PRODUCT DEVELOPMENT, MARKETING AND PROMOTION OF ECOTOURISM: SUMMARY REPORT

Thematic Area: C

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Abstract

This report by Dr Richard Denman, one of four experts appointed by WTO and UNEP for the World Ecotourism Summit, summarises key themes, issues and recommendations for product development and marketing of ecotourism, arising from the preparatory conferences. It starts by listing some challenges to be faced, especially by small projects which find it hard to reach markets. Priority areas for action are identified as:

- Creating the right structures for working together
- Relating products to markets from the outset
- Paying attention to all aspects of product quality
- Providing relevant support for communities and enterprises
- Strengthening the promotion of ecotourism messages and products.

The report presents broad recommendations in each of these areas and provides a list of key topics for further debate at the Summit.

Résumé

Ce rapport établi par Dr Richard Denman, un des quatre experts nommés par l’O.M.T. et le UNEP pour le Sommet Mondial de l’Ecotourisme résume les thèmes, problèmes et recommandations clés résultant des conférences préparatoires pour le développement et le marketing de l’écotourisme. Le rapport énumère d’abord divers défis à relever, surtout par les petits projets qui ont des difficultés à atteindre leurs marchés. Les secteurs d’action prioritaires sont identifiés comme suit :

- Création de structures adéquates pour un travail en commun
- Relation des produits aux marchés dès le début
- Attention prêtée à tous les aspects de la qualité du produit
- Soutien pertinent fourni aux communautés et entreprises
- Renforcement de la promotion des messages et produits d’écotourisme.

Le rapport fait des recommandations générales sur chacun de ces secteurs et énumère les sujets principaux devant être abordés au Sommet.
Resumen

El presente informe, realizado por el Dr. Richard Denman, uno de los cuatro expertos nombrados por la OMT y el PNUMA para la Cumbre Mundial del Ecoturismo, resume temas claves, problemas y recomendaciones para el desarrollo y la comercialización del ecoturismo, que surgen de las conferencias preliminares. Comienza listando algunos desafíos a enfrentar, sobre todo por proyectos pequeños a los cuales les resulta difícil llegar a los mercados. Las áreas prioritarias de acción se identifican como:

- Crear las estructuras correctas para trabajar en forma conjunta
- Relacionar los productos con los mercados desde el comienzo
- Prestar atención a todos los aspectos de la calidad del producto
- Brindar el apoyo que corresponda a comunidades y empresas
- Fortalecer la promoción de mensajes y productos del ecoturismo.

El informe presenta amplias recomendaciones para cada una de estas áreas y ofrece una lista de temas claves para mayor debate en la Reunión Cumbre.
Product Development, Marketing and Promotion of Ecotourism: Summary Report

This report is a summary of the main conclusions of the preparatory conferences held in 2001 and 2002 in advance of the World Ecotourism Summit. The report covers issues relating to product development, marketing and promotion of ecotourism, which is the third of the four Summit themes. Parallel reports have been prepared on the other themes: policy and planning; regulation; and monitoring.

1) ISSUES DISCUSSED

The context of ecotourism development and marketing

During the preparatory conferences many case studies were presented of ecotourism projects from around the world, established by a wide range of private, voluntary and public bodies. Each had its own story to tell. Lessons learned from this practical experience were debated and discussed and then reflected in the conference reports.

Looking across all the regions, although there are notable differences in the type of ecotourism experience on offer, in the level of resources available and the challenges faced, there are striking similarities in the objectives behind ecotourism development and in the issues involved in establishing and maintaining sustainable products. This gives legitimacy to drawing global conclusions from the Summit.

There is still great variation in the understanding of what constitutes an ecotourism product. While it is broadly accepted that we are talking about a nature-based experience that is managed in a sustainable way, many presentations covered other types of product and wider issues of sustainable tourism. There are regional differences here: a strong focus on wildlife and wilderness is apparent in the Americas and Africa, while in Asia there is particular interest in the associated cultural dimension and in Europe ecotourism is often linked to rural tourism and landscapes shaped by man. A common thread is the concept of a product that provides the visitor with an authentic understanding of the area’s natural and cultural heritage, and involves and benefits local people.

In all regions, the purpose behind the development of ecotourism products can be equated with sustainable development objectives. In some situations the underlying motive may be to benefit conservation, through generating more resources or providing an alternative, more environmentally sustainable, local economic base. Elsewhere, the motivation may be more to do with diversifying the economy and the tourism market, or tackling rural poverty. Many products are developed for a multitude of reasons. In all cases, the principles behind successful product development and marketing are similar.

