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SUS-TOUR
Community Based Tourism in Kenya

STATUS OF COMMUNITY BASED TOURISM IN KENYA

Judy Kepher Gona
Pamella Ondiek
Treeza Muhando

SAG partners UN environment UNDP UNOPS

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PART 1 -Tourism in Kenya

1.1 Overview of Tourism Resources

The rich natural and cultural resources found in Kenya are the country's strength for attracting tourists. Wildlife in its natural habitat has made Kenya synonymous with the word 'Safari". The top cultural brand is the Maasai tradition. This has become a brand in itself attracting many researchers and tourists.

Kenya has 29 national parks including 5 marine parks, 22 game reserves, and another 5 marine reserves. The parks cover 7.7% of the country. In addition, there are more than 100 community wildlife conservancies providing space for wildlife to roam freely beyond the national parks and reserves. This strong conservation tradition has been a bonus for tourism.

Kenya also has abundant water sources making it possible to offer water-based activities. The Great Rift Valley and its abundant bird life is unique as are the tropical forests and mountains.

1.2 Economic Value of Tourism

According to the Kenya National Bureau of Statistics, economic survey year 2015, tourism continued being an important source of foreign exchange earnings in 2014. This is despite a decline in the performance of the sector owing to a number of factors among them insecurity, adverse travel advisories and the spread of Ebola in West African countries. Consequently, the tourism industry earnings decreased by7.3 per cent from Ksh 94 billion in 2013 to Ksh 87.1 billion in 2014. In terms of employment, it is estimated that tourism accounts for 9.2% of employment translating to nearly 550,000 in 2014. UNWTO places tourism in Kenya at second place after agriculture in their 2010 tourism report.

The significance of tourism to Kenya's economy is confirmed in Vision 20130, Kenya's blueprint for economic growth, which aims at increasing annual GDP to an average 10% over the vision period. This blueprint has identified tourism as one of the pillars that will drive this growth. The focus on tourism is diversification, growing number of international visitors and positioning Kenya as among the top long haul destinations in the world by offering high-end, diverse, and distinctive visitor experiences that few of her competitors can offer

Since the crafting of vision 2030, followed by promulgation of a new constitution in 2010 and establishment of a devolved governance structure in 2013, the tourism sector, like other economic sectors has witnessed review of legislation, revamping / realignment of public institutions and emergence of regional tourism organisations. In this transformation period, CBTEs have become part of the agenda through appreciation for ecotourism.

1.3 SWOT analysis of Kenya's Tourism Sector

KEY STRENGTHS	KEY WEAKNESSES

1. Internationally renowned tourist destination. 2. Reputation for hospitality and diverse tourism products (Sectoral). 3. Political Stability. 4. Well established tourist facilities and tourism infrastructure in the region (Sectoral). 5. Quality trained staff in the region (Sectoral). 6. Highly ranked in East Africa as a Conference Tourism Destination in Africa (Sectoral). 7. Ability to develop niche-marketing strategies (institutional). 8. Strong NGO community available as educational resource, e.g. environmental NGOs (institutional). 9. Attention given to preservation and sustainability of nature-based attractions (Sectoral). 10. Strategic geographic location for Eastern African market (Sectoral). 11. Diverse natural tourism resource base (Sectoral). 12. Pleasant and diverse climate all year round (Sectoral). 13. Diverse historical and cultural product base (Sectoral). 14. Favourable policies and enabling legal frameworks for institutions (institutional). 15. Stable economy and a regional economic hub (Sectoral). 16. Sea and air travel hub in the region (Sectoral). 17. Vibrant technological platform and uptake for domestic tourists (Sectoral). 18. Reliable domestic market with favourable outlook on an expanding middle class (Sectoral).	1. Numerous policies, legal and institutional frameworks (Institutional). 2. Over-reliance on traditional source markets (Sectoral). 3. Poor general infrastructure (institutional). 4. Insufficient financial resources for tourism development and marketing (institutional). 5. Inadequate skills in areas necessary for strengthening the sector (top and middle level management) (Sectoral). 6. Inappropriate standardization/regulations for tourist facilities and offerings (Sectoral) 7. Inadequate research in tourism (Institutional). 8. Inadequate capacity of tourist security and safety agents (institutional). 9. Weak monitoring and evaluation of the sector (institutional). 10. High cost of doing business (Sectoral). 11. Weak spatial planning including for hotel development. 12. Unfavourable taxation regime (institutional). 13. Heavy reliance on nature-based tourism products (Sectoral). 14. Not fully implemented legal frameworks (institutional). 15. Inadequate guidance and coordination (institutional) 16. Poor harmony within and among the implementing partners (institutional) 17. Weak coordination (stakeholders) – Association, Lobby groups, Trade Unions and Employers (Sectoral) 18. Inadequate human capacity (institutional) 19. Low adoption of ICT

