

**COMMUNITY BASED TOURISM PROGRAMMES'
ENTREPRENEURIAL PERFORMANCE AND CAPABILITIES IN
ARUSHA, TANZANIA**

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DECLARATION

“This Thesis is my Original Work and has not been presented for a Degree in any other University.”

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DEDICATION

This work is dedicated to my wife Gladness for loving me and memories of the Late
'Elisifa' for laying our family's foundation, "May God Rest her Soul in Peace."

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ABBREVIATIONS AND ACRONYMS

AAs	Authorized Associations
ANOVA	Analysis of Variance
AWF	African Wildlife Foundation
CB	Cultural Boma
CBO	Community Based Organization
CBT	Community Based Tourism
CBTP	Community Based Tourism Programme
CBNRM	Community Based Natural Resources Management
CTI	Cultural Tourism Initiative
DC	District Council
EAC	East African Community
FCO	British Foreign and Common Wealth Office
FGD	Focused Group Discussion
FOTZC	Friends of Tanzanian Communities
GCA	Game Controlled Area
GDP	Gross Domestic Product
HBS	Household Budget Survey
HGF	Honey Guide Foundation
HIV	Human Immunodeficiency Virus
IES	International Ecotourism Society
ILO	International Labor Organization
INGOs	International Non Governmental Organizations

IUCN	Int. Union for the Conservation of Natural Environment
KAP	Knowledge, Attitude and Practices
KCEHO	Karatu Cultural Environmental and Health Organisation
KCI	Knowledge Capital Initiative
KSF	Key Success Factor
LGA	Local Government Authority
LGCA	Loliondo Game Controlled Area
MBA	Masters of Business Administration
MI	The Mountain Institute
MIGA	Multilateral Investment Guarantee Agency
MNRT	Ministry of Natural Resources and Tourism
MNEs	Multi National Enterprises
NCA	Ngorongoro Conservation Area
NCAA	Ngorongoro Conservation Area Authority
NPRSs	National Poverty Reduction Strategy
OBC	Ortello Business Company
OECD	Org. for Economic Cooperation and Development
OCTI	Osotwa Cultural Tourism Initiative
PAs	Protected Areas
PhD	Doctor of Philosophy
PSRP	Public Sector Reform Programme
RAS	Regional Administrative Secretary
RETOSA	Regional Tourism Organization of Southern Africa
SADC	Southern African Development Community

SAPs	Structural Adjustment Programmes
SENAPA	Serengeti National Park
SME	Small and Medium Enterprise
SNV	Netherlands Development Agency
SPSS	Software Package for Social Sciences
SRS	Simple Random Sampling
TACTO	Tanzania Association of Cultural Tour Operators
TANAPA	Tanzania National Parks
TATO	Tanzania Association of Tour Operators
TBS	Tanzania Bureau of Standards
TIC	Tanzania Investment Centre
TIES	The International Ecotourism Society
TNP	Tarangire National Park
TRA	Tanzania Revenue Authority
TSB	Tourism Statistical Bulletin
TTB	Tanzania Tourists Board
TTSS	Tanzania Tourism Sector Survey
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNDI	United Nations Development Index
UNDP	United Nations Development Programme
UNEP	United Nations Environmental Programme
UNCITT	United Nations Conference of International Tourism

URT	United Republic of Tanzania
USA	United States of America
USBW	United States Business Workshop
USD	United States Dollars
USP	Unique Selling Point
VEC	Village Executive Council
VEO	Village Executive Officer
VFR	Visiting Friends and Relatives
WCA	Wildlife Conservation Act
WDC	Ward Development Committee
WEO	Ward Executive Officer
WMA	Wildlife Management Area
WRI	World Resource Institute
WTO	World Tourism Organization
WTTC	World Travel and Tourism Council
WWF	World Wildlife Foundation

ABSTRACT

This study aimed to investigate entrepreneurial performance and capabilities for community based tourism programmes (CBTPs) and their supply chain businesses for communities located at close proximity to protected areas in Arusha, Tanzania. Specifically, the objectives were; to establish the CBTPs value chain and entrepreneurial intensity, to relate skills and resources with performance and to identify government related factors affecting community based tourism (CBT). Cross sectional survey design using both qualitative and quantitative paradigms. Cultural practitioners were the study population. The sampling procedures included a multi-stage, probability, purposive and snow ball. Information was gathered from a sample of 210 respondents using both primary and secondary data sources. Both dependency and interdependency multivariate analytical techniques were used in data analysis. While independent variables were a set of entrepreneurial skills and local resources, dependent variables were sales and employment trends in the past three years. To overcome confounded effects on variables, Government factors were included in the scope. To examine the existing correlation between skills, resources and performance, correlation analysis, multiple regression, factor analysis were executed. It was found that CBTPs at close proximity to protected areas in Arusha have abundance of natural and cultural heritage that can provide unique experiences to tourists. The majorities of CBTPs depend on inconsistent members and are owned by few individuals which lead to questions whether they benefit the majority of local communities at the destinations. There were no clear entrepreneurial capabilities and the essence of CBTPs' performance as a process of entrepreneurship is somehow debatable. It was found that entrepreneurial skills and CBTPs' performance were not positively related. At $p = 0.01$, organizing skills ($\beta = 0.197$; $t = 2.047$) and managing skills ($\beta = 0.227$; $t = 2.785$) were found to be significant predictors of performance. It was revealed that the owned local resources by the CBTPs at close proximity to Protected Areas in Arusha were positively related to the programmes' performance. The Cronbach alpha for government policies was high (0.767) with a correlation coefficient of 0.221 at $p = 0.01$, implying that they have a significant influence on CBTP development. Government involvement in CBT was seen as being driven by realization of existing potentials for more revenue collection. It was recommended that CBTPs owners have to be supported in terms of; programmes start-up and incubation, strengthen local institutions so that realized benefits may conform with ownership structures, collaborative networks, education and training so as to be empowered to realize their potentials by starting with mass awareness creation, CBTP demand creation, ability to compete with formal operators, human-wildlife conflicts, image and commodification challenges. Suitable and coherent policies that illuminate the whole tourism industry are crucial for successful performance of CBTPs.

CHAPTER ONE: INTRODUCTION

1.0 Introduction

This chapter introduces the study and presents the problem and its contexts. Section one of the chapter gives the background to the study, followed by the problem statement, research objectives, hypotheses, rationale and significance, delimitation, limitations, assumptions, conceptual framework and operational definition of terms.

1.1 Background to the study

Tourism has become the world's largest industry in terms of the number of participating people and one of the top sources of foreign currency for developing countries (Clarke, 2006). Likewise, the context of tourist activities is changing with the emergence of new forms of tourism which includes the systematic appearance of new ways of understanding the art of travelling (Bennet, 2000). According to the World Tourism Organisation (WTO, 2004), the phenomenon of growth in tourism has however led to a range of problems which have become matters of global concern. With the rapid shift in tourists' preferences and market trends, there arised a need for acquisition of entrepreneurial capabilities at an equally accelerated pace so as to maintain the industry as a dynamic process (Merge, 2007). As such, tourism and entrepreneurship are perceived to complement each other in realizing the mutual goal of incremental wealth. The tourism industry is thus experiencing emerging varieties of distinct activities which serve as a useful background to new forms of tourism (Channley, 2005).

The development of new forms of tourism (non-consumptive) work on the premise that, in order for nature conservation efforts to succeed, local communities at the destination must be active participants and direct beneficiaries of tourism activities (Mogelgaard, 2003). Recent studies however, have begun to question the position of new forms of tourism as conflicting and mutually exclusive paradigms from traditional tourism though they can form symbiotic relationships that allow one to reinforce the other (Kulindwa, Sosovelle & Mashindano, 2001). While some scholars argue that new forms of tourism should remain conceptually and spatially discrete, others argue that the new forms should be seen as a functional entity rather than a subset of traditional form (Fennel, 2001). With the ensuing wide acceptance of new forms of tourism as a useful idea, many researchers have begun to accept their legitimate as important concept with wider use of their definitions (Santili, 2008).

Local communities and their cultures have thus gained recognition and been factored into the tourist destination development equation (Bishwanath, 2000). Similarly, cultural heritage and historical resources have continued to attract tourists and began to be sold by local people, who possess entrepreneurial traits through the creation of items with a cultural touch and gain income while maintaining their cultural values (Godwin & Santili, 2009). Some countries are glimpsing the benefits in terms of jobs to outstrip traditional models, which are centred on tourism resource consumption with principles of rationalization (Sheivens, 2003). In tropical countries however, the benefits accrued to local communities at the destinations have been difficult to achieve because of numerous reason when compared to the developed countries. Furthermore, Agenda 21 of the United Nations for culture (2002), indicate that the

present canonical triangle of sustainable development (environment, social inclusion and economics) either does not include culture or it is considered as a mere instrumental element.

According to Santili (2008), community based tourism (CBT) is a new form based on cultural and natural resources in specific areas appears to drive other non-consumptive forms of tourism, as its definition cuts across a wider scope of tangible and intangible attributes with inclusion of local people who are supposed to be major beneficiaries. As stated by WTO (2002), certain indicators show that CBT is a fast growing segment with an annual growth rate of 5%, representing about 6% of the world gross national product (GNP) and 11.4% of all global consumers spending and therefore it is not a segment to be ignored. Local peoples at destinations must however be aware of economic motives and cultural values placed on their heritage through tourism, since commercial motives have a tendency to subvert and subjugate social considerations.

Moreover, community based tourism is an area of conflict among local communities and the governments which create a gap between theoretical rhetoric of national planning and the realities of what is happening at the level of local communities (URT, 2009). According to Donald (2002), governments at various levels of involvement in tourism are mainly for economic gains, where tourism is seen as a major industry and a boost to economy. In addition, many governments in developing

countries often use tourism to gloss over the social inequalities with systematic abuse for human rights.

In addition, community based tourism programmes (CBTPs) are found to have clear ingredients of an enterprise with local roots based on traditions which must be distinct enough for the tourists to admire with an open contact to various levels of governments mostly notable around the protected areas (Thomas & Rourke, *Ibid*). The onus of responsibilities and operations fall under village communities with low levels of education, little exposure and unmatched capabilities but have distinct abilities behind their natural heritage to offer unique experiences to develop unique products and services that are rare. Community based tourism programmes (CBTPs) provide alternative services that are not directly found within the resort, contribute to the economy through multiplier effects and prevent economic leakage (Fennel, 2001). Their wide definitions however, are found in tautologies in nature and fail to address the complexity around the concept. As argued by Ron (2007), CBTPs often exist only for specific tours as a result it is difficult to access their published data.

On the other hand, Kojo and Takyiima (2004) argued that there exist a link between skills, availability of resources and entrepreneurial performance. As argued by (Lerner & Haber, 2000), *“any tourism programme that fails to generate the required capabilities and respond effectively with the needs and wants of their key stakeholders will jeopardize its own existence.”* The CBTPs are however independently owned and rely on the owners’ quality and attitudes (Linberg, 2001). Likewise, entrepreneurial

skills play a significant influence on the capacity to utilize opportunities, facilitate knowledge sharing among members and reflect employability and the ability to innovate in order to grow. Similarly, individual skills and competences define the capacity to make use of an activity as a job and to adapt to changes (Gupta & Kanka, 2000). Local people however, depend on indigenous knowledge which is predominantly tacit, often undocumented, inaccessible and not yet mobilized into development of a local enterprise (Charnley, 2005).

In Tanzania, tourism is shown to be the fastest growing sector and its contribution to the national coffers has been rising and became a model of economic reform process and a panacea of economic malaise (*Appendix 17 - 19*). According to the report of '*Hali ya uchumi wa taifa kwa mwaka 2001*' as cited in URT (2002d), tourism has been one of the main sources of diversification of economic activities by channeling investments directly to local communities where poverty is concentrated. Community based tourism has thus developed rapidly in recent years with bright prospects based on the levels of growth in tourism. As argued by Akunaay, Nelson and Singleton (2003), despite tourism potentials as a local community poverty alleviation tool, its success is highly dependent on the need to heap on onslaught on poverty using the weapon of tourism. Community based tourism programmes are however faced by numerous obstacles emanating from weak capabilities available in local environment; land uses conflicts, contradictory policies and weak local institutions (URT, 2009).

1.2 Statement of the problem

The rationale for tourism as an instrument of socio-economic development in developing countries is based on its potential as one of the principal sources of income. Apart from the prevailing belief that tourism represents a dexterous means for development, little attention has been paid to the practices, intrinsic processes and outcomes of the activities at local communities' level (Watkin, 2002). In a similar vein, it is important to recognize the contribution of cultural aspects in a broader sense regarding destination residents as service providers and local entrepreneurs.

Despite the organizational performance and entrepreneurial assessment popularity, there is little if any empirical evidence entrepreneurial performance and capabilities of local communities correlation (Godwin & Santili, 2009). Regardless of little demonstrable strength, previous studies indicate that CBTPs are vulnerable to failure to the extent that it is difficult to find successful cases in practice (Hubert, 2000; Visser, 2002; Bianetics, 2007).

The fact that CBTPs have been in operation for two decades and officially recognized from 1995 in Tanzania, their practices have been viewed benevolently with few critiques (Zeppel, 2006). In 2007 for example, out of the 281 licensed tourism enterprises, 34 (12.1%) were large multinational operators who were responsible for over 80% of all tourist arrivals in the country with negligible shares of the CBTPs, majority of them are found in Arusha region. While a few key players in the industry

have capabilities, the CBTPs' owners are often highly dispersed with little background in tourism services (MNRT, 2007).

1.3 Objectives of the study

1.3.1 General objective

The general objective of this study was to investigate entrepreneurial capabilities and performance of community based tourism programmes and their related supply chain businesses with a focus on cultural tourism initiatives for communities located at close proximity to protected areas in Arusha, Tanzania.

1.3.2 Specific objectives

The specific objectives were:

- (i) To establish the community based tourism programmes' value chain and their entrepreneurial intensity in Arusha, Tanzania.
- (ii) To determine the influence of entrepreneurial skills on the performance of community based tourism programmes.
- (iii) To determine the influence of local resources on the performance of community based tourism programmes.
- (iv) To identify government related factors that affect the development of community based tourism at close proximity to protected areas.

1.4 Research hypotheses

The research hypotheses were as follows;

H₀1: Entrepreneurial skills of the owners of community based tourism programmes at close proximity to protected areas are not related to their performance.

H₀2 Local resources owned by community based tourism programmes at close proximity to protected areas in Arusha are not related to their entrepreneurial performance.

H₀3 Government related factors do not have significant effects on community based tourism development at close proximity to protected areas in Arusha, Tanzania.

1.5 Rationale and significance of the study

Based on the historical context of Tanzania, tourism industry has passed through pre and post-trade liberalization. In the pre-trade liberalization within the socialist-ideology framework, tourism industry suffered due to unsatisfactory services. With changes in macro-policies in 1980s, tourism industry has begun to realize its potentials. Tourism entrepreneurs began to diversify their products into areas protected areas for community based tourism to develop which if effectively managed; they will become a right strategy for poverty alleviation.

It is therefore expected that this study will contribute knowledge on entrepreneurial capabilities of the CBTPs at the firm level and donate information to curb unemployment problems for local communities living near protected areas which are

the main tourist destinations. This research study will work as a poverty reduction strategy among local communities as tourism entrepreneurs and equip them with the abilities on exploiting emerging opportunities within their remote environmental setting. The study provides information to help policy makers to make informed decisions regarding the direction, formulation and implementation of tourism development policies. The findings will also contribute to existing knowledge on CBTPs in Tanzania.

1.6 Delimitation

The fact that community based tourism encompasses a wider perspective with diverse intersectoral linkages including cultural, human, environment and government factors. To avoid ambiguity, the study was premised on entrepreneurial performance factors at the firm level for programmes located in villages bordering to protected areas (PAs) in Arusha, Tanzania.

1.7 Limitations

Given the exploratory nature of this research, the sample used concentrated on dispersed villages which are located near the PAs and outbound only and excluded inbound tourists in Arusha region. Findings generalization and references made should be used with caution in the context of the sample frame employed. Likewise, information confidentiality syndrome seemed to be prevalent across the whole spectrum of society, which was reflected in poor cooperation from respondents. In addition, some empirically captured evidence was in the form of stories and anecdotes

instead of more systematic information. Moreover, the study focused on economic factors, leaving gaps on social, cultural and environmental factors for other studies.

1.8 Assumptions

The main assumption underlying this study is that, the term “CBT” is synonymous with new forms of tourism that have manifested themselves using many names as it focuses on the welfare of local communities at the destination. It was assumed that entrepreneurial capabilities of the owners of the CBTPs in terms of skills and local resources are instrumental factors for performance. That is, the higher the skill/resource set the higher the performance in terms of employment and sales. Although cultural heritage is the prime clients’ motivator, the ability of CBTPs’ owners and the enabling environment if supported by appropriate government in terms of good policies, economic, social and training are essential for successful performance.

1.9 Conceptual framework

In interdisciplinary studies, it is often difficult to explain all components sufficiently by using a single theory. To attain greater validity, multiple theoretical approaches were used to address multi-dimensional themes (*Appendix 5*). As argued by Mason and Waywood (1996), a conceptual framework should consciously or unconsciously inform thoughts and explain the main dimensions to be studied. Similarly, Sekaran (2003) stated that a conceptual framework is a theoretical model of how one makes

logical sense of the relationship among several identified factors as important to the study problem constructed based on literature review and variables' relationships.

Based on the nature of this study, the researcher adopted an integrative approach model which was developed by Michael, Morris, Lewis, and Sexton (1994) because it incorporates theoretical and practical concepts as they affect entrepreneurial activity. The model is built around the concepts of input-process-outcomes of entrepreneurial approach. While the input component focuses on entrepreneurial process which can result in a number of events, the outcome include value creation and provides a comprehensive picture regarding the nature of the programme that makes it possible to be applied at different levels. A conceptual model of entrepreneurial performance and capabilities is thus summarized and presented in Figure 1.

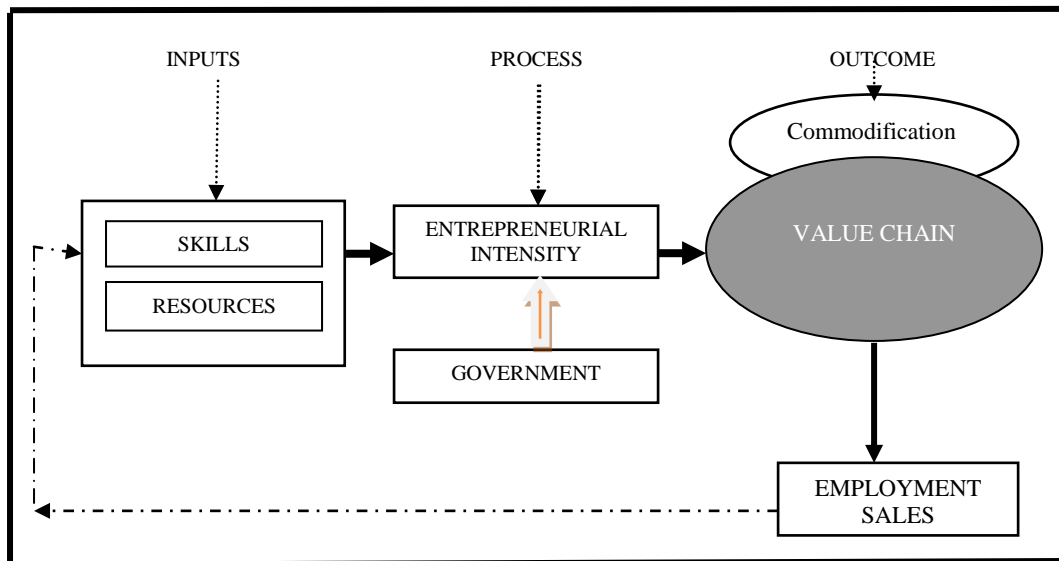


Figure 1: Conceptual framework: An integrative model of CBTPs' entrepreneurial inputs, process and outcomes.

Source: Modified from Michael, Morris, Lewis and Sexton (1994). 'Reconceptualizing entrepreneurship: An input-output perspective', *SAM Advanced Management Journal* 59(1) 21- 31.

According to the model of Michael *et al.* (1994), entrepreneurial intensity is a combination of skills, resources and external contexts which together are closely inter-linked to programmes' survival and growth. Entrepreneurial capabilities provide the linkage between goals for logical organization of inputs through process (opportunity capitalization) into value creation, illuminate on the abilities to develop and maintain a fit between opportunities, plans and the outcomes. Despite the fact that the model provides a logical framework for organizing capabilities, it does not assess the specific factors relating to entrepreneurial activity as intended in this study.

In a similar vein, entrepreneurial skills have a direct influence on individuals' responses to new ideas, enabling them to gain a broader knowledge base which can be used to find new ways of doing things. As argued by Holt (2007), when the skill set is positively strong, then the programmes' performance will be high regardless of the availability of resources. The fact that entrepreneurship views consider skills as instrumental on performance, resource views resources as the most important in order to achieve sustainable competitive advantages. That is, when the resource set is positively strong, the higher entrepreneurial performance of the programme regardless of the skill set.

From the modified model (Figure1), the fact that cultural attraction plays an important role in CBT development, it is also premised upon commodification challenges in terms of people being objects to be enjoyed, photographed and meets the demand of tourists. The question of authenticity thus, needs to be considered with caution as may be equated with backward, vulgar, ignorant or retrogressive and become commodified as part of a particular fascination. To avoid commodification, cultural attraction must be within the context of accurate interpretation as a positive resource (Clarke, 2006). Although the government related factors were not directly related to the study purpose, but has power which lies in its political and perception about the industry to provide sanctions, incentives, essential services, laws and overall land management.

1.10 Operational definition of terms

Capabilities: The know-how and abilities that enable individuals or programmes to perform.

Commodification: A situation where members of local communities and their cultures are there to be observed as objects to be enjoyed, photographed and meet demands of tourists in terms of backwardness, ignorance, vulgar and retrogressive.

Community: Individuals with some kind of collective responsibilities and abilities to make decisions through representative bodies.

Community based tourism (CBT): Tourism activities that involve local people in their land, cultural and natural assets and attractions.

Community based tourism programmes (CBTPs): Are tourism enterprises that serve as an alternative choice to traditional park safaris, often tailored to incorporate popular attractions, involve local communities based on their culture and natural attractions and contribute to local livelihoods.

Culture: Is the total ways of life in a given society and a pattern of human activity and the symbols which give significance to the activity that is represented in the art, customs and traditions of a community.

Cultural tourism initiative (CTI): Are CBTPs established with the assistance of the Tanzania Tourists Board (TTB) and the Netherlands Development Agency (SNV) and coordinated by the TTB.

Entrepreneurial capability: Abilities behind creativity, recognition of and willingness to seize opportunities and turn them into marketable ideas for gain through the production of products or services.

Entrepreneurial Intensity: Is the combination of entrepreneurial skills, owned local resources and external contexts which together determine the CBTPs value chain.

Entrepreneurial performance: Ability of the programme to survive and operate smoothly while being supported by suitable government policies with a conducive regulatory framework.

Entrepreneurial skills: Are intrinsic skills inherent to members of community based tourism programmes in terms of; ability to take advantage arising from opportunities, creativity and innovation, commitment, enthusiasm, product development, managing, organizing, operations and budgeting.

Government: Different levels of government and its institutions that have direct influence on the development of community based tourism in terms of economy, policies, social, demand, education and training and wildlife-human coexistence.

Indigenous knowledge: Tacit knowledge acquired by local people through the accumulation of informal experience and an intimate understating of their environment in a given culture.

Innovation: The key process and abilities of entrepreneurs to convert opportunities into marketable ideas and ultimately products and services.

Local community: A group of people living in a clearly defined area (village), and administered by a democratically elected corporate body capable of entering into legal contracts (village council).

Local resources: Are resources owned by members of community based tourism programmes in terms of; geographical location, human, overall management, prior experience, product quality, clients, cost advantage, network, indigenous knowledge and unique attraction.

New forms of tourism: Are emerging kinds of tourism as an alternative to traditional or mass tourism, based on sustainability concepts.

Performance: The behavior of the work that provides the linkage to goals, processes, actions and outcomes of that behavior.

Programme: An organized order of events or a plan of things included in the development of activities.

Protected areas (PAs): Are areas set aside by the government for conservation which are the main conventional tourist destinations.

Region: An administrative area of a country having definable boundaries of districts.

Sustainable development: Development that meets the needs of the present generation without compromising the ability of the future to do the same.

Tourist/Client: A temporary visitor who spends more than 24 hours in destinations other than their normal place of residence for holiday making, recreation, study, religion, visiting friends and business.

Tribe: A social division in a traditional society consisting of linked families or communities with a common culture and dialect.

