

# The Tourism Supply Chain Analysis

*private sector*



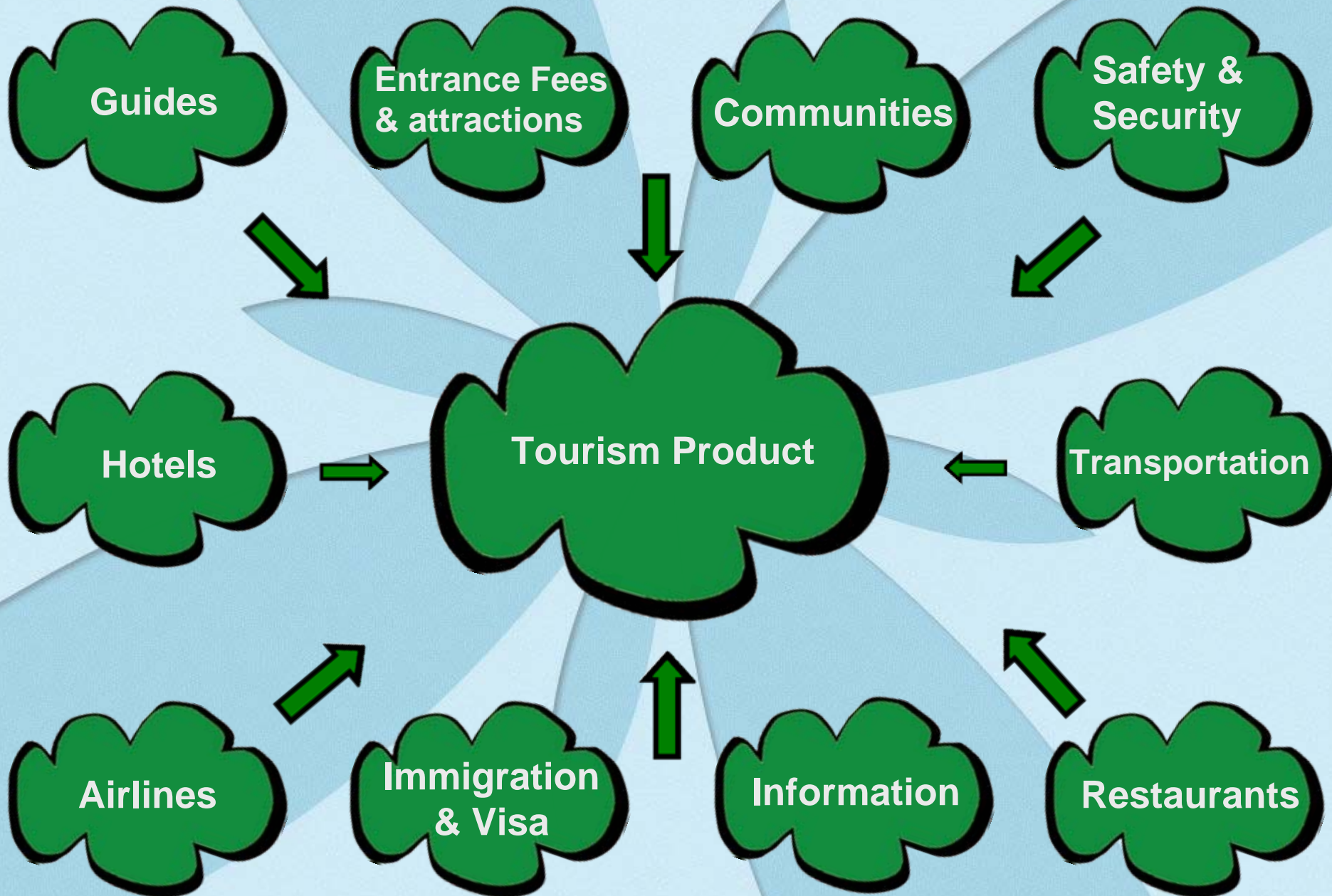
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# The Suppliers & The Product



# The Suppliers of Tourism Suppliers

Service providers are also supplied by sub-sectors. Hotels for example are supplied by farmers (vegetables, fruits, eggs, etc), maintenance companies (electricity, pool, etc) and of course manpower (Services).

*Tourism indirectly employs every sector.*

## Secondary Sector

Refining  
Construction  
Manufacturing

## Quaternary Sector

Research  
Design  
Development

## Primary Sector

Mining  
Farming

## Tertiary Sector

Services  
Distribution



# Supply Chain Management

We need to tackle some common problems to manage the Tourism Supply Chain well. These issues in Cambodia are:

- Tourism as a service is often offered individually (no linkages)
- Services in Cambodia are not of high standard & are expensive
- Low quality equipment/ no access to (quality) equipment
- Too many different opinions on the definition of CB(E)T
- Lack of diversification of tourism products (Nation Wide)
- Low education, no tourism/hospitality university, qualified programs
- Insecure investment environment
- No national standards or guidelines to adapt to

Close partnership is required between TO's, suppliers and stakeholders. Information needs to be readily available. TO's are not the customers, tourists are! We are all responsible to provide a product called **TOURISM**. It requires fine teamwork between all industries involved.