19. Market, brand visibility and recognition of destination (Sectoral). 20. Vibrant regional media hub (Sectoral). 21. Dependable (best practice based) destination management framework and capacity (Sectoral). 22. Strong bilateral/multilateral network and partnerships (institutional). 23. Existence of national and county structures for tourism promotion and coordination. 24. Qualified staff in the Destination Management Organizations (DMOs) (Institutional). 25. Dependable frameworks and standards operation procedures (SOPs) (institutional). 26. Specialised agencies to handle and support diverse issues in tourism (institutional)	(Institutional/Sectoral) 20. Red tape and bureaucracy (institutions) 21. Weak inter- Sectoral interrelations (institutional) 22. Poor implementation of plans (Institutional) 23. Inadequate work place environment policies (implementation) 24. Too many NGOs weakening the business orientation of host communities and bringing in dependency 25. Weak strategic focus plus negative attitude/in fighting among institutions (Institutional) 26. Weak product and market diversification

KEY OPPORTUNITIES	KEY THREATS
1. Untapped tourism potential e.g. ecotourism, culture, conference and cruise 2. Market demand for creative packaging of tourism product Technological advancement e.g. 3. Expansion of global digital economy (E-business) (Sectoral). 4. Expansion of air, road and water transportation (Sectoral). 5. Political goodwill (Sectoral) 6. Enabling legal framework, the constitution, Tourism Act 2011, and other Sectoral law such as EMCA, Forest ACT and the land Act (institutional). 7. Geopolitical realignment towards the Far East (China, Japan, and India) (Sectoral)	**1. Security**: Kenya as a tourism destination is experiencing negative perception on security matters with respect to perceived threats of terrorism and costs associated with managing terrorism **2. Competitive environment**: Competition from existing sites in other international and regional destinations with established reputations and favourable comparative advantage like Seychelles, Mauritius, South Africa, et 3. **Climate change and its impacts:** Vulnerability to multi-hazards including natural and health hazards, climate change etc. 4. **Global economic recession and oil prices:** There exists negative impact due

8. Bilateral/multilateral and regional economic blocks EAC, COMESA and SADC (institutional) 9. Kenya geographical position as a regional economic hub (Sectoral). 10. Growing income among the middle class of the Kenyan and African population (Sectoral). 11. Binding treaties and convention on sustainable tourism development (Institutional) 12. Kenya's international fame in athletics and emerging sports (Sectoral). 13. Increasing appreciation of cultural and geographical diversities (Sectoral). 14. Improved literacy level, awareness and change in lifestyle (Sectoral) 15. Increasing regional security and stability (Sectoral). 16. Favourable climate (Sectoral) 17. Rich natural and resource diversity (Sectoral) 18. Kenyan hospitality and warmth of the host communities (Sectoral). 19. Expansion of national carrier destination routes (Sectoral) 20. Growing Diaspora (Sectoral)	to global currency dynamism and changes in oil prices in the international markets hence increasing the cost of doing business 5. **International media based in Nairobi** constantly searching for bad news 6. **Travel Advisory notes** especially from the US and UK governments that also affects other European citizen's interest to travel to Kenya

Source: GOK- National Tourism Strategy 2013-2018 Pg. 31-33

1.4 Key Tourism Legislation & Policies

Some of the significant legislative transformations that have taken place include the enactment of the Tourism Act of 2011 and the National Tourism Strategy:

Tourism Act 2011

The Tourism Act 2011 was enacted to provide for the development, management, marketing, and regulation of sustainable tourism and tourism related products and services as well as for connected services and purposes. The Tourism Act 2011 provides for establishment of tourism regulatory, management, and marketing bodies. These include The Tourism Regulatory Authority, Kenya Tourism Board, Kenya Utalii College, Kenyatta International Convention Centre, and the Tourism Protection Service. The Act also provides for establishment of a Tourism Fund and the Tourism Finance Corporation among other institutions.

The Act does not lucidly mention inclusion of CBTEs as a tourism product going forward. However, it provides a list of recognised small enterprises under class A of its provisions relating to regulated tourism activities and services citing bandas, cultural homes and centres, homestays as well as guest houses.

National Tourism strategy

The strategy was commissioned by the Department of Tourism in 2012 and is a product of deliberate stakeholders' consultative process to address tourism challenges. The strategy identifies a number of challenges that need to be addressed if tourism has to reach its projected goal as a pillar that will drive Kenya's to become a nearly industrialized economy by 2030. Challenges to be addressed include:

- Challenge 1: Reinforce the Kenya tourism industry as a high quality service sector
- Challenge 2: Better position Kenya as the number 1 tourism destination in the world
- Challenge 3: Make the tourism industry part of the knowledge economy
- Challenge 4: Develop Kenya tourism in a sustainable manner
- Challenge 5: Increase the value generated from available resources
- Challenge 6: Create environment conducive to tourism businesses
- Challenge 7: Create environment conducive to tourism businesses
- Challenge 8: Investing in Tourism Infrastructure
- Challenge 9: Ensuring an Efficient Transportation System