Value chain: The sequence of activities needed to create, produce and market a set or series of products and their related services.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

This chapter covers the review of the literature related to the subject studied. The chapter is organized according to the study purpose on global perspectives relating community based tourism programmes' performance as entrepreneurial activities performance and finally provided the summary of literature reviewed and research gap identification.

2.1 Entrepreneurial performance: *A global perspective*

The term 'Performance' is a multi - dimensional and fairly imprecise construct which lacks a universally accepted definition with multifaceted measurements that tend to differ depending on the surrounding circumstances and a variety of factors (Amstrong & Baron, 2009). While some scholars focus on performance based on individual actions as something left behind and that exists from the desired purpose, other researchers argue that performance can be determined in terms of programme set - up, survival, stability, profitability, financial health and growth. As affirmed by (Mbwambo, 2005), the term carries the same meaning as productivity, efficiency, success, growth and how well the venture is doing. As argued by Boyd (1990), a more comprehensive view of performance embraces behaviour and results which emanate from the performer and transform abstraction into action as the outcome and product of the mental and physical effort applied to the activity.

According to Dollinger (1999), entrepreneurial performance is related to flexibility in production, a wide range of clients and a special knowledge of products or services. It is the ability of the programme to survive and operate successfully, being supported by an enabling environment and suitable government policies with conducive regulatory framework. Thus, both inputs (behaviour) and outputs (results) should be taken into consideration. Entrepreneurial performance is therefore regarded as embracing behaviour, abilities, the way in which teams and individual gets the work done and is closely interlinked to programmes' survival and growth.

From the organizational behavioral perspective, the factors that are posited to influence entrepreneurial performance include; personal factors (which are essentially the individual characteristics including skills, competence, motivation commitment, risk taking propensity, desire for autonomy, need for achievement and goal orientation). On the other hand, leadership factors (management support, work discretion, the level of encouragement, guidance and support from owners as team leaders). Furthermore, team factors (the quality of support provided by colleagues or team members) and system factors (the system of work and facilities provided by the programme and time availability). Nevertheless, contextual factors i.e. situational factors, availability of internal resources, external environmental pressures and rewards (Amstrong and Baron, 2009). As argued by Kulindwa, Sosovele and Mashindano (2001) that, any performance assessment should not only consider what individuals have done, but also the circumstances in which they have to perform.

While traditional approaches to performance assessment attribute variations in performance to personal factors, they could be caused in part by situational factors (Holt, 2004). Other researchers include training, linking owners to information and access to the market. Training enables programmes' operators to be innovative, competent and consequently successful in running their activities.

A capable tourism programme consistently achieves superior performance, innovates product lines more rapidly, delivers superior value to its clients, it is difficult to be imitated by rivals, and develops and sustains a few but vital capabilities (Johnson & Scholes, 2005). As small initiatives, the CBTPs cannot become cost leaders, but but can produce unique products and processes that are rare. Luvanga and Shitundu (2003) acknowledged that community based tourism programmes can develop flexible and standard products by collaborating with other development stakeholders.

Superior performance therefore comes from the ability to match internal abilities with key success factors by developing hard - to - imitate capabilities. As it is found from diverse perspective, it is imperative that a clear awareness on entrepreneurial influence as strong factor that can shape direction and future performance of CBTPs.

2.1.1 Entrepreneurship perspective on performance

According to Saravathy (2001), the dynamic process of creating incremental wealth by individuals or teams, who assume risks in terms of equity, time or career commitment of providing value for some products or services, is referred to as

entrepreneurship. The product created may not be new or unique, but value must somehow be infused by securing and allocating the necessary skills and resources. As argued by Gibbs (2006), entrepreneurship reflects the way of thinking, reasoning, and actions that result in the creation, enhancement, realization, and renewal of value for an individual, group or a certain community. This process lies in the creation and recognition of opportunities, followed by the will and capability to seize those opportunities. An entrepreneur is thus an individual who undertakes to organize, manage, and assume the risks of a programme (Olomi, 2001).

Other scholars see entrepreneurship as the ability to build up venture teams to complement a person's own skills and talents. From this perspective, not all CBTPs constitute entrepreneurship traits, since not all of their owners display them. This is supported by Gupta and Kanka (2000) who perceived entrepreneurship in terms of values, attitudes and behaviour that enables one to appreciate self-employment and personal business activity as a career. The behaviours associated with entrepreneurship that are needed for performance achievement include initiative, calculated risk taking, growth, having a strong drive and determination, networking and opportunism (Bennet, 2000).

Gurteen (1998) stated that, the high entrepreneurial performance is the product of clear thinking that enables team members to realize their potential and strive to achieve superior outcomes towards a common goal within their teams. A high performing team thus makes good use of abilities, skills and resources to achieve the

objectives. Studies from Lindi (1999) and Sindiga (1999) show that the performance of small scale tourism enterprises in developing countries is generally affected by factors such as poor communication, poor conception, poor product formulation and regulatory framework constraints.

Entrepreneurial performance should thus be determined by focusing on specific capabilities, human skills, experience, unique resources and external contexts which respond to specific needs. It is important that entrepreneurial traits are the same regardless of the kind of a service provider. Whether a service is cultural tourism offered by a local person, the principles remains the same and that acquisition of entrepreneurial capabilities is inevitable local communities as service providers.

2.1.2 Local communities and entrepreneurial capabilities

Schumpeter (1934) asserted that an entrepreneur is an innovator or developer who recognizes and seizes opportunities, converts those opportunities to marketable ideas, adds value through skills and effort, assumes the risks of competition and realizes the rewards. Entrepreneurial capabilities develop and maintain the fit between the changing opportunities and objectives for superior performance. Factors such as location, support activities and intensity affect performance. An entrepreneur recognizes and exploits beneficial opportunities by moving an idea from the mind to the potential client. As argued by Lerner and Haber (2000), often people with greater efficacy are more likely to exploit opportunities when expected demand is high and the expected margins are high. Furthermore, this is motivated by other factors for

example, when product life cycle is young, the intensity of competition in a particular opportunity space is neither too low nor too high, the cost of capital is low, and population learning from others is available.

On the other hand, Dransfield, Hudson and Danes (2006), in their utility model of human decision making, indicated that individuals will select the course of action which promises, in prospect the greatest utility (psychic satisfaction). Since some of the elements of a course of action may involve disutility (dissatisfaction), such irksome elements will offset to some degree the utility derived from more pleasurable elements of that course of action. Often individual differences in weighing the cost of exploiting opportunities, in perceptions, optimism and self efficacy greatly influence performance. Entrepreneurial capabilities develop and maintain the fit between the changing opportunities and the objectives for superior performance.

The decision whether to become an entrepreneur is a utility maximizing career choice made by individuals. People choose to be self employed if the total utility they expect to derive via income, independence, risk bearing, work effort and perquisites is greater than from their best employment option. In the context of career choice, an individual expects to gain utility from income (derived from goods and services) and either utility or disutility from work effort, risk bearing and working conditions. The main attitudes which differentiate an entrepreneur from an ordinary employee are attitudes towards hard working, decision making autonomy and financial risk.

However, entrepreneurs cannot be categorized under a common profile and it is difficult to include all types of entrepreneurial behaviour in a single definition.

An interactive model of the corporate entrepreneurship process by (Hornsby, Naffzinger, Kuratko & Montagno, 1993) stated that the dynamic organisations of the future should be trying alternative ways of doing things by way of entrepreneuring within their organization. A thorough analysis of entrepreneurship constructs and its dimensions, intrapreneurship is perceived as a course of action in which a group of individuals within the existing programme create a new organization or instigates renewal or innovation. Equally, modern organisations are forced into seeking avenues for developing in-house entrepreneurs within organisational structures. Intrapreneurship is thus a new process that can facilitate the efforts to be innovative and cope with the realities encountered in the market.

Despite the fact that CBTPs are profitable and potential segments in tourism, the focus on sustaining incomes and maintaining the balance between economic, social values and norms through the acknowledgement of local communities (indigenous) as active participants yields optimum results (Sheivens, 2003). Although the product price with cultural dimensions determines sales and ultimately the success or failure of the CBTP, the key success factor is to blend imagination and creative thinking with a systematic and logical process. To be profitable, yet sustainable, a programme's activity needs to represent a triumph of processes and structured ways that are

culturally appropriate so that local communities can be able to exploit its arising opportunities (Merge, 2007).

The centrality of local communities' participation in tourism programmes cannot be overlooked, since they make important decisions concerning operations (Lerner & Haber, 2000). Their skills become critical assets on which the activity's performance success depends. Implicitly, when the skill set is strong, the programme's performance will be high and the propensity to apply the variety of skills for entrepreneurial performance had been recognized. Education is also a sensitive indicator of knowledge and respect for nature, concern, appreciation and increased levels of understanding of tourism arts.

According to Sheivens (2003), the development of new ways to create value for products and services is driven by the ability of members to build on one another's ideas and capabilities. Although skills acquisition is possible, the opportunity to practice the acquired skills and receive the associated rewards is not always available. The owners of CBTPs however do not necessarily require highly specialized skills and higher levels of formal education but the necessary abilities to lead the visitors on tours, to demonstrate their lifestyles and satisfy the needs and wants of their visitors without social disruption.

Although the literature recognizes the influence of entrepreneurial skills alone on performance, that entrepreneurs become successful irrespective of the resources owned. It is important to recognize that resources are also important components to complement entrepreneurial skills for sustainable competitive advantages of community based tourism programmes.

2.2 Resources based views on performance

The term 'resource' is broadly perceived as anything that can be thought of as strength or a weakness of activity (Kotler, 2002). The resource based theories hinge on resources as instrumental factors for attaining competitive advantage. Resources may be tangibles or intangibles that are harnessed into strengths and important antecedents to products and ultimately performance. Implicit in the theory is the centrality of the programmes' capabilities for explaining performance and posits that superior performance results from acquiring and exploiting the unique resources owned by the programme.

The resource based views insist that superior performance is generated by the unique bundle of resources at the core of the programme. Since the CBTPs' owners build their programmes on the unique resources they possess or can acquire, resources thus are recognized and become instrumental indicators in explaining the performance. Medcof (2002) concluded that organizational performance is determined by the effective management of resources when complemented by human skills and specialized capabilities which responds to specific needs.

The survey undertaken by Kojo and Takyiima (2004) in Ghana on capabilities found that most studies related to developed countries and very few to Africa. In the same way, there is recognition in the entrepreneurship literature on the significance of the contribution of entrepreneurial experience to performance (Grant, 2000). Resource based theorists argue that entrepreneurial experience is a resource brought in for successful performance. While previous experience of the owners ensures profitability, specific experience in a similar activity ensures survival and growth (Lindberg, 2001).

Resource-based views hinge on the resources as an underlying factor for performance. Resources (both tangibles & intangibles) in the form of capabilities are harnessed into products and services to provide competitive advantage and underpin the programmes' performance (Grant, 2000). As stated by Klemm and Sanderson (2005), a programmes' success in terms of sales, survival and growth depends on effective exploitation of resources, including human, overall management, unique attraction, networking, cost advantage, customer service, product quality and knowledge, geographical location, clients and prior experience.

Although resources are found to be important antecedents in attaining a competitive advantage of the programme, and that the new tourists are driven by the quest for authenticity, it is wise that the challenges arising in this form of tourism is 'commodification' which lies behind cultural attraction where local people might be

viewed as objects to be enjoyed . The question of authenticity and commodification therefore cannot be ignored.

2.3 Commodification and authenticity

Different schools of thought believe that cultural tourism as opposed to recreational leisure is a form of a ‘serious leisure’ and a systematic pursuit of an amateur, hobbyist or volunteer activity that is substantial, interesting and expresses a combination of special skills, knowledge and experience, though with negative costs of social awkwardness, physical discomfort and confusion (Russel, 2007). In addition, the benefits accruing from serious leisure are tremendous when compared with the relatively short lived recreational pleasures (Clarke, 2006). Cultural tourism provides an important means of enhancing culture, creating income, strengthening cultural heritage and creativity, and promoting traditional destinations to become more attractive for tourists and investors.

When dealing with cultural tourism, there has to be full recognition of different categories of experiences involved in the phenomenon. A deeper understanding of the product line ‘attraction’ is vital for creating a touristic experience, and forcing operators to be captive enough so as to match with clients’ tastes (Bishwanath, 2000). Although cultural attraction plays a significant role, the question of authenticity has to be reviewed since it may be used in line with the level of ignorance, backwardness or retrogressive.

Cultural consideration lies in commodification problems and cultural compatibility. According to Watkin, Wanjiru, Neel, and Anne (2002), cultural entrepreneurs began from a concern in the entrepreneurship literature that all entrepreneurs share the same traits in regard to products and services which are developed, produced and offered for sale. As affirmed by Naabia (2006), cultural tourism emerged as an important socio economic activity based on the mosaic of places, traditions, celebrations and experiences that portray a certain community through a reflection of character.

Although cultural tourism is an important activity for local communities who demonstrate their lifestyles and offer an exclusive cultural experience, the challenge is how to prevent undesirable changes emerging from inter-cultural relations within the value drivers in the whole supply value chain.

2.4 The CBTPs' value chain

The value chain concept describes the sequence of activities needed to create, produce and market a set of products and their related services. As a series of sub-units that carry out value creating activities in which the value is divided in part from each step in the chain, though not all steps create the same value. Through the value chain, the contributions of various actors can be traced based on the value they added to the team (Kotler, 2002). 'Value' is what tourists are willing to pay for, and the cost of performing the activities in creating it is the "*value stream*" and the value delivering network is made up of the programme and clients who partner with each other to improve the performance of the entire system.

A CBTP is thus a hybrid product with physical, information and transactional value (virtual value chain). While primary activities examine the process of transformation of information to products and their delivery to clients, support activities facilitate the smooth functioning of primary activities. That is, the higher the difference between the values added to the product and the cost of the activity, the higher the benefit to the programme. On the other hand, a 'sale' is essentially the process of affecting the transfer with the profit both to the seller and the buyer of goods or services that give satisfaction to the buyer in such way that he/she is predisposed to come back for more purchase.

It is important therefore to note that, the value chain concept behind community based tourism programmes essentially describes the sequence of activities that are needed to create, produce and market a set of cultural products that are offered for sale both to potential and existing clients, participation of local communities within the activities value chains as entrepreneurs cannot be ignored.

2.4.1 Local communities' participation in CBT and partnership

Participation is often viewed as a continuum rather than a discrete type with defined boundaries of description (Rutten, 2007). The process varies for subgroups in a community and for different conditions and combinations of participants. Participation is natural learning and action for concerned parties essential in the formation of a programme and the management of resources to reach a symbiosis between socioeconomic factors and tourism to earn an income. As argued by Ignjic

(2001), the real growth of CBT occurs when destination residents have greater control and a role to play. Thus, local communities may team up with partners for capital and other expertise gains.

Olomi (2001) noted that, the private sector is currently a key engine of growth and that it has a vital role to play in realising the development challenges encapsulated in an enterprise. Private sector involvement in CBTPs is essential because it possesses sound business acumen, access to capital and the drive to manage resources. Private sectors as key stakeholder must be encouraged to participate in CBT development as operators, developers and financiers. Therefore the teaming up of local communities and the private sector as regards tourism will optimize the capabilities.

Likewise, Watkin (2002) stated, that the NGOs participation also plays a significant role in facilitating the CBT development. NGOs are often seen as more neutral than government bodies, less subject to political control and have the capacity to instil trust among members in the local community. They can provide support services such as; capacity and institutional building, bringing together different stakeholders, arbitration for conflict resolutions, access to funding and facilitation of negotiation between local communities, the private sector and the government.

On the other hand, a survey undertaken by Rutten (2004) to compare a theory on public and private partnership practices by citing Kimana and Selenkei groups in the Maasai region in Kenya as a case study found that partnerships are often falling far

behind the criteria required by theories. Thus, any plans for a CBTP development should define the partners and their roles, draw up legal agreements and formalize the partnership models for smooth running of the programme (Watkin et al., 2002). The debate is about the degree of inclusion or control to be exercised by destination communities who do not have institutional capabilities to undertake CBTPs on their own.

Known that the term 'employment' as used in this study is synonymous to; members, managers or owners of the programme based on the notions of sustainability. It is imperative therefore to inquire further on the natures of employments and sale within CBTPs as entrepreneurial activities.

2.4.2 Employment nature and the sale of CBTPs' products

Although community based tourism creates many jobs (formal and informal) at the destination, the argument is whether 'those jobs are real jobs'? Various studies shows that they are usually low skilled jobs, low wages and seasonal for which women are more favoured. According to Massara (2006), more skilled duties and high paying positions are often occupied by non locals as a result they lead to economic leakage, social stress to local communities. On the hand, many programmes are often in form of small scale, family owned and operated, less flexible in terms of time and working conditions. As a result, local people might be hostile toward such kinds of jobs. Furthermore, the use of profits to kinship networks, concentration in products with

poor demand and involvement in unnecessary growth (horizontal instead of vertical) within the programme leads to activity sub-optimization.

Although the term ‘employment’ as used in this study summarizes the question of who is doing what, for whom benefits and why, the question of managing different resource within entrepreneurial activities and the entire programme as an enterprise geared towards superior performance as a manageable enterprise needs to be given a due importance.

2.5 Managing entrepreneurial performance

Due to the heterogeneous nature and diversity of products and services of CBTPs, the researcher used the ‘Unique Selling Point’ (USP) concept, which was developed by MI (2000) to describe a special feature of a CBT attraction that can be designed, developed, marketed and sold by local communities. Since the CBTPs exist to achieve a purpose and meet the stakeholders’ expectations associated with it; tourists, owners, government bodies, and the community. The management of performance is thus managing within the context and not performance alone (internal and external environment) with impacts on how it is developed, what it sets out to do and how it operates as a natural process and not a system or techniques (Armstrong & Baron, 2007).

The CBTPs' marketing process involves matching among owned resources to satisfy the wants and needs of potential visitors is undertaken through planning and coordination by outlining the intention to create value and gains in return. Gupta and Ganka (2000) stated that the planning of activities addresses the 'what and why' and implementation addresses the 'who, when and how' of the activities. However, owners often think that 'doing things right' (implementation) is as important as 'doing the right things' (strategy).

Both implementation and strategy are thus critical for performance success, though implementation is more difficult because it is easier to think up of good strategy than it is to carry it out. In the same way, the holistic approach to management rejects the assumption that team leaders are the only people who are accountable for performance, but believes that responsibilities should be shared by all members of the programme. All CBTPs members should therefore recognize their roles and responsibilities as the key drivers of their programmes' performance.

It is important that individuals who manage their activities to achieve goals should monitor the value drivers. Furthermore, the aspects of team work and value statements of what makes individuals perform well must be known by all members (Bianetics, 2007). According to him, this approach illuminates '*fetishism*' which is identifiable in tourism as the way in which commodities hide the social relations embodied in their production. CBTPs must therefore identify opportunities with appropriate strategies if they have to perform. As said by (Rutten, 2004),

“People travel with a purpose to get a particular place in a meaningful way and the power of a CBT lies in its ability to satisfy this desire. The growth in CBT is thus intrinsically linked to a parallel growth in cultural growth of all kinds which has an impact on the types of packaging that can be presented to capture the market.”

While significant opportunities for community based tourism emerge from identified trends, these opportunities have to be considered in the context of expectations held by tourists. CBTPs therefore need to be captive enough to satisfy their stakeholders for successful performance and growth, so as to create a vital and enthusiastic programme to be able to see genuine opportunities arising from setting realistic objectives. The concept of managing in entrepreneurship emanate from the idea of managing the contexts which is framed both within organizational and clients driven culture.

2.5.1 Clients' driven culture

The surge in tourist events has resulted in an increase in opportunities as ways of searching for the meaning (Christopher and Jayant, 2008). Community based tourism thus becomes '*the means and not the end*', the success of which has created a high expectation in tourists, who expect good service, safety, practicability and an impressive experience form the cultural offer (Clarke, 2006). CBTPs' owners have to be client centred by delivering greater value through careful client analysis. Since there are different kinds of clients with many needs, it becomes imperative to serve

some specific segments better by dividing up the total market and designing appropriate strategies for serving that chosen segment.

It is imperative to differentiate by developing unique positions and giving the greatest advantage to that chosen target. If a product or service is perceived to be exactly the same as others, clients would have no reason to buy that product or service. As acknowledged by Kotler (2002),

‘If promises greater value, it must then deliver that greater value. The owners may consider market penetration by increasing sales of the current products to current markets without product changes to encourage visitors to stay longer or buy more during each visit or they may think about possibilities for market development by identifying and developing new segments for current products. They may consider product development, by offering modified or new products to the current market segment or may develop growth strategies but also downsizing unnecessary features that do not appeal to visitors.’

Environmental trend might force one to abandon some products which are less profitable or it lacks previous experience and must be carefully pruned, harvested, or divested (Certo, 2003). Product as used in this study implies a combination of services, variety, design and features that must be promoted i.e. communicating on merits and persuading clients to purchase the product. While CBTPs sell products, clients often buy solutions to their problems at a convenient price which is the amount of money paid for the service (Charnley, 2005). A wise combination of a product, price, and promotion is thus a key to the programme’s entrepreneurial performance.

On the other hand, the value of the service offered and its price is synonymous and that a desired position must be communicated to the target clients and supported by the chosen strategy (Johns & Scholes, 2005). The appropriate strategy may include the identification of value drivers upon which to build the position, charging lower prices or offering more benefits to justify the prices. Price on the other hand, signifies value and is an eloquent communicator which reflects the client's behaviour, power and psychology that is related to the ability of a service to satisfy (Beneth, 2000).

Noted that the clients' driven culture is an instrumental factor on the performance of community based tourism programmes as entrepreneurial activities, both supply side (organizational culture) and demand side (a combination of factors that motivates tourists) must be taken into consideration. It is therefore important to note that, although this study is premised on supply side of community based tourism programmes as service providers, the models determining demands of the potential clients must be taken into consideration.

2.5.2 Demand models and CBT performance

Tourism is generally perceived as a highly dynamic industry, thus in predicting the demand of tourists, it is essential to understand their motivation. The future of tourism is becoming more competitive and flexible and coupled with scarce resources in which additional features, modalities and the way they are marketed have a great influence on demand (Christopher and Jayant, 2008). Likewise, tourists are being

motivated by a variety of simultaneous objectives, such as the desire to get away from home, leisure, visiting friends and associates abroad, searching for business opportunities or attending a meeting of professional members or trade affiliation among others.

Several demand models have been developed and acknowledged in tourism literature. The simplest one is that provided by Bishwanath, (2000p. 82) which was expressed in the form: $T = L+I+M$ where; T = Tourism, L = Leisure time, I = Discretionary income and M = Positive local sanction. This means that for CBTPs owners to win their potential clients, simple factors that tend to motivate them i.e. local parameters/factors, disposable income as well as available time for leisure must be considered.

Although the leisure tourist is sensitive to the absolute level of prices and price changes, there is a high propensity to travel with the result that the rate tourism demand in developed countries has increased faster than the growth rate of the national income (Mulokozi, 2006). The total destination expenditure however, cannot be ignored since it still has a significant influence on demand and is expressed as $D_t = f(P_t, P_i \dots P_n, Y, T)$ where D_t = demand for tourism, P_t = Price for tourism, $P_i = P_n$ are price of all other goods, Y = income, T = taste and f = denotes function This implies that every single factor needs to be given a due weight together with their total effects by the CBTPs for continued flow of the tourists.

Similarly, accessibility and the cost of transport cost to destination plays a significant influence, where the theoretical demand function for transport to unique destination can be expressed as the relationship between total holiday expenditure and various categories of expenditures and expressed as $THC_i = f(DS_i, AC_i, TAC_i)$ where THC_i = total holiday expenditure at destination i , DS_i = discretionary spending at destination i , TAC_i = transport access cost to destination i , AC_i = accommodation cost at destination i and i denote unique destinations implying that CBTP's owners must not only consider items in isolation but their total effects for optimal performance.

The existing demand models however, tend to focus on the demand side and neglect the supply side. In addition, none of the motivators alone would induce and satisfy the need, but a combination of several factors should be taken together since tourists often seek “the wholeness in the difference” which everyday life cannot offer that is determined by economic, social and psychological factors subject to the law of demand and supply (Clarke, 2006). The fact that seasonality, inseparability and perishability characteristics in tourism often lead to fluctuations in demand and inflexibility in the supply capacity, many programmes often becoming preoccupied by short run manipulation around the fixed supply capacity (Bishwanath, 2000).

For optimal results, community based tourism programmes may opt for small segment while taking into consideration the growth, tourists' behaviors, sources and the level

of sophistication. It is important to note however that cultural globalization has also profound influences on performance of cultural programmes.