Although there may be similarities in objectives and principles, the starting point and individual circumstances of each project may be vastly different. Current levels of visitation, inherent attractiveness of the area, accessibility and infrastructure, ecological sensitivity, local skills base, and community structure and aspirations, will vary. These differences exist within all regions as well as between them. Therefore each individual project needs to be very carefully assessed and planned.
Key challenges and priorities

The preparatory conferences have demonstrated that in all regions of the world there are many excellent ecotourism projects delivering positive benefits to local communities and the conservation of the environments in which they are located, as well as a fulfilling experience for visitors. However, there are also many challenges for product development and marketing.

Too many products fail

There are examples in most regions of ecotourism products which have failed through lack of profitability, or are likely to do so when donor support is no longer available. Often these are community-based and perhaps started primarily for conservation reasons. A common problem is lack of market response and poor feasibility assessment and business planning.

Small enterprises and community-based products find it hard to reach markets

Cost effective promotion is a challenge for many ecotourism enterprises because of their isolation, small size and lack of resources and skills.

The quality of visitor experience and environmental performance can be inconsistent

Excellent ecotourism products are to be found in every region, but the sector can be let down by products with an insufficient quality of service or environmental management. Sometimes the problem may lie in the surrounding destination, its infrastructure and planning control, rather than in the ecotourism project itself.

Visitors to natural areas could contribute more to conservation and local communities

Many natural environments, including protected areas, are already receiving significant visitor numbers. The challenge and opportunity for product development and marketing is to stimulate more visitor spending per head, minimise leakage away from the local area, reduce environmental impact and increase support for conservation.

The public is still relatively unaware of, or unresponsive to, sustainability issues

Despite the growth in demand for nature-based tourism, only a small proportion of travellers, including those from specialist niche markets, appear to be specifically seeking out sustainable products. Many suppliers and host communities are also still not sufficiently aware of sustainability issues.

In the face of these challenges, the following priority areas for action can be identified:

- Creating the right structures for working together
  All the preparatory conferences stressed the need for stakeholders to work together on the development and marketing of ecotourism products. None of the successful case study examples were operating in isolation.

- Relating products to markets from the outset
  A common call has been to relate supply to demand, with a better understanding of markets and how to reach them.

- Paying attention to all aspects of product quality
  Attention to detail is needed in product design and management in order to meet market interests and sustainability objectives.

- Providing relevant support for communities and enterprises
  Small enterprises and local communities require technical and financial assistance, which is locally delivered and tailored to their needs.
• **Strengthening the promotion of ecotourism messages and products**
  More can be done globally and locally to promote the concept of ecotourism and help products reach their customers.

The remainder of this report looks at the main points arising from the preparatory conferences within each of these areas.

**2) RECOMMENDATIONS**

**Structures and relationships for product development and marketing**

Local communities, private sector enterprises, NGOs, local authorities and protected areas, national governments and international agencies all have a role to play in ecotourism development and marketing.

• **Address local community needs and opportunities.** All preparatory conferences have emphasised the importance of working with local and indigenous communities in determining the level and type of tourism development in their area and in encouraging individual entrepreneurship, community-based enterprise and employment opportunities for local people.

• **Recognise the key role of private sector businesses.** Fostering and working with successful private sector operations, encouraging and helping them to meet a combination of commercial, social and environmental objectives, has proved to be a sound strategy. It is important to strengthen links between private operators and local communities. International and incoming tour operators have an important role to play, not only in promoting ecotourism but also in advising on product development and the overall quality of a destination, relating this to customer requirements.

• **Strengthen networking between small enterprises and projects.** There was a frequent call for small ecotourism enterprises to work together, to strengthen their marketing outreach and encourage common standards. Examples vary from associations of village community ecotourism products in a number of Asian and African countries, to branded small farm based accommodation enterprises in Europe with central booking services. Two conferences put forward the concept of local clusters of ecotourism initiatives, thereby establishing a critical mass of product in one area which would provide a composite visitor experience, be more able to attract business and justify investment in supporting infrastructure.

• **Recognise protected areas as focal points for ecotourism products and marketing.** Often parks and other protected areas provide the main draw for visitors, creating an opportunity for local communities to gain economic benefit through the provision of facilities and services. The relationship between protected area authorities and local communities and tourism enterprises can be a critical one. There are various examples of stakeholder groups or wider liaison forums attached to national or nature parks, enabling the park to influence standards, marketing messages and new projects, while also supporting and coordinating enterprises and reflecting their needs. The quality of a park’s own facilities and services, and the relationship between visitor management and conservation policies, is obviously of major importance in its own right.
• **Increase support from national and local government** for product development and marketing of ecotourism. Priorities may include infrastructure improvement, including sustainable transport, and featuring ecotourism more strongly in destination and thematic promotional campaigns.