In the National Tourism Strategy, the major areas of concern have been highlighted and the factors that will assist in the development, management, marketing, and regulation of the tourism sector in Kenya. The stakeholders together with the implementing organs identified five thematic areas that will require a systematic and guided way of addressing in the next five years. These thematic areas are:

1. The need to have an effective product development and deployment approach
2. The need to enhance the marketing of Kenyan tourism products
3. The need to address inadequate financing and improve the investment environment
4. The need to be more scientific through research and information management
5. The need to focus on human capital, legal, policy and institutional framework

These strategic themes have been comprehensively addressed in this National Tourism Strategy 2013 to 2018 with an overriding philosophy of a dignified nation geared towards wealth creation. Further, the sector will emphasize on local tourism to reach a 55% bed occupation by year 2018. This will ensure the tourism facilities are well utilized to reduce costs of running them and stabilize the industry against international upheavals. At the same time, the international arrivals are projected to grow from below 2 million per year to 3 million per year. (Source- GOK, National Tourism Strategy Pg 5-6)

1.5 Tourism Institutional Framework

Tourism in Kenya is governed by several organisations both in the public and private sectors of the industry. Below is a table that briefly elucidates the mandates and responsibilities of the public and private institutions that govern the tourism industry.

Table 1- Public Tourism Institutions

Name of Institution	Description
1.The Tourism Regulatory Authority	This is a corporate body established under section 4 of the Tourism Act No.28 of 2011 and is mandated to regulate the tourism sector. Part of their mandate is to develop regulations, standards, and guidelines.
2.**Kenya Tourism Board**	This is the body mandated with destination marketing by the ministry of tourism as stipulated in part three of the Tourism Act 2011.The marketing programme is currently dubbed Magical Kenya. General duty is promotion and marketing of tourism products.
3. Tourism Finance Corporation -	This is a corporate body established in 1965 through an Act of parliament, Cap 382 of the Laws of Kenya. The corporation is mandated to facilitate and provide affordable development funding and advisory services for long term investments in Kenya's tourism industry.
4.Kenyatta International Convention Centre	Formerly the Kenyatta International Conference Centre (KICC), the centre provides a wide variety of conferencing, meeting rooms, banking facilities and travel and tour operations. The centre is designed for medium-sized convening as well as the largest conference chambers in East Africa.

5.**Kenya Utalii College**	This is the premier tourism training college in Kenya. It was established in 1971.The college is an affiliate of the UNWTO with some of the courses having acquired accreditation from the same. It is also an International Air Travel Training (IAT) Centre.
6.Tourism Trust Fund	Tourism fund is a body corporate established under the tourism Act 2011 which came into operation in September 1st 2012 via special issue Kenya gazette supplement No. 39 of August 2012. The fund is the legal successor to the catering and Tourism Development Levy Trustees and has its current mandate outlined in section 68 of the Tourism Act.
7.Ministry of East Africa Affairs, Commerce & Tourism	The ministry is a successor to the ministry of East African Community Trade and Tourism. The ministry is responsible for managing East Africa community and regional integration affairs, develop and promote trade policies, promote and market Kenya as a tourist destination.

Table 2 -Private Tourism Institutions

1.KATO-Kenya Association of Tour Operators **-**	Established in 1978, it is a membership association for tour operators with the key objective; to create an enabling environment for its members' businesses, create new opportunities, lobby on their behalf and create strategic approaches for market in the tourism industry.
2.Ecotourism Kenya **-**	Established in 1996, Ecotourism Kenya is a voluntary membership organization that engages in community capacity building, conservation, and benefit of tourism resources. They set standards, provide voluntary certification and segmentation of products, as well as provide a platform aimed at creating market access for developing products. Overall mandate is to set standards for tourism practitioners.a

3. Kenya Tourism Federation **-.**	Is the pioneer safety management and control centre that forms an umbrella body for private sector institutions among them Kenya Association of Tour Operators, Eco-tourism Kenya and Kenya Association of Travel Agents
4.Kenya Association of Women in Tourism **-**	Is a member association for women in the tourism industry currently in 6 of the 47 counties of Kenya. They provide mentorship programmes, career talks, incentives and token prices to women in tourism on voluntary basis to mentor and motivate them in their ventures.
Kenya Association of Travel Agents	Is a membership association of travel agents
Mombasa & Coast Tourism Association	This is the equivalent of KATO representing the interest of Coast based tour operators

1.6 Tourism Circuits

The Kenya Tourism Board recognises seven designated tourism circuits as listed in the illustration below;