2.5.3 Globalization impacts on CBT development

Globalization as a concept which is being recognized in the analysis of tourism has led to an ever tightening network of communications across national boundaries by integrating communities in a new space time combination (Dransfield, Hudson and Dane, 2006). Globalization signals the emergence of a single global consumerism culture based on western lifestyles, in which subgroups are phased out in some kind of relational equilibrium. The major concern is how to prevent undesirable changes in the lifestyles of local people, behaviour and promotion of cultural survival.

Since the CBT involves interacting with and observing unique cultures, it allows the direct involvement of local people in designing, organizing and guiding their guests and gaining income through those interactions, and so preserving of cultural heritage becomes an integral component that deserves a careful attention (Godwin and Santili, 2009) . For an optimal solution, opportunities arising from tourism activities should be structured in ways that are culturally appropriate so that communities are more able to take advantage of them.

According to Santili (2008) who stated that, any tourism programmes that are insensitive to the residents' cultural framework produce few benefits for local

communities. It is important however to note that, apart from the threats emanating from cultural globalization, other factors relating to notions of sustainability in which community based tourism (a subset of sustainable tourism) is built must be monitored in relation to the effects originating from globalization.

2.5.4 CBTPs and sustainability

According to Linberg (2001), the motive behind new forms of tourism rest on the notion of sustainability, the concept that can be used in anodyne way and broader than as acknowledged in current academic literature. As argued by Kulindwa, Sosovele and Mashindano (2001), the concept of sustainability can be used by individuals to give moral rectitude and green credentials for their personal ends. Many authors however, indicate that the CBTP is a subset of sustainable tourism and an umbrella concept which embraces social integrity and economic, natural, cultural and financial resources on an equitable basis that contribute to the unique experience.

Donald (2002) described identifiable characteristic of any CBTP as a subset of sustainable tourism as can be identified through the following characteristics: First is being a '*community oriented*', that is, all stakeholders are directed towards community development. Secondly is '*goal oriented*' i.e. a portfolio of realistic targets centred on the equitable distribution of benefits. Thirdly is being '*comprehensive*' - with social, culture, economic, political and environmental implications. Fourthly is '*iterative and dynamic*' i.e. being readily responsive to environmental changes. Fifth is '*integrative*' by functioning with wider approach to

community development that is renewable, i.e. incorporating principles which take into accounting the needs of future generations.

According to Donald (2002), tourism is sustainable when its development includes the participation of the local population, fair economic returns and mutual respect for all parties. In realizing and receiving the benefits which arise from tourism activities, local communities will have incentives to embrace the behaviours and attitudes that support the conservation of the natural areas which are the main tourism bases. Although the profit motive is often a concern of income generating activities, historical levels of profits are not always compatible with sustainability (Bishwanath, 2002).

While economic sustainability focus on a level of economic gain that is sufficient to cover the cost of, or an income appropriate to, the inconvenience caused to host residents by the visitors, social sustainability reflects the ability of a community to absorb those inputs and continue to function without creating disharmony (Mowforth & Munt, 1998). The trade-off between profits and sustainability, leads to the new challenge that culture should be properly factored, otherwise it may bring about confusion in relation to the priorities accorded to the social benefits with relatively little focus on economic workability. The failure to be realistic economically will also lead to a failure in the cultural programme as the profit motive has a tendency to subvert and subjugate other important considerations in the analysis.

The CBTP must therefore maintain a focus on how to pool resources to ensure continued profits through flexible patterns of capital accumulation with due attention being given to cultural conservation. Different scholars however, argue that the concept of sustainability in which new forms of tourism is premised as somehow relative and socially constructed (Naabia, 2006).

Agenda 21 of the United Nations (1992) comprises a detailed plan of action and setting specific initiatives for all nations to undertake for the achievement of sustainable development, was adopted by 180 countries worldwide, and stipulates the policies required to achieve the balance between consumption, population growth and the earth's capacity. CBT attempts to transform the existing unequal relationships of traditional tourism by encouraging the use of local products, which is in line with the Agenda 21. Despite the fact that Agenda 21 for culture (2002) is claimed to be a tool for promotion of the role of culture in local policies, the present canonical triangle of *sustainable development* - environment, social inclusion and economics - either doesn't include culture or it is considered an instrumental element.

Therefore, the Agenda 21 for culture is a tool to turn culture into a fourth pillar of sustainable development. This confirms the importance of having solid and autonomous cultural policies as well as the establishment of bridges to other dominions of the *governance*. In developing countries, the needs and rights of local communities at popular tourist destinations are often ignored, and instead the need to earn foreign currency is commonly used by many government authorities to justify

the abuse (Nelson, 2004). Thus, it is difficult to explain the entrepreneurial performance and capabilities of community based tourism programmes together with sustainability practices without discussing the involvement of the host governments on community based tourism development.

2.6 Government related factors and CBT development

Irrespective of the nature of the industry, government behaviour influences industrial performance. Some regulations are often aimed at larger companies while legislated support for local communities' arts probably does not exist (Certo, 2003p.78). Local communities often encounter legal barriers from various bodies when participating in tourism activities (Mowforth and Munt, 1998). The government has the power to provide security as well as the legal services essential for tourism. The power lies in perception of the industry but most aim for economic gains since tourism is a major industry that can rapidly boost the ailing economies through the multiplier effect (Watkin, 2002).

In view of the fact that tourism depends on the quality of the environment, political stability and the resource base in the destination, governments are having a significant role to play regarding entrepreneurial performance of tourism initiatives and becoming managers of the landscape, nature, villages, protected areas and the major suppliers of various public utilities. As a result, countries with foreign exchange deficit can be rectified by the income from tourism. "Many third world governments

however, use tourism to gloss over social inequalities associated with abuse for human rights (Rutten, 2004).

2.7 Experience from previous cases of the CBTPs

The Survey undertaken by Godwin and Santili (2009) in developing countries, without specifically pointing out the countries showed that the rapid infusion of tourist spending into the host communities which stimulates multiplier effects and the variety and quality of the tourism experience. The surveys revealed that from a total of fifteen (15) CBTPs, only 6 (40%) were economically viable. Among successful cases include two joint ventures with local communities namely Ban Nong Khao (Thailand), which provides a volunteer activity and Posada Amazonas (Peru) which offers rain forest expeditions. Similarly, Buhoma village walk (Uganda) provides complementary activities when tourists visit the gorillas at leisure and the Market Community Tourism Project (Ethiopia) where three communities owned lodges and organized trekking and possessed good links with private commercial operators.

Their survey included Nambwa campsite (Namibia) which is owned by a 'conservancy' that provides pitches and other traditional activities and Kahawa shamba (Tanzania) which offer visits to coffee farms with a support from the coffee co-operative in its area. The authors however were silent about their key success factors success. Furthermore, there existed a marked disparity between the views of the experts nominating successful cases and those managing them. According to them, community based tourism as it is practiced, does not benefit the majority of

local communities and did not mention anything concerning the basis of their key success factors (KSFs). In other words, there does exist a gap on what contributes to superior performance of community based tourism programmes.

2.8 Summary of literature review and research gap

From reviewed literature, there is a vast amount of evidence that changes in tourists preferences, expectations, values and behaviours are the drivers behind the pace and direction of tourism development. Likewise, tourism is also modifying itself to take account of emerging opportunities resulting from dynamic preferences as an alternative to traditional models that are being replaced by community based tourism in which its performance success is not widely covered. Local communities at tourist destinations as service providers are thus pushed for acquisition of entrepreneurial capabilities for successful performance of their programmes.

Although community based tourism programmes are shown to be a development tool for destination communities, local people are viewed as characterized with unmatched capabilities but have special appeal lying behind their historic, cultural and geographical characteristics to offer unique experiences to visitors. From theoretical and empirical evidence, there is still insufficient attention to detail in the concept of CBTPs with a substantial gap on entrepreneurial performance and capabilities rapport as intended to be filled in this research study.

CHAPTER THREE: METHODOLOGY

3.0 Introduction

This chapter provides insights into the methods and practical ways employed to conduct the study. The chapter starts with a brief description of the adopted research design, location of the study area, population and sampling, sample size, data collection methods, reliability and validity, ethical consideration and data analysis.

3.1 Research design and approach

The research design adopted in this study was a cross sectional survey due to its ability to explain the prevailing conditions as perceived by the respondents and the studies are carried out once at a particular point in time, are present oriented and not repetitive in nature (Kothari, 2008). Also the researcher has no control over the subject and it is possible to obtain information on variables in different contexts at the same time. As argued by Nachmias and Nachmias (2000), a cross sectional survey design is a snapshot of an ongoing situation, provides external validity of the results so that the findings can be effectively generalized. It allows the possibility to collect data from a sizeable population using standardized instruments and control over the research process (Mutai, 2000).

The strength behind a cross sectional survey approach over other designs lies on the premise that different groups of people e.g. members involved in cultural bomas (CBs), retailers, clients, non-governmental (NGOs) representatives, tour operators, cultural tourism initiatives (CTIs), private sectors, traditional healers just to mention

few were selected and a study was conducted to ascertain how factors differ. As a positivistic deductive approach, the design seeks the causes of a social phenomenon with little regard for the subjective state of an individual (Jill & Roger, 1997). Thus, logical reasoning is applied to the research study so that objectivity and precision replace experience and intuition as means of investigating a research problem. A cross-sectional survey design however, does not explain how and why correlations exist on its own.

3.2 Variables and measurements

According to Goodluck (2002), there is still no universal measure of the performance of tourism enterprises, since they are influenced by many factors emerging from both demand and supply side and the fact that CBTPs are subdivided into a number of activities and businesses that need to be studied separately in consideration with other value drivers within the same programme. Due to heterogeneous and diversity nature of this study, multivariate techniques were used since they tend to measure the degree of relationship among several variables and factors.

While independent variables were entrepreneurial skills (a set of 10 items) of the owners and local resources (11 items) owned by the programmes, dependent variables included formal and informal employment *in term of full and part-time* and sales trend in past three years. Entrepreneurial skills as used in this study were similar to those developed by Srivastava (1982) in developing approaches for determining entrepreneurs (*Appendix 20*) in terms of a set of 10 items including ability to take

advantage from the opportunity, innovation, commitment, enthusiasm, product development, managing, operations, planning, organizing and budgeting skills.

Similarly, local resources (11 items) were similar to those developed by resource based theorists (Medcoff, 2002; Kojo & Takyiima, 2004; Klemm & Sanderson, 2005) including geographical location, human, customer care, overall management, prior experience, clients, cost advantage, network, indigenous knowledge and unique attraction. Their models however did not consider local resources as intended in this study.

Both entrepreneurial skills and local resources were measured by respondents' ratings on a 5-point Likert scale, ranging from 1(weak) to 5 (excellent). The fact that prior experience is either inherent (family experience) or acquired (entrepreneurial experience), and that their contribution to entrepreneurial performance is widely recognized, it was further measured by asking dichotomous questions (1 = yes and 2 = no) to respondents. Employment and sales were measured by assessing the past three years trend whether increased, remained the same or decreased. As argued by Ignjic, (2001), when assessing the performance success of a CBTP, both formal and informal benefits accrued to local communities at the destination should be considered.

According to Kothari (2008), in case there exist extraneous variable which is not directly related to the study objectives but has a significant influence on other variables (confounded by extraneous variable). The study thus had to be designed in such a way that the effect upon the dependent variable is attributed only to the

independent variables only. This can be done by controlling an extraneous variable and later treated separately in order to overcome uncorrelated factor that may exhibit a high degree of correlation between them due to favorable impact of extraneous variable. Government related factors were therefore included within the scope of the study by being treated separately and measured by using a 5 point Likert scale on 22 statements (*ranging from strongly disagree to strongly agree*) which were then assessed using mean scores, standard deviations and reliability tests.

3.3 Description of the study location

The study was carried out on dispersed CBTPs that are located at close proximity to Protected Areas (PAs) in Arusha region. The region was selected due to its potential for CBT activities, its geographical and rich ecological diversity than other regions. As the main tourist destination in Tanzania, the region could offer a high possibility of obtaining a rich mix of interactions, programmes, processes and structures relevant to the study and the availability and presence of a higher number of CBTPs when compared with other districts in other regions. The researcher considered availability of respondents who could provide information that is relevant to the study objectives. The region is divided into six administrative districts, namely Arusha municipality, Arumeru, Karatu, Longido, Monduli and Ngorongoro.

Due to the geographical diversity nature of this study communities located at dispersed PAs in different districts, it was difficult to have an exact map of the study area. The famous PAs found in the region include National Parks (Manyara, Arusha, Tarangire and Serengeti) and the Game Controlled Areas (GCAs) which include

Endulen, Ngorongoro Conservation Area, Loliondo, Natron, Mto wa mbu, Sanya plains and Lolkisale (*See Appendix II*).

3.4 Study population

Nachmias and Nachmias (2000) consider population as a pool of cases or elements from which the researcher draws a sample. In the same way, sampling procedure is a process of systematically selecting cases for inclusion in a research project. In this study, cultural tourism practitioners were the study population and the sampling frame was a list of all practitioners within the study area, including the clients, owners, members or employees of the CBTPs.

Due to the diversity and fluctuative nature of the CBTPs, it was difficult to have an exact sampling frame. Thus a sampling frame was developed from Tanzania Association of Cultural Tourism Operators (TACTO), Tanzania Tourists Board (TTB), Local Government Authorities (LGAs) i.e. District Councils (DCs) and Municipal Councils (MCs) and the Ministry of Natural Resources and Tourism (MNRT) databases so as to arrive at a representative sample of 210 respondents.

3.5 Sampling procedure

The fact that the researcher could not cover all the protected areas (PAs) within the whole of the study area (*Arusha Region*) due to the large and diverse geographical coverage of six districts within the study period, the researcher opted to pick only those community based tourism programmes (CBTPs) which are located at close

proximity to the famous protected areas (PAs). The researcher adopted a multi-stage sampling technique for selecting geographical locations. At the beginning, the researcher identified all the protected areas (PAs) in the region and their respective districts and then famous protected areas were purposively selected based on the availability and convenience to the researcher so as to get relevant information.

The researcher therefore opted to select CBTPs available in five (5) out of six (6) Districts including Ngorongoro, Longido, Karatu, Monduli and Arumeru District. Arusha Municipal Council was dropped due to the fact that it was converted into the city just before the commencement of the study and there were no viable CBTPs compared to other districts. Famous protected areas (PAs) as mentioned above were also purposively selected based on the nature of the PA, processes and systems, amount of tourists and interaction with local communities. The selected PAs in order of famousness in Tanzania included, Serengeti National Park (SENAPA), Ngorongoro Conservation Area (NCA), Manyara National Park, Tarangire National Park, Arusha National Park, Lolkisale Game Controlled Area, Mt. Meru forests and Oldonyo Lengai.

The second stage involved the selection of community based tourism programmes (CBTPs) which were located at close proximity to the identified protected areas within the study area. The programmes were then selected randomly using simple random sampling (SRS) meaning each programme had an equal chance of being selected. The selected CBTPs include; Engaruka, Ganako-Karatu, Ilkiding'a, Ilkurot,

Karatu-Iraqw, Longido, Matunda, Monduli Juu, Mkuru, Mto wa Mbu, Ng'iresi, Mulala, Oldonyosambu, Osotwa and Tengeru (*See Appendix 14*).

The last stage involved selection of the actual respondents which included the owners/employees/members and clients. While probability sampling was employed in case the units of inquiry had equal chances of being selected, simple random sampling (SRS) was used in case of similar characteristics. With the assistance from the ward leaders (WEOs & WDCs), stratified sampling was undertaken to ensure that programmes of different categories e.g. cultural tourism initiatives (CTIs), cultural bomas (CBs), stand alone retailers, private operators and NGOs representatives with stakes in the programmes were included in the sample. This technique was appropriate over other methods due to heterogeneity nature of community based tourism programmes since it allowed inclusion of different categories of services and respondents.

Likewise, purposive sampling was adopted when there existed respondents who were capable of providing a real picture of what they see and understand depending on the objectives of this study. As stated by Adam (2008), purposive sampling is a decision with regard to which element should be included or excluded in the sample size. Respondents for interviews and focused group discussion (FGD) were thus purposively selected. This was selected by first identifying key members in the CBTP e.g. programme's leaders/spokespeople and respondents who were more experienced/educated than others within same CBTPs.

Known that local people are highly dispersed, in the sense that in some cases it was difficult to get the actual targeted respondents, snowball sampling technique was used in case there existed fewer known respondents who in turn identified others until the point of saturation was reached or no more respondents were discovered. Snowball technique was important in reaching respondents who were highly dispersed or scattered in different villages e.g. traditional healers who seems to stay in isolated locations, cultural performance artists from distant locations and those who were residing within natural attractions e.g. water- falls, mountains and forests.

3.6 Sample size determination

According to Adam (2008), the sample size is the exact number of items the researcher needs to use in collecting the information required. Central to sampling theory, the sample was selected carefully so that it truly represented the entire population. The adequate sample size was determined based on the concept of acceptable standard error i.e. accuracy and precision. Hypothetically, by ignoring costs and other practical limitations, the sample size of 210 respondents was determined as;

$$N = \mu^2 / (S\bar{A})^2$$

Where:

N = Sample size

μ = Category standard deviation in population

S = Standard error

\bar{A} = Category mean population.

The utility of the concept of standard error (standard deviation of sampling distribution of a statistic) was used as it takes into account whether a difference between observed and expected frequencies has occurred due to chance and the limits within which the parameters of the population are expected to lie within a specified degree of confidence and the important measure of level of significance for examining the hypothesis. The sample size of 210 respondents was thus selected as summarized in Table 1.

Table 1: Sample Size

Category	Respondents (n)	Sample Percentage (%)	Estimated Population	Estimated Category Population (%)
1. CBTP's Owners				
- CTIs	106	50.5	200	53
- CBs	39	18.6	64	61
- Stand alone	14	6.7	64	22
- Private operators	3	1.4	18	17
- NGOs	7	3.3	18	38
<i>Total</i>	169	80.5	364	38.2
2. Clients	41	19.5	228	18
TOTAL	210	100.0	592	35

Key: CBTPs = CTIs + CBs + Stand alone ventures + Private Operators + NGOs

Where:

CBTPs = Community based tourism programmes

CTIs = Cultural tourism programmes

CBs = Cultural bomas

NGOs = Nongovernmental organizations partnering communities

Private Operator = Commercial operator who have a stake in the CBTP

Stand alone = Small individual initiatives with local ingredients.

3.7 Data collection methods

To achieve rigorousness, the study was carefully planned and conducted to ensure acquisition of reliable data. Primary data were therefore collected by using questionnaires, semi structured face-to-face interviews, focused group discussions and participant observation. In order to facilitate proper recording and validation of data for reliable conclusions, the data collected was classified, coded and edited to ensure accuracy, completeness and uniformity on a daily basis.

3.7.1 Questionnaires

The questionnaire was administered by the researcher and two research assistants who were trained by the researcher in order to elicit information from the respondents. The design of the questions was largely based upon the study objectives (*Appendix 2*). Since most of the CBTPs owners (local people) did not understand English, the questionnaires were first translated into Kiswahili, and then translated back into English by the researcher and editor (*hired by the researcher*) in order to give them the opportunity of expressing their feelings with regard to the research topic using the language they understand.

In order to make sure that the translations do not alter the intended meanings, the hired linguistic expert (editor) who is well experienced together with the researcher and research assistants worked together for the week to make sure the meanings of the words remained the same i.e. from *English – Kiswahili – English*. While the open ended questions were designed in such away that they could allow the respondents to

give as many details as they wanted and also to facilitate the clarification of their answers. This method had the advantage because during data analysis it was easy to handle the information when compared to other methods (Kothari, 2008).

3.7.2 In-depth interviews

Interviews were conducted in order to collect qualitative data that could not otherwise have been collected by using questionnaires and to verify whether the respondents' understanding and interpretation of the concepts was correct. Semi structured face – to – face interviews were employed because other means of interview such as telephone interviews were found to be less effective, expensive and unreliable. The in-depth interview was undertaken by first preparing the interview guide (*Appendix 4*) as a means to complement information gathered from the questionnaires, followed by actual respondents who were purposively selected so as to get relevant information from the actual respondents as shown in *Appendix 10*.

The interview aimed to collect information related to primary activities of the programmes, ownership, service duration, and performance trends in the past years, nature of employment and benefits. The interview sessions ranged from 30 minutes to 40 minutes since the topic under study was relatively new and therefore respondents needed to get enough time to understand the concept of community based tourism programme, the benefits and challenges associated within the activities. The researcher rounded up interviews when there were no more ideas coming in from the respondents/interviewees.

3.7.3 Focus group discussion (FGD)

This is a group of individuals who were selected and assembled by the researcher to discuss and to give comments from their personal experience regarding the area of the study. The major objective of the FGD was to obtain qualitative data in a social context where individuals could consider their own views in relation to the views of others while creating more knowledge and information through sharing them in the course of the discussion process. Specifically, this technique was used because it enable quick gathering of useful information from a large number of people with less time, allows direct interaction with respondents and provides opportunities for responses clarification and probing purposes (Krueger & Cassey, *Ibid*).

The FGD was employed by conducting a small number of respondents between 4- 8 people within a specific topic of interest in order to have a common understanding and be able to resolve unexpected problems that might have occurred during the intervention process (*Appendix 7*). Focus group discussions were facilitated by a moderator. The moderator was given a guide that acted as a road map and a memory aid to keep the discussion focused. This also served as a summary statement of the issues that were covered. The discussions started with the ground rules which included respect for each other's view.

A total of 6 FGD sessions were carried out within the period of one month. In line with the views provided by Krueger and Casey (2000), both interviews and FGDs

ranged from 20 to 45 minutes depending on the topic under study or when no new information was coming out from the respondents (Cooper & Schindler, *Ibid*). The respondents were interested in the topic and therefore needed to get enough time to understand what cancer is and the benefits of getting information related to cancer so that the respondents could answer the questions adequately. The researcher rounded up the FGD sessions when it when data saturation point was reached.

This technique provided a rich information from respondents' own words, discloses what and why questions, helps to identify ways of improving the phenomenon and allow respondents to react to and build ideas upon other responses. The FGD allows the use of synergistic effects of the group setting and production of useful data that could not be obtained through individual interviews and easy to understand verbal responses (Cooper & Schindler, 2003).

3.7.4 Participant observation

Unlike other techniques, information was sought by way of the researcher's own direct participation and personal observation. This technique eliminates subjective bias, enables information to be obtained on what is actually happening, independent of respondents' willingness to respond, and it is suitable in studies which deal with subjects, i.e. respondents who are not capable of giving verbal reports of their feelings for some reason (*Appendix 8*).

To conduct the participant observation, first the researcher prepared an observation checklist to guide the data collection process (*Appendix 5*). The main focus was to observe on; the kind of natural attraction, owners entrepreneurial skills, owned local resources, individual and communal benefits, attitudes of local government officials (ward & village executive officers), interactions with commercial operators and clients (*Appendix 8*).

3.7.5 Documentary review

While data from primary sources were used to update information from secondary sources, secondary data were collected by reviewing available documents, records/reports, books, journals, policies and proposed actions to complement primary data. The main reports were obtained SNV (Netherlands Development Agency) and Tanzania Tourists Board (TTB) since they are the initiators of cultural tourism initiatives (CTIs) in Tanzania and most of the CTIs are still coordinated by TTB and SNV.

Information sought from TTB and SNV aimed to provide a clear understanding of the concepts revolving around new forms of tourism. Other reviewed reports included those from CBTPs owners themselves and policies regarding their operations so as to complement primary data. Due to the nature of the respondents (local people), most reports and plans are found that they are developed with the assistance of development partners (NGOs and private commercial operators in particular).

3.8 Instruments reliability and validity

To enhance reliability and validity and to be sure that the questions were clearly understandable, a similar questionnaire to that which was used in the actual study was pre-tested on a sample of twenty four (24) respondents who were previously not included in the final sample. The purpose was to identify errors that might have been committed during the construction of the instrument, establish the practice for training the research assistants and devise an errors' discovery mechanism.

Different methods/techniques of data collection or sources of data were combined in a single study. The use of structured questionnaire with identical questions in the same order was advocated and the leading questions were avoided in order to eliminate biasness. Structured questionnaires were thus used to standardize the responses from the respondents as much as possible. Preliminary findings were also presented to a small group of seven¹⁰ CBTPs owners around Ngorongoro Conservation Area (NCA) for comments and feedback before writing this final report.

Reliability of the instrument centered on the consistency of responses for accuracy. It was obtained by repeating the measurements using the instrument in as nearly equivalent circumstances as possible. Apart from instrument pre-testing, the collected data were verified for reliability by using an analytical technique that allowed the studying of the properties of measurement scales. Cronbach alpha, a coefficient of reliability was used as a measure of internal reliability (consistency) since it is widely believed to indirectly indicate the degree to which a set of items measures a single

uni-dimensional latent construct. As argued by Berger (2003), Cronbach alpha is a suitable measure of reliability since it tends to increase as the inter-correlation among test items are maximized when all items measure the same construct.