**Understanding ecotourism markets**

The preparatory conferences recognised the importance of a realistic market assessment when developing and promoting ecotourism products.

• **Use more market research.** There was a general agreement that not enough is known about ecotourism markets and more research is needed. This has been partly addressed by WTO studies of the ecotourism market in the seven main generating countries, prepared for the International Year and presented at most preparatory conferences. These studies used quite a narrow definition of ecotourism, characterised by its size, impacts, educational components as well as visitor interest in nature and culture in natural areas. Results have pointed to this being a small niche market yet strongly growing. Although specialist tour operators are important in this market, the majority of ecotourists are individual travellers making their own arrangements.

• **Take a broad view of the market, recognising different segments.** Many individual enterprises and destinations have suggested that they are attracting a range of different types of visitor, including people enjoying an ecotourism experience as part of a more general holiday, domestic tourists and schools groups as well as more specialist nature tourism niche markets. More informed market segmentation will enable products and promotional strategies to be adapted to different expectations and requirements.

• **Study current visitor flows and local market conditions.** The pattern and distribution of tourism demand in the area, the performance of comparable operations, and the strengths and weaknesses of the location, should be carefully assessed, before product development takes place.

**Key components of ecotourism products**

The composition of ecotourism products should vary in order to satisfy different market segments and local conditions. However, some general priorities were identified at the preparatory conferences.

• **Address quality, authenticity and security.** Throughout the preparatory conferences, the importance of these three attributes was underlined. Quality does not necessarily mean luxury, but attention to detail and understanding customer needs. Authenticity is about meeting a visitor aspiration of ‘seeing the real thing’ while respecting the sensitivities of local communities and environments. Security is about visitor safety, perceived and real, but can also be applied to wider issues of reliability.

• **Give top priority to the interpretation of nature and culture.** The most essential component of an ecotourism product is the inherent quality of the landscape and wildlife. The WTO market studies confirmed this as the main visitor motivation, but closely followed by the opportunity to meet local people and experience cultural traditions and lifestyles. Ecotourism is distinguished by providing an experience that is both educative and enjoyable. Quality of interpretation is of paramount importance; within this, the value of
good local guides, who know their subject and how to put it over, has been strongly emphasised.

- **Design and manage service facilities to maximise sustainability.** Although not the driving force in an ecotourism offer, accommodation, catering, and opportunities to make purchases are essential components of the product. There is a whole host of planning, design and management issues here that affect viability, environmental impact, enterprise and employment opportunities for local people, value retained in the local economy and the quality of the visitor experience. Case studies presented during the preparatory conferences have demonstrated a wealth of good practice in this area and a growing body of knowledge internationally, on topics such as: eco-lodge design and management; village based accommodation and homestay programmes; use of local produce and traditional dishes; and handicraft production and sales.

- **Address destination as well as individual product issues.** Successful and sustainable product development in ecotourism also needs to take account of infrastructure, environmental management and visitor services in the destination as a whole. For example, the need for more sustainable transport options to and within the destination was stressed at the European preparatory conference.

- **Relate ecotourism to sustainable activity tourism, where appropriate.** Although ecotourism is clearly distinguished from activity tourism, it is apparent that some ecotourists are looking for activities such as hiking or trail riding to complement the product offer. This appears to be particularly true in mountain areas, in regions like Europe and Central Asia. In maritime locations, such as small island states, making activities like diving and yachting more environmentally sustainable was seen as an issue for ecotourism. Three conferences also raised the controversial question of the relationship between hunting and ecotourism, recognising that this activity, when carefully controlled, can provide resources for wildlife management and raise the perceived value of certain species within local communities.

**Technical support for communities and enterprises**

In all regions there is a recognised need for local communities and small enterprises to receive relevant technical support to assist product development and marketing.

- **Provide relevant local training.** Locally available skills training is required, covering guiding, environmental management, customer care, catering, languages, promotion and information technology. It has also been emphasised that people from indigenous and local communities should be supported in taking up management positions in ecotourism. Capacity building of this kind has been assisted by governments, NGOs, donor agencies, educational institutions and the private sector, often working fruitfully in partnership. The importance of developing such programmes with local people and private enterprises, to ensure they are tailored to need and have local ownership, has been stressed. Some projects have demonstrated the advantage of including local government officials and NGOs in training programmes.

- **Encourage people to look together at the local resource and at other projects.** A number of conferences pointed to the value of local study tours to raise people’s awareness of conservation issues and the opportunities of ecotourism. Projects were also presented where the stimulation and sound practical knowledge came from visits to successful ecotourism projects elsewhere. There may be opportunities to develop more twinning and multi-lateral links between projects.
• **Provide targeted, accessible financial assistance.** The important contribution of micro-credit and small grant schemes for ecotourism was demonstrated by a number of projects, and there has been a call for more financial support that is within the reach of local entrepreneurs, including resources for marketing. However, one preparatory conference emphasised the need to avoid developing ecotourism products that will remain dependent on public subsidy in the long term.