# CBT Supply Chain

Community Based (Eco) Tourism services are services directly supplied by the community to a tour operator/FIT. The services are offered by local villagers using local resources that benefit local families.

## What makes the services strong?

- The experience is authentic, something tourists are looking for.
- Social and economical benefits directly affect the community.
- Caters and attracts a more sustainable market.
- Creates a higher appreciation of natural environment.
- Incoming funds make the community stronger and independent.

## What makes the service vulnerable?

- Stress and work pressure Tour Operators deal with.
- Jealousy, false promises and other community issues.
- Lack of supervision on quality of products and bookings.
- Unsustainable development and lack of monitoring/diversification.

# Private Sector Inputs

*What should the Private Sector ideally bring to the community?*

- **Direct positive social and economic impacts to community**
- **Maximum use of community services**
- **Responsible targeted tourism groups (not exceeding carrying capacity)**
- **Development of essential needs like healthcare, education, agriculture, waste management, etc.**
- **Expertise in Tourism Development and Informative Marketing**
- **Diversification of tourism supply & handicrafts (training/investment)**
- **Reliable booking systems and reference contact(s)**
- **Train, educate, and advise local community**
- **Confidence, understanding and respect for customs and habits**

**Monitoring from public sector or government side is essential to remain at a higher quality level and reduce/avoid community issues.**

# Private Sector Needs

*What does the Private Sector need from the CB(E)T Site?*

- Safety and security of all guests when visiting the CB(E)T site
- Products/services delivered according to contract standards
- Reliable communication and firm confirmation of bookings
- Adaptability and flexibility on site
- Products not delivered through intermediates
- Emergency contacts at all times available and immediate updates in case of emergencies
- Updated information on product development and contact changes
- Hassle and begging free environment
- Accessibility during dry and wet season (limited seasonality)

Above all, the product needs to be profitable. Many TO's add CB(E)T sites in their packages to promote themselves as a *responsible* TO. This image opens doors to more profitable business. It is up to the CB(E)T site to judge whether a TO is indeed responsible and to continue the business relations!

# Win-Win situation

## *Who needs what?*

### **The Community needs:**

Visitors, economic benefits, sustainable development, proper and truthful advice, maintenance, guidance, contracts, marketing help, social benefits, contract consultancies & agreements.

### **The Tour Operator needs:**

Reliable booking conditions, contact information, innovative new products that suit the demand, contracts with firm prices, updated marketing material, regular development updates, assurance that people are looked after well, accessibility, safety & security.

### **The Visitor needs:**

A true experience (no staged authenticity), warmth & friendliness, comfort & convenience to an acceptable standard, safety, knowledge, education, culture, lifestyle, history and a clean environment.

**If we create community based (eco) tourism products by keeping everyone's prime interests in mind; we will accomplish a win-win situation.**

**How? Consult all parties involved and develop according to demand.**

# CBT Supply Chain - Some questions

*In order for TO's to analyze the evolution of the CBT supply chain, TO's need to ask:*

- Have traditional lifestyles become staged authenticity?
- Has Tourism brought more issues into the community than it solved?
- Are villagers competing each other out of business?
- Have private/public sector investors made false promises?
- Have private sector investors/government taken over core businesses?

*If the answer to all of the above is YES... It can only mean that:  
You're doing it wrong!*

*TO's are not in a position to monitor or evaluate the supply chain or development of communities. TO's simply do not have the capacity or resources to do so.*

*However, TO's can advise on development, target markets and marketing and can ensure that the CB(E)T site is marketed to the right target markets.*

# CBT Supply Chain - Some questions

*And if the answer to the following questions is all Yes...*

- Do we monitor the services of the community and train them according to market trends and product delivery?
- Do all stakeholders follow the same brand & target markets?
- Have products been developed sustainably?
- Are both host and guest satisfied with the services?
- Do all (sub)contractors and suppliers honor their agreements?

*We have accomplished our mission!*



Not like  
this,  
but like  
this!



# How to create a recognized CB(E)T Cambodia?

*What is the answer for sustainable and feasible CB(E)T development?*



Link CB(E)T Sites to each other and to the Private Sector!

# How to create a recognized CB(E)T Cambodia?

## Why do we need to make those linkages?

- Create an itinerary instead of single visits, include CB(E)T visits in standard routings around Cambodia and partner up with other sites
- More educational for guests
- More diverse product and range of services
- More profitable for a larger range of communities
- Engagement with private sector
- Image brand and building
- Wider target market range
- Experience sharing and feedback

Creating those linkages now is essential in order to lead CB(E)T development towards a minimum standard and to engage with private sector early to enjoy their marketing support.

Which translates to fighting Cambodia's weakness: Lack of Diversity



# Some Private Sector Tips

In order for CB(E)T Sites to become successful, the Private Sector should be consulted from the beginning.

CB(E)T Sites should be accessible, both in order to reach the destination and in terms of booking and reservations.

Supply full and updated information to the Private Sector, with integrated itineraries and an updated price list.

Update the private sector about new services and policies.

Invite your main partners every year to your community either individually or by FAM trip.

Ask for feedback and follow up on negative feedback.

Always offer the three S's: Safety, security & service.

Update your prices yearly but remain realistic in pricing, too expensive means not marketable.

Believe in your own product, people and potential.

**Thank you for your attention**



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