution to mutual understanding and respect between peoples and societies.
- 2 Tourism as a vehicle for individual and collective fulfilment.
- 3 Tourism, a factor of sustainable development.
- 4 Tourism, a user of the cultural heritage of mankind and contributor to its enhancement.
- 5 Tourism, a beneficial activity for host countries and communities.**
- 6 Obligations of stakeholders in tourism development.
- 7 Right to tourism
- 8 Liberty of tourist movements
- 9 Rights of the workers and entrepreneurs in the tourism industry**





Unit 5: Social dialogue

1 Definition

Social dialogue includes all types of negotiation, consultation and exchange of information between governments, employers and workers on issues of common interest. The goal is to promote consensus building and democratic involvement within the world of work. Social dialogue includes all types of negotiation, consultation or simply exchange of information between representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. It can be a tripartite process, with the government as party, or it may be bipartite relations only between labour and management (or trade unions and employers' organizations), with or without indirect government involvement. Consultation can be informal or institutionalized. Often it is a combination of the two. It can take place at the national, regional or at enterprise level. It can be inter-professional, sectoral or a combination of all of these. Social dialogue is an integral part of decent and productive work, for all women and men, and is an essential channel to achieve it "in conditions of freedom, equity, security and human dignity".

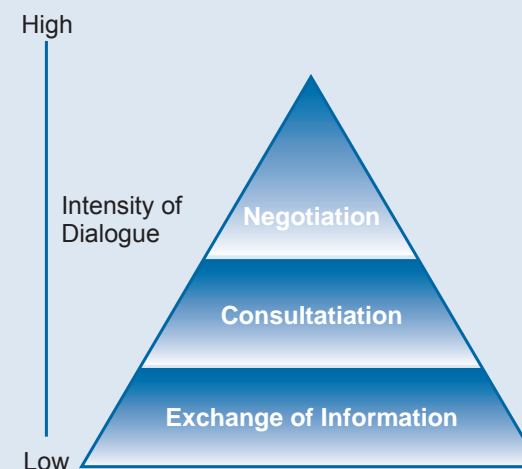
The Freedom of Association and Protection of the Right to Organize Convention of 1948 (No. 87) already highlights the importance of freedom of expression and association of workers and employers, as key conditions for social dialogue. One year later (1949) the Right to Organize and Collective Bargaining Convention (No. 98) guaranteed the right of workers to participate in unions and established that workers' and employers' organisations shall enjoy adequate protection against any acts of interference by each other or each other's agents or members in their establishment, functioning or administration.

2 Strategic importance

Social dialogue is crucial for women and men to obtain decent and productive work in conditions of freedom, equality, security and human dignity. Successful social dialogue can resolve important economic and social issues, encourage good governance, advance social and industrial peace and stability, and boost economic progress. In order for social dialogue to take place, it is necessary to have:

- ✓ strong, independent workers' and employers' organizations with the technical capacity and access to relevant information;
- ✓ political will and commitment to engage in social dialogue on the part of all the parties;
- ✓ respect for the fundamental rights of freedom of association and collective bargaining; and
- ✓ appropriate institutional support.

THE SOCIAL DIALOGUE TRIANGLE



There is a pressing need to increase the participation of women in existing social dialogue structures, including unions and employers organizations, and have the gender dimension mainstreamed in the social dialogue agenda.



There is no “one size fits all” model of social dialogue for all countries, but the common denominator is freedom of association and the right to collective bargaining. Adapting social dialogue to the national situation is key to ensuring local ownership of the process



3 Benefits of social dialogue



The benefits of social dialogue are continuous and without limit. It is always better to resolve issue together through cooperation and understanding, than through the narrow ignorance of other views. The resolution of issues is based on establishing common interest and the understanding of wider points of view. By contrast, lack of social dialogue leads to conflict, misunderstanding and fragmented progress. Whether or not social dialogue is bipartite, between employers' and workers' organizations, or tripartite, directly involving the government as well, its advantage is that the parties to the process are talking and attempting to resolve issues that they see as important.

Furthermore, social dialogue definitively has a positive impact on service quality and turnover.

There is no requirement that only some issues can be discussed, nor that some issues are out of bounds. What is required is simply that those involved in the social dialogue agree that the issue is important enough to share information about, to seek views and, if necessary, to negotiate. All issues that are considered relevant to the world of work can be on the agenda.

SOME SOCIAL DIALOGUE RELATED CONVENTIONS

(A non-exhaustive list)

- ✓ Right of Association (Agriculture) Convention, 1921 (No.11)
- ✓ Right of Association (Non-Metropolitan Territories) Convention, 1947 (No. 84)
- ✓ Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
- ✓ Right to Organize and Collective Bargaining Convention, 1949 (No. 98)
- ✓ Workers' Representatives Convention, 1971 (No. 135)
- ✓ Rural Workers' Organisations Convention, 1975 (No. 141)
- ✓ Labour Relations (Public Service) Convention, 1978 (No. 151)
- ✓ Collective Bargaining Convention, 1981 (No. 154)



INSPIRING EXAMPLES: MICRO AND SMALL ENTERPRISE (MSE) FORUMS IN SRI LANKA

The ILO Enterprise for Pro-poor Growth project has facilitated the establishment of MSE forums in the districts of Anuradhapura, Polonnaruwa, Puttalam and Kurunegala. They bring together representatives of the District Secretariat and Provincial Government, the private sector, and NGO and Government service providers. They were established following a number of half-day workshops with each of the three sectors separately, which addressed issues of collaboration and cooperation, to generate support for dialogue. Representatives for the forums were elected at the end of the workshops. Their mandate, broadly, is to facilitate “local economic development through MSE development” in their Districts, and function as a forum for dialogue. The MSE forums discuss topics in relation to policies and regulations that are brought up through participatory exercises to assess local competitive advantages in each district. If the issues cannot be solved by those represented in the forums, they are passed on and discussed with relevant District or Provincial authorities, or raised at the national level Enterprise and Export Development Forum. This strategy has proven effective, as improvements have been realized. The following are some concrete examples.

- In Puttalam District, there is a regulation against mining clay, aimed at avoiding environmental problems due to large-scale mining for bricks and tiles production. When the District Secretary was made aware of the regulation’s negative impact on small-scale pottery producers, he made an exception for them so they could continue their craft. They are allowed to mine two cubic metres a month, which has little impact on the environment.
- The validity of tickets for archaeological sites in Sri Lanka’s “Cultural Triangle” is just one day, discouraging tourists from staying longer. The MSE forum brought this issue to the national Enterprise and Export Development Forum. As a result, the Cultural Triangle Authority extended validity to three days.

So far, all stakeholders appreciate the way the forums have been functioning and contribute to the development of public–private dialogue and collaboration among agencies. However, of course there is variation in the way the forums are developing. One of the forums is expanding its membership and considering options to formalize its status. Others have not yet reached this stage, although all are increasing their scope and moving towards the inclusion of broader and more contentious dialogue issues, such as, for instance, land ownership.⁷

⁷ Source: Roel Hakemulder (ILO Enterprise for Pro-poor Growth project): *Improving the local business environment through dialogue: A story from Sri Lanka*, paper prepared for the Asia Regional Consultative Conference: Creating better business environments for enterprise development, Bangkok, 29 Nov.–1 Dec. 2006.

ROLE PLAY

- 1 Organize groups of five people.
- 2 Distribute the roles (this is independent of actual position/function): a) worker; b) employer; c) government; d) facilitator; d) observer.
- 3 Discuss and define a key issue (problem) of interest for the dialogue. Also define the specific context under which the dialogue will take place.
- 4 Individually prepare your arguments according to your role: a) analysis of the issue: characteristics of the problems, relevance, main consequences; and b) proposal: what you propose, the arguments, benefits, the opportunities, risks and obstacles.
- 5 The facilitator will prepare a tentative agenda to undertake the dialogue, paying special attention to gender concern.
- 6 The observer will develop criteria to observe and “evaluate” the dialogue according to the characteristics and expected objectives (see the definition for “social dialogue”).
- 7 The dialogue takes place: Take ten minutes for the role play. The observer must not forget to take notes on the process and dynamics (N.B. this can also be done in front of the whole group, which can then also contribute with observations and inputs).
- 8 Once done, take some time to: a) listen to the observations; b) reflect on the dynamics and results; c) identify lessons learned, good practices; d) agree on what you should differently next time.
- 9 Share your experience and reflections with the other groups.

LATIN AMERICA: AGREEMENTS REACHED THROUGH SOCIAL DIALOGUE⁸

Country	Year	Entity	Agreement
Argentina	2008	Ministry of Labour, Employment and Social Security; Industrial Union of Argentina (UIA) and the General Labour Confederation (CGT)	Memorandum of Understanding for the Implementation of the 2008-2011 Decent Work Programme for Argentina
Barbados	2007	Government, Barbados Employers Confederation and Congress of Trade Unions and Staff Associations of Barbados	Protocol Five of the Social Partnership
Belize	2006	Ministry of Labour, Belize Chamber of Commerce and Industry, National Trade Union Congress of Belize, National AIDS Commission and key Non-Governmental Organisations	Belize Policy on HIV/AIDS and the World of Work
Brazil	2006	Tripartite Commission on International Relations (CTRI)	National Decent Work Agenda received tripartite approval from the CTRI
Chile	2003	Government, Central Workers' Union (CUT) and Confederation of Production and Trade (CPC)	Tripartite Decent Work Agreement to implement the National Decent Work Programme
Dominican Republic	2007	National Labour Secretariat, Confederation of Employers of the Dominican Republic and labour unions	Tripartite Agreement for the National Decent Work Programme of the Dominican Republic
Ecuador	2005	National Labour Council Ecuador	Tripartite Agreement for Social Dialogue and Consensus
El Salvador	2007	Ministry of Labour and Social Protection, National Association of Private Enterprise (ANEP) and worker organizations	Tripartite Agreement to Adopt the National Decent Work Programme of El Salvador
Guatemala	2008	Tripartite Commission on International Labour Affairs Tripartite	Tripartite agreement for the development of projects for reforms or guidelines to improve the application of ILO Conventions 87 and 98

⁸ Source: ILO. Quoted in "The Challenge of Social Dialogue in Latin America and the Caribbean", n/d.

THE EUROPEAN WORKS COUNCIL (EWC)

"One regional level example of strengthening social dialogue is the EU Directive 94/45/EC establishing the European Works Council (EWC). These councils aim to bring worker representatives from EU multinational companies together to discuss and respond to information provided by management about the main issues in their respective companies. The directive applies to companies that have at least 150 employees in each of at least two countries and have at least 1,000 employees total within the EU. As of April 2010, there were 15 EWCs established in hotel, restaurant and catering establishments including: Accor, Aramark, Autogrill, Club Méditerranée, Compass Group, Elinor, Hilton, InterContinental, LSG Skycheffs, McDonald's, Rezidor, Scandic Hotels AB, Sodexo, SSP and Starwood/Sheraton."

Source: ILO: *Developments and challenges in the hospitality and tourism sector*, Issues paper for the Global Dialogue Forum for the Hotels, Catering, Tourism Sector, Geneva, 23–24 Nov. 2010.





SUMMARY OF KEY ISSUES AND IDEAS

Decent work means work that is productive, that delivers a fair income, workplace security and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.

HRD policies, adopted among consultations with social partners are necessary in order to face the challenges encountered by the Tourism sector. Vocational training, including apprenticeships, policies shall be part of the broader effort to strengthen working conditions in the Tourism sector.

International labour standards, especially the eight fundamental ILO Conventions, need to be taken into account while developing tourism-related policies.

Social dialogue is crucial for women and men to obtain decent and productive work in conditions of freedom, equality, security and human dignity. It is a key instrument for promoting economic and social development.



Chapter

3

Promotion and
marketing in tourism

CHAPTER 3

PROMOTION AND MARKETING IN TOURISM

Learning objectives

At the end of this chapter,¹ participants will be able to:

1. explain the concept, characteristics and relevance of promoting a destination;
2. provide and apply concepts, approaches and basic tools to develop a marketing plan based on the components of the “marketing mix”; and
3. explain key criteria and principles in price definition and management.

Target audience

R = Relevant	
PR = Partially relevant	
NR = Not relevant	
Target groups	3
National Government representatives	R
Local/rural authorities representatives	R
Local/rural community organizations representatives	PR
Owners of small scale tourism enterprises and cooperatives	R
Trade Union representatives	PR
Employers organizations representatives	PR
Representatives of support organizations	R
Representatives of the local/rural tourism industry	PR

¹ Unless otherwise specified, this chapter is based on a series of documents and publications of the International Labour Office.





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CHAPTER 3: Promotion and marketing in tourism

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2. Tourism marketing plan	<ul style="list-style-type: none"> • Definitions and components • Product <ul style="list-style-type: none"> ▪ Concept ▪ Product factors ▪ Categories of tourism products (examples) ▪ Product lifecycle • Place (distribution) <ul style="list-style-type: none"> ▪ Key concepts and definitions ▪ Types of distribution channels ▪ Distribution strategies • Price <ul style="list-style-type: none"> ▪ Definition and components ▪ Setting prices ▪ Price management • Promotion <ul style="list-style-type: none"> ▪ Definition and key elements ▪ Main distribution and promotion channels ▪ Communication and advertising • People

Unit 1: Marketing tourism destinations

1 Basic definitions



Marketing is a process through which individuals and groups provide, exchange and obtain products – ideas, goods and services – capable of satisfying customers' needs and desires at a desirable price and place. Marketing is a **strategy**. It is an all-encompassing, planning, scheduling, studying, figuring-stuff-out, researching, testing, and practising strategy.²

Destinations are places that attract visitors for a temporary stay, and range from continents to countries to states and provinces, to cities, to villages, to purpose built resort areas. At the foundation level, destinations are essentially communities based on local government boundaries. Tourists travel to destinations. Destinations are places with some form of actual or perceived boundary, such as the physical boundary of an island, political boundaries, or even market-created boundaries.

A **local tourism destination** is a physical space in which a visitor stays at least one night. It includes tourism products such as support services and attractions, and tourism resources within one day's return travel time. It has physical and administrative boundaries defining its management, and images and perceptions defining its market competitiveness. Local/rural destinations incorporate various stakeholders, often including a host community, and can nest and network to form larger destinations.

Destination marketing refers to the management process through which the national tourist organizations and/or tourist enterprises identify their selected tourists, actual and potential, communicate with them to ascertain and influence their wishes, needs, motivations, and likes and dislikes, on local/rural, regional, national and international levels, and to formulate and adapt their tourist products accordingly with a view to achieving optimal tourist satisfaction, thereby fulfilling their objectives.³

² Source: C. Higgins: *Marketing is NOT Advertising, Emails and Postcards!*, Bplans, December 2010, <http://upandrinning.bplans.com/2010/12/01/marketing-is-not-advertising-emails-and-postcards/> (accessed 9 Oct. 2011).

³ Quoted in: A. Ispas: *The tourism destination marketing: A mandatory course for the students of tourism* (Brasov, Universitatea Transilvania din Brasov, Facultatea de Stiinte Economice, 2008).

The marketing concept is often used inappropriately, reducing it to the promotion and sale of products and tourist destinations, and in particular to advertising and to tourism fairs and events. While these functions are important, there is much more to marketing.



If you were to ask 100 people to define “marketing” you would probably get 100 different answers.



2 Destination marketing organizations (DMOs)⁴

Tourism destinations are probably among the most difficult “products” to market, involving large numbers of stakeholders and a brand image. A destination marketing organization is any organization, at any level, that is responsible for the marketing of a destination. This therefore excludes separate government departments that are responsible for planning and policy.

The UNWTO introduced the term “national tourism administration” (NTA) for “authorities in the central state administration, or other official organization, in charge of tourism development at the national level”. The term NTA was used to reflect the new concept of tourism management at national level and to stress that the majority of countries are moving away from the traditional system, where the national tourist organization is essentially a central publicity body, to the newer concept of a national tourism administration that sees promotion and marketing as one of many functions. Destination marketing organizations (DMOs) are concerned with the selling of places.

3 Branding a tourism destination

It has been suggested that the future of marketing will be a battle of the brands, and that in tourism destinations are emerging as the world’s biggest brands. The purpose of a brand is to establish a distinctive and memorable identity in the marketplace that represents a source of value to the consumer. Branding is perhaps the most powerful marketing weapon available to contemporary destination marketers confronted by tourists who are increasingly seeking lifestyle fulfilment and experiences.

Only those destinations that have a clear market position and appealing attractions will remain at the top of consumers’ minds when they book their holidays. In the highly competitive and dynamic global tourism environment, there is a need to develop a clear identity, or “brand”, based on reality, while also reflecting the core strengths and “personality” of the product. In this crowded marketplace, building and maintaining brand value is the key to business success and, as a result, brand management is quickly shifting from a peripheral marketing concern to the core business strategy.

BRANDING

The fundamental challenge is to somehow develop a brand identity that encapsulates the essence or spirit of a multi-attributed destination, representative of a group of sellers as well as a host community. Tourism marketing is generally concerned with the selling of dreams, as expectations of an intangible tourism service can only be realised after travel. The images held by consumers therefore play a critical role in their decision-making.

Most destinations have superb five-star resorts and attractions, every country claims a unique culture, landscape and heritage, each place describes itself as having the friendliest people, and high standards of customer service and facilities are now expected. As a result, the need for destinations to create a unique identity – to differentiate themselves from their competitors – is more critical than ever.



⁴ Source: A. Ispas: *The tourism destination marketing: A mandatory course for the students of tourism* (Brasov, Universitatea Transilvania din Brasov, Facultatea de Stiinte Economice, 2008).

INSPIRING EXAMPLES: THE RESPONSIBLE TOURISM POLICY IN THE GAMBIA AND MARKETING⁵

This Responsible Tourism Policy has been prepared by the **Responsible Tourism Partnership** and has been produced and agreed through a multi-stakeholder process.

Tourism is important in the Gambia. The government's policy is to promote tourism and its contribution to economic growth. Our objective is to increase the contribution of tourism to our economy and to raise the living standards of Gambians. The government is continuing its efforts to broaden the tourism market, improve quality standards, and ensure rational use of the Tourism Development Area.

