

Community tourism as a strategy for poverty alleviation in Sri Lanka.

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Chapter I Introduction

1.1 Abbreaction and literature.

FCS : Fisheries Cooperative Society

IUCN : International Union for the Conservation of Nature

NC-IUCN : Netherlands Committee for International Union for the Conservation of Nature

NGO : Nongovernmental Organisation

NRIT : Netherlands Research Institute for Recreation en Tourism

PMZ-system : Product and Environment protection quality system for Dutch travel agencies

TIES : The International Ecotourism Society

WTO : World Tourism Organisation

1.2 Approach

The study report as been out to identified gaps and issues in` this sector in Sri Lanka. During this visit we work Sri Lanka community tourism network in Sri Lanka.

There is market for community based tourism in order to support the poverty alleviation projects in Sri Lanka. Sri Lanka can be estimated on approximately 2.250 people (20% of 11.257). Last year the amount of tourists to Sri Lanka increased by 19%. Of all foreign vacations, 56% is organized by travel agencies. 36% of the interested target group is willing to pay 10% extra for a vacation, as long as the local communities are the beneficiaries and there will be no leakage to big commercial organizations. Approximately 20% of the total tourism market consists of community tourism and all nature-related forms of tourism. In this way community tourism and poverty alleviation are concepts which have a mutually beneficial effect in Sri Lanka.

Sustainability for tourism as for other industries has three interconnected aspects which each stand for another part; people (social structure), planet (nature and environment) and profit (techno-economic system). Ecotourism is responsible travel to natural areas that conserves the environment and sustains the well-being of local people. Community tourism is sustainable tourism with the use of natural resources in an environmental friendly way. It is a combination between nature tourism and sustainable tourism. The kind of community tourism we want to develop is to support the poverty alleviation projects. In cooperation with the local communities we want to develop activities in which the tourists are going to participate. To prevent a leakage of income, the largest part of the itinerary should be organized by local people. One of the five most important global tourism trends is community tourism .community tourism trends indicate not only that there is a growing demand for community tourism , but that it is moving away from a niche market towards a mainstream market. Shoestring, Lanka Travel, Special Traffic and Baobab can be seen as the most important competitors. Though eco-vacations are not yet as popular as the other types, agencies and consumers are getting more aware of their travel behavior and what the effect is on the environment.

After Sri Lanka having difficult economic years, economic growth recovered in 2007 by 3,2%. Poverty alleviation is an important target, 20% of the population lives beneath the poverty line. The last three decades tourism has emerged as an important industry. In the first seven months of 2005 there has been a tremendous increase in tourist arrivals, compared with the same months in 2002, the arrivals increased by 24,4% till 259.887. Up to July 2006 compared with the same months of 2006, the tourist arrivals from the Netherlands increased by 57,6% till 9.087. The official tourist receipts in 2002 contains \$253,- million.

Our hypothesis for this research has been: community tourism and poverty alleviation are concepts which can have a mutually beneficial effect in Sri Lanka. This idea has led to the formulation of the following work hypothesis: In the Europe, western there is a market for the community tourism concept, to support poverty alleviation projects in Sri Lanka.

Through desk research we have tried to get a clear view from the community tourism market, especially the ecotourism part. Current information is used for our interpretation of the needs and wants of this market and their target group. Through the Internet the study of TIES has been available for us and we used this as a guideline to compare. Books like Kotler and Alsem are consulted for the market research.

Geography

Sri Lanka, an island in the Indian Ocean, is located to the South East of the Indian subcontinent. The total land area is 65.610 km² and is astonishingly varied.

Demography

Sri Lanka has a population of 2.1 million of whom the majorities are Hindu 15%, Christian 8% and Muslim 7%. Sri Lanka's literacy rate of 92,3% is one of the highest in Asia. A majority of the population is Buddhist. Sinhalese is the predominant language, Tamil is also an official language and English is the predominant business language. Many signs are written in all three languages.

