



Whittall Boustead (Travel) Limited

Integrating Business Skills into Ecotourism Operations Training Workshop Summary

Introduction

IUCN, in partnership with Kuoni, a globally active leisure travel and destination management organisation, organised a training workshop for the conservation community in Sri Lanka to build business skills and share experiences for successful ecotourism development.

Increasingly, conservation organizations see tourism as one of the sectors with most potential for linking conservation to economic development. However, as many organizations have limited “business” experience, tourism products and services can fail the market test. The training, jointly convened by IUCN, Kuoni and Whittall Boustead Travel, aimed to promote the transfer of skills between tourism professionals and the conservation community as a first step to making ecotourism development market-viable. It provided participants with an insight into the tourism reality so that tourism businesses/products can become a successful tool for conservation. The workshop also supported participants to understand the ecotourism potential of their proposed products and sites as well as providing support in product development and marketing.

This workshop is integrated into the wider project entitled “Supporting Ecotourism¹ Businesses for Conservation”. The project seeks to capitalize on the wealth of knowledge and experience that exists in the tourism industry to help design successful ecotourism products. The project is organized into three steps:

1. Understand the context (tourism market and natural values)
2. Build capacity – “Integrating business skills into ecotourism operations” workshop
3. Further support organizations to bring their products to the market

Overview of the workshop

The training workshop on “Integrating Business Skills into Ecotourism Operations” took place from 14 to 18 October in Negombo, Sri Lanka. It brought together 30 participants from 18 organizations operating in Sri Lanka. The participation included conservation organisations, community organisations, small ecotourism businesses and tourism and hospitality students.

The aim of the training workshop was to provide participants with a strong foundation in business skills that will enable them to design and run successful ecotourism businesses. The training covered 7 themes: **(i)** Market context; **(ii)** Ecotourism potential; **(iii)** Business and Financial Planning; **(iii)** Sustainable Operations; **(iv)** Health & Safety; **(v)** Human Resources; **(vi)** Marketing & Sales and **(vii)** Customer care.

For each theme, an instructor from Kuoni, Whittall and their business network presented the key elements for success in the theme and highlighted practical steps for implementation of their recommendations. Presentations were followed by individual and group exercises where participants were invited to apply the learning and share their experiences. The classroom element of the workshop was then complemented with a field visit to tourism businesses set up by workshop participants and local organisations in Kalpitiya and Chilaw: the Semuthu Fisheries Society, the Coconut Villa homestay and the Sri Lanka Small Fisheries Federation. The field trip and the discussions with these businesses helped reflect on the lessons learnt in the classroom from the first two days. The workshop finished with a discussion on how to maintain the momentum created by this training.

¹ Ecotourism is “responsible travel to natural areas that conserves the environment and improves the well-being of local people” (The international ecotourism society – TIES)

Workshop aim & objectives

The **aim** of the workshop was to “enable the conservation community to better understand the risks and opportunities of developing ecotourism”. This aim was to be achieved through the following **objectives**:

- Create awareness of the importance of analyzing tourism potential, creating a business plan, understanding the market and marketing tools as well as paying attention to the health and safety, human resources and sustainability aspects when developing a tourism business;
- Enhance the capacity of conservation organisations to design (or improve) ecotourism products so that they become economically viable and positively contribute to biodiversity conservation.

The next sections summarize the four day workshop.

Ecotourism definition



Fig 1 – In the first session of the workshop, participants provided keywords to define ecotourism to them. By the end of the session, there was a common definition for this term, which includes: nature, culture, stewardship, sharing and sustainability.

My ecotourism business



Fig 2 – Ecotourism businesses by the participants

Workshop Themes

Making the most of your market context

Instructors:

Ajith De Silva, Director – Policy and Planning Division, Ministry of Environment and Renewable Energy
Hiran Cooray, Chairman, Jetwing Hotels

Summary: Tourism and nature are intimately related. In fact, the prosperity of the tourism industry is directly dependent upon healthy ecosystems. Ajith De Silva began this session with definitions of tourism, tourists and ecotourism. He then provided an overview of the natural assets in Sri Lanka, their importance

for tourism as well as the government's vision for tourism development. Hiran Cooray then described the evolution of Sri Lanka as a tourism destination and provided an overview of how tourism is organized in Sri Lanka. He then described Sri Lanka's key tourism products, Unique Selling Propositions and competition.