The **vision** is: **“To make the Gambia a better place to visit and a better place to live in – recognizing that it is the interaction between guests and hosts in a secure and enjoyable environment that is the experience of the Gambia and that encourages people to return.”**

The way in which the Gambia is marketed is a central part of the process of implementing responsible tourism principles in the Gambia. We seek to grow the industry by attracting market segments that value the natural and cultural heritage assets of the Gambia. We seek to differentiate the Gambia from other sun, sand and sea destinations – we enjoy high levels of repeat business and we seek to build on those elements of the product that encourage repeat visiting. We recognize that the further development of the industry in the Gambia, and investment in it, is dependent upon planning and product development that meet the requirements of the evolving market. We also recognize that we can influence the kinds of tourists that we attract by the way in which we develop and present the Gambia as a tourism product.



⁵ Source: A. Goodwin: *Responsible tourism strategy in the Gambia* (n/d, 2011).

TEN KEY MEASURES OF THE GAMBIAN POLICY FOR SUCCESS

- 1 Competing on product richness and quality, not just on price.
- 2 Choosing to target market segments that are attracted by the diversity of the natural and cultural heritage and the strength and diversity.
- 3 Encouraging the development and marketing of complementary products.
- 4 Building local capacity to enrich the product offer.
- 5 Marketing that plays a critical role in educating tourists about the local/rural cultures and ensuring that they are able to get the most out of their holiday.
- 6 Ensuring the health, safety and security of visitors.
- 7 Using the concept of responsibility to connect our products and services in the Gambia to the European market trends towards more experimental and responsibility products.
- 8 Ensuring that our tourism product is accessible to all – including disabled visitors.
- 9 Working with the national and international industry to ensure that the images we use to promote the Gambia are socially inclusive.
- 10 Identifying and promoting best practice and building on our successes.

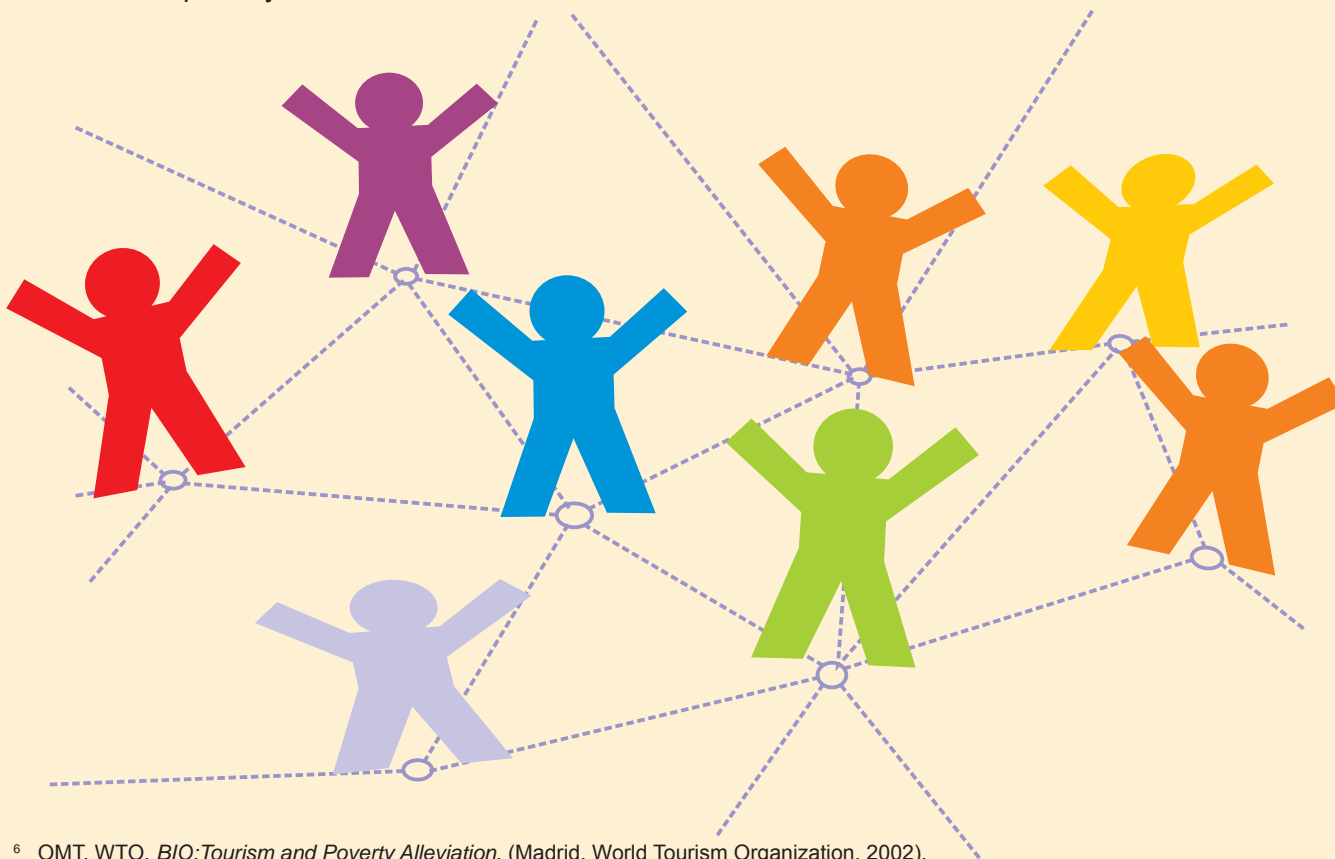


4 “If a destination does not flourish how can pro-poor tourism thrive?”⁶

(National) destination marketing and product marketing at local/community level are not unrelated processes. Destination marketing creates the basic conditions that enable effective marketing of specific tourism products and services, in particular those linked to poverty-reduction strategies.

At the same time, the marketing of a destination is based on the concrete experiences, services and options that are part of a global idea and branding of a “destination”.

Thus, a broad multi-stakeholder policy and strategic framework that articulates the different actors, levels and destination “components” in such ways that benefits are equitably distributed and contribute to poverty reduction is fundamental.

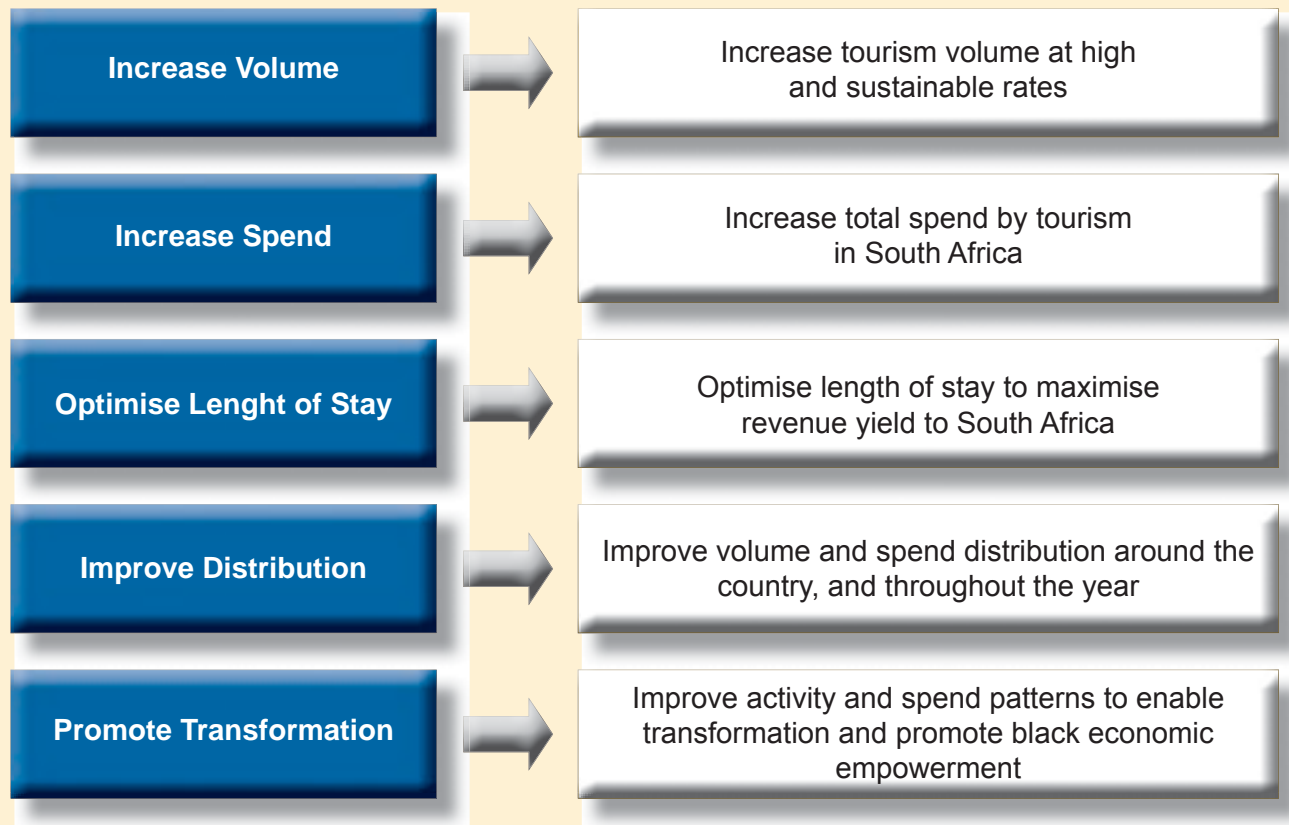


⁶ OMT, WTO, *BIO: Tourism and Poverty Alleviation*. (Madrid, World Tourism Organization, 2002).



INSPIRING EXAMPLES: THE SOUTH AFRICAN TOURISM GROWTH STRATEGY⁷

South Africa realised some years ago how important tourism can be to the economy of the country. As a country we decided to have a Tourism Growth Strategy. The aim of this plan is to use tourism resources to grow tourism in South Africa as much as possible. The strategy defined the following key objectives for growth:



The Tourism Growth Strategy has many opportunities for small, medium and micro enterprises (SMMEs). The objectives (or goals) “Improve Distribution” and “Promote Transformation” mean that SMMEs that are not in the big tourist centres now have a real chance to develop products and services that they can sell to tourists.

Government will now give these SMMEs the support they need to grow. SMMEs, in turn, should make the most of this opportunity by developing unique offerings that attract tourists.

⁷ Source: Tourism Enterprise Programme: *Toolkit marketing tourism* (South Africa, TEP, 2008).



Unit 2: Tourism marketing plan

1 Definition and components

A tourism marketing plan represents a strategy and is a combination of techniques, tools and resources designed to achieve commercial and social objectives, which will be reflected in the **marketing mix**: product, price, place, promotion and people (five Ps):

- tourism **product** that will be offered and the factors that compose it;
- **place** of distribution; how the product/service will get to the client;
- sale **price** of the product and pricing policy to be applied;
- **promotion** to inform the potential consumers about the product and its qualities; and
- **people** whose expertise, skills and attitudes are the key elements of the brand.



2 Product

2.1. Concept

In **general**, a tourism product is the set of assets and services that are organized around one or more attractions in order to meet the needs of visitors.

Specifically, **sustainable tourism products** are “understood broadly as meaning those that use resources in an environmentally responsible, socially fair and economically viable way, so that users of the product can meet their current needs without compromising future generations from being able to use the same resources. Measuring sustainability is a complex issue and the criteria vary according to the product type and local conditions. Deciding what is ultimately sustainable for a particular community is a balance between local circumstances and expectations and best practice in technology and environmental management.”⁸

⁸ Source: United Nations Environment Programme and Regione Toscana: *Marketing sustainable tourism products* (Nairobi, UNEP, 2005)

TOURISM PRODUCT DEVELOPMENT

Tourism product development aims at long-term sustainable development by the execution of a number of strategies. These strategies bring into focus a generic idea to increase competitiveness, build an inclusive industry by promoting closer integration of people and develop and maintain the environment. Tourism product development is designed to increase the income in the sector. Tourism product development involves implementation of a comprehensive plan of action that will guide towards dealing with estimated increase in business over the short, medium and long-terms.

The action strategies for the development and management of tourist destinations should consider the needs and interests of all stakeholders in the tourism system: local/ rural community, entrepreneurs, investors, governments, tourists and other stakeholders.



Source: <http://EzineArticles.com/407974> (accessed 9 Oct. 2011).

2.2. Product factors

A successful tourism product must address three basic factors simultaneously:

- tourist attractions;
- facilities and services offered; and
- physical accessibility to them.

The following table describes each of the factors.

Factors that define a tourism product	
Attractions	These are the “raw materials” of the tourism product and as such are part of the territory where the business is located. They consist of the natural and cultural resources, places and events that, by their characteristics or location in a context, awaken the visitor's interest and motivate his/her action.
Facilities	Tourist facilities refer to the infrastructure, equipment and services that make the tourism activity possible: the tourist enjoys the attractions and does so in a safe environment.
Accessibility	This is the set of means that facilitate the visitors' access to the tourist destinations, including infrastructure, transport and communication services.

EXERCISE

Describe the elements of your tourism product

Elements that define your tourism product	
Attractions	
Facilities	
Accessibility	



CHALLENGING IDEAS

Knowing the tourist product⁹

“Many do not know what a tourist product is. Sadly, some in the tourist industry hardly know what tourist product is all about. Tourist product is intangible. When a tourist, guided by his motivations and the image of the tourist destination, decides on a trip somewhere outside his usual place of residence or work, he is buying a tourist product – a promise that will soon become a memory once he returns to me.



“Let’s take the case of Aklan, Antique, Capiz, Guimaras, Iloilo or Negros Occidental as individual destinations or a multiple-destination, as the case may be. When one buys a trip to destinations like these, one does so in anticipation of a memorable experience. The experience at the airport, pier or bus station upon arrival in the destination is part of the tourist product. The quality of transportation and the behaviour of the driver and other aspects of transport services all form part of the experience in the destination. They are important components of the tourist product. The residents’ attitude towards visitors and tourists forms part of the tourist product, of the tourist experience.

“The facilities and services of the accommodation establishment, shopping places and their wares, restaurants, food, local tours and security are all part of the tourist product. The fiesta and festival, tourist spot, accessibility experiences are all parts of the total tourist experience. All these elements should be attended to by tourism stakeholders in the destination if they want to fill their air, sea and land transport seats, hotel rooms and function rooms, restaurants, souvenir and delicacies stores all year round.”

EXERCISE

Read the article at the left side and imagine you are a touring journalist who has been attracted to visit your community. Write an article describing what you would like him/her to imagine prior to departure: what are his/her motivations, what is he/she expecting to find, what are his/her ideas and what is the “promise” in which he/she believes, etc.

Then continue the article describing what you would like him/her to write after the visit: what did he/she find, did he/she satisfy his/her expectations, why will he/she tell other people, how will his/her memories influence other people’s decisions to visit your community.

**Seven phases of the travel experience:**

- 1 accumulation of mental images about vacation experiences;
- 2 modification of those images by further information
- 3 decision to take a vacation trip;
- 4 travel to the destination;
- 5 participation at the destination;
- 6 return home; and
- 7 modification of images based on the vacation experience.

Source: C.A. Gunn: *Tourism planning*, revised second edition (New York, Taylor & Francis, 1988).

NOTE: The list of categories of tourism products can be endless! As a very dynamic sector, new categories emerge permanently and old ones are recreated.

⁹ By Helen J. Camarista

Source: <http://www.thenewstoday.info/2006/03/17/knowning.the.tourist.product.html> (accessed 9 Oct. 2011).

2.3. Categories of tourism products (examples)

- **Nature tourism:** exploring conservation areas by walking or riding in the forest, or on the mountain or beach, navigation in rivers, lakes and the sea, observation of flora, fauna and other natural attractions such as waterfalls, caves, etc.
- **Experiential cultural tourism:** living with native communities, including participation in daily life activities and various cultural events, such as music, dance and arts, rites or religious holidays, etc.
- **Agri-tourism:** visiting rural communities to participate in agricultural production, livestock, handicrafts other traditional agricultural activities.
- **Historical tourism:** visiting special sites to see monuments, sculptures, architecture, civil, military or religious artefacts, archaeological remains of ancient cultures, local museums and sites of paleontological interest.
- **Health and wellness tourism:** today, increasing interest in fitness, disease prevention, maintaining good health, new age remedies and alternative treatments to alleviate various types of stress are key tourism motivators. Such tourism may include visits to holy sites with communities; participation in rituals and treatments with healers and shamans.
- **Medical tourism:** this has been defined as the practice of travelling across international borders to obtain health care.
- **Religious tourism:** also commonly called “faith tourism”, this involves travel for reasons of faith, for pilgrimage, missionary and other related purposes.
- **Sports tourism:** recreational fishing and hunting, sports that require specialized training and equipment: canoeing, climbing, rappelling, etc.
- **Scientific tourism:** observation and study of flora, fauna and geology, local food plants and ancestral medicinal knowledge and its applications in the conservation of biodiversity.
- ...



EXERCISE

Considering the definitions above, or others, identify and define the category or categories of tourism you are targeting.