Economy

The most dynamic sectors nowadays are food processing, textiles and apparel, food and beverages, telecommunications and insurance and banking. By 2002 plantation crops made up only 20% of exports (compared with 93% in 1970), while textiles and garments accounted for 63%.⁴ Tea is still a huge industry, the Sri Lankan are very proud of their tea which they are famous for. Hydropower used to make up 95% of the power supply, but has unfortunately shifted to more fossil fuel based power.³ The economy rebounded in 1997 up to 2005 with an average growth of 5,3%, but 2000 saw contraction, -1,4%, due to a combination of power shortages, severe budgetary problems, the global slowdown and continuing civil strife. Growth recovered to 3,2% in 2002. About 800.000 Sri Lankan work abroad, 90% in the Middle East.² In 2002 the average income per capita was Rs 3.141 per month and is approximately \$1,13 per day in the current exchange rate.

Social aspects

Poverty alleviation is an important target. Poverty has been largely reduced since 1965. 20% Of the population is living beneath the poverty line. In the order of ranking of the Human Development Index of 2000, Sri Lanka is set at number 84 of the 174 countries and scores high in relation to other countries in their region. Distinctive for the relatively favorably situation of Sri Lanka are: little illiteracy (8,9%), high life expectancy (73,3 years) and low (child-) death rates. The status of women is relatively high (dependent on ethnic / religious background), however traditional patterns still prevail and violence against women is a known phenomenon.⁵

On the Gender Related Development Index Sri Lanka is set at number 68 of the 174 countries. Problems are the under nourishment, the quickly ageing population (in 2025 20% of the population is older than 60 years), the rising number of HIV-infected persons (in 2005 ten times as much as today) and the high unemployment (in 1998 10,3%) under the well educated youngsters (due to bad links between labor market and education).⁵ At present, million young people in the age of 10 till 24 promotes labor force expansion as this slice represents the working force of the youth.³ Due to the civil war, 64.000 people lost their lives. Above all a large part of the population, especially in the north and east, had to leave their houses. In the conflict areas approximately 700.000 displaced people live, from which a part in refugee camps. There is an increasing number of households with a female as head of the family. The poverty in the conflict areas has increased. The separation gap between the rich and poor are expanding due to lack of focus on rural based areas.

Tourism

After the civil war Sri Lanka is becoming popular destination in the world. Government involve are in the planning process all over the each destination in the country.

The last three decades tourism emerged as an important industry. However there can be seen a decline of tourist arrivals from 403.101 till 393.171 in the period 1995 up to 2002, as illustrated in Figure 4.1. In the first seven months of 2003 there has been a tremendous increase of tourist arrivals (see Figure 4.1). Up to July compared with the same months of 2002, the tourist arrivals increased by 24,4% till 259.887.

The official tourist receipts in 2007 contains \$253 million, the average receipt per tourist per day is \$63,40. In the same year the average duration of nights is 10,1, as presented in Figure 4.2. Western Europe may count itself as largest continent from which tourist arrives, followed by respectively Asia and North America. The number of tourist arrivals of each continent can be found in Figure 4.3. The Netherlands are at the 7th place when it concerns tourist arrivals, with an amount of 11.257, as illustrated in Figure 4.4. Up to July 2007 compared with the same months of 2007, the tourist arrivals from the Netherlands increased by 57, 6% till 9.087

Environment/ Ecological aspects

The climate is indicated as a tropical monsoon.¹ It is a very small island, with different places on the island having different climates. When the monsoon is in affect on one side, the other is in season and vice versa.³ The natural resources consist of limestone, graphite, mineral sands, gems, phosphates, clay and hydropower. Environment current issues are deforestation, soil erosion, wildlife populations threatened by poaching and urbanization, coastal degradation from mining activities and increased pollution, freshwater resources being polluted by industrial wastes and sewage runoff, waste disposal and air pollution in Colombo (due to the traffic).

Political situation

The Democratic Socialist Republic of Sri Lanka is a free, independent and sovereign nation. A system of administration through provincial councils was introduced in 1988. Legislative power is exercised by Parliament, elected by universal franchise on a proportional representation basis. Executive power of the people, including defence, is exercised by the President, who is also elected by the people.¹

The current system consists of a president and prime minister. Currently, there is strife between the two which is a cause of both political and economic instability.

Sustainable tourism

There are a lot of concepts being used as synonyms for sustainable tourism, such as community based tourism, nature tourism, rural tourism and pro poor tourism. However, these are all elements of sustainable tourism.