Table 3 - Key Tourism Circuits

Tourism circuit	Activities undertaken	Sites and attractions available
Central Kenya region and the Nairobi region	Game viewing including the possibility of viewing all the big five, walks and trekking, scenic views and mountain hiking.	• Nairobi Animal Orphanage • Nairobi National Park • Nairobi Safari Walk • Aberdare National Park • Mount Kenya National park • Mount Longonot National park
Coastline region	Visit to the last remnant of the tropical rain forest,birdwatching,watersports e.g. jet skis, scuba diving, snorkelling	• Arabuko Sokoke National Reserve • Kisite mpunguti,Kiunga,Malindi and Mombasa Marine National Parks and Reserves • Shimba Hills National Reserve • Tana River primate Reserve
Southern region	Safaris,excursions,and all activities undertaken in the coastline region due to the proximity to the circuits	• Amboseli National park • Chyullu Hills National park • Tsavo East National park • Tsavo West National park

Eastern region	Includes Shaba, Samburu and Buffalo Springs contagious parks separated by river Ewaso Nyiro river	• Binasadi National Reserve • Buffalo springs National reserve • Shaba National Park • Kora National Park • Meru National Park • Ol Donyo Sabuk National park • Mwea National Reserve • Mwingi National Reserve • Samburu Game Reserve
North rift region	Annual camel derby, game watching, ballooning, camel riding, fishing, horse riding and mountain biking	• Laikipia National Reserve • Marsabit National Reserve • Nasalot National Reserve • Sibiloi National Reserve • South and Central island National park • South Turkana National Reserve
South region	Game watching, bird watching, ballooning, hiking and rock climbing	• Hells gate national park • Lake Nakuru National park • Mara triangle(Maasai Mara conservancy) • Maasai Mara National Reserve • Lake Naivasha National Park
Western region	Game viewing, bird watching, forest treks, canopy walks and hiking	• Kakamega Forest National Reserve • Ndere island National Reserve • Kisumu Impala Sanctuary • Mount Elgon National Reserve • Ruma National Park • Saiwa swamp National Park

1.7 Source Markets

Kenya's traditional source markets are USA, UK, France, Germany, and Italy. Emerging markets include India, Eastern Europe, China, and Africa. At country, level UK is the single largest source market followed by Germany, the USA, and Italy.

Region	Percentage
Europe	60%
Africa	23%
Americas	9%
Asia	9%

1.8 Product and Product Innovation

According to The Kenya Tourism Board, Kenya always has and still is predominantly a safari and beach destination. The main tourism product is wildlife safaris and sun and sand. The" beaten path" is a phenomenon that by and large defines tourism product in the Kenyan market. However, visitors are currently consuming culture and community based differentiated products as add-ons.

Following the trends in the industry, the tourism board indicates the need and opportunity for product innovation. The new travel trends point to quest for adventure. They see this as an opportunity for product innovation.

Product development is predominantly a private sector affair. The government and tour operators trust investors to develop the right product for the market. The government participation is in quality control to ensure the product meets certain prescribed standards.

1.9 Consumption Patterns

Travellers to Kenya buy packages from tour operators in advance. These packages predominantly offer beach and wildlife safari packages. Travellers buying these packages rarely consume additional products outside the procured package. If they do, it is usually souvenirs and other cheaper but authentic experiences like nightlife in cities, or cultural village visits, traditional events etc.

This consumption pattern requires operators to showcase their offers on various platforms and to guarantee delivery of the packages they have sold. Kenya has nearly 1000-registered tour operators. Out of these 400 are registered as members of Kenya Association of Tour Operators (KATO), a private sector voluntary membership organisation that plays a lobby and regulatory role. Interestingly, the 400 members of KATO control more than 85% on tourism business (in-bound travel services). According to KATO, the reason why their members control a lion's share of the sector is because travellers want minimum risk and maximum guarantees that what they procure is what they will consume.

According to KTB, there is small percentage of travellers, less than 15% that travel independently. They rely on travel guides and commentaries and websites. Websites remain significant sources of information for travellers. According to a recent study by Jovago.com, more than 44% of travellers in Kenya search for hotels online and a growing number are booking online.

Overall, the consumption is seasonal. While beach visitors trickle in through out the year because of the charter flights, there are two distinct tourism high seasons. These are Mid June - Mid September and December to February. This seasonality affects employment and SMEs that depend on tourism. They have to find alternative businesses during the low season. Those majorly affected are curio sellers and private transport providers who sell their services to mainstream tour operators.

However, changes in seasons are being witnessed as non-traditional source markets are now travelling outside of the high seasons. The Kenya Association of Tour Operators KATO, the Kenya Tourism Board and an independent tour operator, all of whom provided information by way of interviews, cite a slight shift in consumption patterns from the usual peak holidays e.g. Christmas, Easter and the great migration. Now visitors take frequent holidays for rest.

The length of stay has however declined over the years with visits becoming shorter. Today most holidays are seven (7) days, with few numbers staying for 10-14 days. The shorter stays have something to do with the packages offered, economics and travellers desire to see as many places as possible.