Known that a scale is valid if it measures what it is intended to measure to the extent that the concept and its measures achieve theoretical and empirical meaning within the overall structure of a theory (Kothari, 2008). The scale content appears to be adequate when it provides adequate coverage of the concept. While predictive validity focused on the measuring instrument as a predictor of other characteristics of the individual, construct validity focused on the extent to which a measure represents the concept it should represent. To obtain validity, the researcher derived constructs for examining the outcomes, derived hypotheses from the theory and tested them empirically. The use of triangulation method also improved the validity of data collected since the shortfalls of one method were compensated by the other.

3.9 Logistical and ethical considerations

In the context of a scientific inquiry, the appropriateness of the researcher's behaviour in relation to the rights of those who become the subject of the study is governed by moral values that shape the conduct of an individual or a group. As argued by Saunders et al., (2007), one of the most common misconceptions about income generating activities is the contradiction between ethics and profits. Doing what is right is somehow contrary to doing what is good for the activity. Although behaving

ethically has value in itself, there are other benefits for ethical researchers when dealing with people and programmes that are culturally sensitive.

Prior to the main survey, respondents were informed about the purpose of the study and that the information collected was to be used for academic purposes only. To achieve a balance between the right to access information and personal integrity of the subjects, the researcher adopted the informed consent approach where respondents were allowed to willingly decide to participate in the investigation after being informed about the study and assured of both confidentiality and anonymity of the information they provided.

Due to the nature of this study, tourism ethics, i.e. the models that explain tourist behaviour patterns in the context of ideology (including work, conservation and leisure ethics) were taken into consideration by the researcher during the intervention process. While work ethics were related to the pursuit of moral rectitude and economic survival as the principal motivation behind people's actions, leisure ethics were reflected in the behaviour and economic power of the tourists and their ability to impose that power on the communities they visit. Likewise, conservation ethics provide the framework to which all the tours should adhere to e.g. public awareness of the balance between cultural sensitivity and economic gains among the respondents.

3.10 Data analysis and presentation

This study used a combination of both qualitative and quantitative paradigms as the two methods are found to complement each other in order to maximize their individual strengths and minimize sterility (Mugenda, & Mugenda (1999); Aaker, Kumar & Day, 2002). The qualitative paradigm involved a free format of responses in which words and observations were used to get in-depth information from different cases. The qualitative paradigm has a tendency to be process oriented, subjective, and descriptive based on feelings and attitudes.

The qualitative paradigm enabled the researcher to understand and describe a particular event, allowing participants to freely express their feelings and its analysis involved examining perceptions in order to understand the social phenomenon. It is a scientific method of evaluation that concentrates on numbers and yields charts and tables in turn from a given population to represent viewpoints and opinions.

The fact that there is no quick-fix in analyzing qualitative data, means the researcher has to make sense of relevant data gathered from different sources e.g. interview, focused group discussions (FGDs) and observations and responsibly presented what the data revealed. This involved a clear interpretation, grouping, classifying, and examining perceptions, free format responses which words and observations were used to get information from different cases. In essence, the analysis depended on logic and use of analytical techniques of evaluation that concentrated on numbers

(after coding) to yield charts and tables to represent view points and opinions. This technique was useful in attempting to answer the what, how and why questions.

The quantitative paradigm is objective in nature, specific, structural, and analyzes numerical data and statistical tests. It contains a factual basis and measurable data and is analysis based and depends on logic using analytical and mathematical deductions (Cooper & Schindler, 2003). While the qualitative approach was used to discover themes and relationships of the same level, the quantitative approach was used to validate those themes and relationships in the same sample.

The examination of the relationship among variables utilized both dependency and interdependency multivariate analytical methods. Content analysis guide (*Appendix 6*) was used for interpreting phrases, terms and expressions (verbal and non verbal) noted during the interviews. The sources of data for content analysis were statements and quotations derived from in depth interviews, FGDs, responses from open - ended questions in the questionnaire and a review of the literature.

3.10.1 Correlation analysis and multiple regressions

Many researchers often see correlations as useful because they can indicate a predictive relationship that can be exploited in practice in examining the joint variation among variables, the strength of association and whether the difference is statistically significant. As stated by Hazarika (2010), correlation is an indispensable

tool of analysis for the people in economics and business where there often exists correlation among variables, that is, with correlation analysis one can ascertain the existence as well as the degree and direction of relationship among variables.

Although correlation coefficients are extremely useful, they cannot in themselves constitute firm evidence of relationship and might be insufficient to determine a reliable estimation equation and does not necessarily imply 'causation' in a causal sense. Correlation analysis was carried out between independent variables (entrepreneurial skills and resources) and dependent variables (full & part-time employees and sales).

According to Cohen, Cohen, West, and Aiken (2003), multiple regression is a flexible method of data analysis that may be appropriate whenever a quantitative variable (the dependent or criterion variable) is to be examined in relationship to any other factors (expressed as independent or predictor variables). Relationships may be nonlinear, independent variables may be quantitative or qualitative, and one can examine the effects of a single variable or multiple variables with or without the effects of other variables taken into account. As stated by Kothari (2008), multiple regression analysis is adopted when one dependent variable is presumed to be a function of two or more independent variables.

The objective of multiple regressions was to make a prediction about the dependent variable based on its covariance with all the concerned independent variables. The

strength lying behind multiple regressions is that, by adding data from more dependent variables, enhanced the ability to use more information for estimating the dependent variables and for describing the relationship with greater accuracy in hypothesis testing.

3.10.2 Factor analysis

According to Jill and Roger (1997), factor analysis is applicable when there is a systematic interdependence among a set of observed variables and in finding out what creates commonalities. The objective of factor analysis was to resolve a large set of measured variables in terms of relatively few categories (factors) in view of the fact that it allows the grouping of variables into factors based on the correlation between variables and the factors so derived can be treated as new variables (latent) and their values derived by summing up the values of original variables which have been grouped into factors.

The fact that prior (previous) experience is vital in explaining the performance of an entrepreneurial activity, it was to ascertain whether inherent or acquired. As a resource, prior experience might either be inherent or acquired through formal channels. This technique was therefore useful since it does not use criterion or predictor variables but attempts to determine the relationship among a set of variables through means of different samples. It is useful in confirmatory factor analysis whether the variables in a data set come from a specified number of factors and tests of significance are built in for the number of underlying factors present in the data.

Although different factor analytical techniques used in this study vary, the difference between techniques is how the weights that are used to compute the linear combination are developed. Due to the nature of the study variables, factor analysis was used to reduce the number of attributes, detect structure in the relationships between variables, and classify the constraints into factors (Sekaran, 2003). The in-built data reduction facility helped the researcher to summarize and present the findings and describe the relationships that exist among a set of variables by searching for correlation patterns within the data. The R-Type of factor analysis, where factors emerge when there are high correlations within groups of variables, was adopted in this study.

Principal component factor analysis was employed because it produces up to one factor for each variable in descending order of the amount of variance explained by the factor (Nacmias & Nachmias, 2000). In order to improve the fit of the solution, varimax rotation was adopted in order to maximize simultaneously the variance of the loadings for all factors within each factor. In essence, the solution obtained through varimax rotation produces factors that are characterized by large loadings on relatively few variables.

To measure the effect of two or more independent variables at various levels, factorial designs were used because they allow interactions of factors under study. As stated by Saunders et al. (2007), a factor loading measures the correlation between a variable and a factor. Likewise, eigenvalues (the sum of squared values of factor loadings

relating to a factor) were used to indicate the relative importance of each factor in accounting for the particular set of variables being analyzed. The important aspect is the extent to which a solution that makes the best sense is interpretable.

To avoid confounding effects of extraneous variables on other variables, the study was designed in such away that the effect upon dependent variables was attributed only to the independent variables. Government related factors were included within the scope of this study. Factor analysis and reliability tests were carried out for each construct. The critical constructs (cronbach alpha) were used to indicate the reliability coefficients and eigenvalues were used to measure their strengths.

The Chi-square test was used to explain whether or not two attributes family and entrepreneurial experience are associated. The Chi-square test summarized the difference between observed and expected values and whether the differences were due to some underlying universal differences or merely due to chance. The null hypothesis determinations was either rejected or accepted depending on the calculated value of the chi-square distribution with the appropriate degrees of freedom. While correlation coefficients were to measure the strength of association, a univariate analysis of variance (Uni-ANOVA) was used to examine the differences between for family and entrepreneurial experience independent sample means.

CHAPTER FOUR: FINDINGS AND DISCUSSION

4.0 Introduction

This chapter presents and discusses the findings of the empirical study in line with the research objectives by exploring o; the value chain and intensity of activities highlighting on the respondents' demographic characteristics and the CBTPs' profile. The second presents findings based on the inferential statistical techniques applied and the third is about the existing government related factors that affect the CBT development.

4.1. Identification of the CBTPs' value chain and their entrepreneurial intensity at close proximity to PAs in Arusha, Tanzania

The study captured key characteristics of the respondents relative to demographic attributes and empirical evidence on entrepreneurial attempts by the CBTPs' owners/members.

4.1.1 Characteristics of the of CBTPs' owners by gender and age

Section (a) of the questionnaire related inter alia to the demographic characteristics of respondents based on their gender and age. Gender and age dominations are important parameters in social analysis because, in most societies different genders and ages perform certain sets of activities, possess different traits and behave differently with specific experience that influences performance. The respondents' gender characteristics are captured, summarized and reported in Figure 2.

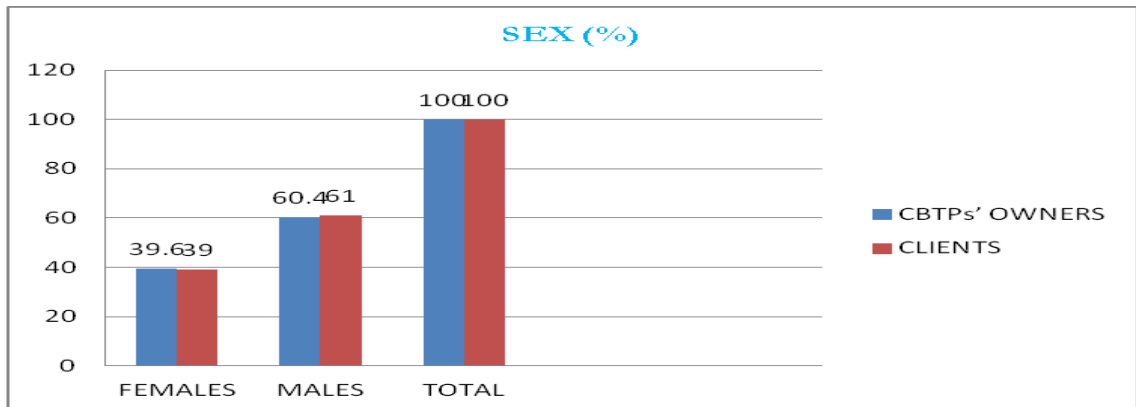


Figure 2: Respondents' characteristics by sex ($N = 210$).

Figure 2 shows that males accounted for 60.4% and females 39.6% of the respondents. These findings are in line with many other studies in developing countries where income - generating activities are often dominated by males for numerous reasons. In many African societies women are disadvantaged when it comes to setting up and running their own income - generating activities. According to (URT, 2002), the common obstacles faced by women entrepreneurs include social stratification of roles with men dominating and controlling economic resources, the customs preventing women from undertaking certain economic activities and intra household structures which give men power over decision making.

In addition to generic barriers that women face, it is difficult to have access to land for any meaningful enterprise and thus difficult to access credit from financial institutions (OECD, 2006). Furthermore, different traditions concerning property rights among other things may limit them from accessing finance (Olomi, 2001). During interviews and group discussion sessions, the majority of the respondents expressed their feelings

that, to some extent customary laws still bar women due to their social responsibilities and the division of labour which is based on gender by giving practical examples on how customary laws are in favor of men over women.

As shown in Figure 2 above, while majority of visitors were males who accounted for 61%, females were 39% only. These results are supported by Bishwanat (2000), who argued that females are often more cautious in regard to safety issues than males, when involving long haul travel. In other cases however, females are often the organizers and coordinators of the tour. Nevertheless, there is still no available data on the exact amount and percentage of tourists opting for CBTPs in Arusha, Tanzania.

The characteristics of respondents regarding their age are captured and summarized in Figure 3.

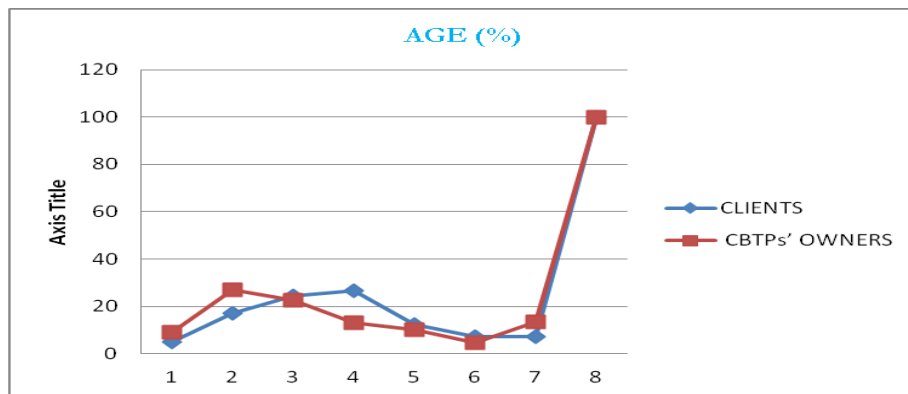


Figure 3: Respondents' characteristics by age ($N = 210$).

Figure 3 above shows that the majority of respondents were aged between 18 and less than 28 years, accounting for 27.2%, followed by those aged between 28 and 38, who accounted for 22.5% of all respondents. Contrary to the fact that, age can be seen as a

function of knowledge, experience and a measure of maturity of an individual (Zeithamil, 2003). These results indicate that many of the CBTPs in Arusha are run and operated by young members of the communities as they belong to the age group of between 18 to 28 years. These findings are in line with those in the report on the 2004 tourism sector survey in Tanzania, which showed that younger people are involved in CBT mainly in secondary activities for economic reasons to fight poverty.

During the FGD sessions, most respondents stated that CBT evolved due to prolonged droughts, which led to the demise of pastoral activities. As a result, younger people shifted to tourism to search for an alternative means of survival. These findings are supported by Holt, (2004), who stated that, “the younger the people the more energy and drive to attempt new things and determination with more open to new ideas than the older people”.

Considering the clients characteristics in terms of age as shown in Figure 4 above, the majorities (comprising 26.9%) were aged between 38 and less than 48 years, followed by those aged 28 and less than 38 who accounted for 24.4%, those between 48 and less than 58 years represent 12.1% and those who were 58 and above accounted for 7.2%.

The estimated population in Tanzania (2008) was 38.9 million people, with 44.8% aged below 15 years, 49.1% aged between 15 and 64 and 3.0% aged over 65, and life expectancy is 52 for women and 50 for men and about 80% of the population lives in rural areas (URT, 2002d). The household budget survey (2000/2001) as cited in URT

(2002) indicates that the proportion living below the national poverty line was 18.7% and those below the national basic needs poverty line comprised 35.7%, while 36% live below the poverty line and Tanzania was ranked 159th out of 177 poorest countries, with a per capita income of USD 340.

Furthermore, in 2005, the report on poverty and human development in Tanzania indicated that it was unlikely to achieve the national target of reducing income poverty by 2015 if the current rates are sustained. This implies the need to address diverse means on heaping onslaught on poverty using the weapon of tourism for local communities at close proximity to protected areas where poverty is concentrated.

4.1.2 Respondents' education characteristics

The level of education was selected as an important parameter since it has a significant influence on an individual's performance. Education is valued as a means of liberating individuals from ignorance and it enables them to execute non-traditional activities. The respondents' characteristics based on their level of education are captured and summarized in Figure 4.

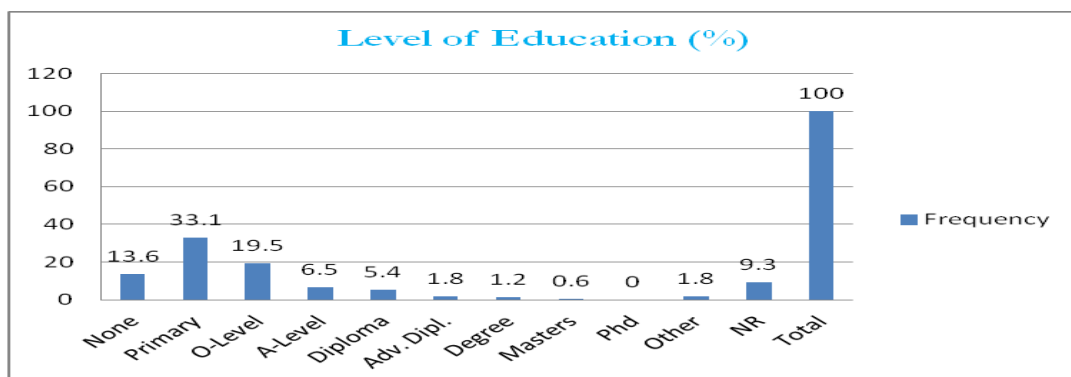


Figure 4: Respondents' characteristics by level of education ($N = 169$).

As seen in Figure 4, 13.6% of respondents have not had any formal education, 33.1% are primary school education recipients and 1.8% had other qualifications. A further 19.5% had received ordinary secondary education (form four), 6.5% are advanced secondary school leavers (form six), 7.2% are certificate holders and 5.4% are diploma holders. 1.8% had advanced diplomas (equivalent to undergraduate degrees according to Tanzania's standards), 1.2% had degrees, 0.6% was masters' degree holders and none had a PhD. When considered in terms of gender, females are lagging behind at every level of education when compared with males. It is noted however, that most of the levels of educational were not related to tourism activities.

The level of education allows exposure to the modern world and increases freedom in decision making on personal affairs. In contrast, a low level of formal education is considered to foster negative attitudes towards changes and as such is an indicator of underdevelopment. As argued by Zeithamil and Bitner (2003), the access to education as an information resource is a critical factor for development and superior performance of a tourism initiative. According to them, access to relevant education and training ensures access to other useful information. The role of individuals' level of education in tourism is a major component, since the more one spends on schooling (attaining higher levels), the more likely one is ready to change and understand the environment in order to be successful.

Since the environment of the tourism sector is dynamic and changing rapidly, it demands alert and flexible institutions which in turn need qualified personnel. The lack of qualified workers for small tourism initiatives in general is one of the main

constraints affecting entrepreneurial performance. It is important to note however that not all people who have received higher education are successful entrepreneurs. The literature accepts however, that not all successful entrepreneurs have received a higher education. As seen in Fig 4, majority of respondents were fairly well educated which and not a major constraint. Knowing that local communities generally do not have higher levels of formal education and that resources are scarce, their local knowledge should be complemented by short-term training courses and experience-sharing workshops which are important for achieving a satisfactory level of performance.

4.1.3: Clients' characteristics by purpose of visit

The results of the clients characteristics based on the purpose of the visit were presented in Figure 5.

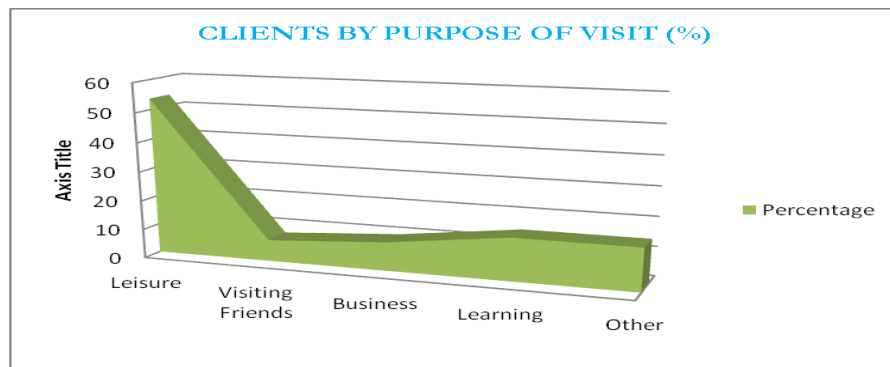


Figure 5: Characteristics of clients by purpose of visit ($N = 41$).

As seen in Figure 5, the majority of the clients (53.7%) visited CBTPs in Arusha region for leisure purposes (recreation, cultural events, health, active sports, other purposes), 14.6% for learning, 9.8% for business (meeting, mission, incentive travel, other), 7.3% for visiting friends (VFR) and 14.6% for other purposes (studies, health

treatment, transit, other). During the study it was noted however, that most of the visitors complement their safari tours by visiting cultural sites resulting from traditional destinations within protected areas.

Based on the nature of the sample used in this study, it was noted that most of the clients captured during the investigation were found to originate from the countries with a large proportion of senior citizens. Visitors from these countries who are over the age of 55 years are often receiving retirement benefits with the potential for tourism that they bring (Charnley, 2005). The percentage of those tourists aged 58 and above (7.2%) has been minimal, despite the fact that they have more disposable incomes and ample time for leisure. This group needs to be given special attention when publicizing CBTPs as they rely more on travel agents and magazines to get information. Those in lower age groups (young people) may use the internet to gather information regarding their trip. Thus, an appropriate strategy tailored towards reaching this group should be formulated by the CBTPs to capture this age group.

4.1.4 Programmes' profile characteristics

The parameters used to evaluate the programmes' profile and characteristics include products or services rendered, location, ownership (form & structure), duration of service (window of opportunity), employment (full & part time), visitors, sales and margins trends

4.1.4.1 Products and services characteristics

The most common products and services rendered by CBTPs are captured, summarized and presented in Figure 6.

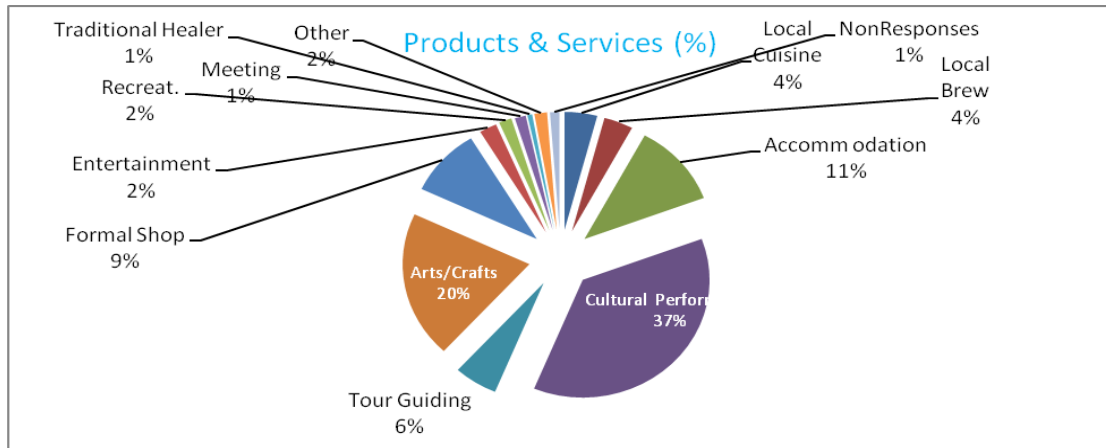


Figure 6: Products and services characteristics.

As seen in Figure 6, products and services offered, like other products in tourism, are essentially an assortment of service products bought by tourists to make their stay possible and to provide a leisure experience. The products and their related services is a bundle of tangible and intangible components based on activities that seek to motivate the tourists while visiting the programme.

The CBTPs like other tourism initiatives are found to be heterogeneous and service industries spread through various aspects of life and a disorderly field of many actions. As put forward by Mbwambo (2005), while some activities provide essential elements for visitors and create demand, others fulfill the needs and provide support services with complex chain of supply including the government that do not feel a

strong mutual dependency. In some cases there is unity in diversity, and in other cases there is no collaboration at all with various components of activities work independently from others but can be coordinated into packages”

Cultural performance was found to rate the highest (36.7%), as often performed collectively by individuals or members or employees who have different roles and activities within the same programme with probably different forms of ownership. The fact that culture is an important service for attracting the visitors with a special interest in cultural heritage and arts, and so socio-economic activities should be based on a mosaic of places, traditions, celebrations and experiences that portray an area’s citizens and character (Clarke, 2006). As stated by Naabia (2006), cultural tourism is becoming an important activity where visitors see for themselves the practiced lifestyles of communities who demonstrates several activities e.g. how they use traditional weapons against predators, how can mud and cow dung be used to construct their own huts, and how they sleep with livestock in their huts to generate warmth as an innovative use of local resources.