Sustainability, for tourism as for other industries, has three interconnected aspects which each stand for another part, as presented in (social structure), Planet (nature and environment) and Profit (techno-economic system).

There should be an overall change in the order of these aspects. Nowadays sustainable tourism is improperly too much linked to the environment, while there should be paid more benefit to

Local communities

Sustainable tourism development meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, and biological diversity and life support systems. Sustainable tourism operates in harmony with the local environment, community and culture, so that these become the permanent beneficiaries and not victims of tourism development. Achieving sustainability depends on a balance of private initiative, economic instruments and regulation, translating global principles into focused local action and new public-private sector delivery mechanisms. This may give birth to a new and necessary tourism culture which gives more importance to the environment as a valid raw material for sustainable tourism.

Some prefer to speak of sustainable development of tourism, rather than sustainable tourism, for two main reasons

Community tourism

Community tourism can be defined as environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature (and any accompanying cultural features both past and present) that promotes conservation, has income generation, to local communities.

1.3 Research questions

- What are the Characteristics of the target group?
- Who are the most important competitors?
- What is the size of the market and the target group?
- Is there a demand in the Europe for this kind of community tourism?
- What are the conditions of tour operators, which are interested in cooperation with Sri Lanka and are willing to obtain the exclusive right of offering this new kind of community tourism trips?
- In which way can we reach our target group?

1.4 Objective

Our objective is to market for the new kind of community based tourism we want to develop, which will contribute to the poverty alleviation projects for the local communities in Sri Lanka. With this project we try to set up a fruitful cooperation in this field between local communities and the international tour operators in UK, Australia, Asia, and Germany. This project can also be applied to other countries which want to implement this kind of tourism.

2.1 Distinguish between sustainable- and community tourism

The difference between sustainable- and community tourism is that the term community tourism refers to a segment within the tourist industry, though the principles of sustainable development mainly focus on all types of tourist activities, districts and projects including conventional and alternative forms.

Community tourism is sustainable tourism with the use of natural resources in an environmental friendly way. So we can say it is a combination between nature tourism and sustainable tourism, as illustrated in figure, Farrel and Runyan (1991) distinguish nature tourism and Community tourism, by describing it as more exclusively purposeful and focused on the enhancement or maintenance of natural systems.

Community tourism in order to support poverty alleviation projects

The kind of community tourism we want to develop is to support the poverty alleviation projects. In cooperation with the local communities we want to develop activities in which the tourists will participate. This can be regular work, which the local communities are executing during their day, like fishing and preparing their catch to a proper meal and dine all together.

Currently there are many tour companies based in Colombo and they reap all the benefits. Sri Lanka is benefiting from the tourism, though there is no benefit being extended to the rural based communities; hence amplifying the dichotomy between Colombo and the remaining areas of the island

To prevent a leakage of income to the airlines, hotels and other international companies instead of to the local communities, the largest part of the itinerary should be organized by local people. Estimates for India are set on 40% of all the money spent by tourists that leaves the country. An option can be that the tourist stays in an eco-cabin, which is built with local products, or the tourist can stay in houses of the local people

Customer analysis

Information about the target group is gathered by desk research, interviewing different travel agencies, tour operators and other institutions, these interviews can be found in Appendix 5. With this knowledge an enquiry (see Appendix 6) could be made and has been held among the target group. 503 People responded to the enquiry, most of the response is obtained by the Internet.

Socio- demographic

According to WTO, the age of the community tourism is from 35 till 54 years, although age varied with activity and other factors such as costs.¹³ People in the older age groups have higher levels of community tourism participation than occurring in the general population. High levels of formal education, and the associated income level, are influencing factors for those of mature age. Based on interest, gross income and home situation, the target group of Dutch com -tourists consists of people in the age of 25 till 44,

Gender

Both sexes participate equally. Community tourist , divided in 50% female and 50% male, although clear differences by activity were found.¹³ The sexes of the Dutch com -tourist are also equally divided.

Household composition

There are no major differences found in household composition. The most interested groups are those who are living together 33%, living alone 26% or living together with children 24% .

Income

Community tourism, tend to have a higher level of income than mainstream travellers.¹⁵ As the outcome of the enquiry shows, 42% of the target group has an income above the average, as presented in Figure .

Occupation

Several studies that have collected information on occupation have all found that a high percentage of eco-tourists are managers or professionals.