Key messages:

- Sri Lanka's National Development Policy Framework highlights the uniqueness of Sri Lanka's natural and cultural assets, the potential to generate environment friendly sustainable tourism in the country and identifies tourism as major growth sector in the development of the economy.
- Tourist arrivals have increased from 15-30% from 2009 and the government's target is of 2.5 million visitors annually by 2016.
- Sri Lanka features a diverse and varied amount of experiences which can all be featured in a single tour. Highlights include: impressive and varied scenery, diverse wildlife, unique cultural heritage, etc.
- The key tourist segments to Sri Lanka are: Leisure, MICE (meetings, incentives, conferences and exhibitions), wellness and religion, youth, eco and adventure.

Exploring the ecotourism potential

Instructor: Srilal Miththapala, Project Director Greening Sri Lanka Hotels, Ceylon Chamber of Commerce

Testimonials: Mahesh Priyadarshana, Spirit and Eco-Adventure Living Squad (SEALS)
Gihan Liyanage, Sri Lankan Escapes

Summary: This theme provided participants with a better understanding of the tourism products/locations that have the greatest potential to succeed and the elements determining their success. In his presentation, Srilal Miththapala provided an overview of what eco-tourists look for, how to determine a product's Unique Selling Propositions and how to design product and services. To illustrate this theme, two testimonials were then provided by participants coming from small ecotourism businesses.

Key messages:

- When designing your product, it is important to know your market segments
- Ecotourists look for unique natural environments as well as experiential and learning holidays
- High quality guiding and accurate interpretation services can distinguish an ecotourism products/services in the market place
- Consider what makes your product unique and what will make it survive in the long run: What is distinctive? What is special? What is the novelty?

Business planning

Instructors: Jayantissa Kehelpannala, President, The Hotel Association of Sri Lanka
Tilak Gunawardana, Vice President – Finance, Aitken Spence Hotel Management (Pvt) Ltd

Summary: A successful business needs to be supported by a long term and well designed business plan. This session summarised the key elements that need to feature in a business plan, including, setting up the business, making the business economically viable and financial planning. The instructors then carried out a pricing exercise with the participants to provide them with a real case example.

Key messages:

- Investments in Sri Lanka enjoy range of incentives and concessions based on criteria such as nature of business, quantum of investment, employment creation and geographic location
- Why Develop a Business Plan?
 - To develop key objectives and goals.
 - To develop an objective outlook on the proposed project.
 - To reduce the probability of errors in judgment.
 - To communicate the direction of the project to all parties involved.
 - To obtain funding requirements for the project.
- In financial planning and pricing:

- plan to stay in business – create short, medium and long term financial goals
- Three basic tools: cash flow statement, income statement and balance sheet
- Different pricing strategies: Cost-plus, demand, competitive and dynamic. Not a question of either/or, normally a combination of different types

Integrating Health & Safety, Human Resources and Sustainable Operations

Instructors:

Shirley Fisher, Customer Experience Manager, Kuoni Travel Ltd (H&S)

Sunil Dissanayake, Director/General Manager, The Kingsbury Hotel (HR)

Chitral Jayatilake, Manager Marketing Development, John Keells Hotels (Sustainable Operations)

Health & Safety summary: Safety is not something that can be advertised as a benefit when providing a tourism product. It is an essential condition expected by consumers that can be costly to a business when things go wrong. This theme drew upon the regulatory environment of the tourism industry with regards to health and safety to better inform tourism product design.

Human Resources summary: At its heart, tourism is a people business. Your employees are the most important contact with your customer and are key to ensuring that your business runs the way you would like it to run. This theme provided an overview of how to find, hire and retain the right people.

Sustainable Operations summary: Coming from the conservation community, the participants have considerable knowledge of sustainability issues. In this session a business perspective on sustainability was given looking at different models for long term success.

Key messages:

Health & Safety:

- Three reasons for worrying about health and safety
 - Moral reasons – because we should care about keeping our staff and customers safe;
 - Legal reasons – because there are laws that make us responsible for our staff and customers safety and wellbeing;
 - Financial reasons – we could be fined a lot of money, and lose business over poor health and safety (even without having an accident).
- Risk assessment and management:
 - Important to understand where risks come from including, deciding who might be harmed and how, evaluating the likelihood and seriousness of such an occurrence
 - Keep records: they protect you, your staff and your customers
 - Take actions to mitigate risks, monitor and review progress
- Areas to consider in the risk assessment: accommodation, fire safety, emergency procedures, food and hygiene standards, restaurants, swimming pools, recreational facilities, qualification of guides, transportation, medical facilities.