Apart from cultural performance, other products and services include art and crafts 20.1%, accommodation within the local environmental setting 11.4%, formal shops 9.3%, tour guiding 5.5%, local cuisine 4.1%, local brew 3.7%, entertainment 2.2%, recreation 1.6%, meetings 1.4% and traditional healing 0.6%. Other activities account for 1.6% and those who did not respond were 1.2%. Cultural products were found to include; storytelling, tour guides, camping, cultural centres, traditional dance, local

cuisine, skills about where to see wildlife for excursions, walking safaris, home stay services, arts and crafts, traditional dance performance, hospitality, traditional healer services and other attractions. In some cases, cultural service continues as a self - initiative, while in other cases it appears as a collective sense of ownership that requires significant behavioural changes in line with the activity being performed. A typical supply chain of cultural products is shown in Figure 7.



Figure 7: CBTPs' Cultural products at Seneto Cultural Boma (CB).

Figure 7 shows items such as gourds, traditional dresses, musical instruments, ornaments, neckties, earrings, necklaces, bangles, shakers, maracas, drums, and horns. Others include pipes, masks, canteens' water jugs, dippers, birdhouses, and bath sponges with intricate etched designs. Other activities include nature based activities e.g. mountain climbing, visiting art galleries, hiking in forests, visits to waterfalls and caves and other activities depending on the programme and destination. As stated by Theresia (2006) that,

“Services such as walking safaris, donkey riding, night off road and game driving, and home stays which are prohibited in the PAs were found to impress most of the visitors. CBTPs thus lends a cultural element and other experiences that are absent in the protected areas where local people are not allowed to live in, enable members to educate visitors through stories, and transmit cultural knowledge to future generation are shown to be the key drivers for CBTPs’ performance.”

It is an undeniable fact that the natural environment has a significant influence, what it offers cannot be defined in a vacuum, but can be experienced through the local resources of the societies who host tourism programmes. As stated by Watkin et al, (2002), the key needs of visitors include being relaxed, comfortable, personally satisfied, feeling safe, knowledgeable, mentally stimulated, social, balanced, enjoying and being interested in natural wonders. For successful performance, these basic needs have to be fulfilled. Focusing on the natural environment for personal satisfaction cannot be ignored and should be taken care of by the CBTPs.

Rainforests and waterfalls, for example, are the main natural attractions owned by Ng’ires cultural tourism programme as a destination for walking safaris to allow a more intimate experience and to complement other cultural products and services to satisfy the visitors’ key needs, which are motivated wholly or in part by an interest in the artistic and historical heritage of a community, region, group or institution. Similarly, Wisconsin Heritage Tourism Program sees culture as a unique resource at the heart of community based tourism as a practice of travelling to experience attractions and heritage in an enjoyable way.

4.1.4.2 CBTPs' location characteristics

Programmes' location has been accepted in the entrepreneurship literature as a fundamental determinant of performance success. OCED (2006) stated that, until recently, tourism has concentrated on specialized resort areas and major cultural centres. The CBTPs' characteristics based on its location at the study area are presented in Table 2.

Table 2: CBTPs' location characteristics

Variable	Frequency (n)	Percentage (%)
Private home	15	8.9
Shopping centre	26	15.4
Road side to PA	30	17.8
Near the PA	69	40.8
Other	18	10.7
Non Response	11	6.5
Total	169	100.0

N = 169

Table 2 shows that CBTPs at close proximity to PAs comprised 40.8%, and those situated alongside the highway to PAs were 17.8%, those located at shopping centres were 15.4%, and those located in private homes were 8.9%. Other locations comprised 10.7%. Unlike large, private commercial tourism operators, the CBTPs are located in and organized by village communities, in the hope that they will foster a more meaningful interaction between tourists and host residents that is less culturally disruptive than closed society developments.

Although it is expensive to acquire a strategic location for a tourism programme for poor people and involves a large number of chains, the CBTP can be developed with relatively low investment and capital because rural areas have special appeal residing in their distinct culture, history, ethnic and geographical characteristics. Making cultural products and services easily accessible may induce tourists to visit the programme. It is important however to note that the border line between community based tourism and other forms of tourism is almost non-existent though cultural tourism appears to drive others. The distinction between them is found to be difficult to draw because local communities at close proximity to PAs depend on their natural environment. Primarily, the CBT involves local residents (often rural, poor and economically marginalized) who invite tourists to visit their locations.

4.1.4.3 Characteristics related to forms of ownership

Cultural tourism entrepreneurs have a concern that is highlighted in the entrepreneurship literature that all entrepreneurs share the same traits regardless of the nature of the product or service offered for sale. As stated by Zeppel (2006), the owners organize the programme, assume the risks, and reform the pattern of production to produce commodities, exploit innovation and creativity, manage and gain uncertainties while allowing equilibrium between economic factors and cultural values. Active participation by local residents and ownership of tourism resources at the destination is crucial for the formation of CBTPs.

The legal forms of ownership have been captured, summarized and presented in Figure 8 below.

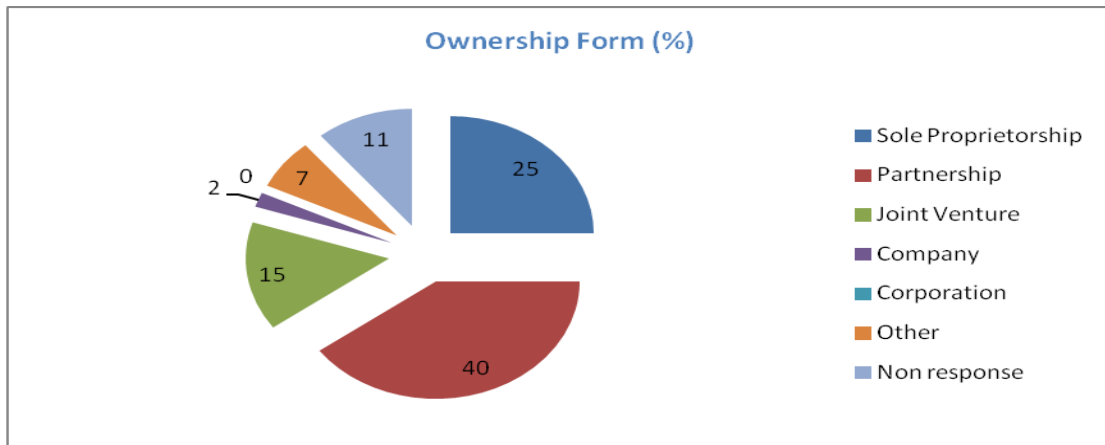


Figure 8: Forms of ownership characteristics.

As seen in Figure 8, partnership (a group of members/people coming together and establishing a programme through a partnership agreement) is shown to be the form of ownership practiced by most CBTPs comprising 40.0%, followed by sole proprietorship (an individual who starts a programme through the simple mode of registration) comprising 25%, joint ventures 15% and other forms of ownership (strategic alliances & mergers) comprising 7%, but none was registered as corporation (a group of entities forming a company as an entity through a memorandum of articles).

4.1.4.4 Characteristics relating to the structure of ownership

Ownership structure characteristics were captured, summarized and presented in Figure 9.

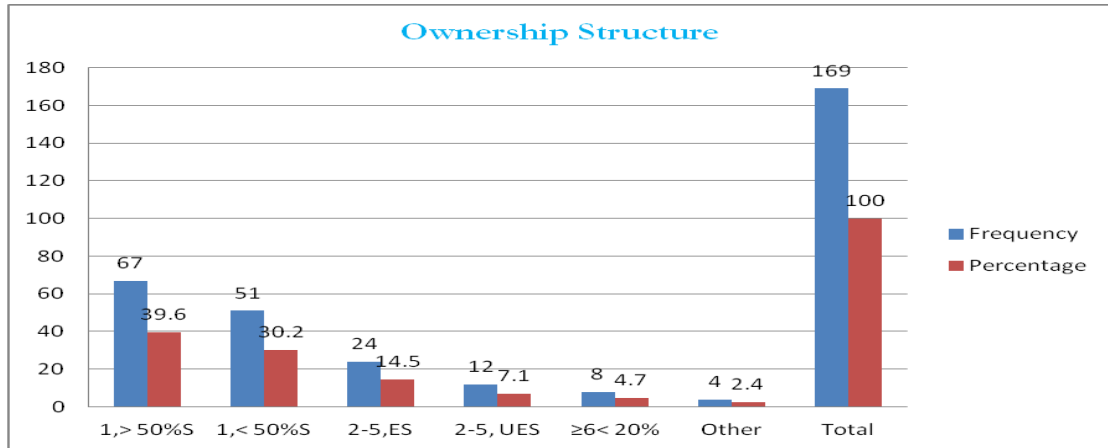


Figure 9: Ownership structure ($N = 169$)

It was further noted in Figure 9 that 39.6% are owned by one individual who owns more than (50% shares), 30.2% have one owner owning less than (50% shares), and 14.2% comprising between 2 and 5 owners with equal shares. While 50.9% of the programmes were initiated by 1 to 3 founders, 18.3% were between 4 and 5 founders, and the majorities were found to be operated by family members. In the context of local communities' participation in tourism activities, there was little comment due to the fact that the level of participation is on a continuum that allows for CBTPs management, without which the basic premise behind the CBT concept is undermined. It was beyond the scope of this study to inquire further into the forms of organization and the extent to which there is effective participation of local communities.

From the above analyses (Figure 8 & Figure 9), as it is shown, many programmes are found to be possessed by few individuals through partnerships agreement. The fact that the formation of community based tourism is based on the notions of sustainability, that they work on the premise that, all stakeholders are directed toward community development within equitable distribution of benefits. It is unfortunately that majority of the CBTPs are owned with few individuals with self interests where realized income goes to their pocket for their own ends which leads to the doubts whether majority of local communities are really benefiting. This is contrary to the sustainability principles behind the CBT formation.

4.1.4.5 Employment characteristics

The term ‘members’ stemmed from the fact that ‘an employee’ is no longer apt for describing the sense of ownership and the level of commitment expected from human resources. Members, owners and employees as used in this study include anyone, who independent of the type of relationship is involved in the programme’s value chain. The number of full - time and part - time members/employees/owners was captured, summarized and presented in Fig 10.

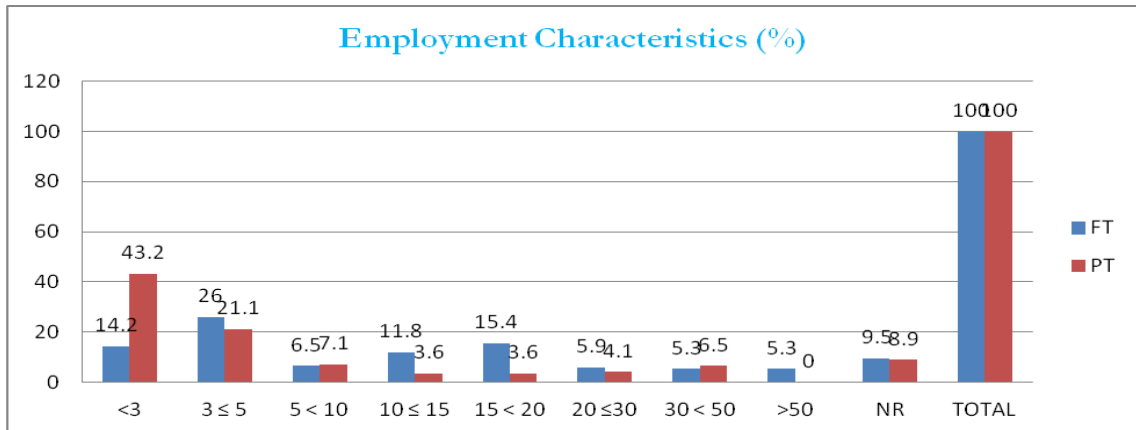


Figure 10: Employment characteristic in percentage ($N = 169$).

KEY: FT = Full-time employees, PT = Part-time employees.

The results from Figure 10 above indicate that 26% had 3 - 5 full time employees, 15.4% had 15-20 while 14.2% has less than 3 full time employees. As regard to part-time employees, 43% had less than 3 and 21.1% had 3-5 part time employees. During the interview, some of the CBTPs' owner were quoted saying,

“Why too many full time employees while the activity is seasonal?
They further added, “Who is going to pay for them out of the season?”
The others said “due to the seasonal nature of this business, I always use part time employees when I have visitors”.

The results on whether to use part or full time employees is supported by Akunaay (2009), who argued that due to the seasonal nature of tourism, employees may have not be committed to the activity which results in few internal skills gains and inadequate competency. As found in some responses, “Sometimes the working hours can be too long, the payment may not be good and sometimes there is no work at all”.

As a result, majority of the part - time members do not see their work as a career opportunity.

These findings is similar to those found by Zeppel (2006) who stated that, “While some youths and women perform cultural dances, sell crafts, but these activities provide only a small supplement to those few who participate. The limited numbers of employed local people enter into lowest level with lower wages, leading to the doubts whether community based tourism practices are economically feasible” These results are also supported by Munishi (2006) who stated that voluntary and genuine commitment in collaboration; transparency and good communication are qualifications that do not match the practice. Income from community based tourism has an array of communal and individual benefits. Although local residents have in-depth knowledge about landscape and history for visitors to benefit, but English and other languages is found to be a barrier that limits the exploitation of opportunities, though can be remedied.

Although the CBT creates both formal and informal jobs at the destination, the argument is ‘are those jobs real jobs’? Various studies show that they are usually low skilled seasonal jobs, paying low wages for which women are more favoured. More skilled duties and highly paid positions are often occupied by non-locals as a result they lead to economic leakage and the social stress of local communities. In addition, many programmes are often in the form of family owned and operated ones, and are less flexible in terms of time and working conditions. As a result, local people might be hostile to jobs. Furthermore, the use of profits by kinship networks, the

concentration on products with poor demand and involvement in unnecessary growth (horizontal instead of vertical) within the programme leads to activity sub-optimization.

4.1.4.6 Visitors, sales and margins trends in the past three years

To be certain whether community based tourism is a growing and potential segment in tourism, it was vital to obtain empirical evidence on the trend of visitors (clients), sales and margins (profit) in the past previous three years after establishment of the programmes. Data regarding visitors, sales and margin trends were captured and summarized in Figure 11.

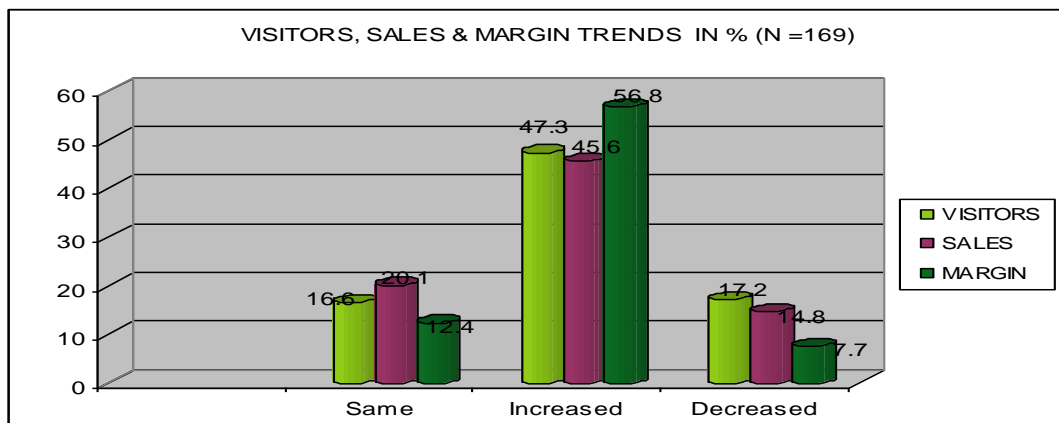


Figure 11: Visitors, sales and margins trends in percentage in the past three years.

It is worth noting that 47.3% of the total respondents indicated that the trend of visitors received in the past three years had been increasing, 45.6% indicated that the sales volume have increased and 56.8% responded the margins had increased. While 17.2% showed that the number of visitors received in the past three years had

decreased, 14.8% showed that the sales volume have decreased and 7.7% responded that they were experiencing losses. A typical income's record for Ilkiding'a cultural tourism initiative (CTI) was captured and presented in Table 3.

Table 3: Ilkiding'a CTI annual income report in TSHS (2007 – 2009)

COMPONENT	ANNUAL INCOME RECORD			Percent Increase
	2007	2008	2009	
Number of clients	148	240	388	162
VDF	609,000	1,109,800	1,718,800	182
Guide fees	2,650,000	4,233,000	6,883,000	160
Administration fees	609,000	1109,800	1,718,800	182
Contact person fees*	81,000	71,000	152,000	87
Traditional cuisine	394,500	383000	977,500	147
Cultural activities**	1,490,000	2,438,750	3,928,750	163
Accommodation***	347,000	224,000	571,000	65
Souvenirs/handicraft	47600	-	40,000	-18
Voluntary donations	-	-	-	-
Total	6622100	9367750/=	15,989,850	142

Source: Ilkiding'a CTI's income reports (2007, 2008 & 2009).

Key:

1KESH \equiv 20TSH

VDF - Village development fund

* Fees payable to warriors, storyteller, traditional healer

** Fee for biking, hiking, tours to cultural boma, transport

*** Overnight home stay fees, permit fees

As found in table 3, the guide fees is the leading component in terms of sales, followed by cultural activities (hiking, biking, and tour to cultural sites...). Total sales have been on rise except for souvenirs/handcrafts (exclusively for Ilkiding'a CTI).

The value of service and the prices paid for consumption are synonymous. In terms of positioning, CBTPs identify possible value drivers upon which to build their position by either charging lower prices or offering more benefits to justify higher prices. As argued by Kotler et al (1999), if they promise greater value, they must then deliver that greater value. Likewise, Jefkins (1992) added that, the price signifies quality, and is an eloquent communicator which reflects the client's behaviour, power and psychology and the ability of a service to satisfy.

As seen in table 3, a set of controllable and tactical tools that are blended, in order to produce the response needed in the market, consists of everything that can be done to influence the demand for CBTP services. This finding is supported by Kotler (2002) who stated that a wise combination of product, price, place and promotion is key to CBTP performance. Additionally, tourism products are also affected by environmental quality, which is an essential factor for long-term success and ensuring continued sales. Many responses however, expressed that the extent to which majority of the local communities' benefits depends on the degree of inclusion and the control over the programme. Likewise, revenues earned may lead to jealousy and conflict which may threaten the programme's cohesion.

4.1.4.7 Service duration and window of opportunity characteristics

In entrepreneurship theory, the window of opportunity matters and influences the performance of entrepreneurial activity significantly. The longer the window of opportunity remains open, the greater the possibility of entrepreneurial success.

Characteristics based on the duration in years for CBTPs from their inception in the study area are captured, summarized and presented in Figure 12.

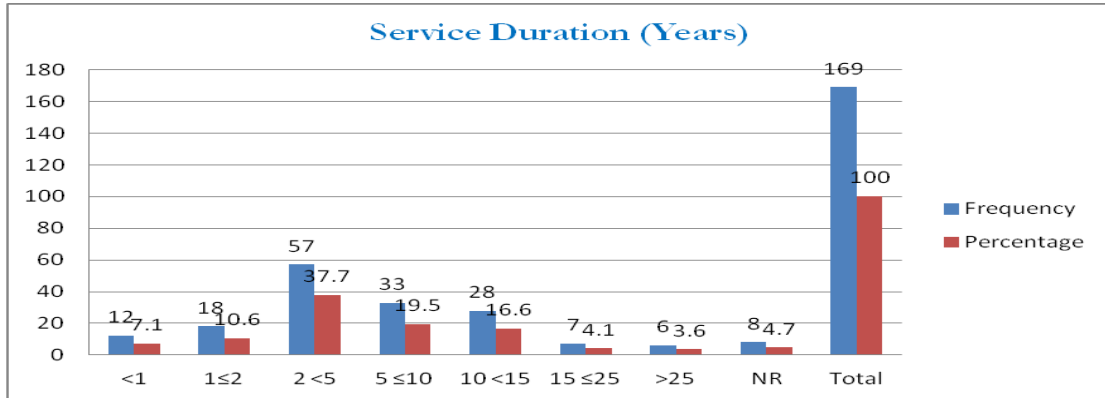


Figure 12: The CBTPs' service duration in years (N=169).

Figure 12 shows that 37.7 % of the surveyed programmes have been in operation since their establishment for 2 - 5 years, followed by 19.5% which have been in operation for 5 - 10 years since their establishment. The service duration after its establishment has a great influence on performance, though this varies significantly. The reason for this is that, often new programmes may survive in the initial phase because of unique or superior products or services or limited geographical distribution. However, entrepreneurial performance success seldom goes unnoticed by other producers (competitors) and the profitable market segments created by the programme are guaranteed to attract other participants (OECD, 2006).

New participants in the same product line or category will start threatening the programme's position and the consumers (clients) may also go elsewhere. It is surprising that 16.6% were found to be between 10-15 years in operation, 4.1%

between 15-20 years and 3.6% were found to be over 20 years after their establishment. These findings contradict those of many other researchers who indicated that up to 40% of small scale tourism initiatives fail within the first years of operations and the remaining 60% often close after 10 years from their establishment and that the situation is worse for CBTPs to the extent that it is difficult to find successful cases in practice.

4.1.4.8 Characteristics based on margin contribution to CDPs

Collective benefits are generally identified in the tourism literature and by practitioners as central to the concept of CBT, i.e. among the common features are both individual and communal benefits. The margins set aside by CBTPs for collective benefits (CDPs) are captured, summarized and presented in Figure 13.

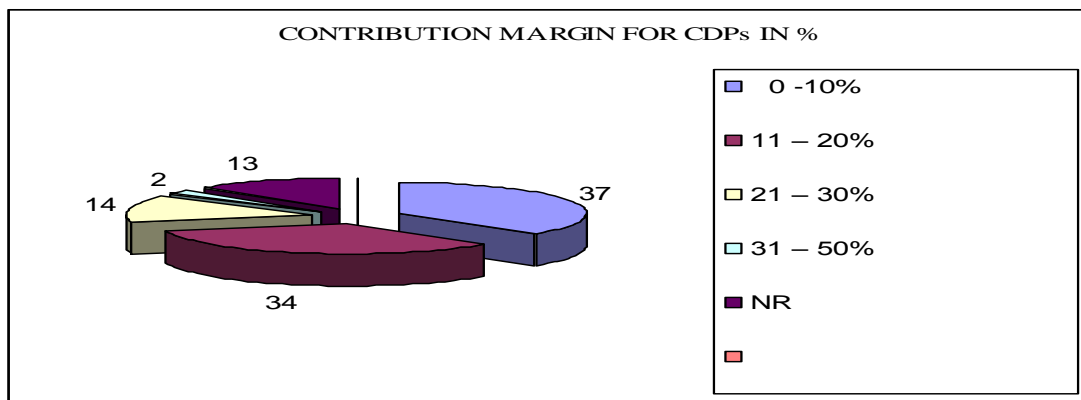


Figure 13: Contribution margins for CDPs in % ($N = 169$).

Figure 13 indicates that, while 36.7% indicated that they set aside between 0% to 10% of their net profits for CDPs, 34.3% set aside between 11% to 20% of their margins, 13.6% set aside between 21% - 30% of after tax earnings and 2.4% set aside between 31% - 50% of their realized profits. The variations are due to the nature of the activity, structure of the programme and the purpose of its establishment.

On the other hand, the entry fee is partly shared by the owners of the CBTPs and the percentage set aside for CDPs, e.g. construction of school classrooms (*Appendix 16*), dispensaries, scholarships for orphans and marginalized groups, medical services and other matters arising as agreed by the members or as stipulated in the village executive committees' by laws. Thus the concept of partnership and sole proprietorship has a double edge when it comes to the whole issue of interpretation.

Since CBTPs include local people in tourism activities through formal and informal employment, interacting with the clients, and recognition of education, they provide financial incentives for conservation. As Lengishon Ole Kimunyak, a tour guide of Engaruka CBTP said,

“Through recognition of local communities in tourism, there is a lively hope for young people and self esteem in the wider local community. Working in partnership with other stakeholders is a key for accessing resources that would enable us to attract more tourists and earn income, invest in infrastructures and contribute to wildlife conservation efforts.”
(As translated by the researcher from Kiswahili).

CBTPs are thus found to reduce problems associated with poverty and provide an avenue for intimate cross-cultural exchange within infrastructural inputs. In the eyes of people consulted in this study, community based tourism is seen as a means to achieve cultural objectives, learn, teach and maintain the ongoing contact with visitors and relationships that provide opportunities for preserving and transmitting cultural knowledge and earning an income. It offers an opportunity for groups to maintain and transmit cultural knowledge between generations.”