Education

82% Were college graduates, a shift in interest in community tourism from those who have high levels of education to those with less education was also found, indicating an expansion into mainstream markets.¹³ 56% Of the respondents of the enquiry have a higher level of education.

Memberships

Many community tourists are supporters of nature-based organizations.

2.2 Psycho graphic

Lifestyle

Consumers who are interested in nature, taking care of the environment and who are consuming community tourist, like Max Havelaar, are also interested in community tourism. This information came forward out of the expert interview with Multatuli Travel, this interview can be found.

Personality

Community tourists are personal and reflective, other people are allowed to enter their personal space under specific circumstances. People who help the community tourist -to find, observe and understand wild nature are actively sought. Community tourism, is primarily concerned with an individual search for learning and for the associated personal development, and no specific level of social contact is required to make the experience worthwhile

Insights in the needs and wants

Community tourist is primarily interested in improving their knowledge. High levels of sophisticated information, careful study, documentation and increased understanding are key attributes.¹⁷ they are also interested in activities with local communities and want to experience the culture.

2.3 Behavior features

Consumption

The most suitable time for a vacation to Sri Lanka and climatically the driest and best seasons are from December to March on the west and south coasts and in the hill country, and from May to September on the east coast. December to March is also the time when most foreign tourists come, the majority of them escaping the European winter.

Importance of product features

Consumers are getting interested in the presence of nature as an ambiance or as a goal of its own and think that this is an important condition for their vacation. This also means that the presence and quality of the nature as well as for the tourism ought to be secured.

36% of the respondents is willing to pay 10% more than an average vacation to Sri Lanka if the local communities are the beneficiaries. The average price of an eighteen-day during vacation is set on 1.300,-, this price is based on the average of the competitors.

Consumer behavior

Movements in society like the demand for more experienced vacations are chances for the type of vacation like the Ecotourism for the People project. Also the growing importance for a clean and healthier environment and the preservation of the planet and nature makes the consumers choose for better and well-considered offers. Though this does not concern the way of transportation to a destination, they are more interested in separation for waste and traveling by bus or train on the destination itself

Perception and attitude towards community tourism

Some consumers believe that people in third world countries have a right for a better existence, but have an attitude that they do not (have the urge to) help them by visiting their country and working with them.

Community tourism, is seen in a wrong way; many of the respondents think it is about an ecological justified vacation 35% or about nothing at all 20%. Only 19% of the respondents think about the local community and nature, as presented in The term community tourism does not appeal to the emotion of the consumers. 50% Says that they are unknown with the term community tourism, Out of several approaches, it is clear that the travel industry should communicate sustainable tourism towards the consumers. They should link the vacations to quality, especially aimed at the real experience of the culture and the local way of life; the consumer should be attracted by that.

The primary environmental attitude about community tourism concerns the issues of wilderness, national parks, birds, tropical forests and wildlife. Community tourism strongly holds on to their environmental attitudes and they have no hesitation in forcing a set of desired behaviors on others. Activities such as visiting the mangrove conservation, visiting local fishermen, reef snorkeling and hiking are reflections of these attitudes.

Motivation

Going on a vacation to Sri Lanka is in the top of the Maslow pyramid.²⁰ Consumers who are planning a vacation want to develop themselves. A vacation like Ecotourism for the People includes experiencing and participating in a different country and culture. Especially this experiencing is becoming more and more important for consumers.

Decision making process

Buying an eco-vacation can be described as complex buying behavior; it requires a strong involvement and the consumers see differences between the offered vacations.

- Focuses of initial trip .
- Type of trip.
- Destination selection.
- Activities selection.

Customer value

Nowadays tour operators and all other companies are being judged by their position and actions in the society, instead of their products or services. Honesty, openness, reliability and social justified undertaking are important criteria for this. Consumers expect more from companies, they should not only think about themselves, but also about the well-being of the society. In 1997 not even one quarter of the consumers said that they were paying more attention to the social behavior of companies than before, in 2000 this percentage increased to 35%, as . It may be clear that this does not only concern the way products and services are being produced, but especially the way companies behave themselves in the society. At the same time the number of people increased who agreed with the statement; every company should pursue social-society objectives as well as financial .

