

!!Look my new shoes!!

Runa Tupari,
a project, a business

1st IIPT European Conference
Leeuwarden, October 2008

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Tourism = Santa Claus ?

- Tourism gave the boy new real shoes
- His mother could pay the school fee, when requested
- Mother had been trained how to prepare tastier meals, more variety
- Father cleaned up the farm garden, planted some nice (almost disappeared) flowers
- His uncle played regular traditional dance music

Tourism, what is it.....

- Can be beneficial in many ways
- Can have many different negative effects
- Is very hard work
- Leisure in paradise
- Exciting new experiences
- Forgotten beach hotels, without clients
- But, above all.....

Tourism is a business

Community Based Tourism is also a business, based on

- Proper planning
- Product development
- Professional and trained staff
- Experienced management
- Marketing
- Operations
- Quality control....

Only than, perhaps

- Extra income and more self esteem
- Improved conditions in family and community
- Training gives better employment opportunities
- Intercultural exchange
- Conservation of trad. culture and biodiversity
- New chances for women

Supportive

- Tourism can be supportive to a family, a community
- You cannot deny, it still is business
 - competition with others
 - looking for clients
 - offering quality
 - investments followed by profits

How to deal.....

- They saw tourists from a distance
- They have never had a holiday
- Never left the country, or even the province
- Never seen the inside of a “quality hotel”
- Some have seen the telenovias, sitcoms, soaps

Essential

- Tourist potential
- Motivation
- Training
- Management (professional & “independent”)
- Marketing
- Quality control
- Profit

An example

- Runa Tupari
- North of Ecuador
- Professional indigenous operation
 - homestay
 - activities
 - tours
 - tour operator & travel agency

Why as an example?

- Is it perfect? no
- with limited budget objectives met
- motivated communities & associations
- started with a business approach
- concerted use of development assistance

The conga line of expertise

- Agriterra: guidance, financial support, project management
- UNORCAC: conditions, motivation, selection
- MNCP: technical expertise
- University of Ibarra: training
- CBI: marketing & business development

North Ecuador

- Subsistence agriculture & handicrafts
- Otavalo popular tourist attraction
 - “poncho market”
 - scenery
- Less tourists to Cotacachi (indigenous area)
 - scenery
 - handicrafts(leather)

Situation

- Limited perspectives
- Unemployment, unskilled labour only
- Young and able people leave area and country
- Looking for extra income for members
- There are international tourists in the area
- Could tourism offer an opportunity?

What to do

- Indigenous families/farmers
- Indigenous communities
- UNORCAC
- Development agencies
(Agriterra, NMCP, CBI)

Discussions in UNORCAC

- Development and tourism
- Potential and possibilities
- Nature and ecology
- Socio-economic aspects
- Socio-cultural aspects
- Continuity and profit

Discussions in the communities

- Tourism yes, but not at any price
- Continuity and profit
- Carrying Capacity
- Cultural exchanges & preservation of traditional values
- Privacy for guest and host
- Only a good product, brings a good price

Product to develop

- Community based rural holidays
- Accommodation in lodges and studios
- Maximum local contact/ cult. interchange
- Sharing day to day life (Agro & handicrafts)
- Additional activities (walking, bicycle etc)
- Longer trips (preferably based on lodges)
- Indigenous guides and organisation
- Competitive, so a business approach

Requirements for organisation

- Professional
- Independent
- All licences
- Quality control
- Continuity
- Profit for stakeholders
- Care for environment, cultural and socio economic aspects

Establish an indigenous tourism organisation

- *Runa Tupari*
- Established October 2000

Runa Tupari S.A. Lta

- Independent in day to day business
- professional management
- UNORCAC has always $> 51\%$ shares
- Communities, guides, lodges $< 49\%$ shares
- Lodges to be financed by owners' private loans (facilitated by UNORCAC's agro-credit programme)

Runa Tupari, main tasks

- 1 Tour operator (ground handler)
 - product development
 - marketing, promotion, operations, sales
- 2 Training
 - Lodge owners, guides, communities (+ staff)
- 3 Technical assistance
 - construction lodges, studios etc
 - quality control

Product

- Rural holidays
 - Stay in lodge/studio, enjoy day to day life
 - Activities in the communities
 - Local tours (1-5 dgn) and excursions
- Travel agency
 - sells Runa Tupari produkt (Rural Holidays)
 - other Community Related projects
 - Tours & excursions in Ecuador & Galapagos

Distribution (via Runa Tupari)

- Direct sales
 - web site and email
 - via its office in (Otavalo)
- Travel trade
 - Ground handlers/whole sales in Quito
 - Tour operators in Europe
- Others
 - NGO's, associations, etc.
 - Universities, schools, other projects

Price

- 15 \$, per person, per night, half board
- Rura Tupari: sellers' commission
- Community: a small commission (free use)
- Rest: lodge owner (costs+labour+profit)
- Runa Tupari's profit goes to share holders
- Compared to actual local hotel rates a relative high price, but it has unique extras

Results

(13 Apr 2001 - 31 Oct 2002)

- 12 accomm. operational / 45 beds
- 18 indigenous guides (+diploma)
- Travel agency Runa Tupari operational
- About 1200 guests/ 1500 nights
- About 850 excursions
- (+ packages elsewhere in Ecuador)
- (estimation for season 2003: + 55%)

Spin off's (local)

- More employment and income
- Intercultural exchanges
- Development and conservation trad. culture
- Interest traditional crops (biodiversity)
- Chances for the youth
- Well kept villages, more security
- Improved conditions for living

Obstacles & Threads

- Exaggerated, short term expectations (\$\$\$)
- Lacking maintenance/ quality control
- Lodges to become boarding houses/hostals
- Participants start on selling & undercutting
- Loss of indigenous involvement
- Institutional influence on day to day business
- Lacks in training programme
- Jealousy

Comments

- Tourism is no last chance for losers
- Participants must be motivated and inclined to bring offers (money, time, privacy, etc)
- Training is a key factor (it is no cattle or corn)
- Prevent institutional over kill
- Select development organisations
- Comm Based Tourism is not just a simple hotel
- but can offer so much more in N-S relations

Finalising

- Without proper planning, marketing, training and quality control you will:
 - create poverty and low quality standards of living
 - waste motivation and expectations
 - waste money and efforts of locals and sponsors
- Only if tourism is considered as a business it may offer opportunities to improve the conditions of day to day life of the people involved