



Involving Indigenous Community in Tourism Activities: Strategies and Interventions

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Abstract

The study revolves around involving indigenous communities in tourism activities. It addresses strategies and interventions for involving the indigenous communities in tourism. From a development perspective, tourism ventures are considered successful if indigenous communities are involved and or have some control over them. Tourism ventures such as Domestic Owned Tourism Enterprises (DOTEs), Cultural Tourism Enterprises (CTEs) and Destination Management Organizations (DMOs) were studied to seek to understand the interventions for involving indigenous communities in tourism from three different perspectives. These were policy, institution and supply side/ enterprise perspectives. The study was guided by the three research questions: What are the opportunities for indigenous people participation in tourism? What are the interventions for involving indigenous people in the business of tourism? and how is the business of tourism organized to ensure the indigenous benefit from tourism? The article advocates that involvement of indigenous communities in tourism is a result of different strategies and interventions that aim to empower them to gain control over the industry as they benefit from it.

Keywords: interventions, indigenous community, strategies, Tanzania, tourism enterprises.

Introduction

The shared value between tourists and the indigenous communities has been the only motive to tourism development in many economies. The shared values are the assets that the host destinations have which when developed they attract tourists to an area. They are in other words called tourist attractions, products, services or ideas. Arusha has abundance of resource attractions which since the colonial time attract tourists. They include major national parks and game reserves such as Arusha National Park, Lake Natron Game Controlled, Monduli Juu Open Area, Longido Game Controlled Area and the culture of the people to mention but a few. Tourism in Arusha is very dynamic as compared to other regions of the country and it is the headquarters of the northern safari circuit. The Netherlands Development Organization (SNV) launched the first Cultural Tourism Enterprise (CTE) in Arusha in 1995. The CTEs have been notable for involving the indigenous community in tourism. Up to the time that this study was conducted over sixty (60) percent of the Community Based Tourism Enterprises (CBTEs) commonly known as cultural tourism enterprises, were located in Arusha, its districts and the nearby regions (Tanzania Tourist Board, 2016).

Apart from agriculture, tourism has been the second economic activity in Arusha. The region has relatively high number of tour operating enterprises compared to other parts of Tanzania. Over 70 per cent of all the tourism enterprises are owned locally and the remaining percent by multinational (Tanzania Association of Tour Operators, 2016). UNDP (2011) argue that tourism creates opportunities for small entrepreneurs and allows the less privileged people to establish new activities or formalize existing micro-ventures. Arusha also has a good number of Destination Management Organizations (DMOs) both private and public which work to regulate and market the business of tourism. They include Tanzania Association of Tour Operators (TATO), Tanzania Association of Cultural Tourism Operators (TACTO), Tanzania Tour Guides Association (TTGA),



Tanzania National Parks (TANAPA), Tanzania Tourist Board (TTB) and the Ministry of Natural Resources and Tourism (MNRT) to mention but a few. Due to the nature of the tourism industry (extremely competitive) those institutions work in a synergy fashion to ensure that the region is capable of delivering quality products and or services. Aspects of tourism development such as planning, legislation, accessibility, marketing and promotion, product development, standards, investment, heritage conservation and preservation (UNDP, 2011) are a part of the DMOs daily agenda.

Statement of the Problem

Murphy (1985) argued that community-oriented tourism development requires finding a way of creating more workable partnerships between the tourism industry and the indigenous communities. Ashely et al (2000) realized that in the tourism sector, national governments and donors generally aim to promote private sector investment, macro-economic growth and foreign exchange earnings, without specifically taking the needs and opportunities of the poor into account. For example, donor-supported tourism master plans focus on creating infrastructure, stimulating private investment and attracting international tourists (*Ibid*). That often goes together with attracting investors who are often international companies who tend to partner with local elites who in the end cause most of the tourism profit to be repatriated either abroad or to the metropolitan centres (Ashely *et al.*, 2000; Briton 1982 cited in Muhanna, 2007). Links with the local economy are often weak, with possible exception of employment, yet it is argued that even low-skilled workers in remote areas can become tourism exporters (Ashely *et al* 2000 an UNDP, 2011). How possible is that? What specific interventions put so that the business of tourism in Arusha could bring the indigenous community with low skills into the business of tourism? This study intended to shed light on the strategies and interventions for involving indigenous communities in tourism businesses.