Competitor analysis

In this chapter the different competitors have been described, which are related to the project community tourism for the People. At first, a selection was made between the organized and non-organized vacations. Organized trips were compared, because of the similarity with the product of Sri Lanka.

Competitors

Within the market of travel agencies, a few agencies distinguish themselves, like agencies for youngsters; agencies specialized in certain countries and adventure agencies. All the agencies which offer vacations to Sri Lanka can be seen as competitors. Compared to the kind of trip that will be organized combined with the package of Sri Lanka, the most important and direct competitors within the Netherlands are adventure agencies like Baobab and Shoestring or specialized agencies as Lanka Travel and Special Traffic. The figures with a more detailed overview can be found in §12.3. As Figure 7.1 indicates, the organized vacations of the agencies show a lot of similarities. Shoestring, Lanka Travel, Special Traffic and Baobab can be seen as most important competitors, because of the similarities with the product offer and the

positioning of Sri Lanka. As presented in Bex offers the most highlights during the trips, show that Lanka Travel offers the most locations with an overnight stay.

As illustrated below in Figure 7.3, Baobab offers the low-priced vacation to Sri Lanka combined with fourteen highlights and eight accommodations. Shoestring is a more expensive and visits less places. Special Traffic offers the most luxury tour, they visit middle to first class hotels. Though Lanka Travel is far more expensive, they have eleven accommodations for overnight stays, thirteen highlights during the tour and more luxury. A more detailed overview of the competitors can be found in Figure 7.

Competition at a general level

At a general level all types of vacations, like a sun, active, culture, nature, camping and eco-vacation are involved. Though eco-vacations are not yet as popular as the other types, agencies and consumers are getting more aware of their travel behavior and what the effect is on the environment. This is a big opportunity for Sri Lanka, to anticipate in this demand.

Competition at product category level

Competition at product form is a similar product offered in Sri Lanka. Competitors which offer these kinds of products are Ranweli and Tree Tops. They offer (eco-) lodges on the Internet that people can book for their vacation.²² These eco-clubs offer a whole vacation, where the length of stay can be chosen by the customer. both Ranweli and Tree Tops are active in ecotourism and offer on-top trips as well as whole vacations. They both are dependent to their location, whereas community tourism, has the possibility to spread their activities to the vicinity villages in which Sri Lanka, has contacts or other offices situated. a vacation at Ranweli for one person costs \$75,- / day including a room, dinner, breakfast and bird watching and nature trail. At Tree Tops, customer gets a room with full board and refreshments for \$49,- / day and additional costs for an excursion amount \$14,-. This means that Tree Tops charges about \$77, - / day for a package including two excursions. The thing is their not evolving with rural communities.

2.4 Market analyzes

Global tourism trends

The WTO predicted that the five following tourism products will emerge as the most important trends over the next two decades.

Adventure travel with most of the world already being explored, the trend will be for tourists to travel to the world s highest peaks, to underwater sites (such as the Titanic) and places at the ends of the earth (such as Antarctica);

Cruisethe cruise sector is expected to expand at the high annual growth rates that have been seen in recent years;

Ecotourismtrips containing a nature component will continue to gain in popularity;
Cultural TourismEurope, the Middle East and Asia are predicted to enjoy especially strong tourism growth;

Thematic tourism, where a special interest is the main travel motivator, is also expected to see strong growth.

European tourism trends

Almost a decade ago, new trends in leisure and tourism were showing up, which today are resulting in a strong demand by Europeans for ecotourism vacations. The overall European market trends already visible.

Refreshment through contrast urbanites seeking the freedom of rural and open coastal areas, mainlanders travel to islands, lowlanders travel to the uplands, etcetera;

Demand for quality natural- heritage, resource-based experiences travelers began to quest for purity and quality, leading to the Greening Tourism Movement and the Blue, or Nautical, Tourism Movement. The Greening Movement involves holidays offering pure water, a clean and safe sea, purer foods and non-polluted air. The Blue Movement involves sail-based sea touring;

Demand for cultural and heritage, resource-based tourism increased demand emerged for interpretive cultural experiences that respect the values, lifestyle, cuisine and dress of the host people;

Demand for rural tourism and agri- tourism increased demand also for rural holidays, including working farms, self-catering cottages and bed and breakfast accommodation in villages and towns;

Demand for better health, identity, spiritual and mental renewal is fuelling the demand for health-tourism. In terms of individual markets, more recent studies conducted for the Canadian Tourism Commission show trends towards both more long-haul air tourism and more ecotourism demand

2.5 European ecotourism market

Market placement

Community tourism should be considered as a specialty segment of the larger nature tourism market and sustainable tourism market as mentioned.