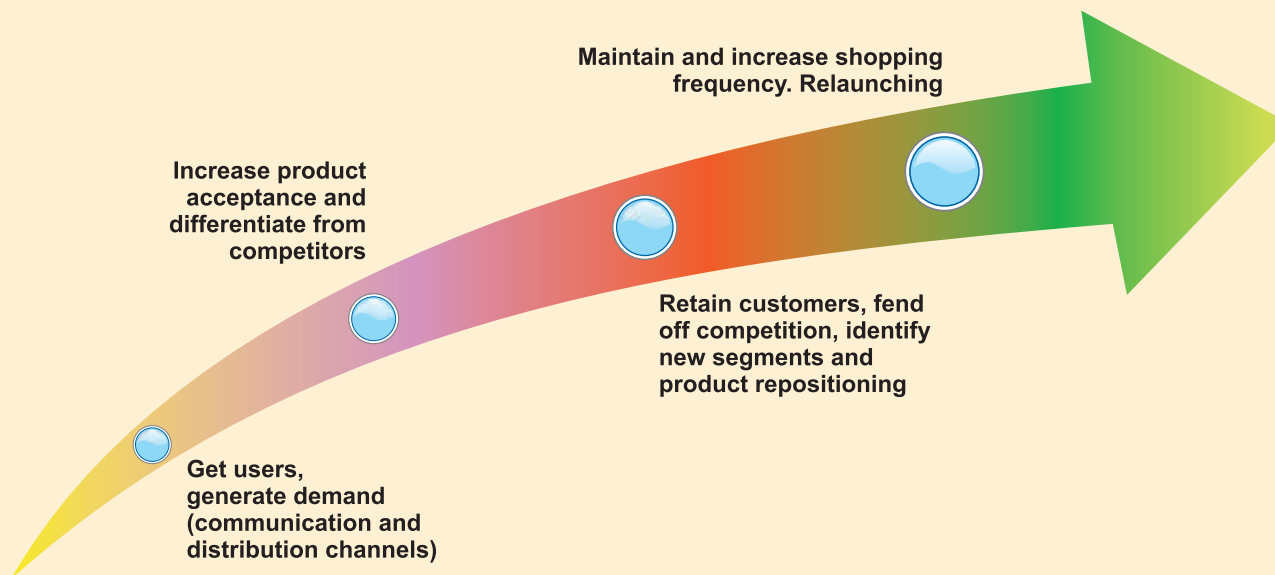


2.4. Product lifecycle

The **lifecycle of a product** consists of the different evolutionary phases of a product, involves many disciplines and requires many skills, tools and processes. Product lifecycle has to do with the life of a product in the market with respect to business/commercial costs and sales measures. The four main life cycle stages of a product are:

- 1 market introduction stage;
- 2 growth stage;
- 3 maturity stage; and
- 4 saturation and decline stage.

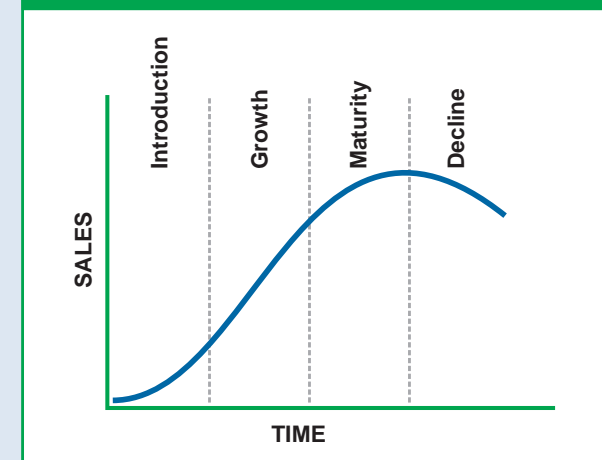
The challenge for every business is to avoid the decline stage, for example through re-launching activities that achieve increased purchase frequencies. Attention, creativity, innovation and recreation are key concepts to preserve business growth.



To say that a product has a lifecycle is to assert three things:

- ✓ products have a limited life;
- ✓ product sales pass through distinct stages, each posing different challenges, opportunities, and problems to the seller; and
- ✓ products require different marketing, financing, manufacturing, purchasing, and human resource strategies in each lifecycle stage.

Product Life Cycle Curve



INSPIRING EXAMPLES: AGRI TOURISM DEVELOPMENT CORPORATION – INDIA¹⁰

Founded in 2005 by Pandurang Taware, entrepreneur and descendant of a farming community, Agri Tourism Development Corporation (ATDC) is a company that facilitates agricultural tourism in the Indian state of Maharashtra. With a stagnating Indian agricultural industry, farmers across Maharashtra are looking at agri-tourism as a means of diversifying business opportunities and securing a viable livelihood.

Following a phase of research and an initial pilot programme in the village of Baramati in 2007, ATDC now has 500 trained farmers and 52 agri-tourism locations across the state of Maharashtra. Since the inception of the programme, farmers across the state have experienced a 25% growth in their income.

ATDC offers farmers free-of-charge agri-tourism training programmes that equip them with the technical knowledge they need to diversify their products and establish smallholding tourism ventures. ATDC advocates a policy of employing local/rural youth in its agri-tourism centres and specifically contracts women for food preparation services through organized Women Self Help Groups. In an area where nearly half the village population does not have any relatives in the same village, ATDC's concept is pioneering in the way it is addressing the migration of rural youth to urban centres. ATDC has established close networking links with Maharashtra state and has been instrumental in securing a preferential loan policy for agri-tourism farmers from the Pune District Cooperative Bank. Furthermore, it pools the farmers' marketing activities and organizes an award programme for its agri-tourism centres.

With agriculture becoming a more strenuous and less profitable sector for the majority of the Indian population, Agri Tourism Development Corporation has developed a concept that is leading the way towards sustainable livelihoods for many farmers and their families.



¹⁰ Source: http://www.tourismfortomorrow.com/Winner_and_Finalists/2011_Winner_and_Finalists/agri-tourism-development-corporation/ (accessed 9 Oct. 2011).





3 Place (distribution)

3.1. Key concepts and definitions

In relation to the marketing mix, **place** refers to how an organization will distribute the product or service to the end user or consumer. The product must be distributed at the right place at the right time. Efficient and effective distribution is important if the organization is to meet its overall marketing objectives. If a business underestimates demand and consumers cannot purchase products because of it, profitability will be affected.

Distribution is the process by which the tourism product is circulated through travel channels and agents that are in direct and indirect contact with tourists.

3.2. Types of distribution channels

Basically, two types of distribution channels exist: direct and indirect. Indirect distribution involves distributing your product via the use of an intermediary, for example, a manufacturer selling to a wholesaler and then on to the retailer. Direct distribution involves distributing directly from a manufacturer to the consumer.

Tour operators are companies that design and produce a large amount of tourist packages, which are later sold through their own travel agencies or other wholesalers or retailers, under one or more brands. These businesses own and control various components of the tourism operation chain, such as airlines, hotels, bus companies, networks of retail travel agencies, insurance, etc. This gives them great autonomy, competitive prices and considerable bargaining power.

Small business products hardly fit the interests and schemes of the tourism industry, as their unit distribution operating costs (tourist/room) are very high. For this reason, direct provider–consumer sales are still prevalent in the distribution of sustainable tourism products.

Small operators in countries of origin are also an alternative. They operate in small businesses with limited staff, their endowments of capital and their scales of operations do not allow them to join the distribution channels and marketing of wholesale carriers.

Small operators in countries of origin frequently subscribe to the principles of fair and socially responsible tourism and solidarity in their business operations.



Distribution channels

Advantages and disadvantages of each alternative

Channels	Advantages	Disadvantages
Direct (from producer to consumer)	<ul style="list-style-type: none"> ✓ Greater own (business) control over marketing. ✓ Greater flexibility to react to market changes. ✓ Increased effectiveness of efforts through interpersonal relations. ✓ Possibility of rapid local application of innovations. 	<ul style="list-style-type: none"> ✓ Higher investment and qualifications required. ✓ Lack of benefit from economies of scale. ✓ Greater efforts required to achieve wider coverage. ✓ Exclusion from integrated tourism distribution systems and circuits.
Indirect (through intermediaries)	<ul style="list-style-type: none"> ✓ Greater guarantee of increased promotion through more effective means. ✓ Greater marketing coverage. ✓ Reduced operating expenses of the final destination's business. ✓ Strengthening of the sector through partnerships and better services. 	<ul style="list-style-type: none"> ✓ Less personal influence on the effectiveness of the promotion. ✓ Less flexibility to market changes. ✓ Subordination in setting rates and fees. ✓ Risk of anonymity, to be part of a package.

3.3. Distribution strategies

Depending on the type of product being distributed, there are three common distribution strategies available.

1. Intensive distribution

Used commonly to widely distribute low priced or impulse purchase products, e.g. chocolates, soft drinks.

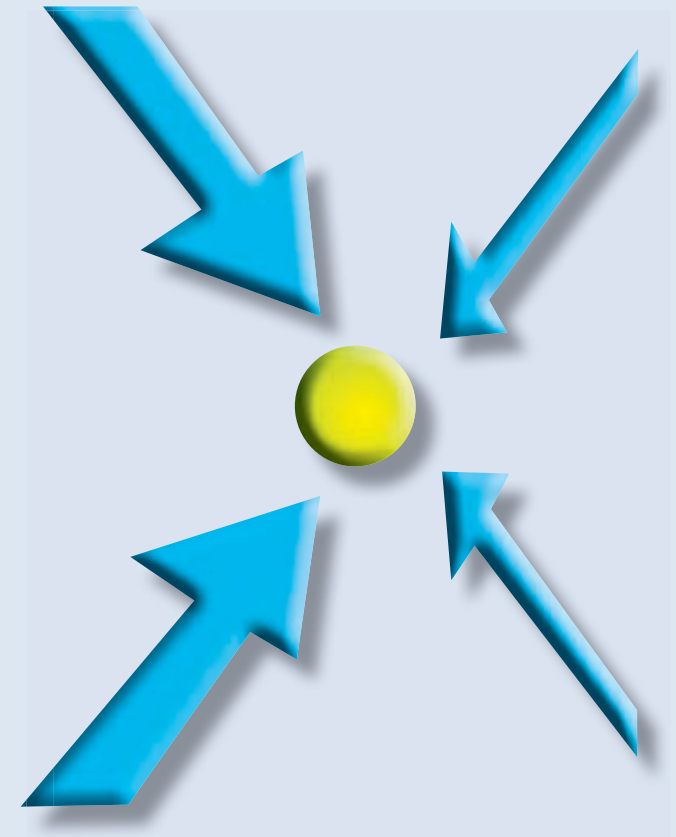
2. Exclusive distribution

Involves limiting distribution to a single outlet. The product is usually highly priced, and requires the intermediary to place much detail in its sell, e.g. vehicles.

3. Selective Distribution

A small number of retail outlets are chosen to distribute the product. Selective distribution is common with products where consumers are willing to shop around (e.g. televisions) and where manufacturers want a large geographical spread.

If an exclusive or selective strategy is adopted then a credible intermediary must be selected: one that has experience of handling similar products and is known by the target audience.





INSPIRING EXAMPLES: THE CHALLENGE OF PULAU WEH IN INDONESIA¹¹

Pulau Weh is a small tropical island in Indonesia with only 25,000 permanent residents. While modest in size, it offers amazing economic opportunities. A positive investment climate and an environment full of business incentives have led to a growing real estate market, with investors flowing in and infrastructure projects in the making.

The local/rural economic development process, however, was not immune to challenges. While the private–public partnership was working, not everyone was convinced of the economic potential of the island for tourism development. Infrastructure shortcomings were regarded as an obstacle, as only a few hotel rooms were considered of an acceptable standard for foreign tourists and access to the island was limited by a lack of international flights and of vessels serving the region. Moreover, the island lies in a region of conflict and danger: years of warfare had been followed by a tsunami that had recently claimed 160,000 lives. In other words, there were genuine impediments to tourism development.

Despite the open scepticism of many, a list of the “top ten reasons to operate an international flight to Banda Aceh” was designed and presented to executives of Air Asia in Kuala Lumpur in February 2007, who understood immediately the existence of a **business opportunity** and agreed to consider adding this route to their network. After eight months of negotiations with the Governor’s Office, the first airline service from Kuala Lumpur to Banda Aceh was launched in November 2007. This created momentum and provided the opportunity for **planning ahead** in what was perceived as an economic revolution in the making. The next step of the programme was to build on the private–public partnership. To do so, a large workshop was organized to prepare a “3-year strategic plan for tourism development”. It involved the presence of an international expert in tourism and it marked the beginning of unconditional support from the newly elected Mayor.

The Sumatra Travel Fair in Medan offered a wonderful opportunity to promote Pulau Weh. Subsequently, interested investors participating at the show, including those from the Tourism Board of Malaysia, Indonesia and Thailand, visited Pulau Weh and attended a presentation of the strategic plan at the Ministry of Planning in Banda Aceh. As investors’ interest increased, empowering local/rural men and women in Pulau Weh and building capacity at the local/rural level become crucial for people to work in coordination with, rather than in subordination to, foreign investors.



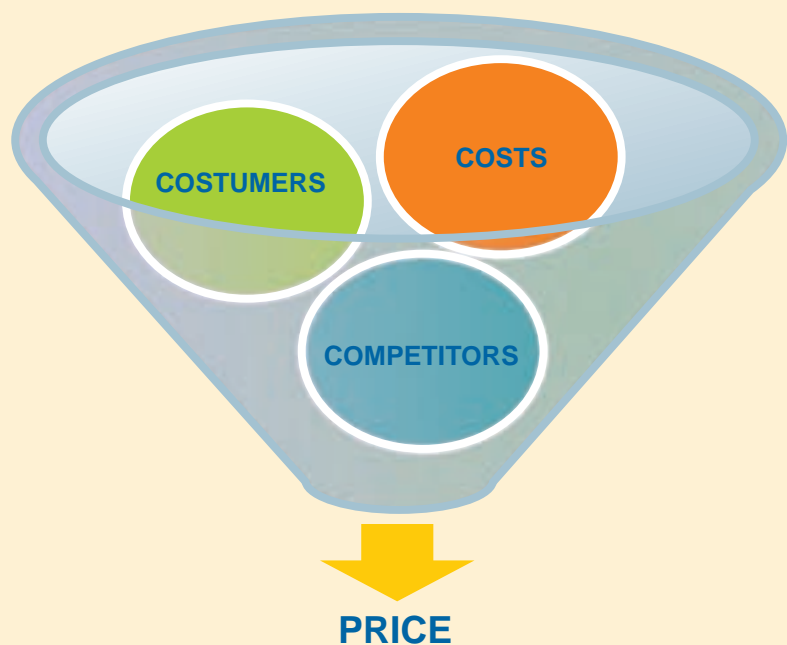
¹¹ Source: M. Cognac: *Local economic development in Indonesia: Partnerships for tourism development*, LED Story No. 13 (Geneva, ILO, 2008).

4.1. Definition and components

The price is the value that the consumer and provider establish to enable an exchange. For consumers, the price they are willing to pay equals the expected satisfactory experience. On the other side, the provider seeks to cover his production costs and obtain the desired benefits.

Pricing is based on three generic determinants:

- the business's internal costs (to which expected benefits are added);
- the satisfaction expected by the consumer and the maximum price he/she is willing to pay; and
- competition among providers (which is ultimately determined by the previous two).



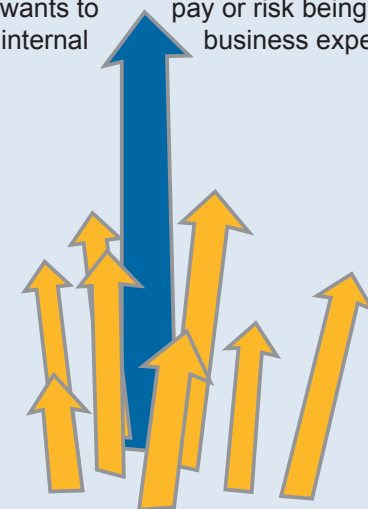
ON COMPETITION AND PRICES

The most basic level at which to set the price of goods and services is the sum of the costs that were incurred for production and/or delivery.

The price of a product or service should be competitive in the tourism market; this means that prices should be comparable to or even lower than similar options when entering the market.

However, you should be cautious in implementing measures to reduce costs and should preferably choose to reduce unproductive costs: For example, optimize the use of spaces, facilities and equipment, as well as maintenance to prevent damage and accidents.

The price level affects the volume of sales, a reduction in prices is the fastest way to increase sales, but this may be a mistake from the standpoint of economic and business finance. If guided only by the costs, you can set prices that nobody wants to pay or risk being unable to meet internal business expenses.





4.2. Setting prices

When setting prices it is important to take into consideration all of the following:

- 1 business and target market objectives;
- 2 the full cost of producing, delivering and promoting the product;
- 3 the willingness of the target market to pay for the product or service you provide;
- 4 prices charged by competitors offering a similar product/service to the same target market(s);
- 5 the availability and prices of substitute products/services (for example, camping sites, motels, and bed and breakfast are all substitutes for lodging);
- 6 the economic climate (local/rural and national); and
- 7 the potential for stimulating sales of high profit products/services (such as boats) by offering related services (such as maintenance) at or below cost.



A product or service has three dimensions: a physical, tangible one; an economic value expressed in the price; and a subjective dimension that is the satisfaction or benefit that the consumer imagines, wants or expects. Consumers are motivated by needs, desires and impulses that act as driving forces: the price may be synonymous with image, prestige and social recognition.

Consumers are less sensitive to the price of a good or service that is valued for a unique attribute that sets it apart from the competition, or if better quality is offered. You must know how to interpret their wishes if you want to influence their purchasing decisions.



4.3. Price management

Determining a price means finding balance and coherence between internal and external business factors. The internal factors include organization, costs and expected profits. The external factors include the consideration of market realities in terms of fluctuations in demand, the purchasing power of customers and competitive prices.

Issues to consider in the pricing strategy in tourism are:

- experiences are sold and each customer values them differently: bird watchers are willing to spend large sums of money, while others do not pay a dime;
- it is a relatively fragmented industry that inspires fierce competition;
- the system of commissions is very distinctive and significantly influences the final price: a basic price could be doubled, depending on the power of intermediaries;
- it is a very seasonal sector: rates vary by season, weather and the day of the week; and
- it provides non-durable services: if a place is not sold before a certain date it loses its use value and therefore its sales value. Accordingly, there are “last minute” low rates.

The price becomes a strategic business tool, as one of the competitive differentiating factors. For this purpose, a **flexible and creative price management strategy** should be considered to manage and differentiate prices, taking into account promotional initiatives, including:

- seasons: weekdays and months of the year;
- groups: discounts depending on the number of people;
- fidelity: encouraging frequent customers with special rates;
- offers: two for one specials for customers or on holidays;
- special deference: a basket of fruit or flowers, welcome drink and souvenirs;
- advance purchase: discounts on purchases made before a certain date;
- product: discounts for greater use of services that comprise the tourism product; and
- turnover: commissions and other incentives for efficient distribution.



WHATEVER STRATEGY YOU CHOOSE FOR PRICE MANAGEMENT YOU MUST BE ABLE TO GUARANTEE FAIR WAGES AND WORKING CONDITIONS

FOR EMPLOYEES OR FAIR RETURNS FOR THE SELF-EMPLOYED IN BOTH RURAL AND URBAN AREAS. THIS IS CRUCIAL FOR ECONOMIC, SOCIAL AND EQUITY REASONS AND ESSENTIAL FOR THE LEGITIMACY AND LONGER-TERM SUSTAINABILITY OF YOUR BUSINESS.