Literature Review

Tourism private enterprises develop networks which aim at managing both tourists and resource attractions in order to seek to fulfill tourists' demands. The importance of tourism to the economy, such as increased foreign earnings and employment also force governments to design strategies and intervention to develop and promote tourism. Both private enterprises and governments work to promote attractions that lie within the community. However, in satisfying the needs of the tourists it might also be possible to satisfy the local needs (Hall, 1994). In most cases tourism take place in local communities. Therefore, a local community is an important component of the tourism product and the industry uses it as a resource; sell it as a product, the process which affects the life of everyone in the community (Murphy, 1985). Inskeep (1991) called for the maximum involvement of the local community in the business of tourism in order to maximize socio-economic benefits of the business to the local community. The local community involvement in the tourism is vital if any region wishes to deliver tourism experiences which ensure both visitor satisfaction and ongoing benefits for the residents of destination areas (Hall, 1994). Those arguments results in interesting and perhaps thoughtful questions about the community approach to tourism development, its validity and practicality. For example, who is the local community and or who should participate and or who should not participate in the tourism enterprises? Mitchell and Muckosy (2008) adds that community involvement in tourism rarely increase the benefits of tourism unless it is connected to the mainstream markets. Is that a guarantee for gaining the benefits? Kihima (2016) noted that active local participation in a tourism initiative is not a precondition for benefits to reach to communities.

While Mitchell and Muckosy, (2008) thought that community based tourism businesses may be a misleading quest Worah (2002), cited in Kihima, (2016) ponder that there appear to be more rhetoric and enthusiasm about Community Based Conservation (CBC) than actually practiced. Thus, Kibicho (2008) advocate that worldwide community based tourism is gaining



momentum although the extent to which that theoretical idealism is real is still debatable. Manyara and Jones (2007) criticized CBC as only enhancing the conservation agenda with doubts as to whether such projects contributed significantly to the indigenous economic benefits. Weak relationship between tourism enterprise, indigenous community and conservation successes is identified as one of the major problems cause little benefit back to the community (Worah, 2002 cited in Kihima 2016). Also, poor indigenous people lack rights to negotiate directly with tourism companies but government authorities could promote their interests, such as of conservations (Ashley *et al*, 2000). Despite that argued the author, control over planning could be used to require and or encourage investors' commitments to benefit indigenous communities (*Ibid*). Hence, although there are so many challenges behind the community approach to tourism (Mitchell and Muckosy, (2008) and Kihima, (2016)) such approach remain the only way the indigenous community could benefit from the tourism business.

The community approach to tourism development is indeed not a problem, but the way it is implemented is problematic. Ashley (2000) noted that developing strategies to enhance impacts of tourism to the poor was the main challenge for most governments and donors in tourism development. The UNDP (2011) argue that although tourism involves relatively less investment (it uses readily available natural and cultural attractions) than other industries, a wider perspective of its development is required. Coherent policy framework and dynamic private sector would never be sufficient if there are no efficient institutions to translate policies into programmes (*Ibid*). Tourism development strategy inevitably involves issues that extend far beyond the sector into cross-sectoral linkages (Ashley, 2000). The question is how much is tourism is linked to other sectors of the economy? Could this be a possible reason for less benefits accruing back to the local community?

Simpson (2008) outlines some of the critical factors for Community Based Tourism Initiatives (CBTIs) success (Table 1). It is argued that these factors need to be put into consideration when initiating a community based project (Kihima, 2016). Otherwise mere participation may not really affect the outcome of the project positively.