Community tourism trends

Until recently, community tourism has been a niche market, but one of the fastest growing segments of the tourism industry.²³ As discussed in §8.1, the WTO expects ecotourism along with cultural tourism and adventure tourism to be the most important tourism trends for the future. Until recently, community tourism has been a niche market, but one of the fastest growing segments of the tourism industry the WTO expects ecotourism along with cultural tourism and adventure tourism to be the most important tourism trends for the future. Until recently, ecotourism has been a niche market, but one of the fastest growing segments of the tourism industry, As discussed in, the WTO expects ecotourism along with cultural tourism and adventure tourism to be the most important tourism trends for the future.

The changing attitude to the environment, which is based on the recognition of inter relationships among species and ecosystems; the development of environmental education in primary and secondary schools; the development of environmental mass media.

These trends indicate not only that there is a growing demand for ecotourism, but that it is moving away from a niche market towards a mainstream one

Condition of tour operator .

The IUCN is the only nature conservation organization that brings together both state members and NGO s. With the activity Tourism for Nature, Nature for Tourism the NC IUCN aims to create cooperation between Dutch tour operators and local nature conservation organizations or projects in the countries they visit. Through project visits or financial contribution, tour operators have the opportunity to support nature conservation projects that also have benefits for the local communities. The program, Tourism for Nature, Nature for Tourism , can be found in Appendix 8.

Conservation and community organizations seeking cooperation with foreign tour operators are welcome to contact the NC-IUCN. The organizations need to be involved in a biodiversity conservation project via ecotourism, capacity building, training or education. The project can be visited by tourists.33 paragraphs. The detailed interview with Kike Olsder can be found in Appendix 5 Demand for a well-defined product.

The product of Sri Lanka, has to fit in the existing itinerary of a tour operator; it has to be combined with the other activities, time suitable and should be on the right track. Besides that, the product should correspond to the philosophy of the tour and the organization.

Until Sri Lanka, has a well-defined proposal, the aspects as mentioned above can be discussed in more details. This is very important for the tour operator; they expect a well defined product which they can include in their conventional itinerary as an on-top program. The tour operators want to be involved in an early stage of the development of the product, so that they can give suggestions. Tour operators are afraid that it takes too much time if there is only a local organization involved.

Condition of the destination,

Despite the fact that some tour operators do not organize luxurious tours, the accommodation has to possess a certain extent of comfort. A certain level of hygiene, sanitary facilities and sleep comfort is required. Also more important for a group travel, is that each traveler should have the possibility for it is own desired room.

If activities and / or excursions are organized, the travel time should countervail the offer and Sri Lanka, should possess a certain level of professionalism. The activities and the excursions should be well-taken-for and an engaging story has to be presented in English. Guests should be involved in the provided activity.

Local cooperation;

Cooperate with local agents. These agents should be implicated at the cooperation by Sri Lanka. The NGO has to be professional. It is the intention to develop a long-term

Restraint of trade;

If the product is sold via the agent to other , organizations, in general this will not give any problems. In this case the market for Sri Lanka will be expanded, without any negative competition consequences for the tour operator. However, when the product appears in the brochures of other UK and Europe tour operators, the advantage to the competition will disappear. When the well-defined product is developed, the tour operator should assume that until further notice they are the exclusive owner of the product.

Timing;

Brochures for the new season are published in December. To include a tourist product in the brochure, it has to be arranged in October. If this can not be managed, Sri Lanka, should take into account that it will take another year before the product can be included in the brochures

Checklist for working with tour operators

Credibility: the tour operator must feel that he is able to trust the service and quality of the product; Reservation/cancellation: a reservation system, with clear rules about reservation and cancellation; Basic knowledge on how to deal with tourists (e.g. speak English) and with the business sector (with other agents, etcetera.); Presence of a reception, of someone who keeps record of the reservations, who answers telephones, etcetera; Presence of a manager, or someone who controls quality of the service delivered; Accessibility, located within easy reach of main roads and preferably also tourism routes; Standard prices; Minimum quality of maintenance.³⁵

PMZ-system

Since 2003 all the agencies which are a member of the ANVR have to meet the criteria of the PMZ-system. This is a Product and Environment protection quality system indicating that the agency is taking care of the environment, not only in consideration of nature but also social factors.³⁶ This means that all the affiliated agencies are organizing vacations which include an aspect of sustainability.