PART 2 - Community Based Tourism in Kenya

2.1 Overview of CBTs in Kenya

The emergence of the concept of CBTs in Kenya is closely related to the growth of ecotourism and community driven conservation. Like Ecotourism Kenya, which was championed by luminaries in conservation, the concept of CBTs received boost from Ecotourism Kenya and conservation organisations. The organisations representing CBTs in Kenya, mainly FECTO and KECOBAT were conceptualised by conservation NGOs. FECTO is still housed by its founding NGO.

This history potentially explains the arms-length relationship between CBTs and the government and CBTs and private sector. In the last 5 years, government has begun to show interest in CBTs by working with institutions like KECOBAT to formulate polices and strategies to support the sector. The single most significant contribution of government to CBT sector is the development and gazetting of Homestay Guidelines.

The private sector engagement has been lethargic. There are isolated examples of successful engagement but these are far and apart. The major obstacle to engagement is the governance and management systems that are perceived as incompatible with conventional business ethics and practice.

Due to issues of recognition and engagement, there is no documented data, neither is there a system to collect data on CBTs. The data available is on members of lead organisation like Ecotourism Kenya, FECTO & KECOBAT. Even these three lead organisations, have inconsistent membership. FECTO claims that its 240 active members represent 30% of CBT sector. But this cannot be verified. On the same note there is no monitoring system to establish the size of the sector compared to mainstream tourism.

2.2 Conceptualisation of CBT

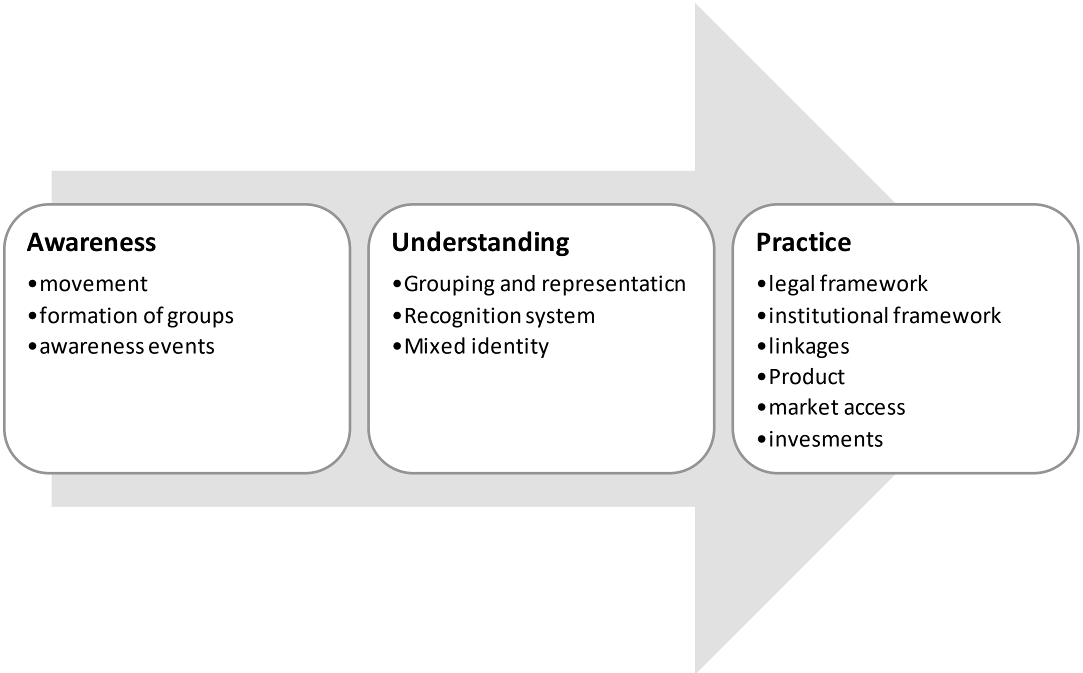
There are varied perceptions of the CBT concept. This is true even among the key institutions that support/engage CBTs. CBTs are conceptualised in three distinct ways:

- Concept based on ***organisation structure***: this approach emphasises community ownership, control and benefits to community as defining
- Conceptualised based on ***product & locale***: this school of thought perceives CBT as sub-products (add-ons) of mainstream tourism industry. The product/ service needs to be consumed at village/community level
- Conceptualised based on ***practice***: this is a mix of structure approach and product/locale approach. They are not concerned about who owns. They

care about who is involved, who/how many are benefiting from the business. As such they propose that CBT be defined by a set of principles

This varied conceptualisation is partly to blame for the lacklustre attitude the government and other institutions have had for CBTs. The Kenya Tourism Board, says the lack of common understanding of what a CBT is makes it difficult to promote CBTs as alternative tourism products. Tour operators feel the title is sometimes used as a 'dressing' that enables practitioners/ proponents to benefit from NGO funds and engage in for-profit activities.