Traditional handicrafts are also found to become popular and unique attractions among international tourists, and so local communities as entrepreneurs are motivated to design and produce items to promote their culture. Cultural tourism as a subset of CBT contributes to household incomes and improved livelihood for families undertaking the activities. Many respondents showed that revenue from CBTPs has funded an array of communal and individual livelihood benefits, e.g. schools, dispensaries, village office to individual grants for healthcare and scholarships.

The CBTPs use part of the revenue for household and wider community development, by funding the CDPs from the revenue realized from the activities. Some respondents however stated that, although CBTPs provide significant incomes, they can be a source of conflict and division within a community. Internal conflicts were stated to emerge from the competition among different levels of government bodies and the mismanagement of realized incomes by their leaders.

4.1.5 Evaluation based on perceived importance

Part {c} on additional information {300} in the questionnaire asked the respondents to rate the factors in their order of importance regarding their CBTPs performance i.e. *1=Very important; 2 = Important; 3 = Less important; 4 = Indifferent*. The results are captured and summarized in Table 4.

Table 4: Results of responses evaluation based on perceived relative importance

Factor	MS	SD
Products/services	4.37	1.11
Sales	4.22	1.14
Clients	4.13	1.16
Fulltime membership	3.76	1.20
Location	3.60	1.23
Part-time membership	3.11	1.21
Gender	2.81	1.46
CDPs	2.8	1.45
Age	2.45	1.51
Education	2.45	1.51

Key: MS = Mean score; SD = Standard deviation

Table 4 indicates that the most important factor for CBTPs' entrepreneurial performance success is products and services, with a mean score of 4.37, followed by sales (4.22) and clients (4.13). The least rated was age and education with a mean score of 2.45, followed by gender with a mean score of 2.81 and CDPs 2.8. Most responses indicated that the common failure factors are partly contributed to by lack of capital, as it is difficult to secure loans without viable security to pledge. Financial constraints however are not given weight as it is understood in the literature that loans

are easier to access and theoretically it is not a constraint due to financial services globalization. Other responses indicated that the higher rate of inflation and continuous fluctuation in fuel prices are a problem as affect quotations from potential tourists.

4.2 Determination on whether entrepreneurial skills of the CBTPs' employees have significant influence on their programmes' performance

It was hypothesized that, *H_{o1}: Entrepreneurial skills of the owners of community based tourism programmes at close proximity to protected areas are not positively related to their performance.* In order to test the relationship between owners' entrepreneurial skills and performance, correlation analysis, multiple regression and factor analysis with varimax rotation were carried out.

The adopted skills set "principal components" are similar to those developed by Srivastava (1982) in developing approaches for determining entrepreneurs (*Appendix 20*) in terms of a set of 10 items including; ability to take advantage from the opportunity, innovation, commitment, enthusiasm, product development, managing, operations, planning, organizing and budgeting skills. With the help of convenient computers, correlation analysis was executed to study the joint variation and strength of association among variables. As stated by Tabachnik and Fidel (2001), the correlation coefficients equation was expressed as;

$$r_{xy} = (\sum xy) / [(\sum x^2 \sum y^2)]^{1/2}$$

Where: r_{xy} = Pearsons' correlation coefficients,

$x = \sum (X_i - X)$ and $y = \sum (Y_i - Y)$, X and Y being the mean values of x and y variables/factors respectively.

The p-value is the probability when the null hypothesis is true, that is the absolute value of the t- statistic would equal or exceed the observed value of t- value. The fact that correlations are useful since they can indicate a predictive relationship that can be employed in practice by seeking to discover if a covariation between two variables exists or not, does not prove which is endogenous or exogenous variable.

To estimate the value of any one of the two correlated variables corresponding to a given value of the other variables, multiple regression was executed so as to examine relationships among all variables (skills/resources) for each of the variable (skills factor) using the standard statistical package (SPSS-Regression). The adopted model of regression is similar to that of Maxwell (2000) and the equation was in the form of;

$$Y_t = a + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_i X_i + \varepsilon.$$

Where: Y_t = Is a dependent variable at time t ,

X_1, X_2, \dots, X_i = Independent variables (predictors)
 a = Intercept parameter in multiple regression
 β_i = Regression coefficient (*standardized*)
 ε = Error associated with the observations.

The following formula was used to test the null hypothesis that in the population there is no linear relationship between dependent variables and prediction based on the set of k- independent variables/factors from N-cases:

$$F = \frac{R_{y:12..k}^2/k}{(1 - R_{y:12..k}^2)}, df = k, N - k - 1.$$

In addition, F is a standardized form of t-value which provides evidence whether the null hypothesis is false and the attributes are in fact correlated. R^2 explain the proportion of dependent variance that can be explained by the two predictors. As Berger (2003) put it, R provides a measure of how well a dependent variable can be predicted by scores of independent set of factors. The assumptions are that cases are sampled randomly and independently from the population, and that the deviations dependent values are normally distributed with equal variance for all predicted values. The p-value is the probability when the null hypothesis is true. The results from correlation analysis and multiple regression were captured, summarized and presented in Table 5.

Table 5: Correlation analysis and multiple regression (*Skills and entrepreneurial performance*)

Skills (Items/Factors)	FT (r_{xy})	PT (r_{xy})	S (r_{xy})	Beta (β)	t	Sign.
Ability to take opportunity advantage	-0.008	0.003	0.056	- 0. 053	- 0.623	0.121
Creativity and innovation	-0.104	0.102	0.108	-0.086	-1.023	0.456
Commitment	-0.022	0.121	0.073	-0.055	-0.654	0.333
Enthusiasm	0.021	0.064	0.047	0.011	-0.121	0.257
Product development	-0.096	0.025	0.073	0.023	0.233	0.354
Managing	0.166*	0.241	0.246	0.227	2.785	0.031
Operations	0.155	0.162	0.018	-0.164	1.692	0.359
Planning	-0.102	0.104	0.107	- 0.078	- 0.813	0.056
Organizing	0.165*	0.158	0.197	0.197	2.047	0.042
Budgeting	-0.051	0.146	0.105	-0.071	-0.656	0.155

Key: $R^2 = 0.122$, $F = 1.807$, $p = 0.052$. $p > 0.05$.

FT = Full-time,

PT = Part-time

S = Sales

t = Statistical computation (t- table)

* Correlation is significant at 0.01

As shown in Table 5, correlation coefficients (r_{xy}) for managing skills for example, $FTr_{xy} = 0.166$, $PT r_{xy} = 0.246$, $Sr_{xy} = 0.246$, $\beta = 0.227$ & $t = 2.785$ and organizing skills $FTr_{xy} = 0.165$, $PT r_{xy} = 0.166$, $Sr_{xy} = 0.158$, $Sr_{xy} = 0.197$, $\beta = 0.197$ and $t = 2.07$ at $p < 0.05$ implying that they were the most important predictors. In essence, the owners of community based tourism programmes were likely to have higher sales by using both formal i.e. full time (FT) and informal (PT) employees.

Similarly Cronbach's alpha was used to test reliability, since it is the most common measure of internal consistency commonly used when there exist multiple Likert questions in a survey/questionnaire that form a scale and one wish to determine if the scale is reliable (Zindbarg *et al.*, 2005). The equation for reliability analysis of the composite was in the form of;

$$\alpha_{Standardized} = \frac{(K\bar{r})}{(l + (K - 1))\bar{r}}$$

Where: $\alpha_{standardized}$ = Standardized cronbach's alpha, K = is the number of components and \bar{r} is the mean of none-redundant coefficients $[K(K-1)/2]$ i.e. the mean of an upper triangular or lower triangular matrix. The reliability test indicates the cronbach alpha = 0.72 (*acceptable*) and the predictors accounted for 12.2% of the variance. As stated by Stevens (2002), many researchers who use a rule of thumb require a reliability of 0.7 or higher.

In order to summarize a number of variables into a smaller number of factors and create communalities and factors that are characterized by large loadings on relatively few variables, principal component factor analysis with varimax rotation was undertaken. The results are captured, summarized and presented in Table 6.

Table 6: Factor analysis with varimax rotation (skills & performance)

Factor analysis with varimax rotation			
Principal component	Factors		
Skills:	1	2	3
Organizing	0.823		
Planning	0.807		
Budgeting	0.694		
Commitment	0.513		
Operations		0.803	
Product development		0.787	
Innovation/Creativity		0.779	
Ability to take opportunity advantage		0.733	
Managing			0.674
Enthusiasm			0.348

As found in Table 6, Factors (1) was loaded by organizing skills, planning, budgeting and commitment, factor (2) loaded on operations, product innovation, creativity and ability to take advantage of opportunities and factor (3) loaded on managing and enthusiasm. The loadings in the factor matrix were found to range from 0.35 to 0.83, meaning that although the loadings are higher but the whole composite favored the null hypothesis.

4.2.1 Managing and organizing skills

From Table 6, the examination of the predictors showed that management skills (beta = 0.227; $t = 2.785$) and organizing (beta = 0.197; $t = 2.047$) at $p < 0.05$ were found to be the most important predictors. In other words, the way CBTPs' owners manage their cultural activities (managing skills) and the process involved in organizing their teams and assigning responsibilities (organizing skills) were found to be significant predictors. The fact that entrepreneurial management is the overall force within the programme that ensures the members to know what they are doing and what results

are expected. It is the glue that holds the programme together into a manageable activity and provide due attention on products, services and markets.

On the other hand, organization is the collection of duties assigned to various individuals who work together to achieve the goals of the programme and often including a hierarchy of authority that extends from senior management to the lowest level in order to encourage efficiency and promote specialization of labour. Coordination at the different levels within the organizational hierarchy is aided by having job descriptions that define the responsibilities of each job in order to avoid duplication of activities. From the results in table 5, the correlations coefficients for managing and organizing skills were positive, implying that the owners of CBTPs who rated themselves as having strong management and organizing skills were likely to have more employees/members in terms of full-time (formal employment) and part-time and likely to have more sales.

4.2.2 Innovation and planning skills

Table 5 above indicate that the computed beta = -0.086 and t = -1.023 at $p > 0.05$ implying insignificant correlation. On the other hand, the correlation coefficients were negative implying that respondents, who considered themselves as strong regarding innovation, were likely to have fewer full and part time members and less sales emanating from lack of creativity. This finding contradicts with entrepreneurial perspectives where creativity is the development of new ways to create value for the clients as driven by the ability of community based tourism members to build on one another's ideas and capabilities, creativity and innovation provides local communities as entrepreneurs to help them find the new ways of doing things. Furthermore, creativity is a specific tool of entrepreneurs and a key element for

entrepreneurial performance. Although some researchers describe innovation as chaotic and unplanned within strategic plans, other insists it as a systematic discipline that need to be nurtured. While radical innovation take experimentation and determined vision which are not necessarily managed within the programme, incremental innovation is the systematic evolution of a product, service or a programme into newer or larger market segments.

From Table 5, it was found that planning (beta = - 0.078 and t = - 0.813 at $p > 0.05$), and the correlation coefficients for both employment and sales were negative implying that planning and performance are not positively related. The fact that plan provides a direction and a meaning to daily activities and ultimately determines and examines a programme's values, its current status and the wider environment (both internal and external), it relate those factors to the desired state in the long run. With rapid demographic changes (both economic and social), proper planning becomes a tool for adapting to changes and creating the programme's future within the context of a change.

Community based tourism programmes planning provide the strategy for all other decisions and activities, beginning by converting the overall objectives of the programme into strategies for accomplishing the activities. Taking into consideration the nature of the owners and activities of the CBTPs, it is not surprising that the direction of the findings of the analysis is not favourable. Since local communities are generally characterized by low levels of formal education and less exposure, they need to be supported in terms of training in entrepreneurship including planning for them to perform successfully.

4.2.3 Commitment towards activities and enthusiasm

While Table 5 indicate that commitment (beta = -0.055 and t = -0.654 at $p > 0.05$), the correlation coefficients were negative for both employment and sales. The fact that commitment is one of the most important components of entrepreneurial skills for successful performance, it is unlikely that the analysis found it in the opposite direction. In other words, most of the members of CBTPs were not fully committed to their activities. The fact that CBTPs membership contract stems from personal commitment to an entirely different sets of beliefs where individuals see their relationship with the programme as one in which their commitments create value in exchange for an opportunity to develop their capabilities.

Capability is utilized when people give commitment to the mission and life of the programme and have power to do something within their capabilities. As argued by (Hubert, 2006), commitment is based on the assumption that *'I am my own person, my well being depends on the capabilities I acquire through self initiative'*. It is evident that most of them are not treating their programmes as primary but secondary activities to complement agriculture and livestock. As stated by Nsana, Ituga and Mollel (2007), non-commitment is the price of obsolete managing practices, not lack of talent or desires.

The results pertaining to commitment contradict with those found at Mpumalanga province in South Africa by Visser (2002) who gave a list of inborn traits that make an entrepreneur to be committed that includes a desire to achieve (the push to conquer problems and give birth to a successful programme), hard working, desire to work voluntarily for themselves, nurturing quality (willing to take charge of, and watch

over a programme until it can stand alone successfully), acceptance of responsibilities (morally, mentally, legally and accountability for their programmes), reward orientation (desire to achieve something that they can be proud of), orientation to profit, excellence and organization.

According to Srivastava (1982), commitment is mostly freely given when the members of a programme play part in defining the purpose and plans as it carries with it a de facto approval of and support for the management. Total commitment is geared toward result oriented, single minded, drive and pleasure towards achievement through hardworking in an entrepreneurial profile. Known that flexibility in work time arrangements can have indirect benefits e.g. enhanced commitment and ultimately higher productivity and performance.

Regarding enthusiasm, Table 6 indicate (beta = 0.011 and $t = -0.121$ at $p > 0.05$) and the correlation coefficients were positive for both full and part time employment and sales implying that they are positively correlated. Enthusiasm refers to intense, enjoyment, interest, or approval of such feelings. While enthusiasm is a principal component of entrepreneurial process, it is more than just a good idea, but a combination of ideas, involving perseverance and dedication to remain with it until it is implemented and works. The key to entrepreneurial success is to blend innovation (imagination and creative thinking) with a systematic and logical process through enthusiasm. Although t was found to have a negative value, majority of the respondents were found to enjoy their carrier.

4.2.4 Budgeting and product development skills

From the composite in Table 5, budgeting was found that ($\beta = 0.071$ and $t = 0.656$ at $p > 0.05$) and the correlation coefficients were negative for both employment and sales, implying that the budgeting skills of the owners of CBTPs and entrepreneurial performance are not positively related. A budget is essentially a record of planned expenses that is prepared on an annual basis and a financial plan of the expenditure needed to accomplish the projected objectives. It is a process of assigning costs to various components of the plan. The fact that budgeting is a critical part of the planning process because funding is needed to implement the plan to ensure that the programme's resources are allocated in the most efficient way over the period of the plan, it is unfortunately that most of the CBTPs owners are not capable in terms of budgeting skills.

Likewise, the composite in Table 6 indicate that the product development was shown as $\beta = 0.023$, and $t = 0.233$ at $p > 0.05$. On the other hand, the correlation coefficients as provided were negative, implying that product development skills of the CBTPs' owners are not positively related to their entrepreneurial performance in terms of the number of full and part time employment and sales. Product development is closely related to innovation which is a specific tool of entrepreneurs and may imply a new product or service pertaining to programmes members, but does not mean developing new services but also about doing existing ones in a new ways. As stated by Holt (2004), the product itself may or may not be new or unique, but value must somehow be infused by securing and allocating the necessary skills and resources.

4.2.5 Operations and ability to take advantage from arising opportunities

In Table 5, skills regarding operations were found as $\beta = -0.164$, and $t = 1.692$ at $p > 0.05$. Similarly, correlation coefficients were positive for both employment (full and part-time members) and sales, implying that operations skills and CBTPs entrepreneurial performance were positively related. Theoretically, operations involve formal and informal activities aimed at creating value through product or services, market and process innovation. Although operations may take place at different levels of the programme, the unified objective of value creation must be geared towards improving the programmes performance.

From Table 5, the ability to take advantage from opportunities showed that $\beta = -0.053$, and $t = -0.623$ at $p > 0.005$, and the correlation coefficients were negative, implying that CBTPs' members are not capable to take advantage of arising opportunities from the environment. These findings are similar to those of previous researchers who argued that local communities in general are characterized by low level of education with unmatched capabilities needed in tourism.

The null hypothesis (H_01) which stated that 'entrepreneurial skills of the owners of community based tourism programmes at close proximity to protected areas are not positively related to their performance was supported ($H_01 - Accepted$)' albeit the relationship was not in the expected direction. The average composite favors the null hypothesis, though organizing and managing skills were significant predictors. These results are supported by Gupta and Kanka (2000), who argued that the propensity of

the entrepreneur to employ and apply a variety of entrepreneurial skills has been recognized, since skills contribute to superior performance and ultimately competitive advantage, the lack of which will continue leading to poor performance. It is important however to keep in mind that, entrepreneurial management in this study is mainly concerned with internal capabilities and not concerned with matching abilities to the international environment in which the programmes must compete.

Ideally, entrepreneurship is based upon the same principles and that the rules are the same, and the things that work and those that don't are the same regardless of the kind of an entrepreneur. In the same way, the kinds of innovation which are specific tools of entrepreneurship and where to look for them makes no difference whether the programme offer cultural products or provided by a local person. Due to the nature of respondents in this study, it is not surprising that there is a negative correlation regarding full time members who were viewed in behavioural terms as individuals driven to seek challenges and new accomplishments.

4.3 Determination on whether the owned local resources by CBTPs have significant influence on entrepreneurial performance

It was hypothesized that, *H_{o2}: Local resources owned by community based tourism programmes at close proximity to protected areas in Arusha are not positively related to their entrepreneurial performance.* In order to examine the relationship between owned local resources and entrepreneurial performance of the CBTPs, respondents

were asked to rate eleven items relating to different owned resources owned on a 5-point Likert scale (question 203 of the questionnaire). By assuming that members who consider owning unique local resources as strong were likely to have a higher performance as measured by increase in sales and the number of full and part-time employees.

To study the joint variation and strength of association and examine the relationship among all variables (local resources), among variables, another correlation analysis and multiple regression for each of the variable (resource factor) was carried out. The results from both correlation analysis and multiple regressions were captured, summarized and presented in Table 7.

Table 7: Correlation analysis and multiple regressions predicting correlation between local resources and entrepreneurial performance

Resources	FT (r_{xy})	PT (r_{xy})	S (r_{xy})	Beta (β)	t (F^*)	Sign.
Geographic location	0.098	-0.323	0.143	0.162	1.823	0.216
Human	-0.651	0.066	0.111	-0.414	-0.382	0.354
Customer service and care	0.075	-0.026	0.116	0.022	0.181	0.221
Overall management	0.062	-0.108	0.108	0.071	0.754	0.488
Prior experience	-0.027	0.125	-0.053	-0.081	0.791	0.156
Product quality	0.104	-0.064	0.026	0.157	1.461	0.031
Clients	0.042	-0.441	0.166	0.151	1.322	0.057
Cost advantage	-0.114	-0.142	0.071	-0.296	-2.917	0.451
Network	-0.058	0.034	0.073	0.003	0.018	0.042
Indigenous knowledge	0.027	0.068	0.173	-0.085	-0.665	0.056
Unique attraction	0.148	0.103	0.095	0.279	0.911	0.014

$R^2 = 0.123$, $F = 2.15$, $p = 0.023$. $p < 0.05$.

Key: S = Sales; FT = Full - time members; PT = Part - time members

t = statistic test from t- distribution table, F = Statistic test (F- Table)

p = Significance level and R^2 = degree of multiple correlation (determination).

As shown in Table 7, at $p < 0.05$, correlation coefficients (r_{xy}) for unique attraction for example, $FT_{r_{xy}} = 0.148$, $PT_{r_{xy}} = 0.103$, $S_{r_{xy}} = 0.095$, $\beta = 0.279$ & $t = 0.911$ and networking, $FT_{r_{xy}} = -0.058$, $PT_{r_{xy}} = 0.034$, $S_{r_{xy}} = 0.073$, $S_{r_{xy}} = 0.003$, $\beta = 0.018$ and $t = 0.0427$ implying that they were likely to have higher sales by using more informal (PT) employees with less full timers (FT).

The items were then factor analyzed and the principal component factor analysis with varimax rotation yielded three factors; human, unique attraction, overall management, efficiency and cost advantage were loaded on the first factor. Customer service and

care, product quality and innovation were loaded on the second factor while geographical location, financial resources and clients were loaded in the third factor.

The results of factor analysis with varimax rotation are summarized in Table 8.

Table 8: Factor analysis with varimax rotation (*resources & performance*)

Factor analysis with varimax rotation			
Principal Component	Factor		
	1	2	3
Resources:			
Human	0.818		
Unique attraction	0.783		
Overall management	0.665		
Networking	0.646		
Cost advantage	0.518		
Customer service and care		0.818	
Product quality		0.794	
Prior experience		0.559	
Geographical location			0.787
Indigenous knowledge			0.723
Clients			0.646

As seen in Table 9, the loadings in the factor matrix were high, ranging from 0.51 to 0.82 which is higher. The fact that at $p < 0.05$ i.e. p - being a probability when the null hypothesis is true and that, the loadings in the factor matrix is high, the whole analysis i.e the summary matrix did not support the null hypothesis. Although sales outcome and the number of full-time and part-time members were also examined in the correlation analysis.

4.3.1 Customer care, product quality and overall management

From Table 8, it was shown that customer account for (beta = 0.022 and $t = 0.181$ at $p < 0.05$), but correlation coefficient for PT (Part-time members) was - 0.026, implying that those respondents who rated customer service as strong were likely to get more sales using less part time employees. The fact that customer care is essentially about meeting and exceeding the expectations of the clients/visitors by dealing with the clients fairly, properly and impartially. Customer care is the process that involves a commitment to deliver the best service in an effective and caring manner. Despite the findings in the composite, majority of CBTPs owners generally were seen as if they do not consider a quality service and customer care as a key to meeting and probably exceeding the expectations, needs and wants of their visitors. Though the concept of customer care portrays the image and ability to answer questions, solve problems and make use of the services to satisfy the clients. As stated by Parasuraman (1991), satisfaction is the emotional response to successful value of the service provided that implies getting better, faster, cheaper and abiding by a set of inherent characteristics that meet requirements.

From Table 8, the product quality was found that, (beta = 0.157, $t = 1.461$ at $p < 0.05$) and the correlation coefficient for part time member indicate negative correlation. Product refers to a set of inherent characteristics that fulfils requirements and requires diverse implementation measures that should be targeted at specific clients and may shift over time and require continuous improvement. As argued by Schonberger and Knod (1994), both satisfaction and quality is a complex concept, as it is whatever the client wants, it may conform to requirements and may mean what the client expects

of the product and the services. The quality of tourism products is mainly judged by the clients' subjective experience of the service delivered rather than by expectations created in the purchasing phase. As Jefkins (1992) put it, 'quality service' is used in terms of an excellent service that fulfills and exceeds expectations depending on the intended use whose relationship can take the form $Q = P/E$ where; Q denotes quality, P reflects perception and E equals to expectations. If $Q \geq 1.0$, there is a good feeling about the service rendered. P and E are however based on perception with the programme determining perception, the intended use and the selling price which is an eloquent communicator that defines the clients' behaviour and the ability of a service to satisfy.

Although cultural tourist satisfaction is guaranteed through good care and attention, quality management is more difficult because of intangibility, which causes difficulties in measuring the outcome, heterogeneity which depends on a different kind of services and inseparability of production and consumption which means service providers have no time to test the product before it reaches the clients, and perishability where production is fixed in time and space and services cannot be stored for use and the outcomes from quality improvement can only be realized in the long run. Therefore it is possible to develop a unique form of tourism, but maintaining the quality of the visitors' experience is often a more sensitive factor (Visser, 2006). Moreover, developing a quality tourism product requires a high level of thinking with a clear vision that centres on motivating consumers which is a tedious process which cannot be realized in the short run.

4.3.2 Unique attraction, human, and indigenous knowledge

Table 8 shows that unique attraction that $\beta = 0.279$ and $t = 0.911$ at 0.014 significance level, implying that the respondents who rated unique attraction as strong were like to get more sales and more formal and informal employment. These findings is supported by Jha (1992) who argued that, a deeper understanding of the product line 'attraction' is an underlying instrumental factor in promoting tourism, forcing operators to be creative in matching it with visitors' tastes. Although cultural attractions play an important role at all levels, the question of authenticity has to be reviewed as it equates culture with the idea of being uncivilized, backward, ignorant or retrogressive. Superlatively, a particular fascination as shown by tourists in the real lives of others might possess a reality which is hard to discover from their own experiences.

The cultural tourist can therefore be seen in quest of authenticity in the form of backwardness (primitive) and naturalness (untouched by modernity). It is undeniable fact that unique attraction and culture reinforces identity and facilitates harmony among the nations but the question of authenticity has to be reviewed from the tourists, the residents' culture and the cultural entrepreneurs which encompass more than the generic views (Clarke, 2006).