Human Resources:

- Talent acquisition is the most important aspect of any business
- Empower employees to get the maximum out of them
- Remuneration can (and should) go beyond monetary benefits, including: career growth opportunities; training, insurance, awards, good work environment
- Key steps in planning for succession:
 - Identify the critical positions in your Hotel.
 - Determine what skills people in those positions need.
 - Find and assess potential successors.
 - Develop Succession and knowledge transfer plans.
 - Evaluate Effectiveness.
 - Measure ,Monitor & Report

Sustainable Operations

- In the hospitality industry, sustainable practices are no longer a “nice to have” decoration, but a “must” to succeed and achieve market leadership
- Once effective programs are launched and audited, responsible travelers will prefer to spend time at your business as being responsible and embracing sustainability will assist you to create an equally responsible, loyal customer base
- It will be a differentiator in positioning your business as a greener / responsible establishment
- This will help obtain global certification standards which will position your business as a model, and in creating market leadership
- Sincere efforts in embracing sustainable efforts will generate loyal customers and bring bottom lines in the long run

Marketing, sales & customer care for your ecotourism business

Instructors: Srilal Miththapala, Project Director Greening Sri Lanka Hotels, Ceylon Chamber of Commerce
Anuruddha Bandara, Founder / Chief Experience Officer at Beyond Boundaries Global Ltd

Marketing & Sales summary: Tapping into the right channels for marketing a tourism product is one of the key elements in a viable tourism venture. This last theme provided an overview of the marketing process from product development, to targeting the right market segments and to distribution through mainstream channels.

Customer care summary: As a people business, customer communication and care are at the centre of successful tourism development and their importance must not be underestimated. This session gave an overview of the importance of customer service for the success of an ecotourism business.

Key messages:

- The 4 Ps of Marketing:
 - Product: Know your product
 - Place: Know your market and to whom your product will appeal
 - Promotion: Develop tools to communicate to your target market(s)
 - Price: know your value and your competition
- Marketing for eco-businesses:
 - Be ethical, balanced, truthful and realistic
 - Emphasize what is unique and adds value
 - Walk the talk
- Service dimensions:
 - **Reliability:** The ability to perform the service accurately and dependably
 - **Responsiveness:** The willingness to help customers and provide a prompt service
 - **Assurance:** competence, courtesy, credibility, and security
 - **Empathy:** Access (physical and social), communication, and understanding the customer



Field visit

The field visit took place in and around Kalpitiya and Chilaw. Visits and discussions were organized to three tourism businesses: the Semuthu Fisheries Society, the Coconut Villa homestay and the Sri Lanka Small Fisheries Federation. The three businesses offer very different products and services. Whilst Semuthu Fisheries Society offer boat tours to Barr Reef and Mangrove areas in Kalpitiya, the Coconut Villa homestay offers basic accommodation in the area and the opportunity for tourists to learn about marine diversity in the area, the Small Fisheries Federation offers accommodation and boat trips in Chilaw aimed at volunteers and researchers looking to contribute to mangrove research.

In their presentations, the owners/focal points of the three businesses explained how they have developed their enterprises as well as the key challenges that they have faced in doing so.



Next steps & business skill needs

In the last session of the workshop, participants were asked for their views on desired follow up activities as well as additional business skills they wish to gain. The outcomes of the session are listed below:

1. Capacity building/training on:
 - Language
 - Rules and regulations
 - Product development
 - Interpretation (including biodiversity information)
2. Exchange and contacts:
 - Visits to other organizations
 - Exchange of capacity
 - Develop and share contacts
3. Platform
 - Online platform to share resources and tips on business skills
 - Marketing network
4. Technical support: Conservation and business
 - Product development and branding support
 - Information package on environment and culture
5. Financial support
 - Grants and loans
 - Equipment upgrades

The feedback will be used to develop the next steps of the project.

Resources and further information

IUCN² www.iucn.org
Kuoni Group www.kuoni.com



² For information on this project visit the project webpage at: <http://www.iucn.org/ecotourism>