5 Promotion

5.1. Definition and key elements



Promotion is the process (set of means and actions) designed to inform potential visitors about the tourism product offered, sharing with them its most attractive and innovative attributes. As such it is usually integrated with distribution and implies communication activities, including advertising.

But it is worth stressing that the mechanism called “word of mouth” remains the main channel of promotion. Along with the loyalty of customers, the “unstructured” means are the most affordable, offering higher yields for small businesses at a lower cost. Therefore “**invest in quality and save on advertising**” is definitely the motto.

On the other hand, it is important to remember that an increasing proportion of the so-called **new tourists** are independent tourists who organize their own trips thanks to the wide availability of information.

5.2. Main distribution and promotion channels

a) Sales through travel agencies

This distribution channel is related to domestic and foreign travel agencies and is aimed at two generic segments: foreign tourists who buy travel packages and domestic tourists who make use of package tours.

The clients of specialized alternative destinations use Internet information a great deal but also place a high value on personal recommendations from friends and family members when choosing their vacation destination.

By using original mechanisms – over which operators and travel agencies have little room for manoeuvre

– communities, cooperatives and associations can greatly benefit, influencing the behaviour of users through the quality of their services. Satisfied customers voluntarily repeat the experience and advertise through their own means.



EXERCISE

List the key ideas relating to the quality of your business/service that you would like the visitors to remember – and to transmit to other potential clients. Consider mentioning that your business/service respects decent work and is non-discriminatory. If possible provide some data/examples.

b) Trade and tourism exchanges

Fairs and exhibitions – at different levels – are an alternative form of presentation and sale of products to intermediaries and the general public. Their main advantage is the potential for establishing personal contact between different private and public tourism businesses.

c) Professional associations

Professional associations are an important vehicle for unifying their members' offerings, creating a corporate image, promoting public relations and participating in order to expand their presence in the domestic market, and to enter into agreements with new distribution channels or institutional customers.

d) Notes and press releases

Make use of this resource; select the media best suited to your product and your target audience; consider as well as the strategy used by competing destinations.

e) Internet

Today the Internet is one of the most effective communication, information and promotion tools. Depending on accessibility and knowledge, explore and use different options (web sites, emails, web advertising) to contact your former clients to keep them updated, communicate with travel agencies and publicize on different web pages, among other things.

- Consider and list the distribution and promotion channels opportunities you identify at local/rural, national and international level. Define an “action plan” for each channel identified: a) channel and contact information (if applicable); b) what you will do (e.g. call, send an email); c) when you will do it; d) what you expect to attain (results).



Domains.coop (www.domains.coop)

“Adding **.coop** to the end of your web or email address is the most cost effective way to let people know you’re a cooperative. **.coop** is an exclusive domain reserved purely for cooperative enterprises so you’ll be in good company. And because it’s exclusive, this means that you have a fantastic choice of names with far fewer limitations than a .com or other domain.

“Best of all it’s so easy to shout about your co-operative difference with **.coop**. This web site has been designed to explain exactly why you should choose your online brand with **.coop** and allow you to **register your name today**”.

- Most cost-effective way to market your cooperative difference.
- Easy to register.
- Comprehensive directory of cooperatives around the world.
- Better availability of names.



5.3. Communication and advertising

Communication integrates a number of elements such as **advertising, sales promotion, public relations, sponsorship, trade shows and personal selling.**

The main materials or devices used to disseminate information are **brochures, flyers, posters and web pages.**

Given the costs, the development of an advertising campaign should be well planned, implemented and evaluated. Remember that **originality** is a key success factor. The following questions should help you to decide and plan the campaign.

Who? Choose the population or target audience.

- What? What are the goals of the campaign? Define clear, specific and measurable objectives.
- How? What is the key message? Highlight the quality of service as most beneficial for the tourist and a key differentiating factor. Consider relating the quality of the service to the working conditions. The ads should be creative, easily understood and remembered.
- When? What is the right time? Define the period in which the impact of the campaign will be most effective, and its duration.
- Where? Which media and to what extent? Specify whether the message will be disseminated by mass media or rather custom.
- How much? What are the costs of the activity?
- Evaluation. What results have been obtained with respect to the set objectives? Evaluate in quantitative terms (sales), quality (reputation and image) and purchase intentions. A campaign will be effective if it meets the objectives assigned to it.

EXERCISE

Now it is your turn to answer the previous set of questions and decide what you will do.

EXERCISE 1

Now it is your turn to define and characterize the key elements of your promotion plan, applying all you have learned. Base your decisions on the answers to the questions on the left side.

PROMOTION PLAN		
What you plan to do	How you plan to do it	
1.		
2.		
3.		
4.		

EXERCISE 2

Try designing a brochure, a leaflet, a poster or a card. The result should:

- be attractive (original, creative);
- contain clear messages;
- provide key information;
- focus on quality;
- combine text with pictures; and
- include contact information.



6 People

People play a vital role in effective marketing. In fact, they represent the actual service one is marketing and are also a critical factor in service business. Most tourists can think of a situation where the personal service offered by individuals has made or tainted a tour, vacation or restaurant meal. Remember, people buy from people and people buy a service that they like, so the attitude and skills of all staff constitute the main aspect of the brand and define the service quality.

People's well-being is a crucial starting point to ensure best quality services. Thus, issues addressed in chapter 2 related to decent work, social dialogue, occupational safety and health, human resource development and vocational training are key to enhance the potential contribution of people to the “brand” or, in other words, to the tourism experience as part of the “marketing mix”.

→ For more information on decent work, social dialogue and human resources see chapter 2 of this toolkit.



Definition of decent work

The promotion of decent work is the central objective of the ILO and is key for achieving fair globalization and reducing poverty.

Decent work means work that is **productive**, that delivers a **fair income**, **workplace security** and **social protection for families**, better prospects for **personal development** and **social integration**, **freedom** for people to express their concerns, organize and **participate in the decisions** that affect their lives and equality of opportunity and treatment for all women and men. The ILO Decent Work Agenda is an integrated approach to the objectives of full and productive employment for all at global, regional, national, sectoral (industry) and local levels. It is achieved through four strategic pillars: **job creation**, **rights at work**, **social protection** and **social dialogue**, with gender equality as a cross-cutting objective.



Product	People	Price	Place	Promotion
Attractions	Service	List price	Type of channel	Advertising
Accessibility	Attitude	Competitiveness (level)	Principles	Personal selling
Quality	Skills		Selected channel (specific)	Public relations
Facilities/services	Training	Relation price-wishes		Message
	Working conditions	Discounts and other promotions (price management)	Strategy	Media
			Locations	Budget
			Logistics	
	Service levels			



Based on the summary of the five Ps of the marketing mix on the left side, analyse each issue and the decision you need to make and develop your marketing plan. If you are starting a new business wait until you have gone through chapter 5 and have developed your business plan and come back.

Product	People	Price	Place	Promotion

INSPIRING EXAMPLES: EXTRACTS FROM THE CROC VALLEY CAMP WEB SITE (ZAMBIA)¹²

Croc Valley Camp is an affordable boutique lodge that caters for the budget traveller as well as offering a self-catering and full board experience. A quaint new exclusive tourist facility, the camp was renovated in February 2005 and is set in an oasis of calm along the bank of the Luangwa river. The camp fits effortlessly into the surrounding riverine habitat with fantastic views and it is not uncommon to see elephants crossing the river and strolling through the camp on a regular basis.

Our chalets are completely environmentally friendly and in order to escape the off-season floods our chalets are raised on stilts providing a fantastic viewpoint from which to see the wildlife that wanders through the camp.

Throughout your stay, our chefs can provide delicious meals and snacks from original recipes using fresh ingredients for your meticulously prepared meals and for those that wish to self-cater or camp, full kitchen facilities are provided. Our campsite is well catered for campers and overland trucks with parking areas, fire places, power points, hot showers and ablutions.



Between safaris, in the midday heat, our hippo-friendly swimming pool provides the perfect place to relax and cool off. Hammocks are also scattered around the camp over-seeing the river and the swimming pool. The bar is always open and serves ice cold drinks throughout the day, whether you prefer to relax by the pool, in a hammock or catch up with the news on our satellite TV.

¹² Source: <http://www.crocvalley.com> (accessed 9. Oct. 2011).

What the guests say_

“A relaxed, personal and extremely friendly atmosphere in beautiful lush surroundings! Could come back every weekend.

“I discovered a gem when I came to Croc Valley. The owners and staff at Croc Valley are very friendly, warm people that are always on hand if you need advice or any help with anything. The atmosphere is unlike anywhere I’ve experienced; so chilled out, peaceful, right on Luangwa river’s edge, they also have lush green lawns throughout and perfect for camping. You can camp right next to the river, where you’ll also have access to power supply and summer huts where you can set your equipment up. For people that do not want to camp there are luxury chalets and tents that allow you to have space and privacy with wildlife and bush surroundings. They serve tasty, wholesome food at a good price. The perfect pool to lounge in on a hot day with relaxing chairs, hammocks and seats dotted around the area and along the river’s edge, and the bar also close by if you’re thirsty. I hope you also get to experience this wonderful place for yourselves! “

nolakd, from Trip Advisor





EXTRACTS FROM THE CHALALÁN ECOLODGE (BOLIVIA) WEB SITE¹³

Accommodation at the Ecolodge

Our luxurious accommodation in traditional Tacana-style cabins can, in total, lodge up to **30** people. The cabins are surrounded by virgin forest that resonates with birdsong and the cries of howler monkeys, especially at dawn and dusk, making Chalalán a place of incomparable beauty.

The Ecolodge offers three types of accommodation; luxurious cabins with double beds and private bathrooms (three in total), twin/triples rooms with private bathroom (seven in total), and twin rooms with shared bathroom facilities (four of them). All of our accommodation is equipped with mosquito nets, bedside tables, wardrobes, comfortable armchairs, verandas, balconies and hammocks where you can relax and read.

At Chalalán the standards of hygiene in our bathrooms and shower areas are of utmost importance to us. All of our bathrooms are unisex and are regularly cleaned without disturbing our guests. The bathrooms are either tiled or clad with stones for your comfort and as another elegant detail.



What our guests say

“Jungle paradise – one of the highlights of South America”

Chalalán Ecolodge

“We spent 3 nights at Chalalán and have recommended it to everyone we have met since! We are budget travellers but decided to splash out on a stay here and did not regret it for a second. The location is idyllic – 5 hours by boat away from civilization and right in the middle of stunning rainforest. ... Our guide was amazing – he could spot things with the naked eye that we couldn't see even when we knew where it was and would get the spotter scope trained on the animal so we could see it just as clearly!Service was great – cool drinks whenever we came back from a walk, fabulous food (I'm vegetarian and found the food excellent and very varied), lovely rooms.

Chalalán is a lot more expensive than the other jungle lodges in Bolivia but I think it is well worth it and it is a lot cheaper than you will find at a similar lodge in Peru or Ecuador. We went to a lodge in Ecuador as well and it was incomparable – in terms of service, guiding, comfort and wildlife spotting Chalalán was far superior. We have spoken to several other people who also went to Chalalán and have heard nothing but positive recommendations.”

Klmdt, from Trip Advisor

¹³ Source: <http://www.chalalan.com/chalalan.asp> (accessed 9 Oct. 2011).



SUMMARY OF KEY ISSUES AND IDEAS

Marketing is a process through which individuals and groups provide, exchange and obtain products – ideas, goods and services – capable of satisfying their needs and desires at a desirable price and place.

Only those destinations that have a clear market position and appealing attractions will remain at the top of consumer minds.

The five Ps (product, price, place, promotion and people) are the elements of the marketing mix.

A successful tourism product must meet three basic factors simultaneously: tourist attractions; facilities and services offered; and physical accessibility to them. Distribution strategies need to be adapted to the type of product marketed. Tourism products can be distributed intensively, exclusively or selectively.

Promotion is the process (the set of means and actions) designed to inform potential visitors about the tourism product offered, sharing with them its most attractive and innovative attributes. As such it usually integrated with distribution and implies communication activities including advertising.

Development of an advertising campaign should be well planned, implemented and evaluated.

People are drivers for effective marketing.



Chapter

4

Tourism market

CHAPTER 4

TOURISM MARKET

Learning objectives

At the end of this chapter,¹ participants will be able to:

1. explain the need and purpose of market research in tourism and provide basic definitions;
2. differentiate the steps and procedures to conduct a market research exercise;
3. recognize the profile of potential consumers and their motivations; and
4. analyse competition and competitiveness.

Target audience

R = Relevant

PR = Partially relevant

NR = Not relevant

Target groups	Chapter 4
National Government representatives	PR
Local/rural authorities representatives	R
Representatives of local/rural community organizations	R
Owners of small scale tourism enterprises and cooperatives	R
Trade Union representatives	PR
Representatives of Employers' organizations	PR
Representatives of support organizations	R
Representatives of the local/rural tourism industry	R

¹ Unless otherwise specified, this chapter is based on a series of documents and publications of the International Labour Office.





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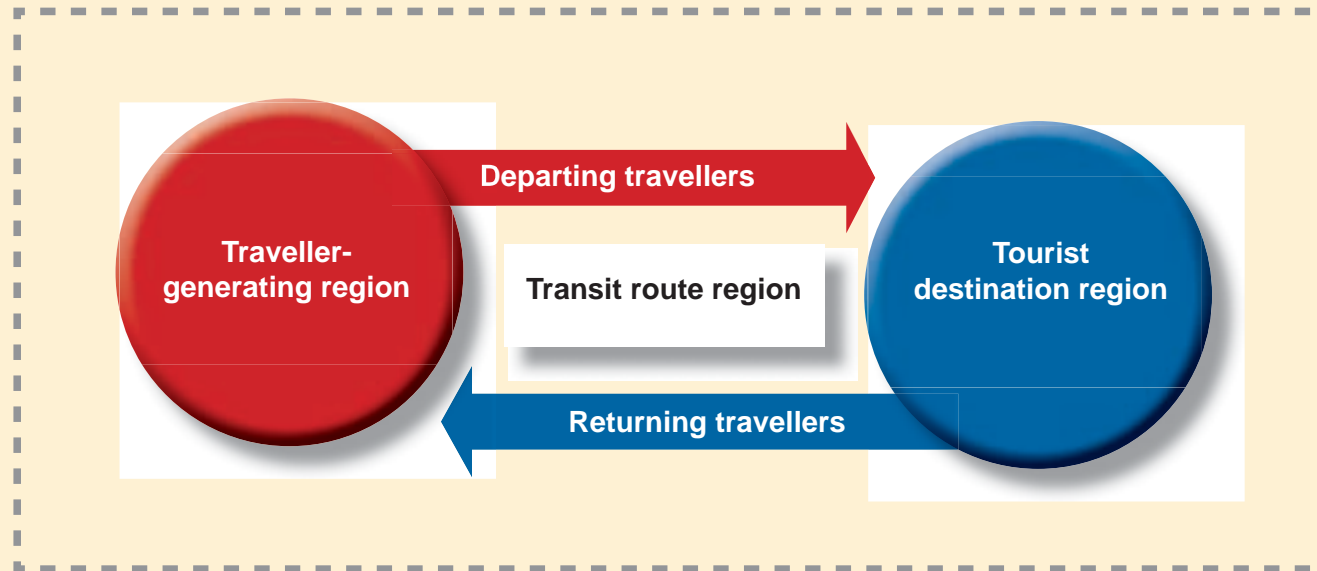
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1. The Market	<ul style="list-style-type: none">• Key concepts and definitions• Stakeholders in the tourism market• Competitive advantage and competitiveness• Cooperation as a means to increase competitive advantage
2. Market research	<ul style="list-style-type: none">• Key concepts and definitions• How to perform a market research exercise
3. Identifying a market niche	<ul style="list-style-type: none">• General guidelines• Research plan and resources• Profile of potential consumers• Tourism in the community/region• My competitors

Unit 1: The market

1 Key concepts and definitions

Tourism is an economic activity that links places and countries that send tourists (source markets) to places and countries that host tourists (host markets), thus creating a flow of tourists. For this reason, tourism is subject to global market developments, namely the economic laws of international and local supply and demand.

The **market** is defined as the set of buyers (**demand**) and sellers (**supply**) of a very wide range of assets and services. The purchase or sale (**commercial transaction**) can be made between a company and the ultimate consumer or business – for example, between a community and a travel agency or hotel.



Rural or indigenous communities that have decided to start a tourism business, as well as those already operating, need to know in some detail the main features and trends in the global market demand to be able to plan the services to be offered according to the needs and preferences of the type of tourists they want to attract and capture.

“Perhaps one of the most compelling reasons for tourism businesses to endorse sustainable tourism has been the increasing demand for environmentally and socially responsible holidays from consumers over time.” (Spenceley et al., 2009)



Supply of tourism services includes attractions, activities, amenities, transportation, food and beverages and accommodation that are available for tourists to use.

Demand for tourism services depends on the total number of people who travel, how long they stay for, and what services they require while away from their normal work and residence.



2 Stakeholders in the tourism market

The tourism market consists of all persons and businesses that buy and sell tourism services and products (stakeholders), i.e.

Type	Definitions and functions
1. Tourists	Consume or use tourism services (including local and foreign people).
2. End suppliers	Provide accommodation, meals, transportation and other services.
3. Retailers	Act as an extension of the suppliers, promoting or distributing their services (travel agencies and online reservations).
4. Service organizers	Perform functions as mediators between suppliers and consumers, organizing trips that combine different services in the form of packages (tour operators).

LESSONS LEARNED

A number of projects have sought to benefit communities via tourism but have been unable to demonstrate success at any scale. While the problems vary from place to place, broadly speaking there are seven types of problems:

- 1 focusing on community-owned enterprise to the exclusion of other parts of the value chain;
- 2 developing tourism enterprises that do not have a market; focusing on developing products and producers but not on market linkages;
- 3 avoiding working with the private sector and the mainstream market;
- 4 muddling social welfare objectives and business development objectives;
- 5 providing heavy development inputs but not commercial expertise;
- 6 ignoring deep-set constraints in the business environment; and
- 7 doing pro-poor tourism as a separate “add-on” to destination development.