Cultural tourism must be within the context of accurate interpretation of cultural heritage as resources, authentic experience for continued flow of tourists. It is not only concerned with identifying, managing and protecting values, but with

understanding the impact of tourism on host communities in the effort to balance between economic benefits and social/cultural values which is premised upon commodification, primitive, traditional villagers and native people who are there to meet the demands of tourists in terms of service as an object to be enjoyed, photographed and to become commodified as part of the travel experience.

Authenticity therefore raises the pertinent questions as to whether tourists ever reflect on their own cultural constructions and determine the authentic element within it, meaning that it cannot be seen as a pre-constructed given but as a construct. In effect, authenticity is negotiable and will have different meanings for different people in different positions. Thus, authenticity becomes a question of experiences to satisfy the tourists' criteria of reality and to meet their specific demands by engaging in the activity where all cultural processes are negotiated and all experiences are constructed on the cultures of the host residents, the tourists and the cultural entrepreneurs.

While Table 8 showed that human factor (beta = -0.414, $t = -0.382$ at 0.354 significant level, indigenous knowledge was indicated as beta = - 0.085 and $t = 0.665$ at 0.056 i.e. $p > 0.05$ with positive coefficients of correlation for sales and part-time members and negative for full time members. Theoretically, knowledge is a cornerstone of every form of development and power that enables individuals to tap available opportunities within the environment to attain their goals. Indigenous knowledge continues to play a major role in rural livelihoods and local communities. These findings are similar to those found in the report of Hubert (2000), who argued that indigenous knowledge is

a resource which has not yet been mobilized into development of the local enterprise. It is basically a local knowledge that is unique to a given culture or society, predominantly tacit, embedded in the practices and experiences of its holder, exchanged through personal communication and demonstrations from the teacher to the apprentice, parents to children and neighbour to neighbour.

Although local institutions were found to have a wealth of practiced indigenous knowledge, they are often not disseminated effectively due to the lack of ability to capture, document, validate and share it. As a result, indigenous knowledge is often underutilized in the development process by local communities. The evolving challenges in the art of travelling require both individuals and teams to engender value creation beyond the current paradigms by accelerating the acquisition of new capabilities so as to be able to cope with industrial dynamics. Hubert (2000) further stated that,

“Local people (implicitly knowledgeable), often encounter new issues that are not seen in the past, thus they need more than explicit knowledge from someone with a similar experience, combined strengths of both explicit and tacit knowledge to give advice and interpretations. However, there is a need to understand the context in which the information will be used and draw conclusions within their own tacit know how.”

A more useful description of knowledge is knowhow and knowwhy. For CBTPs, both knowhow and why is important as it allows people to be creative that an individual brings in to bear the problem at hand. Indigenous knowledge as practised

allows access to and lessons to be learned from, other members' experiences. This knowledge however faces extinction unless it is properly documented and disseminated from one generation to another otherwise it might be lost forever.

4.3.3 Networking

Table 8 indicate that networking (beta = 0.003 and t = 0.018 at 0.042 significance level). Networking is premised on the fact that the difference between a successful and unsuccessful performance rests on "knowing people in the right place" (Howard et al, 1986), since people are the key drivers in any activity's performance. Networking creates alliances with others beyond the programme boundaries and provides a link with tourists for successful performance. An information system is thus an important component for effective communication, planning and managing of a tourism programme. As stated by Jefkins (1992), with increased influence of internet and special events, allow potential clients to be reached at all levels.

The concept of networking in CBT reflects the nature of the products and depends on integrated efforts, including the operations of different institutions, economic diplomacy, commitment to practices and regional and international cooperation. However, local communities operate in less developed villages with fewer networks and depend on the cooperation of development partners if they are to perform effectively. The Majority of the respondents indicated that they work in collaboration with other operators, NGOs, Netherlands Development Agency (SNV), and TTB.

On the other hand, most of these networks seem to be local (home-based connections) and dominated by family/clan/tribe members. Some of the challenges posed were identified to be contributed to by low level of start-up capital, fear of competition and fear of losing the small market they have. These results were found to contradict those of Kotler *et al.* (1999), who stated that a strong incentive for starting a network is the marketing advantage to be gained from developing and leveraging the image of a programme as an area specializing in a particular product range, service, skills and capabilities, which improve the programmes' image.

4.3.4 Prior experience

Although the composite in Table 8 indicate that prior experience (beta = -0.081, t = 0.791, p= 0.156). It is undisputable fact that prior experience is a resource that is brought in for successful performance and specific experience in similar activities ensures programmes' survival and growth. Since entrepreneurship literature strongly recognize the significant contribution of prior experience on performance, examination whether prior experience was due to family (inherent) or acquired through entrepreneurial endeavor, a univariate analysis of variance and chi-square test were conducted on prior experience and sales trend. The results of the relationships were captured, summarized and presented in Table 9.

Table 9: Uni-ANOVA and Chi-Square Test

Uni-ANOVA and Chi-Square test (Prior experience & Sales)					
Variables	SS	df	MS	F	p -value
Entrepreneurial experience	939.637	1	939.637	2.169	0.128
Family experience	812.068	1	812.068	1.871	0.167
Error	715.013	1	715.013	1.711	0.199

Key: SS = Sum of Squares, MS = Mean Square, F = Statistic from F- Table, df = Degree of freedom.

As found in Table 9, the computed f - values range between 1.7 and 2.2 which is less than the table value at $p = 0.05$ with degree of freedom ($df = 1$) implying insignificance. Neither ANOVA nor the Chi square test showed significant results. Given the fact that 79% of the CBTPs owners do not possess prior entrepreneurial experience and the current CBTPs is their first activity which is contrary from the findings of previous studies that showed that entrepreneurial experience to be an instrumental factor for business performance (Ronstadt, 1982). As argued by McClelland (1971) who undertake the study on the psychological need for achievement motivation in entrepreneurship in developing countries (not made with reference to any particular country or set of countries), hypothesized that, “a community or society with a generally high need for or urge to improve produces more energetic entrepreneurs who in turn bring about more rapid economic development”.

Although the hypothesized relationship between strong local resources and performance was not supported ($H_02 - Rejected$) i.e. the average composite did not support the null hypothesis. That is, the owned local resources by CBTPs were

positively related to entrepreneurial performance. These findings are similar to the findings of previous studies, which showed that strong resources are important antecedents to products and ultimately to programme performance (Gurteen, 1998; Goodluck 2002; Gibbs, 2006).

4.4 Identification on whether there exists government related factors that have significant effects on CBT development in Tanzania

It was hypothesized that, *H₀₃: Government related factors do not have significant effects on community based tourism development at close proximity to protected areas in Arusha, Tanzania.* A list of 22 statements that appeared in part (c) of the questionnaire was responded to, in which the mean score and standard deviations were used as a measure of central tendency from the average responses. The statements relating to government related factors were captured, summarized and presented in Table 10.

Table 11: Statements on government related factors

Statement	Percentages					MS	S
	SD {1/}	D {2}	I {3}	A {4}	SA {5}		
1. The Tanzania socio economy is favourable for CBT development.	0.5	21.9	13.7	50.0	13.7	3.551	1.000
2. There are effective supporting services and organisations.	4.4	14.2	27.4	47.8	6.0	3.357	1.023
3. Local communities benefit from CBT operations in Arusha.	1.1	10.5	3.3	57.2	27.7	4.001	0.903
4. Insufficient CBTPs' services demand affects their performance.	2.7	40.0	S	35.0	11.1	2.894	1.131
5. Government policies on CBT are coherent.	6.8	40.3	34.0	17.6	1.1	2.701	0.940
6. Seasonality affects CBTP performance.	2.2	18.8	26.6	48.3	3.8	3.315	1.059
7. The CBTP products prices are too high.	1.6	34.6	10.4	48.3	4.9	3.201	1.028
8. The CBTPs are owned by few individuals.	2,2	21.1	41.1	32.7	2.7	3.117	0.857
9. The tourism structures are effective in Tanzania.	3.8	41.4	19.3	30.3	4.9	3.082	1.028
10. The large MNEs dominate CBT activities in Arusha	8.8	34.2	13.2	39.2	4.4	2.967	1.120
11. The LGAs support the CBT activities.	5.5	23.7	18.2	46.4	6.0	3.266	0.827
12. Government policies impede CBTP performance.	0.5	24.3	11.6	41.4	22.1	2.399	1.090
13. CBT is planned by MNRT in Tanzania.	-	8.2	6.6	61.3	23.7	2.002	0.796
14. Too many fees are charged for CBTPs.	2.1	6.0	2.1	31.1	58.4	1.618	0.949
15. Safety and security affect CBTPs performance.	15.3	46.7	7.1	27.4	3.3	2.562	1.138
16. Tourism policies in Tanzania favours CBT.	5.0	39.6	34.0	18.9	1.6	3.288	0.893
17. There exist opportunities for CBTPs to establish partnership with private sector.	1.6	17.7	21.6	49.4	9.4	2.524	0.938
18. The wildlife policy is favourable for CBTPs operations.	2.7	25.7	23.4	45.2	2.7	3.186	0.949
19. There exist poor relations between PAS authorities and CBTPs.	1.1	7.7	3.86	65.1	22.1	3.992	0.819

Statement	Percentages					MS	S
	SD {1}	D {2}	I {3}	A {4}	SA {5}		
20. There exists resource competition between wildlife and human near PAs.	2.7	27.2	36.1	30.0	3.8	2.944	0.909
21. The spread of diseases affects CBTPs in Arusha negatively.	1.1	5.4	2.2	38.4	52.7	1.633	0.857
22. There are no training programs for CBTP owners.	1.1	18.9	35.2	42.4	6.0	3.242	1.046

Key:

SD = Strongly Disagree; D = Disagree; I = Indifferent

A = Agree; SA = Strongly Agree; M = Mean

S = Standard Deviation ($S > 1$ Indicates a significant difference).

As found in table 11, the statement that rated the highest mean score was statement number 3, which stated that “local communities benefit from community based tourism operations in Arusha”, with a mean score of 4.001 and standard deviation of 0.908, followed by statement number 19, which stated that “there exist poor relations between PAs authorities and CBTPs” with a mean score of 3.992 and standard deviation of 0.819. Statement number 14, which stated “too many fees are charged for CBTPs in Arusha” was rated the lowest, with a mean score of 1.618 and standard deviation of 0.949. Statement number (7) that stated “the CBTPs products prices are too high” was dropped due to its unreliability.

Some respondents made a few interesting remarks relating to statements 2, 5 and 9, that;

Statement (2) which stated, ‘there are effective supporting services and organizations in Arusha’, with a mean score of 3.357 and standard

deviation of 1.023 that “these are just mere statements to polish unseen actions”.

Statement (5) which stated ‘Government policies on community based tourism development are coherent’, with a mean score of 2.701 and standard deviation of 0.940 that, “how is it coherent if the policy is not known, and coherent to whom?”

Statement (9) which stated, ‘The tourism structures are effective in Tanzania’ with a mean score of 3.082 and standard deviation of 1.028 that “It is not effective at all, with such a level of ignorant leaders, how can the structures be effective?”

Since correlation coefficients revealed the relationship and magnitude of relationships, it was important to analyse the correlation coefficients of the critical constructs as elaborated in Table 11.

Table 11: Constructs Pearson’s correlation coefficients

CONSTRUCT	Economy	Policies	Social	Demand	Education & training	Wildlife-human coexistence
Economy	1.000					
Policies	0.221	1.000				
Social	0.208	0.169	1.000			
Demand	0.105	0.121	0.070	1.000		
Education and training	0.136	0.219	0.425	0.301	1.000	
Wildlife-human coexistence	0.005	0.087	0.200	0.110	0.100	1.000

From the above analysis (Table 11), the Pearson’s correlation coefficient varies from a range of +1 to -1, thus a positive relationship existed and the absence of the relationship is expressed by a coefficient which is approximately zero. That is, the

correlation coefficient of 0.121, for example, expressed that there is a relationship between Construct 4 (demand) and Construct 2 (policies).

4.4.1 Reliability of questions under each construct

Cronbach's alpha also has a theoretical relation with factor analysis. As stated by Zinbarg, Revelle, Yovel and Li (2005), cronbach alpha may be expressed as a function of the parameters of the hierarchical factor analysis model which allows for a general factor that is common to all of the items of a measure in addition to group factors that are common to some but not all of the items of a measure. Though may be seen as complexly determined, the method is sensitive both to general and group factor saturation and variance arising from variability loadings. Based on the responses 22 statements within the scope of this investigation (*Section C part IV of the questionnaire*) reliability analysis was carried out and its equation was defined as:

$$\alpha = \frac{K}{K-1} \left(1 - \sum_{i=1}^I \frac{6_{yi}^2}{6_X^2} \right),$$

Identified 6 critical constructs in this study were summarized into six constructs. The results of reliability tested were captured, summarized and presented in Table 12.

Table 12: Reliability critical constructs (Cronbach alpha)

Construct	No of items	Cronbach alpha
Economy	4	0.418
Policies	5	0.767
Social	4	0.399
Demand	2	0.511
Education and training	1	-0.107
Wildlife-human coexistence	3	-0.200

NB: A '**construct**' was used to refer to an idea specifically produced for a given research and/or theory-building purpose.

Furthermore, it was found necessary to test the reliability of the identified critical constructs. This was done by cronbach's coefficient alpha by first reducing the eliminated variables. Table 12 shows that the reliability coefficients (cronbach alpha) are higher than 0.39 except for construct 5 (education & training) and construct 6 (wildlife conflicts). The Cronbach alpha is significant for Construct 2 (government policies) with a cronbach alpha of 0.767. *Statement number 7* was dropped due to its unreliability nature (eigenvalue < 1.00).

4.4.2 Economic factors

The statements relating to economy (*Construct 1-Table 13*) in table 10 include;

Statement 1: The Tanzania socio-economy is favourable for CBT development.

Statement 3: Local communities benefit from CBT operations in Arusha, Tanzania.

Statement 8: The CBTPs are owned by few individuals.

Statement 10: The large MNEs dominate CBT activities in Arusha, Tanzania.

As found in Table 13, economic factors have a low cronbach alpha of 0.418, implying that the economy has no significant influence on CBT development (i.e. not ≥ 0.7). The fact that the growth or decline in GNP, interest rates, inflation and the value of the exchange rate in relation to the local currency present both opportunities and threats to CBTPs performance. Most respondents however were found that they fail to find a balance between economic and cultural motives. Likewise, CBTPs like other operators function in a complex economic system in which they are subject to not only economic pressures but also social constraints from various stakeholders. The insight from economics is the market size as an essential determinant as it gives the programme the potential to grow and take advantage of opportunities in order to provide a more diversified services, have higher productivity and more competitive in creating employment, sales and achieving a higher standards of life for local residents.

The government at various levels has a role in tourism development for a number of reasons. The government represents people who have basic rights and powers to influence the policy implementation, the emphasis on public - private partnership, in which the latter identifies opportunities and constraints and the former, generate policy initiative in response so as build value chains and invest in skills for smooth performance. As a public interest protector, policy decisions should reflect a desire to meet the interests of all stakeholders rather than the sectional interests of the industry. In the United Kingdom for example, the long period of deregulation and the cut in public expenditure have resulted in power dispersal to business interests, leading to unsustainable developments (Gibbs, 2006).

Similarly, governments can stimulate tourism through financial incentives (low-interest loans or a depreciation allowance on tourist accommodation) and sponsoring tourism research and development for the benefit of the public. On the other hand, the government may own and operate tourist programmes, but the entrepreneurial climate is changing with less government intervention and increased public-private partnership in tourism programmes on a commercial basis. The government is thus relegated to revalorizing the concept of capital whereby the government subsidizes part of the costs invested and transforms them into social costs. In India for example, several states have created tourism development corporations for the purpose of encouraging tourism development and investment at local level (Bennet, 2000).

There are many cases however, where governments have focused more on immediate and rapid actions for short run revenue earnings at the expense of local communities. As cited in Mowforth and Munt (1998), in Kenya for example, the scarce water which was once used by the Samburu communities (close to Shaba Reserve) was diverted to fill the swimming pool of the Sarova Hotel in Shaba. In Nepal, the Chhetri people were moved from their lands to give way for Lake Rara National Park and in South Africa tourism effort is often directed more towards large multinational tourism operators and exclude domestic tourism initiatives which led to limited employment opportunities in famous destinations like Kruger National Park and Victoria Waterfront.

At the community based programme level, most respondents failed to find a balance between economic and cultural motives. They often made statements such as;

“We are not so concerned with making money! We are just getting our young people to be involved in cultural activities and teaching tourists about our culture.”

Whilst motivations and objectives other than profit making are understandable and compatible with sustainable development, local communities need to understand that viable programmes need to be economically feasible and profitable enough for survival and growth. Therefore programme's have to be properly planned in relation to the priority accorded to economic benefits, otherwise may lead to failure of tourism programmes. Though profit does not seem to be the motive for the establishment of many CBTPs, but the economics should be considered in line with cultural workability.

Furthermore, many programmes are possessed by a few individuals with self-interests whose realized income go into their pockets and provide few benefits to local communities. These findings are similar to those of Zeppel (2006) who stated that, “While some youths and women perform cultural dances, sell crafts, but these activities provide only a small supplement to those few who participate. The limited numbers of employed local people enter into lowest level with lower wages, leading to the doubts whether community based tourism practices are economically infeasible”

These results are also supported by Rutten (2004), that voluntary and genuine commitment to join forces; transparency and good communication are qualifications

that do not match the practice. Income from the CBTP provides an array of communal and individual benefits. Although local residents have in-depth knowledge about the landscape and history for visitors to benefit from, but English and other languages are barriers that limit the exploitation of opportunities, though this can be remedied.

4.4.3 Tourism related policies

Constructs relating to policies (*Construct 2-Table 13*) were captured in the following statements in table 10 include;

Statement 5: Government policies on community based tourism are coherent.

Statement 11: The LGAs support the CBT activities in Arusha, Tanzania.

Statement 12: Government policies impede CBTP performance in Arusha.

Statement 13: CBT is planned by the Ministry of National Resources and Tourism in Tanzania.

Statement 9: The tourism structures are effective in Tanzania.

Statement 14: Too many fees and contributions are charged for CBTPs.

Statement 16: Tourism policies in Tanzania favour CBTPs activities.

From tables 12 & 13, the government policies were found to have a high cronbach alpha of = 0.767, and correlation coefficient of 0.221 at $p = 0.01$, implying that the existing policies influence entrepreneurial performance of CBTPs significantly. The term 'policy' can be defined as a predetermined course of action established to guide the performance of work towards accepted objectives (URT, 2009). Policies serve as specific guidelines for people as they make decisions, philosophies and values as to how people should be managed. They derive principles upon which people are expected to act when dealing with various matters and reflect the decisions made by

various agencies and commissions, parliamentary outcomes, legislation and court judgements. As stated by Sheivens (2003), industrial policy in tourism is prone to political capture and corruption leveled against other areas and does not prima-facie provide a clear case concerning the CBT.

Although the government has a role to play in tourism development, the argument in developing countries is the weak capacity to render the policies effectively. As argued by Clarke (2006), the African continent has much to offer as a future tourist destination, provided that it is cured of government bodies' mismanagement and corruption. Entrepreneurial performance of the programmes depends on the government's fairness in balancing political, economic, social, and legal. The existing gap is how to bring the agencies together for a common goal. In Israel for example, national tourism development plans have been drawn up where the government identifies which tourism sectors will be developed and the appropriate growth rate and provides the capital required for that expansion (Watkin, 2002).

LGAs were found to possess relevant contribution as they act as a bridge between the government and its citizens at the local level and mandated with administrative functions and law and order enforcement in their areas of jurisdiction. Their knowledge acquired through their inherent positions in relation to socio-economic activities and engagement in development works. Their contribution to the findings of this study was sufficiently enriching. The laws governing village management in Tanzania allows local communities to manage their own affairs including land issues

(URT, 2001). Local government legislation gives the villagers the right to develop their own by-laws subject to district council approval, and can create and enforce local rules and regulations. Similarly, land laws give authority to the village council to manage the land on behalf of the community.

The relationship between CBTPs, the government policies and legal framework is multifaceted constructs. Regardless of the size of a CBTP, it operates in or its legal structure, the political, social, economic and environmental context is vitally important for successful performance and growth. An enabling environment for income-generating activities is a broad concept, which covers a range of external factors that affect their formation, smooth operation, and provide the framework for wealth creation which are necessary for fostering the CBTPs' growth. On the other hand, good governance has the same meaning as human rights, freedom of expression and gender equality that presage sustainable development. However, the relationship between CBTPs, the government policies and the legal framework is multifaceted.

Many responses (58%) indicated that the government focuses too much on affirmative action instead of delivering a marketable product with a growing perception of corruption, mismanagement and apathy in its structures at all levels. Likewise 56% of the respondents showed that there exist lack of positive action and implementation by the government. Although there are many factors that determine the structure of political life and forms in which the programme can flourish, good governance at

different levels of the government matters for increased accountability, the practices at the village level differs from stipulations within various policies.

Furthermore, 36% of the responses indicated that the government lacks the ability to enforce local regulations, while other regulations do not cater for creativity of local communities. Although there are different levels of government involved in CBT, they are uncooperative and unwilling to advise local communities on new developments and training possibilities in their areas for successful performance.

4.4.3.1 National tourism development policy

It was observed that the National Tourism Development Policy (1991) provide overall objectives and strategies necessary to ensure sustainable tourism development in Tanzania. Previous studies however, showed that among realized achievements include the private sector's involvement in tourism and the disengagement of government in the sole ownership and operation of tourism facilities. Sections 5.2 and 5.3 of the new policy (1998) however are silent on CBT as they do not indicate the specific efforts needed to empower local communities' involvement in tourism activities.

The Statistical Tourism Bulletin (2007) stipulates that the main focus of the national tourism policy is “the continued existence of natural attractions that tourism depends on, and the proper conservation and sustainable management of the resources”. It further added that “it is imperative for communities living within or around tourism

areas to be fully involved in the development and management of the attractions and in addition, to get a share of the income generated from tourist activities within the area". It is important to note however that community participation and empowerment discussed in the international standards are not included in the Tanzanian government's definition of CBTs. Despite this omission, many CBTPs in Arusha region do not know about these issues and an unspecified number NGOs and private operators have formed their own conceptualization of the term 'community based tourism'. Furthermore, the Tanzanian government has not included many of the accepted international principles in its domestic policies.

Since policies serve as specific guidelines for people as they make daily decisions, most of the organizations rely on policies covering everything from harassment to rewards. Much of the policy dialogue on CBT development in Arusha focused on situations where local people owned tourism programmes and have incentives to conserve and gain from the wildlife that they had long co-existed with. With a significant number of tourist destinations and wide choices available, effective legislation is essential to enhance accessibility of the CBTPs. There is however no obvious coordinated efforts among different government bodies for CBT development. Regular changes in user fees charged on public utilities and other unplanned payments affect the programmes.

Entrepreneurs often have strong belief about market opportunities and are willing to accept a high level of personal or financial risk to pursue those opportunities as opposed to "political entrepreneurs" who uses political influences to gain income

through subsidies, protectionism, government-granted monopoly, government contracts, or other favourable arrangements with government(s). Unlike political entrepreneurs, market entrepreneurs operate without special favours from the government; though depend on government's perception about the industry, fair policies and a favourable legal framework.

4.4.3.2 Wildlife policies

During the FGD, many respondents felt that the new Wildlife Policy (1998), broadened the scope of interpretation and implementation of tourism in order to increase the sector's contribution to GDP, to guide both local communities and the private sector by administering, regulating and managing the wildlife resources and ensure communities' participation in areas bordering the PAs. Many respondents however are not satisfied with the policy since its implementation is contrary to what is stipulated within the policy.

The Wildlife Conservation Act (WCA 1974) on the other hand, provides few opportunities for local communities' involvement in tourism, though it is quite old while the policy is new but has a number of provisions needed to implement the policy (Munishi, 2006). The WCA 1974 centred on game controlled areas (GCAs), as they tend to overlap the demarcated village lands by allowing people to reside and generate income from non-consumptive tourism activities as a means to promote collaboration networks between the government and local communities.

Wildlife Management Areas (WMA) regulations of 2002 is a subsidiary piece of legislation under Section 84 of WCA1(974), that provide for the creation of WMAs on village lands and implementation of the wildlife policy's objectives. The establishment of WMAs allow local communities the right to access wildlife resources outside the PAs in order to benefit from tourism. The policy however cannot be enforced in courts of law since rights and responsibilities are not provided but function as a guideline for stakeholders and have no legal meaning. According to WMAs' regulations, areas that are set aside for villages, local communities are empowered to benefit from wildlife resources and responsible for wildlife management. The policy allows rural communities and private landholders to manage wildlife for their mutual benefit.