Based on this STTA "concept to business 'evolution model, the CBT is still at awareness level but exhibiting elements of practice and understanding



2.3 Legal Framework

The legal infrastructure for the CBTs in Kenya is still wanting. Several attempts have been made to come up with strategies/polices but implementation and funding to operationalize are not available. The impetus to develop polices has come from CBT lobby organisations and not from government. As such, the sector can be described as un-governed or "Jua-kali" in the local Kiswahili dialect. It means the sector is not mature enough to engage.

An operational framework for CBTS was developed with support from the Commonwealth. However, it lacked buy-in from stakeholders and has not been adopted or operationalized. The stakeholders felt that Commonwealth consultants did not represent the views of stakeholders but their own. There are indications that efforts are being made to review it or develop a new one altogether.

Other strategies that have been developed to support CBTs include:

- Agro-tourism strategy
- Sports Tourism
- Cultural tourism
- National Guidelines for homestays in Kenya

It should be noted that these strategies have been developed with participation/ guidance of KECOBAT. According to KECOBAT, the Department of Tourism selectively implements portions of the strategies that have been developed but because the activities are isolated, there is no measurable impact.

2.4 Institutional Framework

The following organisations are engaged with CBTs in Kenya

Table 4- CBT Institutional Frame work

Name of Organisation	Note	Current Role in CBT	Anticipated future role
Kenya Community Based Tourism Network - KECOBAT	• Members organisation for CBTs only • Premier CBT organisation	• Policy • Training • Standards / Guidelines -Currently Focusing on Homestays • Marketing- Homestays • Information/ communication	Policy advocacy Recognised via legislation as representing CBTs Marketing / sales agency. This work is in progress. They are working on a booking platform
Federation of Community Tourism Organisations - FECTO	• Members organisation for CBTs and others •	• Product Development & Market Access • Training	• Are working on accommodation improvement by bringing up Eco-Manyatta • Market linkages
Ecotourism Kenya - EK	• Members organisation for CBTs and others	• Training in several areas including product development & market access	• Standards & certification • Drop CBT membership
Ministry of tourism	•	• Is able to recognize all the membership bodies to run the CBTs	• Are coming up with legal standards for homestays

2.5 Product & Product Integration

The Kenya Association of Tour Operators (KATO), the national private sector association of tour operators has no clear understanding of what the product is. However, some of its members (4 out of 400 tour operators) support CBTS. This is characterised by stopovers at craft shops or cultural centres owned by groups of local people. The common CBT products are basic accommodation bandas, crafts & craft shops, cultural villages, indigenous guides, campsites, and forest tours among others. There are few cases where communities have invited investors to develop lodges on their land through profit sharing partnerships. These are the successful cases of CBT. These partnership products have market access and compete favourably with other mainstream products. Under such partnerships, the investment partners who have expertise and networks exclusively manage the facilities.

On product integration, there have been several attempts to integrate some CBTs products and services into mainstream tourism. One such attempt was supported by Travel Foundation UK. The project explored ways through which cultural villages could be sold via KATO members. The key principles of this project were

- Centralised collection of entry fees to cultural villages via an agency (KATO)
- Advance booking/ procurement of visits via tour operators
- Good financial records to support sharing of benefits

KATO accepted the agency role. This involved selling tickets on behalf of villages and reminting fees, less agreed commission, on monthly schedules. Several Villages in Mara joined the program. It worked for a while. The amounts collected were unbelievable. According to KATO, at one point they collected US$ 30,000 for cultural villages. The community had never seen such large sums of money. The greed of leaders and poor governance of finances led to collapse of the system. Today they are 4 villages left in the system and according to KATO; the ticket sales are very low because tour operators consider doing business with community ‘ a high risk’ undertaking

2.6 Product Consumption Patterns & Market Access

Consumption patterns of CBT products are erratic. The consumption depends on type of product/service offered. Cultural crafts are consumed by both international and local market. There are high-end crafts that are predominantly consumed by international market, while others find their way into mass markets and shopping Malls in Nairobi. An example of the high-end crafts is the Basecamp Masai Brand products that are rarely sold locally. The table below highlights some of the consumption patterns

Table 5- Consumption Patterns of CBTs

Product / Services	Consumption -Who/How	Marketing
Lodges owned and managed by community e.g. Ilngwesi in Laikipia	International tourists	Conventional tourism channels- tour operators, websites, brochures, social media, trade fairs, fam trips, road-shows
Camps or lodges managed or owned via partnership with community-	International tourists	Conventional tourism channels- tour operators, overseas agents, websites, brochures, social media, trade fairs, fam trips, road-shows
Cultural Villages	International tourist through stop-overs en-route to destinations	Tour Drivers
Beadwork & Craft	Sold in craft shops along key tourism circuits, hawked at attraction gates, sold in camps/lodge/hotel curio shops	Word of mouth
Bandas & Cottages owned and managed by community e.g. Karibuni eco-cottages, KEEP Bandas	Researchers, volunteers, backpackers, domestic travellers, philanthropists	Word of mouth
Excursions in forests, Caves, historic sites, boat rides. For example Mlilo Tours & Safaris Ltd, Wasini Board Walk group, Mida Creek	Students (local & international), researchers, international philanthropic organisations, conservation NGOs, government departments	Word of Mouth
Restoration and conservation activities e.g. forest conservation, preservation of historic sites, species protection, conservation education programs,	Students (local & international), researchers, international philanthropic organisations, conservation NGOs, government departments	Via NGO reports and websites
Community Guides	Safari guides Forest guiding Bird watching Cave guiding Historic site guiding	NGOs e.g. Birdlife international, Forest Department,