Source: Anna Spenceley, Caroline Ashley and Melissa de Kock: Tourism-led poverty reduction programme: Core training module (Geneva, International Trade Centre, 2009).

EXERCISE

Taking into account that many tourism workers are self-employed and without social protection, in your view and based on your experience, what measures can be taken to cover these workers by social protection schemes while developing your tourism market?

(see chapter 2 for more information)

3 Competitive advantage and competitiveness

A **competitive advantage** is an advantage over competitors gained by offering consumers greater value, either by means of lower prices and value for money or by providing greater benefits and service that justifies higher prices.

Competitiveness is the capacity of a business or a business group to create, strengthen and increase over time the competitive advantages that position it favourably in a market. **These are the most frequent sources of competitiveness:** a) **cost leadership**; b) **flexible specialization** and c) **differentiation in terms of quality, innovation, technology and brand image**.

4 Cooperation as a means to increase competitive advantage

Increasingly, the importance and value of cooperation between stakeholders is stressed as a key factor that enhances the competitive advantage and potential success of a business.

COOPERATION AS A MEANS TO INCREASE COMPETITIVE ADVANTAGE

- | | |
|----|--|
| 1. | Exchange of information, knowledge and experiences that generate collective learning processes. |
| 2. | Implementation of efficient production structures, taking advantage of economies of scale and reducing production costs. |
| 3. | Common access to development services, purchase of inputs, market information, training, administration and business management. |
| 4. | Expansion of domestic and foreign markets through marketing strategies that enhance the functions of promotion, distribution and marketing of goods and services, including the creation of collective brands. |
| 5. | Subscription to beneficial business arrangements for members, with either suppliers or corporate and institutional clients. |
| 6. | Increased capacity of representation and negotiation of business partners on their behalf with different economic and institutional actors. |
| 7. | Access to public goods: infrastructure and basic services. |

KEY CONCEPTS

- **Cost leadership:** minimizing the cost to the organization of delivering products and services. The cost or price paid by the consumer is a separate issue!
- **Flexible specialization:** the capacity to adjust very quickly to a fast changing marketplace and business environment.
- **Differentiation:** making your products or services different from those of your competitors and more attractive



EXERCISE

Individually or in groups, reflect on why cooperation could be of particular importance in enhancing your – present or future – tourism business. Then list key actors/businesses you would be interested in cooperating with and identify:

- what kind of cooperation you would propose;
- what you would expect to obtain with each cooperation linkage in terms of increasing your competitiveness; and
- what the partners could expect to gain in competitiveness from cooperating with you.





INSPIRING EXAMPLES: THE ASSOCIATION OF SMALL SCALE ENTERPRISES IN TOURISM – THE GAMBIA

The Association of Small Scale Enterprises in Tourism (ASSET) was established in April 2000 in order to bring together, advocate for and promote a large number of small enterprises that were active in the tourism industry in the Gambia.

These businesses include craft market vendors, tourist taxi drivers, official tourist guides, juice pressers and fruit sellers as well as a number of small hotels, guest houses and ground tour operators.

Within five years ASSET has attracted more than 80 organizations into membership, has hosted an international conference on Fair Trade in Tourism, has been recognized by the Gambia Tourism Authority (GTA) as an important voice for the previously voiceless and has become a leading player in the Gambian Responsible Tourism Partnership programme that is being led by the GTA. This programme brings together the principal stakeholders in the tourism industry (government, tour operators, ground handlers, hoteliers and small scale businesses) in order to ensure that the adverse impacts of tourism are minimized and that maximum benefits are gained by local people and their communities.

ASSET's aim is to assist and support small-scale enterprises in tourism to trade fairly and pursue sustainable development, which contributes to the conservation of the physical environment and the social and economic welfare of the community in the Gambia. The role of the Association is to:

- contribute to improving the tourism product in the Gambia and help to bring development for the country;
- provide assistance to members with product development, marketing, training, quality control and access to finance;
- work collaboratively, promote networking and joint activities amongst members;
- develop partnerships with government, other institutions and external organisations where appropriate;
- contribute to sustainable development within the Gambian Tourism Industry using principles and practice of fair trade in tourism;
- identify appropriate quality standards for members;
- promote good relations between ASSET and similar organisations in other countries; and
- protect small-scale business interests in the mass market tourist industry.

Benefits of ASSET membership

Effective marketing of products and services through:

- ✓ networking within members' brochure, map, web site, calendar and showcase;
- ✓ free HIV/awareness training;
- ✓ free health and safety training;
- ✓ free consumer care training;
- ✓ free computer training;
- ✓ advice on product development;
- ✓ advice on product diversity;
- ✓ facilitate access to grants; and
- ✓ lobbying for members with stakeholders and relevant authorities.

Source: <http://www.asset-gambia.com>
(accessed 12 Oct. 2011).

CHALLENGING CONCEPTS AND STRATEGIES: “INCLUSIVE BUSINESS”



Worldwide large companies traditionally buy from established suppliers and service providers, and target middle- and high-income consumers. As a result, poor people find many essential goods and services too expensive and, as producers, struggle to sell enough to make a living.

“Inclusive Business” refers to an entrepreneurial initiative that contributes towards poverty alleviation by including low-income communities within the value chain of a company, while not losing sight of the ultimate goal of business, namely generating profit.

The concept was developed through an alliance between SNV

and the World Business Council for Sustainable Development (WBCSD) to create win-win situations for both company and low income communities. This strategic association facilitates the development of specific Inclusive Business opportunities, which are not only attractive investment options, but also benefit low-income communities. This business strategy creates growth in new markets, reduces supply-chain related transaction costs, manages stakeholder and shareholder risks, and leverages blended financial mechanisms.



At the heart of the **inclusive approach** is the belief that understanding stakeholder needs – the needs of consumers, employees, suppliers, shareholders and society, and the environment – and incorporating them into enterprise strategy and sustainable value creation activities are central to the achievement of sustainable growth and competitiveness.



Source: <http://www.snvworld.org/en/ourwork/Pages/inclusivebusiness.aspx> (accessed 12 Oct. 2011).



Unit 2: Market research

1 Key concepts and definitions

The basis of any strategy for tourism development is market research. Market research is commonly seen as finding out if a product or service will be successful. But there is more to it than that. Market research can have many different purposes:²

1. to identify consumer needs and then meet those needs;
2. to learn about consumer attitudes and values;
3. to help develop products and services that meet identified needs;
4. to discover sales trends;
5. to find out about competitors' activities;
6. to measure the effectiveness of promotional activity; and
7. to classify consumer into groups or types.



Market research focuses on three dimensions:

- ↳ **potential demand** – Who are the consumers? What do they care about? Which are their motivations? Which services do they request? What do they dislike?
- ↳ **current supply** – What services, activities, routes and tours are currently offered in the community, surrounding areas and region?
- ↳ **competition** – What similar, complementary and/or alternative tourist products are offered by other businesses in the area?

² Source: <http://www.bized.co.uk> (accessed 12 Oct. 2011).

NEED FOR INFORMATION



The tourism market is one of the most competitive markets. Thus it is imperative to have information with which to analyse the market segment that the tourism product will target and define the degree of specialization – information on

persons or groups with specific interests, social and demographic characteristics, their origin and their preferences for services and activities in the destination.



2 How to perform a market research exercise

There are three basic stages.

First: review the most relevant secondary sources, such as magazines and journals, business publications, statistics, tourism guidelines, web sites.

Second: collect primary information through interviews and small surveys of tourists, tour operators, leading travel agencies and operators, tour guides and other key informants like tourism authorities and research institutes.

Third: organize and process the collected data, analyse and draw conclusions for business planning.



LOYAL CONSUMERS AND OPERATORS AS KEY INFORMANTS

Some of the best sources of valuable marketing information are your loyal consumers. You should examine the reasons given by regular customers for coming back. This can help clarify the things you do well. At the same time, you should also examine factors that deter consumers from returning.

It can also be very useful to ask for the opinion of the tour operators about their consumers or partners (tourists and service providers) with whom



they keep regular contact. They can provide substantive information and updates about their customers' activities and demands for services, the size of the groups and their travel habits in order to be able to respond appropriately to their tastes and preferences

EXERCISE

Imagine you are the manager of a hotel and you want to know if your consumers are satisfied with your services. Draft a questionnaire to be filled in by your guests. Ask other participants, friends or random people to complete copies of the questionnaire. Organize and analyse the information.



Unit 3: Identifying a market niche

1 General guidelines



Few mistakes are as serious as launching a business without fully knowing the market and, consequently, identifying your market niche, which is a common path to success for many small businesses. Because no matter how hard they try, no large business can be all things to all people, there are always going to be segments of the population whose needs for particular products and/or services are going unmet, leaving room for the small business. Your small business can capitalize on these unmet needs, and find and dominate its own niche market, by paying attention to these four criteria:³

a) A unique product or service

For starters, if you're going to master a niche market, you need to have a unique product or service. Ideally, you want to be the only one selling what you are selling.

b) A marketable product or service

You can create all kinds of wonderful and useful products and/or services but if no one wants what you have produced, what is the point?

c) Choose a niche market that's available

Remember, niche markets tend to be smaller so there's only room for so many players. When it comes to niche marketing, if you try to jump on a bandwagon, you are only going to fall off the back.

d) Market, market, market

Marketing is perhaps more important for niche market businesses than for any other kind, because the niche market business is, by definition, unknown and succeeds or fails on making the connection with exactly the right kind of consumer/client.

KEY CONCEPTS DEFINED

Market segmentation

This is the process of defining a large, homogenous market and subdividing it into clearly identifiable segments having similar needs. Its objective is to design a marketing mix – the right combination that serves the needs of the product's clients – that precisely matches the expectations of consumers in the targeted segment.

The four factors that affect market segmentation are (1) clear identification of the segment; (2) measurability of its effective size; (3) its accessibility through promotional efforts; and (4) its appropriateness to the policies and resources of the segment.



Market niche (or niche market)

A small but profitable segment of a market suitable for focused attention by a marketer. Market niches do not exist by themselves, but are created by identifying needs or wants that are not being addressed by competitors, and by offering products that satisfy them.

³ Source: <http://sbinfocanada.about.com/od/nichemarket/a/nichemarket.htm> (accessed 12 Oct. 2011).

2 Research plan and resources

This is a very important and basic step: to identify your knowledge and data sources – primary and secondary – for each of the three key areas, and to specify the key issues and questions that you need to ask. Review the next sections, 3 to 5, to define the key issues and questions you may want to address.

AREAS OF INTEREST	TYPE OF INFORMATION	SOURCES (DOCUMENTS) AND KEY INFORMANTS TO BE INTERVIEWED	KEY ISSUES AND KEY QUESTIONS TO ASK
CONSUMERS (PROFILE)	Primary		
	Secondary		
EXISTING SUPPLY	Primary		
	Secondary		
COMPETITORS	Primary		
	Secondary		



HANDS ON! – REMEMBER THE RESEARCH “TYPES” AND TIPS



TYPES OF RESEARCH

- **Primary research:** unique research that uses surveys, interviews and questionnaires to find out about markets.
- **Secondary research:** makes use of existing information such as internal or external records and statistics to learn more about markets.

... AND TIPS FOR RESEARCH

- ✓ Use what you know to define what you need to ask.
- ✓ Listen carefully ... the obvious is not always the most important.
- ✓ Analyse “between the lines” and establish links between pieces of information.
- ✓ Try to find out cause–effect relations.





3 Profile of potential consumers

Knowledge of the tourists visiting our community or region is crucial to determine whether our attractions have enough potential to attract new visitors with a similar profile, or to attract others with different characteristics. In new tourist destinations, emerging and remote, this task becomes more difficult, so it will be necessary to refer to studies on destinations with similar characteristics, or visit them directly.

In any case, it is imperative to have information to analyse the market segment that the tourism product will target, and to define the degree of specialization – in other words, persons or groups with specific interests, social and demographic characteristics, origin and preferences for services and activities in the destination.

Based on the information gathered, summarize in the following table the key data to consider in shaping your tourism business.



MOTIVATIONS OF TOURISTS



In tourism, the motivation is the reason why a person decides to travel. The travel motivations of tourists are complex and are related to a set of internal and external factors:

- the internal (endogenous) that are unique to the individual and relate to his/her age, sex, origin, social status, education level and income, travel experience and psychological profile; and
- the external (exogenous) that do not depend on the traveller but on the political and economic stability of a country, its social and cultural characteristics, transportation and communication, etc.

Motivations guide decisions and are thus a key element to consider in market analysis. In general, motivations can be subdivided in two groups, while most trips tend to be “mixed” and relate to more than one motivation:

Basic motivations	Specific motivations
✓ Rest and Recreation	✓ Meet and interact with other cultures
✓ Health	✓ Appreciate historical sites and artefacts
✓ Religion	✓ Attend shows and events
✓ Business and professional motivations	✓ Take part in specific activities
✓ Visits to family and friends	

Identifying my potential consumers		
Demand characteristics		Tourist profile
1.	Source of tourists: domestic tourism, neighbouring countries, international tourism	
2.	Main travel motivations	
3.	Predominant age groups	
4.	Gender: female, male or mixed	
5.	Travelling alone, with family and/or friends	
6.	Educational attainment and occupation	
7.	Average family income	
8.	Times of year when there is a greater influx of visitors	
9.	Average length of stay of each holiday period	
10.	Expected average spending per tourist	
11.	Favourite tourist activities	
12.	Most valued services	
13.	Concern/sensitivity regarding decent work and responsible tourism	
14.	Expected growth trends in this market segment	
15.	Other important characteristics (complete)	

International profile of the new tourist		
1.	Is a multiple consumer	Looks for cultural experiences, sports, religion, nature, or a combination.
2.	Is more cultured than the average tourist	Is informed and willing to learn and address new topics.
3.	Fragments a holiday	Prefers to make several vacation trips at different times of year.
4.	Searches for multiple options	Compares the different offers and selects the one that best fits his/her needs.
5.	Likes to discover alternative destinations	Enjoys the vacation destinations that may be close and familiar, but also remote and exotic ones.
6.	Consumes without wasting	Is willing to learn about new products and destinations, paying attention to the price.
7.	Wants facts and not promises	Is very demanding about what is offered and wishes to have experiences that match the information provided.
8.	Is active and enterprising	Shows much interest in participating in activities at the sites.
9.	Is interested in social and environmental issues	Has a social and environmental awareness more developed than the average tourist.
10.	Seeks to establish a new sociability	Seeks to engage with other cultures from the perspective of enriching the vision of his/her own environment.

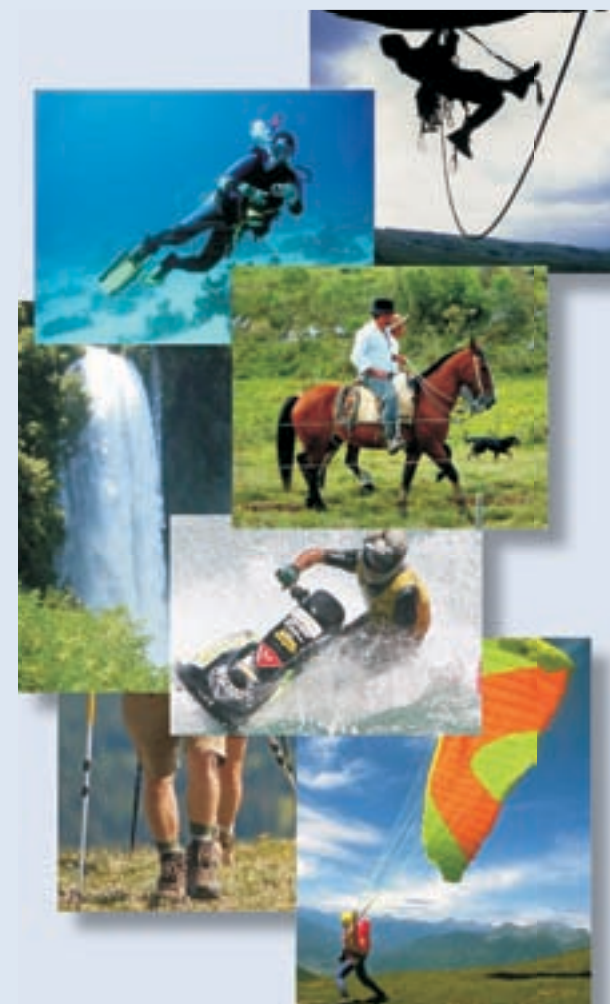


4 Tourism in the community/region

To design or adapt a tourism product, it is important to identify and analyse the characteristics and dynamics of existing tourism products and services, to better understand the flow of tourists, key market segments or niches already being satisfied and identify those niches yet unexploited of with growth potential.

Complete the following table with the information you have gathered.

Available tourism products and services		
Key questions		Characteristics
1.	Which attractions generate greater visitor flows to the region: nature, culture, their combination?	
2.	Which events organized in the area attract more visitors each year?	
3.	What basic tourist services does the community/region provide to the visitor?	
4.	Are these services sufficient? Is there still unmet demand?	
5.	What do users think about the value for money of these services?	
6.	Does the region have a tourist information centre?	
7.	Is signage of sufficient quality and quantity?	
8.	At which level is the community/region being promoted (regional, national, international)?	
9.	Which marketing channels are used most frequently?	
10.	What promotional materials and media are available and used?	
11.	Other relevant questions (complete)	



5 My competitors

Before deciding to start a business, or expand an existing one, it is important to understand the characteristics of the environment, in particular those of existing competitors. This will allow a better definition of the market niche and the identification of key competitiveness factors that will “make the difference” in the case of your business.

Knowing the profile of my competitors

Competitors' characteristics		Competitor A	Competitor B	Competitor C
1.	Name of business			
2.	Location			
3.	Origin of tourists			
4.	Similar or different from my tourists			
5.	Type of tourism offered			
6.	Services and activities			
7.	Wages and work conditions			
8.	Quality of service			
9.	Prices they charge			
10.	Distribution channels for their services			
11.	Means of promotion			
12.	Point out the strengths of your competitors			
13.	Point out the weaknesses of your competitors			
14.	Other relevant characteristics (complete)			



YOUR MARKET NICHE!!! Now that you have performed market research, gathering and analysing key information, are you ready to describe your market niche and provide convincing arguments for this selection? – GO FOR IT!!!