TABLE 1: FUNDAMENTAL COMPONENTS FOR BEST PRACTICES IN CBTIs

Fundamental Components for Best Practice in Community Benefit Tourism Initiatives

I. Interaction

1. Communication (open and regular).
2. Engagement, consultation and participation with and between all stakeholders.
3. Commitment from stakeholders.
4. Public relations and awareness campaigns.
5. Linkages with regional, national and international levels of stakeholders.

II. Transparency

1. Transparent ownership structure.
2. Active liaison officers, conscious of potential roles within each stakeholder group.
3. Centres of information and market knowledge.
4. Clear areas of responsibility.

III. Analyses/Evaluation

1. Analysis of demonstration projects and/or other existing CBTIs.
2. Thorough and regular identification of benefit target areas within the community.
3. Environmental and cultural considerations.
4. Monitoring procedures, checks and balances.

IV. Practicalities and Skills

1. Training, capacity building and skills transfer
2. Accounting and banking skills
3. Funding in place for set-up, operation and marketing (e.g. loans, grants, donations, private investment)

Source: Simpson, 2008



Methodology

A Qualitative technique was used to study how DMOs, DOTEs and the CTEs were working towards involvement of indigenous communities in tourism ventures. The study involved observations on how the DOTEs and or even the multination companies (MNCs) were connected to the CTEs and how the latter was connected to the tourism markets. Cultural tourism enterprises depicted a picture of how tourism was developing as a result of indigenous community involvement. The DOTEs such as the Tomodachi, Tanzania Travel Company and Shella tours gave the understanding of the connections that exist in the tourism business structures and systems and with multinational companies. The DMOs were studied to see how they developed strategies to enhance the participation and how they were used in regulating the tourism business environment. Exponential discriminative snowball sampling procedure was used to get a sample of eleven (12) respondents. At the start the researcher got the very first two informants from TATO and TTB offices. The rest of the respondents (1 district council, 1 city council, 3 CTEs and 5 DOTEs) were obtained through reference especially from the first two respondents. Longido district council where the two CTEs are located was chosen essentially because of its management function in the area. Two types of data were collected.

Primary data was obtained through in-depth interview and participants' observation which were intermingled with documents review (secondary data). Bowen (2009) states that using different sources of data enable corroboration of findings across data sets and thus reduce the impact of potential biases that could exist. The extent of bracketing, triangulation and the objectivity of the researcher, honesty, depth, richness and scope of the data obtained forms the basis of reliability and validity of this research. During the analysis data were coded into a set of categories formed by identifying commonalities and categories of the themes were formed as they emerged. Later the researcher read different documents related to the themes emerged during data collection to understand the strategies and intervention for involving indigenous community in tourism

Findings and Discussion

In Arusha alone, tourism employs more than 3, 500 people (Field data, 2016), this is second after Dar es Salaam with more than 6,000 employees. Arusha has about 130 standard tourism establishments and is composed of more than 60 per cent of all tour operating companies. Arusha is also home for more than 70 per cent of all the CTEs (*Ibid*). Tourism development is the priority of Tanzania as a country and Arusha in particular. Tourism is the largest export services sector (WTTC 2016) of Tanzania. The travel and tourism-related services receipts totaled US\$2.2 billion, representing more than 25 percent of the country's total exports and 60 percent of the country's services receipts (*Ibid*). In 2015, the industry directly supported 467,000 jobs, and, through backward links, was responsible for more than 1.3 million jobs or 12.2 percent of the nation's total employment. Despite those facts unified actions of the state and local governments, as well as individuals and groups at the local level, are yet to be interwoven throughout all stages of tourism development and management (Vesna Đukić *et al*, 2014); for example, from resources mapping through products creating, promotion, sales and the use of the revenues (*Ibid*). A few individual members of the community were involved in the resource mapping of the Longido district tourist attraction map.

Tourism activities in the district were not connected to other destination management organizations directly, such as the TTB but only the ministry. TANAPA though not present were thought to be important to emphasize on environment through its community outreach program. The CTEs were very well connected to both the villages and district local governments as well as to TACTO which does them much of marketing. The CTEs were valued by the district governments for contributing to the district development funds.