2.7 Product Development

There is no process for product development among CBTs. According to FECTO, products are not market-driven; they are dictated by influential and successful CBTs. There is more of replication of successful ventures.

Most CBT products metamorphose into different things at different time of the year, and with engagement of different partners. This challenge is related to the history of CBTs and their relationship with donor agencies.

The choice of products is not determined by demand or market trends or market research. As such, most products remain unknown for a long time because they look for the market after establishing themselves.

The situation is however different where a community enters into a partnership with external investors. Here the investors conduct the market research and develop products to meet market needs.

The more successful CBTs are those that are in partnership with external investors and those that are hand-held by 'big brothers' who can either be NGOs and/or other private sector organisations who support the CBTs as part of Corporate Social Responsibility (CSR)

2.8 Perceptions of the CBT Product

Interests groups, stakeholders and -- interviewed during this study had different perceptions about CBTs. The words below were used to describe CBTs

- High risk
- Inconsistent
- Unreliable
- Poor quality
- They are supposed to be authentic
- They are mimicking mainstream tourism instead of being different
- They should be cheap
- They have a short shelf-life
- They are designed as projects not businesses
- They are not committed to do business
- There is potential for exploitation of community by few enlightened leaders
- There is bad governance - wrangling over benefits
- There is poor record keeping
- They will never meet international financial management requirements
- They are not market/demand driven

- It's a copy and paste industry
- Regulating it will be an uphill task

2.9 Geographical Distribution of CBTS

Most initiatives are found along established tourist circuits. This confirms the thinking that CBT are add-ons to mainstream tourism products. According to FECTO, communities that are most likely to adopt CBTs are found along the main tourism circuits. The areas where CBTs have been long established include Narok, Amboseli, Samburu, Coast, Taita Taveta, Western Kenya around historic sites or forests, or the lake and around Mt Kenya and recently Laikipia

2.10 Nature of Business

Most of the CBTs are a mix of business and social development projects. This is because their initial investment capital is mostly provided by NGOs or through cooperative savings. The job titles of CBT officer attest to this. In the cases reviewed, there was a mix of several other activities apart from business and the funding was mainly from NGO sector.

Table 6- Source of financing and additional activities

Name of CBT	Source of Financing	Additional non-tourism activities/ products/ services
KEEP Bandas	Donors- UNDP & others	Tree nursery, energy saving project,
Karibuni Eco cottages	Team Kenya from UK	xxx
Mlilo Tours & Safaris Ltd	CBO Members??	xxx
Basecamp Masai Brand	Basecamp Foundation	Community Managed micro-finance for members
Ilngwesi Lodge	Donor-USAID	Grazing program Health & education

Table showing job Titles in CBTs

Name of CBT	Nature of Registration	Job Title of Top officer
Basecamp Masai Brand	CBO	Project Officer
Ilngwesi	Limited Company/ Trust	Chairman
Mlilo Tours & Safaris	Limited Company	Director
KEEP Bandas	CBO	Chairman
Karibuni Eco-cottages	CBO	XXX

2.11 Pricing

There is a general agreement that CBT products are cheap. Tour operators are ready to pay 10-times more to enter a national park/ conservancy compared to what they would pay to enter a community conservation area managed by community. Traditional craft fetches up to 5-times more in a lodge than in a community craft centre. The variation in pricing is as a result of perceptions that CBT products are poor quality.

Table 7- CBT membership Rates in Associations

Organisation	CBT rates	Other rates-Corporate	Other rates-Professionals / Associates	Institutions	Student/ entrance
FECTO	4100	Ranges from 9,100 to 15, 200 depending on number of employees	12,200	20,200	2000
Ecotourism KECOBAT	1000	10,000	2500		1000
KATO		Based on business volume			

2.12 Market Access & Barriers

CBTs have not been successful in using traditional marketing channels like travel brokers. Few of them have capacity to enter into business agreements because of various reasons that are listed below as barriers to market access. Some of the case we reviewed including Karibuni eco-cottages, KEEP Bandas and Illngwesi Eco-Lodge in Kakamega forest have websites that have been designed by partner organisations or volunteers (NGOs). These organisations manage communication via the website on behalf of the CBT. Basecamp Masai Brand, manages its own website through a professional Project officer. Despite being an international selling brand, the officers have no formal business titles and it’s refereed to as a project. The NGO-based influence remains strong.