Marketing plan

Segmentation

Especially higher educated people and people with a gross income above the average are interested in eco-vacations. They are interested in nature, exchanging believes and cultures. A large part of the target group also consumes eco-products and supports nature- based organizations

Target group

Sri Lanka, should aim at the target group as defined in Chapter 6. This group consists of organized- and independent travelers, who are more socially concerned than the traditional tourists.

Positioning

Sri Lanka, should position the product as a beautiful, special vacation with sustainable aspects; this is also their unique selling proposition. It is important that the emphasis lays on the unforgettable experience in stead of the sustainability. They should distinguish themselves by exclusivity; otherwise other travel agencies will duplicate the product concept. The product of Sewalanka should be linked with fair-trademarks.

Marketing mix

Product

The product as described in Chapter 3 must be seen as an on-top program. The tourist should be able to choose between different kinds of accommodations during the program. They should have the choice between a home stay with the local community or a residence in an eco-cabin. As the outcome of the enquiry shows in , a combination of the eco-cabin and a hotel is preferred by 27% of the interested people, 10% is willing to stay in the eco-cabin during their entire vacation and 36% prefers a combination of a home stay and hotel. Concluding, if the product is offered as an on-top program of the conventional itineraries, 37% is willing to stay in the eco-cabin and 36% with the local community.

Both and Figure 10.3 show that 40% of the people who are interested in the eco-cabin and 41% interested in a home stay are willing to stay half of their vacation in a less comfortable place Culture excursions, like visiting temples (87%); Nature excursions such as visiting mangroves and woods (78%); Visiting an elephant orphanage (67%).

The people of the rural based communities, who are going to participate in the program as guides or with other functions, need to be educated to a certain level. They have to improve their English. The local guides will also have an added value, because of their Buddhist background. All rural based communities have to be aware of the fact that long term environmental and social well-being is important for future generations and the preservation of the island.

Price

To define the right price of the product, the following issues are important Calculate a financial plan, have a clear view of the financial situation; Keep in mind what the target group would pay for a product such as community tourism for the People;

Compare your price and product with the prices of other products; Prices can be too high, but also too low. The value of quality tourism comes to a large extent from the level and quality of personalized service offered and not from the cost of accommodation, transport and food.³⁷

Customers are willing to pay more for their vacation, as long as they get something exclusive back for it, as illustrated in Figure 6.10. The prices of the Sri Lankan competitors are set on an average price of \$75,- / day.

Place:

Sri Lanka should bring their product to the attention of potential customers and tour operators. Good places to bring the product to the attention of independent travelers, for example with promotion material such as brochures are:

Local tour operators in Sri Lanka; The Sri Lankan tourism board;
Local entrepreneurs; Local bars and restaurants; Similar attractions and accommodations round the tourist route and in other regions.

To create cooperation with a Europe / UK tour operator, which can adopt the product offer into their conventional itineraries, the NC-IUCN can be of useful help. With this cooperation Sri Lanka, can also reach the organized travelers. More detailed information about the conditions from tour operators can be found in details.

Promotion:

Communicating the product towards the tour operators can be done in different ways. Word-of-mouth promotion is the most powerful and successful way to promote

In addition the product can be promoted by brochures, free publicity and in guide books such as Lonely Planet and Rough Guide. Therefore you can write publishers a letter with promotional information. Free publicity can be reached by inviting national and international journalists for a promotional tour. Another option is to develop a link from www.sewalanka.org to an own website especially aimed at tourists and get this tourism site mentioned at different websites like

Site of the IUCN;
Socio Tourism site;
Sustainable tourism sites;
International tourism sites;
Sri Lankan tourism sites.