However, little guidance came from the later to insist on tourism development and management, hence the CTEs relied more on the TTB and little on the ministry of tourism. The DOTES had little connections to the public DMOs such as the TTB which did them marketing. However, little budget to that marketing body was thought to hinder much of its activities. In addition DOTES marketed themselves through their association TATO. Hence they did not rely much on the TTB. The DOTES operators emerged out of one's entrepreneurial nature or from experience as a result of working or trained into tourism field. Five out of the interviewed CTEs and DOTES operators emerged through experience in tourism.

Serial Number	Type of Enterprise	Background to the Business	Connections that Exist	Years in Operation
1	Longido CTE	The first operational leaders had experience in tourism, MNRT, SNV	TACTO, TTB, DOTES	> 15 years
2	Ng'iresi CTE	Operators have experience in tourism, MNRT, SNV	TACTO, TTB, DOTES	> 15 years
3	Mkuru CTE	Induced in tourism operations, MNRT, SNV, NGO Oikois	TACTO, TTB, DOTES	≥ 15 years
4	Shella Beach Tours	Profession in Tourism and Hospitality	TATO, TTB, MNCs, CTEs	>5years
5	Tomodachi Safaris	Experience in Tour Operations	TATO, TTB, MNCs, CTEs	>10years
6	Tanzania Travel Company	Experience	TATO, TTB, MNCs, CTEs	>15year
7	Kibo Palace Arusha	Experience in different businesses	TATO, TTB	>8years

To remain in the business it needs courage for tourism operators especially the indigenous communities. That is because most of them have no capital enough to run their business.

“This business is very competitive, our competitors especially those in tour operation for long time have been able to create links worldwide. Such businesses cannot be compared to mine, tourism is a capital intensive business, it is not about having registered a company and sit to wait for tourists. It needs strong links with international suppliers of tourists hence a need for strong support both from national and international stakeholders so that we might be able to compete effectively”, said one of the respondents.

Strategies put for tourism business do not encourage the inclusion and involvement of the indigenous people into tourism. Although tourism is a private sector lead business it requires a supportive business environment for growth and benefits creation. For example, the national tourism policy (1999) advocates for provision of incentives for investors without specifying whether indigenous or not indigenous but the guidelines on registration and licensing of tourism operations requirements are too high compared to how indigenous can raise capital (Guidelines on Registration and Licensing of Tourism Operators, 2014). Apart from feeling been excluded by the registration requirements, to a large extent the respondents (80%, n= 12) had a feeling that it created more opportunity for “others’ to utilize current opportunities available in the tourism sector. The policy and guideline makers failed to differentiate the financial (especially the start-up capital) capacity of the indigenous and the non indigenous. Hence, there was a big difference in terms of incentive between



indigenous and the non indigenous investing in tourism because the investment requirements were almost the same.

There has been fragmentation and overlap in mandates and responsibility within the different functional divisions and organizations dealing with tourism both from private and public sector. A good strategy for marketing for example; was seen in the DOTEs and CTEs where despite marketing for themselves they also marketed through TATO and TACTO respectively, and through the TTB. In reverse the registration (licensing) of a tour operating company such as travel agencies, tour operators, and accommodation facilities was done by both the Tourism Agency Licensing Authority (TALA) and the Hotel Board. Thanks to the CTEs which were only registered by and under the TTB. There was no proper tourism link to the DMOs. Even some of the DMOs were not linked to each other. Private DMOs seemed to be connected to one umbrella Tanzania Confederation of Tourism (TCT). UNDP (2011) argue that a supportive institutional infrastructure, ranging from banks to hotel accreditation, tourism promotion, marketing boards, Micro and Small, and Medium Enterprises (MSME) support, and food safety regulation, plays an important role in tourism development by providing the means of implementing and coordinating policies that directly bring or increase the benefits of tourism. The institutions have to operate in a synergy in a manner of complementing one another.