There are many barriers to market access for CBTS. These include

- Poor product packaging and diversification is lacking
- High cost of access despite improved road and air networks
- Lack of Legal framework
- Lack of clarity on supreme coordinating organisation for CBTs
- Lack of information to the public even to the marketing bodies like the tour operators
- Lack of professionalism

- Mind-set of the suppliers
- Disharmony in the three key players FECTO, KECOBAT, EK
- The drive is supply and not demand-driven rendering them irrelevant at some time
- Replication of same products/ services packaged in similar ways has meant no innovation

2.13 Opportunities / Future for CBTs

There are several opportunities for the future of CBTEs. These include;

- **Availability of support bodies** like Ecotourism Kenya, FECTO & KECOBAT. Other new associations like Kenya Association of Women in Tourism (KAWT) whose main mandate is to encourage women to tap into the tourism industry by providing incentives to students who choose tourism and hospitality related courses and lobbying for affirmative action towards women-led tourism businesses are promising. A large percentage of members of CBOs that form CBTs are women. This is because they evolve as self- help groups in rural areas
- The need for an authentic product to complement Kenya's traditional beach and safari product. The tourism strategy outlines clearly the need for niche alternative products.
- The growth of on-line booking and independent travellers. This will address the challenge of perceptions by tour operators who avoid dealing with CBTs. They can reach the market directly
- Wide access to and increased use of technology, especially Internet and social media, in African countries including Kenya is an opportunity to share CBTs products.
- Improved infrastructure especially road network to most tourist destinations has opened up access to CBTs.
- Tourism curriculum in most tourism training institutions is now offering relevant courses in tourism and CBT is covered under sustainable tourism
- Legal frameworks in place by the Government through the Ministry on licensing, registration, regulations and recognition the support bodies are a new opportunity to CBT to rebrand and integrate
- Homestay concept is becoming more attractive to tour operators. Some tourism operators are packaging CBTs as alternative way to stabilise their visitor numbers and avoid over-reliance on international visitors.
- The growth of middle age tourists who are driven by adventure
- Devolved governance system in Kenya is an opportunity for CBTs as every county strives to develop their own niche tourism products.
- Volunteering and partnering opportunities- Voluntourism is burgeoning. it has been noted that volunteers form a critical percentage of consumers of CBT products since they offer opportunities to work with community

- ❖ Diverse publicity channels giving attention to sustainable tourism. For example, the Sustainable Report by Sustainable Travel & Tourism Agenda STTA that focuses on sharing practice on sustainable tourism, and others.
- ❖ Existing successful model of industry organisation in Kenya by private sector e.g. KATA, KATO, ECO TOURISM KENYA.

(Source- oral interviews and reviewed documents)

PART 3 - References

Websites

- Kenya Bureau of Statistics - http://www.knbs.or.ke/
- Ministry of Tourism - http://www.meac.go.ke/
- Kenya Tourism Board - http://www.magicalkenya.com/

Documents

- Tourism Act 2011
- National Tourism Strategy 2013-2018
- Agro-tourism strategy
- Sports Tourism
- Cultural tourism
- National Guidelines for homestays in Kenya
- Tourism Act 2011

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Interviews

List of organisations/individual interviewed

Organization Name	Organization Type	Role/Objective	Individual Interviewed	Position	Date
Kenya Tourism Board - KTB	DMO	Promotion & Marketing	1.Fred Okeyo 2.Fiona Ngesa 3.Daniel Karira	Product Development Manager Marketing Managers	15th Sept
Kenya Domestic Tourism Association	Industry Association	Lobbying	Amb. Anastanzia Wakesho	Managing Director	16th Sept
Mlilo Ecotourism	CBTO		Livingstone Mghenyi		16th Sept
Lets Go Travel	Private sector/ Tour operator		Alan Dixon	Managing Director	16th Sept
Kenya Association of Tour Operator	Tour Operators		Fred Kaigua	CEO	17TH Sept
Ecotourism Kenya	Facilitation Organization	On Standards	Grace Nderitu	CEO	17th Sept
Base Camp Maasai Brand	CBTE	Product development, sales & marketing	Nancy	Project Officer	19th Sept
Kenya Association of Women in Tourism (KAWT)	Industry Association	Promotion & Lobbying	Regina Kirimi	Member	21st Sept
KAWT	Industry Association	Promotion & Lobbying	Jacqy Oyuchi	Member	22nd Sept
KAWT	Industry Association	Promotion & Lobbying	Jane Adam	National Treasurer	22nd Sept
Federation of Community Based Tourism Organizations	Facilitating Organization	Product Development & marketing	1.Francis Ko'odhiambo 2.Esther Nairesiai	Managing Director Project Officer	