THE IMPORTANCE AND VALUE OF KNOWING MY COMPETITORS

The better you know your competitors, the better prepared you are to successfully develop and implement a business. Profile analysis of the competition allows you to clarify the decisions to be taken on two issues critical to competing advantageously:

- choose a specific market niche for which there is a value dimension, but greater flexibility, more consistent with the small size of a business; and
- apply the key factors for market differentiation, such as product design, quality of service, technology, innovation, branding and distribution channels.





CHALLENGING IDEAS AND EVIDENCE: THE FALSE DILEMMA BETWEEN DECENT WORK AND ENTERPRISE COMPETITIVENESS⁴

“There is no a priori reason to believe that economic efficiency is generally opposed to the set of rights and benefits associated with decent work. Indeed, there is now greater recognition that regulation plays an important part in determining efficiency outcomes. There are various dimensions to this. The continuous upgrading of technology, lower trade barriers, more integrated markets, and the growing importance of information and knowledge systems have all led to a greater demand for skilled workers and renewed emphasis on the skills and competence of the workforce. The motivation, skills and organisation of labour conform essential assets in the competitive strategies of enterprises. Wide recognition has been given to the training and upgrading of workers’ skills as enterprises need more and more highly skilled workers to manage complex production or service systems, often based on advanced computerized systems.

But training is only one dimension of enterprise competitiveness and is itself dependent on an environment in which workers are motivated to learn, innovate, apply new knowledge, which in turn depends on adequate working conditions, employment conditions and social protection. Enterprises will only invest in training if they have a reasonable assurance of being able to retain the workers so trained. The returns on investments in training are very much linked to overall working conditions, such as employment stability, wage levels, social benefits and related benefits. Likewise enterprises will agree to pay higher wages to skilled workers provided these workers are likely to stay with the enterprise for a reasonable period and work more efficiently. Product quality, price competitiveness and marketing efficiency all rest on a complex interaction of organisational and managerial settings in which technology, costs, and labour play a critical part. These all require a well-trained, motivated and experienced workforce. In these terms decent work is very much linked to enterprise competitiveness.”

“Beyond people’s aspirations and principles and objectives found in international declarations, there are a number of social and economic dividends which flow from decent work”.



⁴ Source: P. Egger and W. Sengenberger: Decent work issues and policies, Reference document 3 (Montevideo, Cinterfor/OIT, (n/d). http://www.oit.org/public/spanish/region/ampro/cinterfor/rct/35rct/doc_ref/doc3/iii.htm (accessed 12 Oct. 2011).



SUMMARY OF KEY ISSUES AND IDEAS

Tourism is an economic activity subject to global market developments, namely the economic laws of international and local supply and demand.

The tourism market consists of all persons and businesses that buy and sell tourism services and products.

Identifying your market niche is crucial for developing your tourism business.

Market research is an important tool for business development.

Undertaking research, knowing your competitors, the dynamics of your region and the profile of potential customers are the necessary steps for making your tourism business successful.





Chapter

5

Tourism business

CHAPTER 5

TOURISM BUSINESS

Learning objectives

At the end of this chapter,¹ participants will be able to:

1. explain the potential, opportunities and challenges a tourism business involves for a community;
2. identify, classify and rank tourist attractions;
3. transfer concepts, approaches and basic tools to develop a business plan; and
4. identify and develop a business idea in community tourism, in such a way as to ensure technical, economic and financial feasibility, as well as sustainability.

Target audience

R = Relevant

PR = Partially relevant

NR = Not relevant

Target groups	Chapter 5
National Government representatives	NR
Local/rural authorities representatives	NR
Local/rural community organizations representatives	R
Owners of small scale tourism enterprises and cooperatives	R
Trade Union representatives	NR
Representatives of Employers' organizations	R
Representatives of support organizations	R
Representatives of the local/rural tourism industry	R

¹ Unless otherwise specified, this chapter is based on a series of documents and publications of the International Labour Office.



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2. The diverse world of businesses	<ul style="list-style-type: none"> • Concept and principles • Types of tourism businesses
3. Ensuring your tourism business is sustainable	<ul style="list-style-type: none"> • Building a bridge between tourism business and sustainability • Sustainable enterprise development
4. Identification, classification and ranking of tourist attractions	<ul style="list-style-type: none"> • The concepts of heritage and resources • Diagnosis of local/rural tourism • Inventory of tourist attractions <ul style="list-style-type: none"> ↳ Definition and preparation of an inventory of attractions ↳ What does ranking of attractions mean? – and how to do it
5. Business plan – concept, usefulness and application	<ul style="list-style-type: none"> • Key concepts and definitions • What is the use of a business plan? • Components of a business plan

Unit 1: The potential of local, rural and community businesses²

1 Tourism sector and tourism experience

The tourism sector includes all the businesses and organizations that are involved in providing the tourism “experience”. The tourism experience consists of the five **As**:³

1. **attractions** (e.g. natural or cultural);
2. **activities** (e.g. hiking or shopping);
3. **accommodation** (e.g. hotels, guesthouses or camping sites);
4. **amenities** (e.g. shops or restaurants); and
5. **access** (e.g. distance, suitable means of getting there, such as flights and roads).

Tourism is a sophisticated, dynamic industry, in which commercial businesses have to constantly adapt to meet changing consumer needs and keep their share of the market against keen competition.

2 Tourism value chain

Definition: a supply chain is a system of organizations, people, technology, activities, information and resources involved in moving a product or service from a supplier to a consumer. In the case of tourism, this means all of the companies and people that contribute to making a holiday experience: (see next page)

Tourism enterprises are “service” businesses and the “product” is a service that is provided to the consumer. Service businesses are very different from production businesses (where a product is made and then sold to the consumer). In the tourism industry, the consumer (the tourist) travels to the product.

Source: A. Spenceley and D. Rozga: “IFC Tourism Training Network market research”, in *Report to the Global Business School Network* (Washington D.C., International Finance Corporation, 2007).

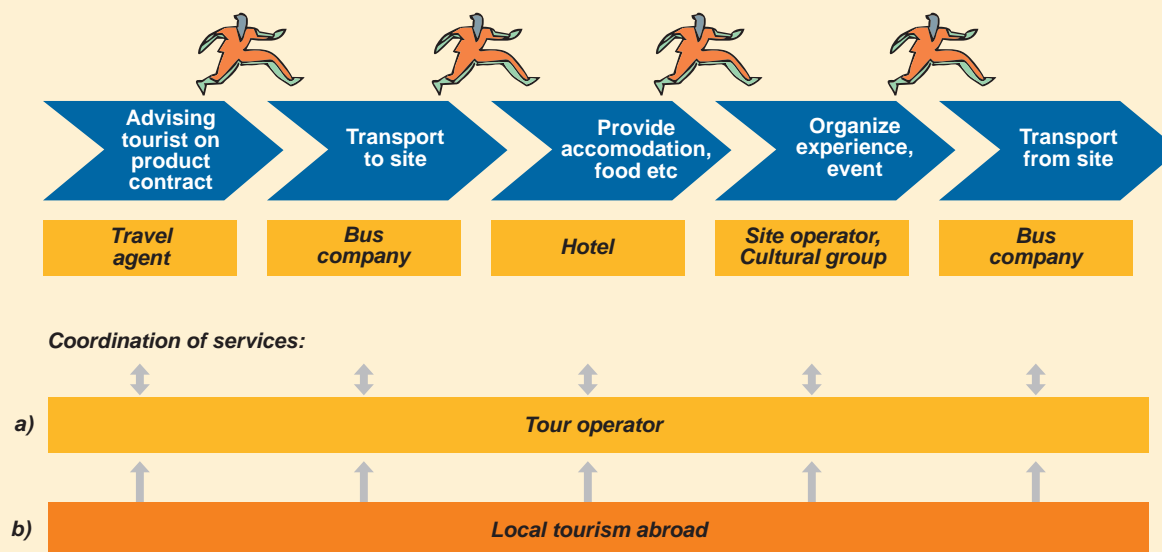
² **Unit based on:** A. Spenceley, C. Ashley and M. de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009).

³ **Source:** S. Baltadzhiev and T. Sofield: *Training modules for community based tourism success in the export-led poverty reduction programme* (Geneva, Centre for International Trade, UNCTAD, 2004).





Tourism products as combination of services



When we talk about the value chain of activities we look at all the economic activities undertaken in the supply chain, and in particular consider the types of expenditure involved at each stage between production and sale of the product or service. By analysing the value chain it is possible to see how a tourist's expenditure is shared between the many different services providers, both at home and in the holiday destination. The challenge is to increase the benefits for local/rural people and particularly the share of poorer groups. One alternative is a community business.

3 Connections with other sectors and wider impacts

One of the characteristics of tourism is its extensive links with other sectors. The more these connections can be strengthened through deliberate interventions, the greater the benefit to wider economic development and poverty reduction. At the same time, there should be greater efficiencies and other benefits for the tourism industry itself. The main sectors related to tourism are shown in the following figure:

EXERCISE

Mapping economic steps in a tourism value chain

Stage 1: divide participants into groups of six to eight people. Each group needs a set of cards and the following instructions:

- on each card, write down a type of enterprise or entrepreneur that is active in tourism in your destination; try to cover the full range of businesses;
- start mapping the enterprises, showing how they cluster together; usually this means clustering them by "node" such as accommodation, food and drink, shopping, etc., but you can choose what works in your destination;
- think beyond the businesses that serve tourists directly and add in other businesses that supply goods and services to the tourism businesses;
- once everyone is agreed that they have a map of the businesses involved in tourism, add to the map (e.g. with stickers) to show where poor people participate in this map. In which businesses do they work (e.g. as restaurant staff), and which do they run (e.g. as farmers selling into the supply chain)?

Stage 2: when each group has finished, they present their map to other groups, then:

- discuss the differences between the maps, and how people see it differently;
- explore what participants have learnt about where in the tourism sector poor people participate;
- each participant should identify something they learnt from someone else in the process of building the map, or learning about other group's maps.

In conclusion, participants can discuss which parts of the map they think offer potential for *increased* benefits to poor people, and why they think this.



KEY MESSAGES



- Poor people can earn income from tourism, either by working directly in tourism services or by working in related sectors and supply chains.
- The share of tourism expenditure that reaches poor people varies enormously from destination to destination. It can be as little as 5 per cent or as much as 25 per cent in a destination. The share also varies greatly between modes of activity: the food supply chain and the craft sector can be proportionately pro-poor, but this depends on how they are structured.
- In seeking to boost impacts on poverty it is important not to simply act on assumptions. The full variety of impacts and types of participation need to be considered, and it is essential to work with the private sector and civil society, for example through public-private partnerships.
- The establishment of a business is a way to participate in the tourism value chain and target a greater share of the benefits.





Food security and tourism

Today, close to one billion people worldwide suffer from chronic hunger, while food prices are increasing, thus leading to more hunger, poverty, unemployment, social unrest and political instability. Expanded opportunities for decent employment in the tourism sector, which is closely linked to the food system, should be emphasized to provide incomes that allow large parts of the population to escape poverty and to be food secure. Especially in developing countries, smallholders play an important role, while they often face food insecurity related to the fact that they lack storage and processing facilities and have a limited number of buyers. States have a role to play in protecting the right to food. They can for instance encourage public policies aimed at expanding the opportunities for smallholders to sell their products at a decent price on local or global markets, support diversification of trading and distribution channels, encourage the formation of cooperatives and ensure the viability of wholesale and local markets. Reinforcing the bargaining power of smallholders and engaging in public regulation of the global food chains⁴ are essential to the reduction of poverty as they can lead to increased productivity and fair remuneration, social protection, social dialogue and rights at work, and encourage food production, processing and accessibility.



⁴ **Source:** Oliver de Schutter: *Report of the Special Rapporteur on the right to food*, United Nations General Assembly, Human Rights Council, 13th session, 22 December 2009.

INSPIRING EXAMPLES: THANGKA ART VALUE CHAIN UPGRADING IN NEPAL⁵



Cultural industries are increasingly seen as a tool for economic development, poverty reduction, and the assurance of cultural diversity. Value-chain upgrading in the Thangka art subsector is a demand-driven and employment linked intervention aimed at creating off-farm income generation.

Thangka painting is an important tourism feeder value chain for international tourists, while also having additional substantial export markets. In 2008 375,000 tourists brought an income of US\$800 million to Nepal, of which handicrafts sales represent a major percentage. It has good potential for employment creation as the subsector employs a high proportion of marginalized Tamang youths, both men and women, and the disabled. It is estimated that total employment in the craft sector is almost 1 million people.

The Tamang People are also one of the ancient and the third largest indigenous groups of Nepal. Historically, Tamangs left their homeland mainly to escape from excessive exploitation.

⁵ S. Bergin: *Identification of market opportunities for thangka art: Value chain upgrading* (Geneva, ILO – Employment Creation and Peace Building through Local Economic Development (EmPLED), 2009).

RECOMMENDATIONS TO ENHANCE THE GROWTH OF THE ARTISAN TEXTILE SUBSECTOR

- ✓ **New markets and product development:** based on: a) quality certification and branding; b) codes of conduct and protocols; and c) artists' directory and publications.
- ✓ **Business development services:** based on: a) sector coordination; b) helping artisans to build profitable businesses; c) addressing shortfalls in packaging; d) intellectual property awareness; and d) affiliations with art schools.
- ✓ **Decent work:** based on: a) social dialogue and tripartism; b) social protection and social security; and c) employment and income opportunities; d) trade unionization.
- ✓ **Policy and business environment:** based on: a) promotion of the preservation and conservation of cultural heritage; b) legal framework; and c) integration of marginalized groups.



Unit 2: The diverse world of businesses

1 Concept and principles

A business or company can be a capital investment project freely created by its owner(s) with the purpose of producing goods and services that meet market needs and generate profit. A company works ideally as a system or a set of integrated elements, in which people cooperate through planned activities to achieve common goals and objectives.

But a business can also be a cooperative enterprise formed and owned by its members as an autonomous, democratically controlled association to meet their common needs and aspirations. Cooperatives do not have “profits” but surplus.

To generate profit, benefits or surplus, a business must develop certain skills and apply four main principles:

- ✎ keep your customers satisfied by offering quality products at a competitive price;
- ✎ manage all resources efficiently, responsibly and transparently;
- ✎ organize an effective and intelligent set of functions and operations of the production process, encouraging cooperation among workers, stimulating their results and creating the conditions for collective permanent learning; and
- ✎ establish cooperative relationships with suppliers of goods and services (internal and external stakeholders) so the business operates under the best conditions.

Despite the variety of business types and their particularities, and regardless of whether they are product or service businesses, these four principles apply in essence to all. It must also be noted that while services are intangible, their provision almost always involves infrastructure, equipment and other tangible, material inputs and environmental conditions that influence the quality of the service and must thus be considered when assessing quality.



BUSINESS PERFORMANCE NEEDS TO PAY ATTENTION TO:

EFFECTIVENESS: taking the right decisions and doing the right things in terms of the market. In other words, it is the ability to choose between different options, goals and means to achieve business goals or targets.



EFFICIENCY: doing things right in terms of resource use. This concept connects resources used and the end result, and the aim is to produce the same result with the lowest cost.

2 Types of tourism businesses

The tourism industry consists of a wide range of businesses that provide a variety of services required by tourists in their place of origin, during the journey and at destination. Tourist agents and businesses are divided into three areas of activity, according to the services they provide.⁶

Tourist agents and businesses		Features
1.	End suppliers	They provide the services at destination and belong to four sectors: accommodation, catering, transport and other services (recreation, cultural activities, sports, adventure and entertainment, etc.).
2.	Distributors	Those businesses that act as an extension of the suppliers, providing promotional services and distribution. They include sales agents and central reservations agencies.
3.	Organizers	Are agents that have the dual role of organizers and/or producers of tourism services combined in packages, mediating between suppliers and consumers; this category includes travel agents and tour operators, whether wholesale, retail or mixed.

⁶ Source: C. Vogeler and A. Hernández: *El mercado del turismo. Estructuras, operaciones y procesos de producción* (Madrid, Editorial Centro de Estudios Ramón Areces SA, 2002).

Types of businesses according to their objective

Not all businesses and companies pursue the ultimate goal of the maximum economic benefit and profit. Several business types can therefore be identified according to the principles, values and goals pursued by partners or owners.

Private company: the owner(s) makes investments to generate wealth and maximize profits. Employees receive a salary according to their role in the production process.

Nationalized or state-owned company: the owner is a state agency that invests public funds usually in areas of community services for their protection, control and proper functioning. Activities tend to be less profitable.

Cooperative: a jointly owned and democratically controlled enterprise where members contribute equitably to the capital of their cooperative. Members decide on how to allocate the surpluses generated: to pay a return to members, to contribute to reserves and/or support activities approved by members. Cooperatives are guided by the cooperative principles of voluntary and optional membership, democratic member control, members economic participation, autonomy and Independence, education, training and information, cooperation among cooperatives and concern for community. They are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity.

Community business: local resources and community assets and values are mobilized to generate employment and livelihood. The surpluses are distributed equitably. Participation of members is usually ruled by customary law. Values of reciprocity, equality and personal responsibility are encouraged, within the democratic structures of decision, participation and control.

Joint venture: results from the pooling of resources and shared interests of any of the actors mentioned above; any combination is possible: public-private; private-community.



Unit 3: Ensuring your tourism business is sustainable

1 Building a bridge between tourism business and sustainability

Tourism is not a harmless activity; it always implies environmental impacts and changes in societies and economies. Furthermore, tourism is an ambivalent activity that can bring benefits or cause harm, especially to the environment and culture of local/rural communities. The recognition of the negative impacts of mass tourism has led some to question this model, because it is unsustainable, and to rethink the relationship between tourism, society and development.

For the ILO, sustainable tourism is composed of three pillars: social justice, economic development and environmental integrity. The ILO is committed to the enhancement of local/rural prosperity by maximizing the contribution of tourism to the destination's economic prosperity, including the amount of visitor spending that is retained locally. It should generate income and decent employment for workers without affecting the environment and culture of the tourists' destination and ensure the viability and competitiveness of destinations and enterprises to enable them to continue to prosper and deliver benefits in the long term. In this sense, development should be a positive experience for local populations, tourism companies, workers and tourists themselves.