**Promoting ecotourism messages and products**

In general the preparatory conferences have called for more promotion of ecotourism, while recognising that the level of promotion of any one location should be determined by its carrying capacity and take account of the views of the local community.

• **Promote ecotourism as a concept.** There is a particular desire to see more active promotion of the principles and values of ecotourism, to recipient communities and to the travelling public. There is a need for a stronger international campaign to make tourists aware of both the harmful and the beneficial impacts of their activities, and how this depends on their travel choice. This could go beyond simply the generic message, with promotional support for relevant certification schemes and for activities such as donating to conservation causes in destinations visited. One conference emphasised the need to focus on the promotion of ecotourism to young people, as a receptive audience and the travellers of the future.

• **Grasp the significant opportunity presented by the Internet.** The Internet has had a major impact as a medium for promoting individual ecotourism products and the considerable potential it presents is widely recognised. It lends itself well to the ecotourism market, which is particularly responsive to up to date, detailed information and reports from previous travellers. A cautionary note was sounded about the lack of consumer trust in making bookings through the Internet, but this is being overcome as specific sites and brands are becoming better known. The advent of IT based Destination Management Systems will help to link demand to supply more efficiently.

• **Use a range of techniques and partners.** Despite the growth in Internet use, there was general recognition that ecotourism products should continue to use a range of promotional tools in their marketing, including working with specialist media and tour operators. There was a strong call for national and local tourist organisations to become more actively engaged in promoting ecotourism themes and products, in their publications and through travel fairs and familiarisation trips.

• **Provide comprehensive and educative information at all stages.** The detail and accuracy of information supplied to visitors in advance of their stay is particularly important in this sector. Ecotourists need to know what to expect. As well as covering travel details and facilities, this should include information on the ecology and culture of the area and how to respect it. Likewise, the quality of information supplied during their stay, for example by hosts, protected area authorities or local tour operators, can greatly affect the visitors’ experience and their impact on the local community.

• **Create loyal ambassadors.** Almost all conferences stressed the importance of ‘word of mouth’ recommendation as the most potent form of marketing. Providing visitors with a quality experience, getting feedback from them and maintaining some post-visit contact, will help to turn them into committed ecotourists and ambassadors for conservation.
3) POINTS FOR FURTHER DEBATE

From the discussion and recommendations arising from the preparatory conferences, summarised above, it is possible to pull out some substantial issues in the area of product development and marketing for further debate at the World Ecotourism Summit.

- Strengthening the involvement of local and indigenous communities in product development, and the benefits they gain from it.
- Generating more conservation benefits from ecotourism product development and marketing.
- Helping protected areas support, and gain benefit from, the development and marketing of ecotourism products associated with them.
- Finding the best ways of linking together ecotourism products for mutual benefit, such as geographical clusters, associations of operators, vertical linkages between products and tour operators and transnational consortia.
- Understanding the breadth of the market for ecotourism products and its main components.
- Strengthening the delivery of technical and financial support for small ecotourism enterprises and community-based initiatives.
- Improving the exchange of know-how and good practice between projects.
- Encouraging national and local government and tourist organisations to do more to promote ecotourism and improve the conditions for its development and success in destinations.
- Strengthening the application of web-based marketing tools.
- Making sure that tourists are getting the right level of information, including what is expected of them as well as what they should expect.
- Raising the profile of ecotourism, and the principles it embodies, through a promotional campaign at an international level.

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Biographical note

Dr Richard Denman is an international tourism consultant. He is director of The Tourism Company, a specialist tourism consultancy based in the United Kingdom. After graduating from Cambridge University in natural sciences and economics, Dr Denman started his involvement in issues relating to tourism and the environment in 1972, writing his doctoral thesis on tourism and rural land management in Scotland. For the following ten years he was Deputy Director of the Heart of England Tourist Board. He became a consultant in 1988.

Much of Dr Denman’s work has been in the field of rural tourism, ecotourism, protected areas and destination management. Recent assignments have included the Rural Tourism Strategy for England, The European Charter for Sustainable Tourism in Protected Areas, a study of Integrated Quality Management of rural tourism destinations, and the preparation of Guidelines for Community Based Ecotourism for WWF International, which is based on case studies from around the world. At a local level he has recently worked on tourism planning and ecotourism projects in Belarus, Brazil, Croatia, Italy and Saudi Arabia. Prior to the Summit he served as WTO expert for the regional preparatory conference for Asia in the Maldives.