Chapter III Findings & Conclusion

From the enquiry, our expert interviews and our desk research we can conclude that the target group consists of people in the age of 25 till 44, higher educated, an income above average, most of the time members of nature-based organizations, consumers of eco products, people who are interested in nature and exchanging believes and cultures. Community tourists are primarily interested in improving their knowledge. High levels of sophisticated information, careful study, documentation and increased understanding are key attributes.

Movements in society like the demand for more experienced vacations are chances for the type of vacation like the project. Also the growing importance for a clean and healthier environment and the preservation of the planet and nature makes consumers choose for better and well-considered offers. Nevertheless, 35% of the respondents see community tourist in a wrong way; they see it as an ecological justified vacation and not as a responsible vacation that conserves the environment and sustains the well-being of local people. Nowadays tour operators are being judged by their position and actions in society, instead of on their products or services.

SWOT- analysis

Strengthening	Weaknesses	Opportunities	Threats
Activities with local people; unforgettable experience	<p>Unstable political situation</p> <p>Stay in a more primitive accommodation</p> <p>Lack of high-standard tourist facilities</p> <p>35% Of the respondents see eco-tourism in the wrong way</p>	<p>Willing to pay 10% more for an itinerary if the local people are the beneficiaries</p> <p>Movements in society like the demand for a more experienced vacation</p> <p>Growing importance of the effect of the vacation behavior on the environment</p> <p>The changing attitude to the environment, which is based on the recognition of inter-relationships among species and ecosystems</p> <p>Ecotourism is one of the five most important global tourism trends</p> <p>Ecotourism is moving away from a niche market</p>	<p>There are existing suppliers in Sri Lanka</p> <p>Organized vacations of Dutch agencies show a lot of similarities</p> <p>Ecotourism is moving away from a niche market towards a mainstream one</p> <p>SARS</p> <p>War (LTTE); danger for travelers</p> <p>Tourism can have a negative effect on the environment</p> <p>Disturbing of the population</p> <p>There are a lot of ecotourism destinations over the world</p> <p>Growing interest in cheaper vacations near home</p>

		<p>towards a mainstream one</p> <p>Increasing number of two-income households with a strong purchasing power Dutch tourist arrivals increased with 19%</p> <p>Since 2003 there is a PMZ-system for tour operators in the Netherlands</p> <p>The development of environmental education in primary and secondary schools</p> <p>The development of environmental mass Media</p> <p>80% Of the respondents use the Internet as an information source</p>	
Protect natural and cultural aria.			

Conclusion

Based on our research we can accept our work hypothesis and conclude that there is market for community based tourism in order to support the poverty alleviation projects in Sri Lanka as described by Dr. Suranga With this conclusion we can also accept our hypothesis that community tourism and poverty alleviation are concepts which have a mutually beneficial effect in Sri Lanka. The production of the eco-cabin in Sri Lanka, will be an overall sustainable boost for the Sri Lankan economy. On the other hand, fewer investments are required when it concerns a home-stay.

Though there is a market for community tourism the public security in Sri Lanka has to stabilize first. Approximately 20% of the total tourism market consists of ecotourism and all nature-related forms of tourism. 36% of the interested target group is willing to pay 10% extra for a vacation, as long as the local communities are the beneficiaries and there will be no leakage to big commercial organizations.

Chapter 4 -Recommendations

The most important recommendation is that Sri Lanka should offer an on-top program that meets the criteria from tour operators and fits into their existing itinerary and corresponds with their philosophy. By including the product to the program Nature for Tourism, Tourism for Nature, the NC-IUCN can bring the product to the attention of tour operators. When the well-defined product is developed, the tour operator should assume that until further notice they are the exclusive owner of the product. This is why Sri Lanka tour operators should get and stay in contact with the NC-IUCN.

Sri Lanka should not position the product as a sustainable vacation, but as a beautiful vacation with sustainable aspects. The product should be linked with fair trademarks. Sri Lanka should aim at the target group in the age of 25 till 44, who have a higher level of education and an income above average.

The product offer should contain the possibility to choose between a residence in an eco-cabin and a home stay. Though consumers know the trip will not be as luxurious as other trips, the accommodations should possess a certain extent of comfort such as hygiene, sanitary facilities and sleep comfort. When it concerns group travel, each traveler should inform through media.

Thank you very much for your time,