- ✓ Positive impacts on the environment can be boosted by good planning, design, construction and operation of tourism enterprises.
- ✓ Strategies to address the issue of damage to the natural environment can include educating users, providing alternatives, controlling activities, restricting numbers, enforcing penalties and developing environmental management systems.⁷

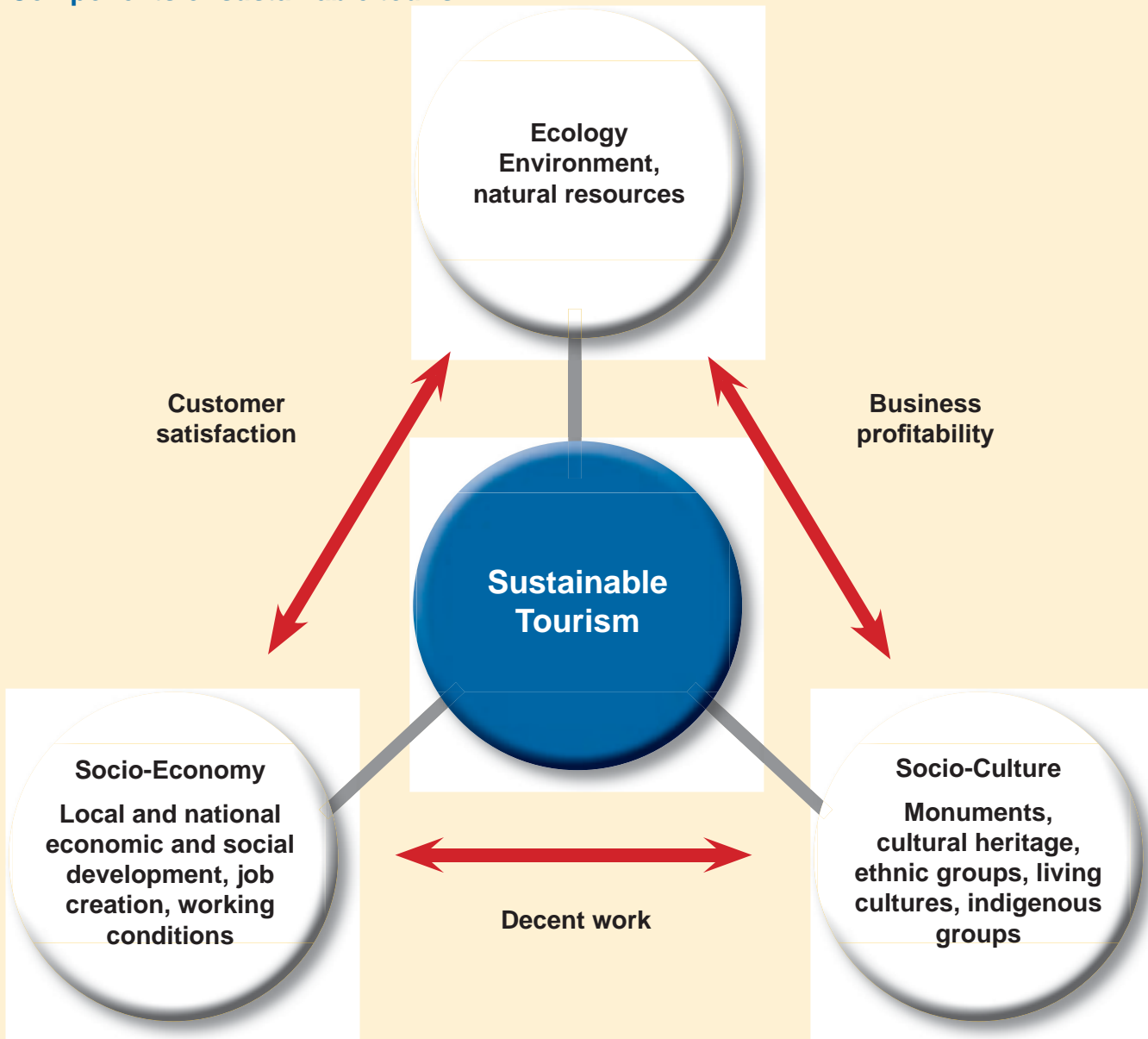
⁷ **Source:** A. Spenceley, C. Ashley and M. de Kock: *Tourism-led poverty reduction programme: Core training module* (Geneva, International Trade Centre, 2009).

PRINCIPLES OF SUSTAINABLE COMMUNITY TOURISM

Principles of sustainable community tourism

Social solidarity	Promotes effective cooperation among members of the community and between communities, within a framework of equitable distribution of opportunities and benefits generated by tourism.
Environmentally responsible	Promotes awareness and respectful forms of sustainable management of natural resources and biodiversity, linking the rights to land and ancestral territories.
Economically viable	Incorporates objectives and instruments of efficient management and evaluation of resources mobilized, seeking benefits that will adequately reward work and investment.
Culturally enriching	Enables successful experiences and fosters quality meetings for both visitors and host communities, respecting cultural expressions of identity.

Components of sustainable tourism



Source: ILO 2010 "Developments and challenges in the hospitality and tourism sector"



SUSTAINABLE TOURISM AND DECENT WORK

Investing in workers includes the development of training and the promotion of decent and efficient work environments by concentrating on the human dimensions of productivity and competitiveness. Sustainable enterprises also prevent unequal treatment in employment on the basis of gender or ethnicity; non-discrimination and equity should be promoted.





INSPIRING CASES: Community-based sustainable tourism in Mae Hong Son, Northern Thailand⁸

Thailand's wealth of historical, cultural and natural attractions have contributed to the development of mass tourism and this has had both positive and negative effects on development. For three years, a community-based sustainable tourism project has been implemented at the ethnic Karen village of Baan Huay Hee in the north-western Thai province of Mae Hong Son. The project has been carried out with the help of a small NGO, the Project for Recovery of Life and Culture (PRLC). The aims have been to (1) improve the overall quality of village people's lives, (2) preserve and reinforce the importance of Karen culture, (3) empower villagers to make their own decisions about their way of life and (4) contribute to the conservation of natural resources and the environment.

The village became a successful model for over 60 villages and communities. The project became holistic in its approach and included natural resource management, sustainable tourism development, strengthened civil society, prevention of HIV/AIDS and drug abuse and youth leadership development. The people of Huay Hee developed a land classification system and cooperation model to work with government agencies responsible for a nearby national park in order to prevent deforestation and degradation of watersheds.

Villagers could explain how they protect the forest and follow their own traditions, while adding to their incomes and improving their standard of living. Villagers became more aware of environmental issues. Women in the village provide meals, sell items made with traditional Karen weaving and take care of tourists during homestays. Homestays and guiding were shared among the families on a rotation basis, meaning that both responsibility and income were shared. Some of the earnings from tourism activities were saved in a village fund that was used to conserve the forest, grow orchids, buy equipment for hosting tourists and support education and travel related to their tourism training.

Well-informed exchanges with tourists helped prevent cultural degradation and created more respect for Karen traditions. Equally important, the people at Huay Hee were empowered to see that tourism should provide supplementary income, especially since it was a seasonal activity.⁹



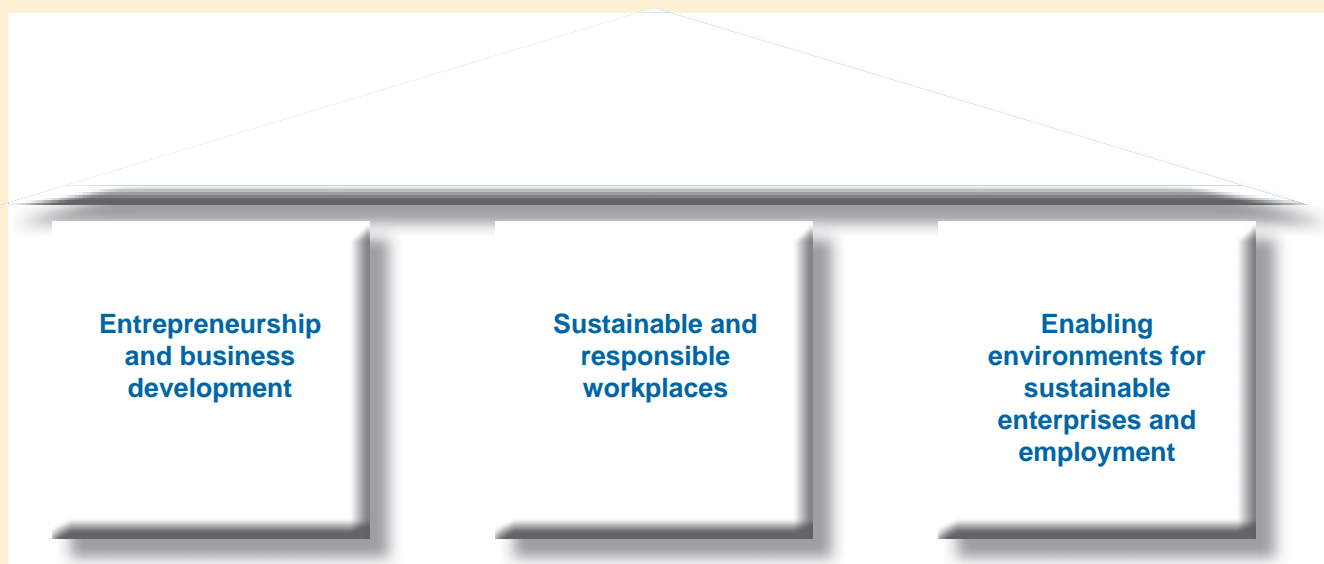
⁸ Source: Economic and Social Commission for Asia and the Pacific: "Managing Sustainable Tourism Development", in *ESCAP Tourism Review* (New York, United Nations, 2001) No. 22, pp. 9–11.

⁹ Source: <http://www.equatorinitiative.org/images/stories/2004winners/MESCOT/managingsustainabletourism.pdf> (accessed 16 Oct. 2011).

2 Sustainable enterprise development

A sustainable enterprise is a business that does not negatively affect the global or local environment, community, society, or economy. It is a key source of growth, wealth creation, employment and decent work; and a sustainable enterprise takes into consideration the differentiated impact of its policies and practices on men and women. Cooperation among governments, businesses, labour and society is required to promote sustainable enterprises and guarantee the quality of employment in a sustainable manner. The competitiveness and capability of enterprises within this quickly globalizing environment depend on mutual trust, respect, non-discrimination and good labour-management relations among workers and employers. Workers who are qualified and satisfied with their working environment will produce better outcomes, both in terms of enterprise performance and enterprise engagement with social and environmental issues. Long-term capability implies that the management of enterprises should be based on the **three pillars of sustainability**, allowing enterprises to generate wealth and decent work:¹⁰

Sustainable enterprise development



¹⁰ Source: International Labour Office: *Developments and challenges in the hospitality and tourism sector*, Issues paper for discussion at the Global Dialogue Forum for the Hotels, Catering, Tourism Sector, Geneva, 23–24 Nov. 2010.



Unit 4: Identification, classification and ranking of tourist attractions

This unit introduces the concepts and instruments with which to identify, classify and evaluate existing tourist attractions in a community or locality. The purpose of this analysis is to determine the number, diversity and hierarchy of existing attractions to establishing their potential contribution to the development of original, differentiated and sustainable local tourism products.

1 The concepts of heritage and resources

- ✓ **TOURIST RESOURCES:** are all goods and services that satisfy the demand needs through tourist activities.
- ✓ **TOURIST HERITAGE:** is the potential set of available tangible and intangible assets that can be transformed to satisfy tourist needs
- ✓ **COMMUNITY HERITAGE:** is the set of values and beliefs, knowledge and practices, techniques and skills, tools and artefacts, representations and venues, land and territories, as well as all sorts of tangible and intangible manifestations shared by people. Through them people express their ways of life and social organization, their cultural identity and their relationship with nature.



The **elements of natural or cultural patrimony are not tourist resources as such**; these elements are transformed into resources through their use or enjoyment. A resource is defined by its potential to satisfy certain human needs.



Touristic heritage is the **raw material** that is transformed by tourism development agents to obtain a resource that satisfies a human need. Deliberate action by public and private enterprises, national and local governments, agents or other actors is crucial for this to happen. Once the material is processed, a **tourist product** is obtained.

THE BENT PYRAMID OF THE PHARAOH SNEFRU IN DAHSHUR WORLD HERITAGE SITE



The Bent Pyramid or the Southern Pyramid represents the pre-final stage of the upgrading stages of the royal tomb, before reaching the final shape of the full hierarchical form. It is said that some of the king Snefru statues were found inside this pyramid. A smaller pyramid is located beside the Bent Pyramid, known as the worship pyramid or Alka Pyramid. There are two theories explaining why this pyramid is bent:

1. The angle of the pyramid was initially designed to be 54.14 degrees. As the pyramid was being built, the architect realized that these angles would ultimately make the pyramid too tall and therefore reduced the slope while it was being built, resulting in a bent pyramid.
2. King Snefru wanted the pyramid to be completed quickly so that it would be finished in time for him to be buried in it.

The pyramid currently stands at a height of 101 metres and still retains its original outer casing.

Source: Center for Development Services: *Establishing the socio-economic profile of Dahshur and its satellite communities* (Cairo, Center for Development Services, 2009).

2 Diagnosis of local/rural tourism

The **diagnosis of local/rural tourism** involves three basic actions:

- identifying and listing the most important tourist attractions of the studied area, whether actually exploited or not;
- estimating their potential and deciding whether they have sufficient merit to be incorporated into a plan for the sustainable use of natural resources and local cultural heritage; and
- listing pre-existing tourism initiatives as a baseline.

Registered information on attractions should be classified according to standard categories, types and subtypes. The attractions are grouped into two broad categories: “Natural Sites” and “Cultural Manifestations”.

Classification of tourist attractions

Category	Type of attractions	
Natural Sites	Mountains Plains Deserts Lakes Rivers Forests Groundwater	Caving phenomena Geological phenomena Coasts or marine environments Islands Protected areas
Cultural manifestations	Historical Ethnographic Technical and scientific Contemporary artistic manifestations Scheduled events (M.I.C.E.) Sporting events Religious events	

WHAT ARE TOURIST ATTRACTIONS?

Tourist attractions refer to the set of places, goods, customs and events that – given their own characteristics or location in a specific context – attract the interest of visitors.

DID YOU KNOW THAT...

- ✓ **“Natural Sites”** include **protected areas**.
These are locations that receive protection because of their environmental, cultural or similar value. A large number of kinds of protected area exist. These can be differentiated by their level of protection and by the enabling laws of each country or the rules applied to them by an international organization. Examples include parks, nature reserves and wildlife sanctuaries. There are over 147,000 protected areas in the world. According to the World Commission on Protected Areas, the proportion of protected terrestrial and marine areas worldwide has increased in the last two decades to 10.9 per cent (2009). In the case of the least developed countries, the proportion is 9.5 per cent.
- ✓ **“Cultural Manifestations”** include **historical** and **ethnographic** attractions.
 - **Historic:** the set of sites and events of the past that are considered of value or contribution to a given community. These are reflected in architectural works, historic areas, archaeological sites, museums, old mines and private collections.
 - **Ethnographic:** attractions that highlight traditional expressions still valid in the customs of the peoples and their communities. These include the presence of ethnic groups and their settlements, vernacular architecture, religious events, music and dance, crafts, fairs and markets, food and drinks.



3 Inventory of tourist attractions

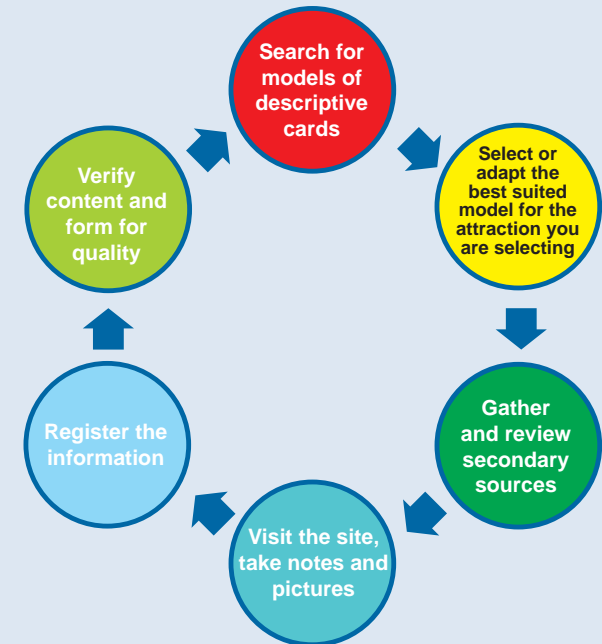
We must first identify what attractions we have in our community, then evaluate what we can do with them and decide on their best possible use. This is the starting point of any tourism business.

3.1. Definition and preparation of an inventory of attractions

This is the process by which physical, biological and cultural factors, actually or potentially in the market, are registered in an orderly fashion as a set of attractions that contribute to shaping the tourist offer. The characterization of each attraction is usually presented in descriptive cards.

The data collection involves three stages: **1. document research**, **2. field work**, and **3. information registration (descriptive cards)**.

- ✓ **Documentary consultation** aims to gather the printed and audiovisual information held by public or private sources.
- ✓ **Site visits** aim to verify the documentary information, undertake a comprehensive update of the attractions and assign to each all the features that apply. Field work also allows an estimation of the total time required for the development of the tourist activity.
- ✓ **Registration of information** involves selecting the definitive information on each attraction and transcribing it to descriptive record cards specially designed for this purpose (descriptive cards). At least five photographs must be attached for each attraction.



EXERCISE

Let's develop a descriptive card:

This exercise can be done in groups or individually. Evaluation criteria should be jointly established at the beginning to guide the exercise.

1. Search for models of descriptive cards, or create your own.
2. Select or adapt the best suited model for the attraction you are selecting.
3. Gather and review secondary sources.
4. Visit the site, take notes and pictures.
5. Register the information.
6. Verify content and form for quality.