Of the same type but slightly different is the disorganized taxing system that existed in Arusha. World Bank (2015) argued that levies and taxes within the Tanzania tourism sector are unpredictable, uncertain, and often duplicative. For example, the number of tourism licenses, levies, and fees can range from 10 for travel agencies, to 115 for air operators (*Ibid*). Tax types and numbers did not bother the industry players. All of the four respondents involved on the tax question viewed the procedures required in paying the taxes as overlapping and cumbersome especially in getting licenses and permits for touring around. They proposed to be a one stop shop where all the taxes and or other payment might be paid to save time consumed in that process. Major taxes and fees that existed when this study was conducted include but not limited to:

1. The Income Tax Act allows for 50 percent capital allowances for plant, machinery, and equipment used to provide services to tourists and in a hotel.
2. Corporate tax is 30 percent.
3. Withholding tax on interest = 10 percent.
4. Withholding tax on dividends = 10 percent.
5. Income tax for individuals = 13 percent to 30 percent.
6. Income tax for non-resident individuals = 20 percent.
7. All employee benefits are taxable.
8. Skills and development levy = 5 percent of total gross salary and wage payments by employers to employees.
9. Value added tax is 18 percent on all taxable goods and services.
10. The Tourism License from the Tourism Agency Licensing Authority = All operators must pay US\$5,000 up front and own a minimum of five vehicles.

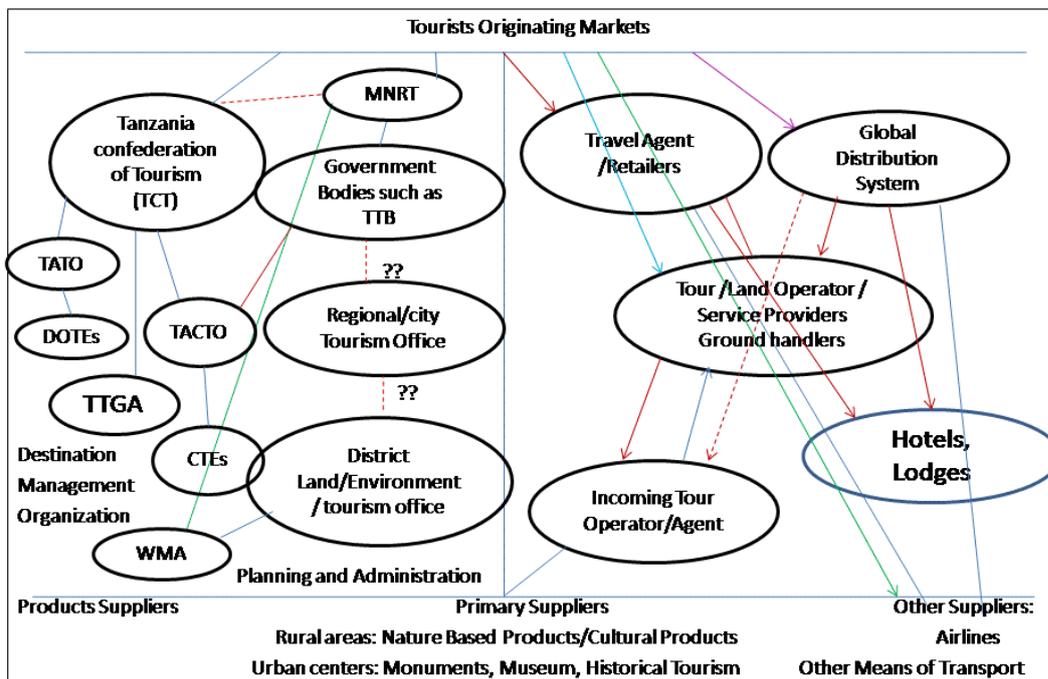
Source: Field data, 2016.