3.2. What does ranking attractions mean? – and how to do it

This is the process of evaluating attractions based on their potential contribution to the future tourism product as a whole. After identifying the attractions to be evaluated and compared in terms of their potential contribution, key criteria or factors to be analysed must be identified and a maximum score for each assigned. Related factors can be grouped in terms of their maximum percentage of the total. The following is an example of possible factors, scores and percentages to evaluate:¹¹

Assessment of tourism resources			
Factor to evaluate		Maximum score	Maximum %
1.	Natural attraction	15	30
2.	Biodiversity	15	
3.	Experiential culture	15	30
4.	Cultural monuments	10	
5.	History and traditions	05	
6.	Accessibility	10	25
7.	Existing tourist places	05	
8.	Immediate environment	10	
9.	Fragility	15	15
Total		100	100

¹¹ Source: D. Zambrano and C. Grey: *Plan de Desarrollo del Alto Amazonas* (n/d, 2000).

EVALUATION SCORES AND INTERPRETATIONS

More than 80 points: *top quality* attraction with great international and national significance and exceptional (potential) capacity to independently generate mass flows of visitors.

70 to 80 points: attraction of *excellent quality*, part of the national heritage; capable of mobilizing mass tourism in its own right or in association with other adjacent attractions.

60 to 70 points: *very good quality* attraction with striking features that can interest visitors who have come to the area influenced by other tourist motivations.

50 to 60 points: attraction of *good quality* that can be considered interesting for the domestic market but is relatively isolated and lacks the conditions to serve receptive tourism. Its use requires prior investment.

40 to 50 points: *fair quality* attraction for domestic tourism as part of a circuit that includes other destinations.

Fewer than 40 points: including this attraction in a circuit will not add any significant value.

WARNING

Given the potential variability of the scores over time, evaluation should be considered an input and not determine an automatic decision to rule out some attractions.



The *originality* of the tourist attractions and the *quality* of the tourism product must meet the demands and expectations of potential customers.



The weight of each parameter will depend on the qualitative and quantitative criteria determined for each case. The minimum score is assigned when the factor considered is absent or irrelevant and the maximum score when the factor is relevant, significant or with high potential for development.

Intermediate scores are attributed to situations that fall between the two extremes.

An example taken from the municipality of Paititi in the Bolivian Amazon region, analyses and ranks four highlights, concluding with the following results:

Rating and ranking of tourist attractions						
Factor to evaluate		Maximum score	R1	R2	R3	R4
1.	Natural attraction	15	7	14	8	11
2.	Biodiversity	15	7	9	9	13
3.	Experiential culture	15	10	0	5	3
4.	Cultural monuments	10	6	0	10	0
5.	History and traditions	05	10	1	4	3
6.	Accessibility	10	9	3	9	7
7.	Existing tourist places	05	2	3	4	3
8.	Immediate environment	10	5	6	7	8
9.	Fragility	15	10	2	11	7
Total		100	65	38	67	55

It is clear that only two of the attractions analysed have a score that ranks them as high quality attractions, with attributes that can be enhanced through interventions, also acting on all the existing tourist facilities in the immediate vicinity.



EXERCISE

Are you ready to rank (potential) attractions?

Imagine you have been asked by your community to assess three (potential) tourist attractions.

1. Select three actual or potential tourist attractions.
2. Review, complement, modify and/or adapt the factors to be evaluated and the maximum scores and percentages.
3. Proceed with the evaluation for each attraction.
Rank the attractions according to the resulting scores.
4. Write a small report providing the results, an explanation and a brief analysis.
Attempt to draw conclusions and make recommendations.

Unit 5: Business plan (BP) – concept, usefulness and application

1 Key concepts and definitions

Planning is an indispensable tool for any successful human enterprise. Starting a business without adequate preparation and improvising actions and investments increases the risk of facing difficulties that will affect your business's start-up and management.

The success of a project depends not only on a good idea. It is also crucial to present it convincingly and to be able to demonstrate its feasibility. A well prepared business plan needs to be based on relevant information, be supported by solid quantitative and qualitative arguments, and have a logical coherence.



The **business plan** is a **planning tool** to guide decisions about how to start, improve or expand a business, based on a consistent and comprehensive assessment of its main components. This instrument allows entrepreneurs to design future feasible scenarios to realize their business ideas and trace the path of their viability.

The business plan brings together in one document all the necessary information to conduct an assessment of the potential of a tourist destination and chart the feasibility scenarios, taking into account market demands and resource requirements, as well as their optimal allocation in

the context of efficient and sustainable management. The business plan is a bridge between the long-term business strategy (strategic plan) and short term annual plans.





2 What is the use of a Business Plan (BP)?

No business intending to compete in today's complex markets can ignore the task of imagining future scenarios with a plan. The specific objectives of a plan will differ depending on the business lifecycle and the type of business being planned.

Briefly, a business plan is useful to:

- present a concrete, comprehensive and well-based business idea;
- find the most efficient and sustainable way to carry out this project without endangering decent work conditions;
- act as a manual to outline the path to be followed step-by-step by the entrepreneurs in the realization of their business idea;
- ensure that the proposed business is technically, economically and financially sound before deciding on its implementation;
- anticipate resource requirements and their optimal allocation over time;
- evaluate the performance of an ongoing business and make adjustments for expansion;
- have a project profile to search for financial support and potential partners; and
- value a business for possible merger or sale.

Note: To develop a business plan is not a momentary task or done once and for all. Before reaching the final version, it is often necessary to reconsider some component of the plan and modify it in light of the dynamics of the other components, as all are interrelated. Each component must have a meaning in itself and at the same time be consistent with the others in a general logical framework.



THE KEY QUESTIONS A BUSINESS PLAN MUST ANSWER

- Is there a market for the products and services to be offered?
- Who are your potential customers and how much are they willing to pay for our services?
- Who are your main competitors?
- Who can be our best allies?
- How many people will work in the business and with qualifications?
- Are your financial and material resources sufficient to start the project, including decent work wages and working conditions?
- If your resources are insufficient, where and how are you planning on procuring the missing part?
- What legal form will your business take?
- Is your business idea feasible and viable?

INSPIRING CASES: KENYAN WOMEN ENTREPRENEURS

“The Heart-to-Heart Women’s Cooperative was formed in 2008 with the help of Kelly Campbell, Co-founder of The Village Cooperative. TVC assisted the women in registering as an official organization and provided training for the women to begin producing fair trade handicrafts, including chunky necklaces made of recycled paper. Their work is sold to tourists in the Lake Nakuru National Park area and in our retail fair trade store in the US.

The women are hard at work expanding their business ventures. Their latest venture is in community tourism. Their business plan includes offering horseback safaris, village walks, home-cooked meals, African cooking classes, and tent rentals to tourists to further develop responsible tourism in Lake Nakuru. Responsible tourism involves investing directly in the community visited during travel by actions, such as using local businesses during travel and volunteering to work in the community.”¹²



¹² Source: <http://www.actionatlas.org/humanitarian/empowering-women/nakuru-heart-to-heart-women-s-cooperative-community-tourism-business/summary/pa351C6D75D728F503DA> (accessed 16 Oct. 2011).





3 Components of a business plan

1. **Inventory of community heritage (attractions):** at this stage the community identifies, classifies and evaluates its potential for tourism, through analysis of its natural, cultural and social heritage that can become tourist attractions.
2. **Specify your business idea:** the community develops its initial business idea, identifying the tourist product, i.e. the attractions desired to be valued, the services to be provided for the tourists, and the facilities required for their operation.
3. **Identify your potential customers:** in this phase the community should define the profile of potential customers, i.e. travel motivations, social and demographic characteristics, tastes and preferences in activities and services, as well as the length of stay and expected average spending per tourist or hiker.
4. **Know your direct competitors:** the community is made aware that it will compete with similar offers and tourist destinations either in the immediate environment, at country level or abroad. To compete with an advantage, you need to know the strengths and weaknesses of your competitors.
5. **Marketing plan:** this phase requires the definition of five key elements: the tourist product to be offered by the community, the rates or charges to be applied (price), the marketplace or distribution channels, the marketing and promotion strategy including the use of ICTs, and personnel (people) that are part of the added value and competitive advantage (see Chapter 3).
6. **Human resources plan:** the number and characteristics of the people needed to operate the business in each area will be defined, together with their qualifications, (professional) experience and motivations. Also to be defined is the form of organization and stimulus required to optimize the human resources.
7. **Initial investment plan:** with information and analysis as listed above, the community will be able to estimate the initial investment required to operate the business, breaking down the capital into its different items or components. It will be informed of alternative funding sources to complement its resources.
8. **Legal status:** according to the legislation in each country and the advantages and constraints offered by each business arrangement (business, corporation, partnership, cooperative, association, etc.), the community will choose the method that best suits its interests and expectations.
9. **Management and administration plan:** an excellent project may fail if it is in the hands of incompetent people or if the management and administrative systems are inadequate. The community should discuss and choose an appropriate management system and take into consideration potential risks (e.g. natural disasters, epidemics) to ensure that the business is viable and sustainable.
10. **Test your business plan:** the authors of the plan need to verify that it meets each of the requirements for starting the business. With the assistance of a check list it can be concluded whether the authors are well prepared to continue the implementation phase of the business plan, or if some parts need to be reformulated.

EXERCISE

Analyse whether your business plan accords with the four pillars of the Decent Work Agenda. Where necessary, propose corrective measures.

Pillar	According to the BP	Corrective measures
Standards and rights of work		
Employment creation		
Social creation		
Tripartism and social dialogue		

BUSINESS PLAN CHECK LIST:

STEPS	COMPONENTS OF A BUSINESS PLAN	Check if all components are included	Check for the quality of each component	Observations
1.	Inventory and evaluation of the community heritage			
2.	Business idea specified			
3.	Potential consumers identified			
4.	Direct competitors known			
5.	Marketing plan: product, price, place, promotion and participation in networks			
6.	Human resources plan			
7.	Initial investment plan			
8.	Legal status defined			
9.	Management and administration plan			
10.	Test your business plan – conclusion: is your business plan ready to be implemented?			



Without a business plan you run the risk of improvisation and falling into the routine of taking each day as it comes. In this case the company is comparable to a ship sailing aimlessly. The costs of adverse outcomes of

a business are disastrous: the investments fail, staff may be fired and the entrepreneurial spirit of the promoter of the idea and his/her family is weakened.

A **periodically evaluated** business plan contributes to improving the management learning process and strengthens the entrepreneurial spirit because it develops the capacity of a business to respond to changing market situations.



Excellent



Very good



Good



Average



Poor





INSPIRING EXAMPLES: THE DEVELOPMENT OF TWO NEW TOURISM PRODUCTS IN NEPAL¹³

The “Indigenous Peoples Trail” and the “Numbur Cheese Circuit” are two new Nepali tourism trekking products located in Ramechhap District added to Nepal’s national tourism portfolio during 2009.

Tourism value chain upgrading is one of the priority business development and job creation initiatives promoted by the Ramechhap District Local Economic Development Forum (LEDf), an informal Public–Private Dialogue (PPD) group composed of members of key local public, private and civil society decision-making institutions and organizations. The role of the LEDf and its working groups is to identify and reach consensus on strategies and action programmes (including resource leveraging) to build unique market positions for local entrepreneurs and producers leading to competitive business growth and job creation.

The first part of the exercise was to identify and document potential tourism products with market appeal that could be easily developed, launched and promoted. The second part of the start-up phase was for stakeholders to reach consensus on target tourism products. They duly reached a consensus to develop two creative products with the best apparent market potential. Initial market research in Kathmandu confirmed that tourism is a positive growth sector in Nepal and that Nepal is a preferred top ten destination for international tourists. For new tourism products in Nepal, there is very stiff competition from the established Everest Base Camp and Annapurna Circuit treks.

To enter the market and capture a growing share of tourism business, stakeholders firstly agreed that their products had to offer tourists unique cultural experiences over and above another key business advantage of the Indigenous Peoples Trail: it can operate throughout the year. The agreed target international tourist customers include repeat visitors, tourists seeking “off-the-beaten track” wilderness and/or multi-cultural experiences and adventure tourists. To further add to a unique identity for both products, it was agreed to place emphasis on the development of “homestay” accommodation services or a community lodge.

A responsible action programme was designed and implemented around value chain upgrading activities built upon these pillars: a) productive infrastructure; b) skills development; c) institutional capacity building; and d) market connections and promotion.

Results attained

By optimizing labour-based technologies and the use of community contracting on the main productive infrastructure projects (the upgrading of roads, trails and campsites), over 25,000 paid workdays were created for over 400 needy households. The injection of wages – as well as the procurement cash for local materials – into the local economy contributes to stabilizing the fragile local economy with a multiplier employment impact. Bus services and traders in Shivalaya and Thase reported increased business from all-weather access to Jiri and markets beyond, while the potato production control group reported a doubling of incomes to date from the 2009 harvest from a combination of earlier harvesting and better market prices, and being able to transport product cost-effectively in bulk by road to market. Local artisanal sign-writers, carpenters and blacksmiths benefited from signage preparation contracts. The overall achievement has been getting the products to market and a start (albeit small) to tourism business on both trails.



¹³ Source: G. McCarthy and R. Sedai: “Job creation in Nepal through tourism value chain upgrading”, in *Global Thinking for Local Development*, special issue in support of the Inter-Agency Conference on Local Economic Development (LED), Turin, Italy, 22–24 Oct. 2008.



YOUR TURN

Now you are ready to identify a business idea and develop a business plan!!!

- ✓ Review Unit 4 and do not forget any component of the business plan.
- ✓ Be strict in assessing the (potential) attractions.
- ✓ Remember the connections and synergies with other sectors.
- ✓ Minimize risks related to effectiveness and efficiency.
- ✓ Take into account the four principles to ensure benefits.
- ✓ Ensure that decent work pillars are integrated.
- ✓ Treat sustainability as a quality and success criterion.
- ✓ Use the business plan check list to verify that your plan is complete and ensure its quality.
- ✓ Ask somebody else to critically review your plan and give you feedback. Ensure that information on the components, characteristics, requirements and objectives of the plan is provided to guide the reading and feedback.

GOOD LUCK!!!



INSPIRING EXAMPLES: WHALE WATCH KAIKOURA – NEW ZEALAND

Whale Watch Kaikoura (WWK) is New Zealand's only marine-based whale-watching company operating year round, and offering visitors an exciting and up-close encounter with the giant sperm whale. WWK is a 100 per cent Maori-owned and locally operated company located in the small coastal town of Kaikoura, a scenic two-and-a-half hours' drive north from Christchurch on the east coast of New Zealand's South Island. Towering snow-covered peaks fall to the ocean here while, just offshore, a deep undersea canyon attracts an extraordinary abundance of marine life.

Kaikoura's resident sperm whales are the largest living carnivores – equivalent in size to four elephants. They share their unique world with a host of other whale and dolphin species, seals and albatross – all regular sightings aboard WWK tours.

Twenty-three years ago a group of four Maori families on the Kaikoura peninsula started business together and founded Whale Watch Kaikoura as well as the Kaikoura Charitable Trust – its major shareholder. What began as a small-scale, community-based tourism venture has turned into a thriving business and this has proven to be the catalyst for revival, sustainable growth and development in an entire region. Through generating profits, WWK has been able to secure the land of Kaikoura peninsula for the Maori people, who had inhabited the area for 1,000 years and were under threat of displacement through railroad developments and poverty.

WWK not only operates a profitable business providing direct and indirect employment, it also provides tangible community benefits through complimentary annual whale-watching school trips, donations to Kaikoura hospital, the coastguard and fire brigade, and funding of marine research projects – to name a few. Kaikoura was also the first community in New Zealand and the second in the world to receive Green Globe certification. WWK is Qualmark EnviroGold accredited – New Zealand's environmental best practices certification.



“Whale Watch is committed to providing a quality whale-watching experience while carefully managing the use of a rare natural resource. As a Maori-owned company, Whale Watch cherishes the twin values of hospitality to visitors and reverence for the natural world. It is a philosophy that embraces people, the land, the sea and all living things as one.”

**Kauahi Ngapora,
Chief Operating Officer,
Whale Watch Kaikoura**



SUMMARY OF KEY ISSUES AND IDEAS

Tourism is a sophisticated, dynamic industry, in which commercial businesses have to constantly adapt to meet changing consumer needs and keep their share of the market against keen competition.

Poor people can earn income from tourism, either by working directly in tourism services, or by working in related sectors and in the supply chain.

For the ILO, sustainable tourism is composed of three pillars: social justice, economic development and environmental integrity.

The business plan is a planning tool to guide decisions about how to start, improve or expand a business, based on a consistent and comprehensive assessment of its main components.



Annexes



ANNEXES

ABBREVIATIONS AND ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
ASSET	Association of Small Scale Enterprises in Tourism (Gambia)
ATDC	Agri Tourism Development Corporation (India)
CBTE	Community-based Tourism Enterprise
CUTC	Culinary Union Training Centre
DELNET	Training unit within the Enterprise, Microfinance and Local Development Programme of the International Training Centre
DMOs	Destination Marketing Organizations
EU	European Union
EWC	European Works Council
GDF	Global Dialogue Forum
HCT	Hotels, Catering and Tourism Sector
HERE	Hotel Employees and Restaurant Employees
HIV	Human Immunodeficiency Virus
HRD	Human Resource Development
ICT	Information and Communication Technologies
ILO	International Labour Organization
ITC	International Training Centre (Turin)
LEDF	Local Economic Development Forum
LDCs	Least Developed Countries
MDGs	Millennium Development Goals
MICE	Meetings, Incentives, Conferences, Events
NETCOM	Negocios Turísticos con Comunidades
NGO	Non-governmental Organization
NTA	National Tourism Authority
NTIC	New Techniques of Information and Communication



ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OMT	Organización Mundial del Turismo
OSH	Occupational Safety and Health
OIT	Organización Internacional del Trabajo
PPD	Public-Private-Dialogue
PPT	Pro-Poor Tourism
SMEs	Small and Medium Enterprises
SNV	Dutch Development Cooperation Service
STD	Sexually Transmitted Disease
TNC	Transnational Company
TTTP	Tanzania Tourism Training Programme
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNICEF	United Nations Children's Fund
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNWTO (sometimes appears also as WTO)	(United Nations) World Tourism Organization
WEF	World Economic Forum
WTO	World Trade Organization
WTTC	World Travel and Tourism Council
WWK	Whale Watch Kaikoura
YCI	Youth Career Initiative

ANNEXES

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