Tanzania approaches the tourism industry with low-volume, high-value tourism strategy. Such a strategy encourages operators who are able to offer premium services to buyers thus creating a potential barrier to entry for small operators which in fact go hand in hand with product diversification. The requirement of four fleet cars during registration of the tourism operations for example, is a part of this strategy. Many indigenous view tourism as a business of the rich and consider themselves incapable of been involved. Even though strategies such CTEs encourage them to enter the business still many indigenous have no courage to stand along for the business. That also hinders the development of cultural tourism as a stand along product to attract tourists. It is worth to repeat that the all tourist attraction lie within a certain community of indigenous who by default would like to be part of

tourism development. As a result cultural tourism operator in Arusha remains supporters of the other tour operators such as the DOTEs and MNCs through the famous wildlife tourism.

It is argued that cultural tourism offers opportunities for microenterprise development in a form of value chain creation which may enhance more indigenous involvement in tourism. Often, conservation becomes a part of daily activities and the sharing of the benefits is felt at hand. Vivid examples exist in Longido and Mkuru where linkages have been established with other sectors such as small scale agriculture and manufacturing and thus create more opportunities for indigenous participation. There are visible signs of improvements from the cash that is earned from tourism (e.g. improved water systems, houses made of more permanent materials, children been sent to schools). Most of the indigenous community life has positively changed.

Tourism Business Structure and Systems in the Study Areas



Source: Field data, 2016

When looking at the supply side, most of the DOTEs seemed to be connected to the source markets than the CTEs. They also complied to the international standards in most cases as defined by suppliers than the later. However, most tourism attractions remained to be sports hunting, bird watching, trekking and game driving while there was a potential for diverting to cultural, education, mice and adventure (especially cycling) tourism. Events tourism such as meetings, incentives, conventions and exhibition were less mentioned as tourism activities and in fact are thought to be more political oriented.

There seem to be weak links between the tour operators and the indigenous communities, for example the accommodation sector and the food chain supply. UNACTAD (2017) argued that the linkages between local communities and suppliers must be fostered to better integrate the poor into the tourism value chain. But in the study areas little was bought from indigenous. It included farm produces mostly notable vegetables and fresh fruits. Furniture and even décor were to high percent imported. There were programs however, which encouraged indigenous to engage in the business of tourism such as arts and crafts production. All these created a space for indigenous community participation.



Conclusion and Recommendation

Tourism is clearly a very inter-connected business. Its success or failure depends very much on the connections built and the quality of the business operating environment. Tourism would never generate enough benefits to touch the life of many indigenous peoples if the policy or anything related to the business, does not encourage such indigenous people to conduct business. Neither would the indigenous people be able to control the tourism business if they do not make efforts to involve themselves in it. Tourism sector policy makers should have a wider perspective of tourism so as to encourage the development of other industries in complementing tourism. That would result into useful expansion of the tourism business while creating more opportunities for community participation. Indigenous people should learn how to raise capital for tourism business ventures. Learning from others might be easier, rather than simply sitting and complaining of not being given equal opportunities to be involved. The DMOs should be integrated to assist the indigenous community in the tourism businesses and also to strengthen their businesses as well as reach the global tourism networks in a manner that benefits them in the long run. Connecting other enterprises such as the CTEs to the mainstream markets might ensure not only the sustainability, but also the development and expansion of cultural tourism as a product. Hence it is recommended to:

1. Extend the tourism business to establish linkages with other sectors of the economy such as *inter alia* agriculture and manufacturing.
2. Conduct a study on what reaches and benefits the indigenous community in a host destination.
3. Review the taxing system with a possibility of establishing or deciding on one point to pay all the taxes and or levies for operating the business of tourism
4. Remove the overlapping activities in different institutions supporting the business of tourism.
5. Supporting of all indigenous peoples involved in tourism businesses regardless of whether it is a cultural tourism enterprise or not, by establishing a financial facility that might assist in providing a seed capital to the business to help it grow.
6. Although there are so many cases of failure of community/indigenous community based tourism, the failure is thought to be contributed to an overreliance on external supporters, such as government and donor funded projects. Although the support is critically important, it should be understood that success includes other factors such as good products, markets, networking and good management skills

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