4.4.3.3 Land Law

On the other hand, the Land Act (1999) provides that areas designated under the WCA preserved lands are also used as village lands. Certain legal provisions allow commercial tourism operators to work with a defined group of people living in a clearly defined area (the village), and administered by a democratically elected corporate body capable of entering into legal contracts (the village council). As argued by Nelson (2004), from the Land Act (1999) provisions, formal tour operators can establish tourism activities on village lands after signing agreement with village councils without involvement of central government. Tourism investors are thus increasingly choosing this model where a portion of revenue from the programmes goes to local communities in exchange for the use of their land.

4.4.3.4 SMEs development policy and income tax

Through documentary review, it was revealed that CBTPs fall under small and medium enterprises (SMEs) development policies in Tanzania. Section (3) of the 2003 of the SME policy states that “SMEs have been facing a number of problems despite the on-going reform programmes due to persistent culture that has not recognized the value of entrepreneurial initiative in improving the lives of the people”. Other factors include costly legal, regulatory and administrative environment where SMEs are at greater disadvantage. As a result, the high cost of compliance to regulations may discourage potential entrepreneurs from formally setting up their programmes while driving the existing ones out of activities and ultimately into unemployment.

On the other hand, the Income Tax Act No. 11 (2004) aimed to provide a coherent, clear and structural income tax law so as to ensure horizontal equity (income of different types being taxed similarly) and vertical equity (higher burden on rich than poor) and provide ease of administration, compliance and prevent avoidance. The law however, is said to be complex since the costs that emerge in the process of tax compliance as well as planning and opportunity costs do not provide relief, but burden as upsurge in cash flow positions cannot be ruled out. Likewise, the value added tax (VAT) refund system does not mention the opportunity cost as a result CBTPs suffer since the substitute arrangements do not take into consideration whether or not they have realized income and profit. Some respondents (*stand alone retailers in particular*) complained that the government charges high levies, taxes and informal

contributions on income generating activities which in turn hampers the ability to perform successfully.

Further observation revealed that, closely related to the knowledge gap of local people is the rampant corruption that thrives on ignorance, fear and the impunity of government officials which makes it difficult to believe whether they should expect professionalism and adherence to the law when trading with the clients (Loibooki, 2006). Additionally, it was observed (during participants observation) that, most village leaders are silently sabotaging the efforts of local entrepreneurs through corruption. The conspiracy was claimed to include security personnel (mgambos & sungusungus) who appeared to smooth the way and shield them from what could be unpleasant confrontation with officialdom. The potency of such threats to take away their goods or of being arrested and then being penalized by payments (not by the court of law) as a consequence of non-compliance appears to be in the interests of the village leaders. While in the interview with some members in village executive committees (VECs), most of them were reluctant to comment and felt justified in accosting local entrepreneurs because some of the by-laws allow them to collect the revenue for the village councils.

It is evident therefore that there exists the lack of a reliable policy regarding CBT development. Many respondents expressed their concern that various levels of government, LGAs, PAs and MNRT officials do not appreciate the value of CBT and they have the feeling that they are not actively involved and responsible for its development. Although CBT has arrays of both communal and households benefits,

in some cases it was found as a source of conflicts among different levels of its stakeholders. In 1993 for example, the MNRT leased out Loliondo area, a village land then used by local communities for CBTPs as a tourist hunting concession and granted it to a private company namely, Ortello Business Company (OBC), as a result there emerged periodic conflicts between the OBC and the CBTPs (Munishi, 2006). Furthermore, the MNRT passed regulations to prohibit tourism activities on communal lands where hunting is being carried out by adding a provision as stipulated,

“S165 of the regulations of the Wildlife Conservation Act of 1994, states that “No person shall conduct tourist hunting, game viewing, photographic safaris, walking safaris or any wildlife based tourist safaris within a hunting block or within any wildlife area outside Ngorongoro Conservation Area and National Park, except by and in accordance with the written authority of the Director of Wildlife previously sought and obtained”.

As a result, disputes over village and hunting concessions' boundaries have continued for decades. The district council in Ngorongoro for example, claimed that the revenue from CBTPs should be paid to it and not to the VEC. As stated by Nelson (2004), the effectiveness of villages in preventing outsiders from expropriating the revenue they generate has been one of the most important lessons learnt from experiences by the government and the CBTPs. Other responses indicate that the government often set aside land for wildlife habitation and exclude local people living within those areas. The relations between the PAs and villages bordering the PAs have been tense. Other respondents indicated that, there exist complex bureaucratic procedures and costs

concerning the CBTPs' operations accompanied by corruption practices and deceit with multinational corporations using CBT logos as tools for promotion purposes.

From the institutional perspective, policies reflect the formal rules (common law, statutes, and regulations), informal constraints (norms of behaviour and self codes of conduct) and the enforcement characteristics of institutions and other organisations (groups of individuals bound by a common purpose to achieve objectives). Often weak institutions and dysfunctional organizations can become insurmountable obstacles to the creation and growth of sustainable CBTPs. Hence, a conducive institutional and organizational environment ought to be regarded as a fundamental component and strategy aimed at fostering entrepreneurship and private sector development at the local level. Similarly, the term 'development' embraces wider concerns of life and desirable changes depending on the objectives advocated (Tumbu, 2002).

4.4.4 Social factors and CBT development

From Table 10, the statements evaluated relating to social factors (*Construct 3-Table 13*) includes:

Statement 2: There are effective supporting services and organisations.

Statement 15: Safety and security affect CBTPs performance.

Statement 17: There exist opportunities for CBTPs to establish partnership with private sector.

Statement 21: The spread of diseases affects CBTPs in Arusha negatively.

In the context of socially construed factors on 4 items, Table 13 indicates the Cronbach alpha of 0.399 with correlation coefficients of 0.169 at $p = 0.01$, implying that there is positive correlation between social factors and existing policies. Social forces include societal trends, traditions, values, consumer psychology and society's expectations of a tourism programme. Society's expectations emanate from diverse groups which are internally affected by the activities of the programme including the general public as they expect social responsibilities (ILO, 2003). There is however a plethora of codes of conduct or codes of ethics to guide a socially responsible programme, ranging from relatively general inspirational principles to more specific company codes, which are adopted within a sector or specific geographical area (Kotler, 2002). In regions where the laws are weakly enforced, the codes of conduct may have the effect of creating a self-governing mechanism with adverse effects on performance.

Many interviewed tourists were found to have the feeling that Africans are the same with similar characteristics, so that what is happening somewhere or in a neighbouring country affects the other country in many ways. To eliminate this kind of stereotype, the nature of the industry requires that members participating in CBTPs should adopt a 'can do' attitude and think critically in collaboration with development partners if they are to survive and grow.

On the other hand, tourism is sustainable when; its development includes participation of local population, fair economic return, and mutual respect for all parties (Reid, 1999 p. 29-30). While economic sustainability is a level of economic gain sufficient to cover the cost of, or an income appropriate to the inconvenience caused to host residents, social sustainability reflects the ability of a community to absorb those inputs and continue functioning without the creation of disharmony (Mowforth & Munt, *Ibid*, pg 105-11). In theory, by receiving the benefits from tourism activities, local community will have incentives to embrace behaviours and attitudes that support the natural areas which are tourism bases.

4.4.4.1 Tourist security and safety in local environment

It was noted that 48% of the clients rated security and safety as low, while 33% rated it high and 19% were indifferent. In terms of security and safety for visitors in local communities, Tanzania is ranked as the safer destination than other countries in East Africa. However, there still exist a few incidences within the tourism sector as whole. The factors that hamper safety and security were found to be beyond the abilities of the CBTPs' owners which included petty crimes and the slow actions by responsible authorities (police forces) with the result that they impinge on CBTPs' credibility and ultimately affect their performance.

The recent incidences on global terrorism had profound effects on tourism as a whole is affected by and attacks that aim at the citizens from western countries i.e. tourists generating countries (*Appendix 18*). The suicide bomb in Bali (2002) killed 202

people with 209 peoples injured, the September, 11 in New York (1998), the US anthrax cases and the shoe bomber (Richard Reid) were thwarted. Many attacks target tourist destinations and resorts including the CBTPs. The twin suicide bombs in the US embassies in Dar es Salaam and Nairobi (1998) killed 225 with over 418 injured, the bombing of Paradise Hotel in Mombasa (2002) killed 16 and Kampala attacks (2010) killed the unspecified number of people and occasional tourists' attacks in Ngorongoro highlands in Arusha bring the reality of the existence of international terror in East Africa. Consequently, vehicles carrying visitors have been undergoing strict searches, and tight security thereby causing embarrassment to clients visiting the region.

Accordingly, the US department of foreign affairs (1998), the British Commonwealth office and the Australian department of foreign affairs issued and continue to issue alerts concerning possible terrorists' attacks in Tanzania. In January 2003, the USA warned its citizens to avoid Tanzania as a tourist destination or be aware of the risk of attacks in public places, tourist sites and other places where Americans and Europeans are known to congregate. Likewise, the British foreign and common wealth office (September, 2003), warned its citizens that there is a high threat of terrorists in Tanzania, and so should be vigilant at tourist sites.

The fact that safety is a principal factor in any destination, it is beyond the abilities of CBTPs' owners. Moreover, lack of insurance cover against risk is shown to be one of the reasons given by many respondents. On the other hands, many responses indicate

that the anti-terror insurance cover is not attractive due to its high cost based on the perceived high risk in the region and tariffs are based on individuals while different destinations and locations have different risk factors.

4.4.4.2 Support services

Since local people do not have institutional capabilities, there is a need for development partners to support and promote the CBT. While the private sector possesses sound business acumen and drive, NGOs can provide a range of services including capacity building, arbitration for conflict resolution, access to capital and facilitation of negotiation between local communities, private sector and the government. NGOs are found to be more neutral, less subject to political controls and have the capacity to induce trust among members of the community. Among the support organizations found in the study area include, The Honey Guide Foundation (HGF), a registered charity organization which assists local communities in realizing the benefits from tourism by focusing on a shared vision to achieve sustainable tourism development while balancing the village needs in Piyaya, Pinyinyi, Engaresero and Arash in conjunction with LGAs.

Similarly, the Friends of Tanzania Citizens (OTZC) supports locally owned tourism initiatives by running travellers humanity in areas neighbouring to wildlife parks. The wildlife Conservation Society of Tanzania (WCST) brings together different actors to improve information sharing and develop solutions to the challenges encountered in the management of natural resources. Other supporting organizations include; African

Wildlife Foundation (AWF), World Wildlife Foundation WWF, World Tourism Organisation (WTO), Pastoral Communities, Pingos and Ilaramatak. However, the mission of these organisations is within the hearts of those perpetuating them, and thus acquisition of entrepreneurial capabilities at individual level by local communities is crucial.

4.4.5 Demand for CBT

Constructs relating to demand (*Construct 4-Table 13*) were summarized in the following statements in table 10.

Statement 6: Seasonality affects CBTP performance.

Statement 4: Insufficient demand for CBTPs services affects their performance.

While table 12 shows the correlation coefficient of 0.121 between demand and policies, table 14 indicates that the reliability critical constructs (cronbach alpha) for demand was 0.511, implying that there exist a positive correlation between the two constructs. The fact that tourism demand is a two-pronged approach, i.e. both the government and the service providers have a role to play in order to create demand. Based on the nature of this study, local communities need the effective role of the government if they are to perform. The traditional approaches to cultural tourism have looked at the issues of supply and demand largely from the demand side, which has led to the construction of cultural tourism based on the regime of cultures consumed by the tourists and packed by the industry.

Changes in consumer behaviour, expectations and values are becoming the main drivers of the pace and direction of tourism development today (Mowforth & Munt, 1998). Similarly, in the leisure market, tourists are becoming less satisfied with traditional holiday packages, with the result that conventional tourism (traditional or mass tourism) is being replaced by new forms of tourism (community based tourism as referred to in this study). As argued by Clarke (2006), new tourists have more experience, are more quality conscious and environmentally aware, and are independent and harder to please by using traditional commodities. The quality and value for money are thus vital for CBTPs performance. Furthermore, in the past during socialist ideology existed limited entrepreneurship initiatives at individual level that could promote tourism demand in local environment.

Due to characteristic nature of tourism services, the CBTPs owners tend to manipulate short-run demand around the fixed capacity of supply. It is wise to seek for small segment while considering the sources and behaviours of visitors for optimal performance. The fact that, the tourists are influenced by price and income, it is wise to have a fair price that reflects value. As stated by Bryden (1973), in 1967 the number of tourists from the UK to Tanzania decreased by 14% due to higher cost of sterling pounds to the destination. In December 1961, February and March, 1971 when the rate of exchange of the Tanzanian Shilling (TSH) devaluated against the US\$, the proportion of tourists from the US rose from 5% to 25%.

4.4.5.1 Integrated efforts

It is undisputable fact that CBTPs performance depends on integrated efforts, the supported of government policies, the operations of different institutions, economic diplomacy commitment to practices and regional and international cooperation. Tourism Statistical Bulletin (1999) showed that although Tanzania has acquired membership of various international organizations, such as the World Tourism Organisation (WTO), the Regional Tourism Organisation of Southern Africa (RETOSA), the Southern Africa Development Community (SADC), the African Travel Association (ATA), the Multilateral Investment Guarantee Agency (MIGA), the East African Community (EAC) and formerly a member of the Common Market for Eastern and Southern Africa (COMESA), the present bilateral and multilateral relations have not been fully capitalized on CBT development.

It was further noted that, the rise of globalization and the information society presents a new set of challenges at the interface between technological innovation and programme growth (Lerner & Haber, 2000). Many countries and regions within countries have developed strategies to attract inward investment and some of them have been successful. However, a growing body of evidence indicates that a more holistic and innovative strategy is likely to lead to higher levels of compliance by micro and small-scale enterprises. Concerning CBT development, it was found that 55% of the responses indicated that taxes and other fees paid are high, 35% rated as fair and 10% rated as low. This implies that the prices for the services offered to them by different bodies of the government are high and unprofitable for their growth. This

is partly contributed to by poor infrastructures, e.g. impassable roads to sites during the rainy season. Consequently, continually increasing fuel prices, the informal contributions (fees) charged by service providers and the seasonality of the activity all have the negative impact on performance success, survival and growth.

4.4.5.2 CBTPs' product prices

Majority of the respondents (63.7%) indicate that they are aware that prices are the principal factor that determines sales and ultimately the success or failure of a CBTP. Its performance therefore is also influenced by prices that in turn define the visitors' purchasing power, their behaviour and the ability of the product to satisfy their needs. During the interview one of the tour operators was quoted saying;

“Prices are too high, at the same time we are offering the same service, as most of us are not innovative or creative and are just copying from one another which is very bad”.

Although entrepreneurship literature asserts that ‘profit’ is not a good measure of performance, simply because a service provider may switch it up or down regardless of the value (Gibbs, 2006). Based on many other responses, the main purpose of establishing the CPTPs as an enterprise is to create earnings through making profits. Thus raising the selling price by adding value could be the best option for reducing costs as the basic factor for economic viability. The products pricing system was generally found to be unrealistic and it was difficult to ascertain whether or not the contribution of publicity and its associated costs would have any impact on the inflow of tourists.

4.4.6 Education and training

From table 11, the construct related to education and training (*Construct 5-Table 13*) was found in statement 22 as stated below;

Statement 22: There are no training opportunities for CBTP owners.

Although Table 12 indicate that the correlation coefficient between education/training and policies is 0.219 at $p = 0.01$, table 14 indicate that education and training had a cronbach alpha of - 0.107, implying that there exist positive correlation between the constructs, though the reliability test indicate the opposite direction. Impliedly, many responses indicate that most CBTPs' owners lack adequate professional education, periodic training and skills to supplement their indigenous knowledge and other abilities. In the eyes of majority of the respondents, CBT is seen as a means to achieve learning, training and maintaining on going contacts with clients for preserving and transmitting cultural knowledge between generations, boost hope and self esteem among people through recognition accorded by tourism. Local communities participation in tourism has however come with new learning and widened the relationship from the outside environment, as a result promoted the learning spirit among the members of local communities.

As stated in the small and medium enterprises policy (URT, 2003p.20), "Tanzania is endowed with a rich natural resource base but the challenge lies in the ability to transform efficiently into goods and services that can be availed to the market at competitive prices". The CBTPs owners were found to have lower demand for

business development services such as research and development (R&D), consultancy, counselling and do not appreciate the importance of education due to cost considerations and lack of knowledge about the benefits of external services in improving entrepreneurial performance. Moreover, the education system in the country has tended to create formal employment seekers rather than job creators and the quality of training provided by training institutions has tended to be unattractive and unaffordable to local communities who are supposed to be the beneficiaries.

The concept of training emanates from the fact that ‘investing in people is about improving education and promoting productive work-places by addressing the human dimension of productivity and competitiveness by focusing on the level of understanding of the local people, the programme and the issues to do with skills development of human resources and the integrated involvement of employees in a programme.

4.4.7 Wildlife-human coexistence

The statements relating to wildlife conflicts (*Construct 6-Table 13*) as seen in table 11 include:

Statement 18: The wildlife policy is favourable for CBTPs operations.

Statement 19: There exist poor relations between PAs authorities and CBTPs.

Statement 20: There exists resources competition between wildlife & human near the PAs.

On the other hand, Table 13 indicated the coefficient correlation between wildlife-human coexistence to be 0.087 at $p = 0.01$ and the reliability test in table 14 showed cronbach alpha of - 0.200 implying existence of negative effects between the construct. These findings are similar to those of the knowledge, attitude and practices (KAP) survey which was carried out by Munishi (2006) by involving the villages around Tarangire and Manyara National Parks by using unstructured interviews and FGDs concerning the benefits and challenges arising from human and wildlife coexistence in the area. It was found that human and wildlife coexistence has an adverse impact which varies in degree.

Furthermore, it was observed that villages bordering the national park were found to suffer most due to wildlife migration in dispersed areas, e.g. villages near the national parks and those within game controlled areas (GCAs) are faced with coexistence challenges. Many respondents expressed that the conflicts emanate from the risk of predators, the sharing of scarce resources e.g. water and grazing areas, the transmission of diseases from wildlife to cattle and human beings, which amplifies poverty among local communities.

According to Handley (1996), in South Africa, unlike other African countries, most national parks are fenced, but some are being removed as part of the initiative to link the PAs across national boundaries which led to intensified conflicts between wildlife and human with inability of the government to compensate the damages caused. On

the other hand, efforts to address the displacement of settlers and their loss of access to wildlife resources when establishing the national parks during the colonial era, several countries have implemented community based natural resources management (CBNRM) as an attempt to diminish a growing hostility towards wildlife over the decades. As argued by Visser (2002), although the CBNRM gives rights to local communities over wildlife and tourism resources, but many of them are failing due to a wide range of factors. In Zimbabwe for example, more often the wildlife roam outside the PAs in adjacent villages and cause nuisance to the people outside the PAs (SNV, 2001).

During the focus group discussions (FGD) sessions, most of the village and ward leaders (VEOs and WEOs) expressed that the intensity of conflict is higher in villages in the migration corridors than in other villages close to PAs. Although there are both individual and communal gains from CBTPs, local communities are also faced with the challenge of reduced quality of life emanating from human-wildlife coexistence conflicts and competition for resources as a reflection of poorly managed natural resources. Other respondents stated that diseases such as HIV/AIDS, malaria, cholera and tuberculosis were a major concern for visitors when planning their itineraries. It is important that CBTPs' owners should promote healthy programmes as many interviewed visitors were found to be scared with the potential risk of contracting diseases.

Wildlife conflicts emanate from the government laws that essentially define for the society as a whole which actions are permissible and which are not and establishes the

minimum standards of behaviour and conduct. CBTPs at close proximity to PAs often encounter legal and conflicting interests with the PAs and LGAs concerning the balance between wildlife conservation and human economic development (Naabia, 2006). Actions that are legal may not be ethical. The moral stance is what an individual takes when faced with a decision that is not governed by formal rules. The values that people learn from a young age through schooling, religion, family and friends are the key ingredients. When the officials at different levels of the government fail to operate in an ethical manner, there is usually an outcry from the public who then press for more government regulation. The basic role of government is to set minimum standards of business morality and then to help enforce the rules.

Developing a thriving programme with a sustainable competitive advantage over other destinations depends on having a focused leadership supported by a qualified team. CBT is seen as a means of providing skills that can be used within localities and by outside businesses, as there exists a high rate of unemployment in marginalized micro economies. Young people did not have established pathways into economic participation. Although CBTPs are faced with internal and external constraints, the lack of a strong network hinders their growth as it is important for sharing experience and ways of solving challenges they face. Thus, a balance of positive and negative effects that may result in practice from increased local participation and openness is an empirical question that depends on the supply side or competitive conditions of the economy that influence the extent to which the CBTP can take advantage of market opportunities and the availability of aids and other resources to offset the costs of developing a successful programme.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter provides the summary of the research findings, conclusion and recommendations. The chapter is organized into the following sections; objectives of the study, methodology, design, and summary of findings from the empirical part, conclusion and recommendations.

5.1 Summary of the findings

This study was designed to investigate the influence of entrepreneurial capabilities on the performance of CBTPs and their supply chain businesses for communities located at close proximity to PAs, with a focus on cultural tourism initiatives in Arusha region which is the main tourist destination in Tanzania. The study centered on entrepreneurial performance factors at the firm level. A cross-sectional survey design was adopted using both quantitative and qualitative paradigms. A multi-theoretical approach was used to address multi-dimensional themes. Central to sampling theory, a sample of 210 respondents was drawn up and data was collected using questionnaires, semi-structured interviews, focus group discussion and participant observation which were analyzed using both dependency and interdependency multivariate analytical techniques.

From the results, it is apparent that there exists a wide range of different linkages between the CBTPs, local communities and other sectors which are difficult to quantify and to do so was beyond the scope of this study. The CBTPs in Arusha were found to be heterogeneous in nature, composed of different types of activities and a disorderly field of many firms including the government who do not feel a strong mutual dependency. There is a complex supply chain of various kinds of attractions, groups of shopkeepers, local cuisine, and government services. In some cases there is unity and in other cases there is no collaboration at all, meaning that various components work independently of each other but sometimes they are coordinated into packages. There is a close contact between CBTPs and government who do not feel a mutual dependency. Local government authorities (district councils and village executive committees) and the central governments were found to be active managers and suppliers of various public utilities, natural attraction, mountains, PAs (National Parks, Conservation Areas, Game Reserves, Game Controlled Areas and Forests).

It has not therefore been possible to determine whether or not or how much the CBTPs contribute to the development of local communities at the destination. It was noted that the backward linkage to other activities allows them to participate and create new opportunities for wealth avenues within tourism. Villages and communities located at close proximity to PAs in Arusha were generally found to have potentials of both natural and cultural assets that have not yet been fully exploited.

The first objective of the study sought to assess the value chain of the CBTPs and their entrepreneurial intensity at close proximity to PAs in Arusha, Tanzania, as an attempt to provide empirical evidence concerning entrepreneurial performance of the CBTPs. It was found that majority of the programmes are owned by males (60.4%) aged between 18 and less than 28 years amounting to 27.2%. In terms of education, 33.1% were primary leavers, 19.5% had ordinary secondary school education and 13.6% of total respondents have not had any formal education. In terms of gender, females were found to lag behind in every level of education when compared to males. Among the common obstacles faced by women were found to include social stratification of roles, customs and intra-household structure which give men power over decision making. Although educational input was found as unsatisfactory, to some extent it was not a major constrain. It was further noted that the level education possessed by majority of the respondents was not related to tourism which is supported by previous studies which showed that local communities are characterized with lower levels of education.

The majority of the clients (53.7%) visited the region for leisure purposes, 14.6% were for learning, 14.6% for other purposes i.e. health treatment and transit and 9.8% were for business purposes. This finding is approximately the same with those in the report of tourism sector survey of 2004 in Tanzania. It was further noted that the majority were complementing their tours from traditional tourism in famous PAs in Arusha. Most of the captured clients were males (56.1%) and majority were between 38-48 years of age (26.9%) which is supported by Bishwanath (2000) who stated that females are often more cautious in regard to safety issues than males when involved

in a long haul travel, though in other cases they are the organizers and coordinators of the tour. The fact that most of the contacted clients (during the field work) were originating from aged population countries with more disposable income and ample time for leisure/tourism, the clients aged 58 years and above have been minimal (7.2%).

In terms of the CBTPs' profiles, most products and their related services appeared to comprise a bundle of tangible and intangible components which were difficult to distinguish as they all together seek to motivate clients while touring the programme. Cultural performance was found to rate highest (36.7%), followed by art and crafts (20.1%) and accommodation within local environment (11.4%). Most of the CBTPs were located near the PAs (40.8%), those located alongside the highway to PAs were (17.8%) and 15.4% were located at the shopping centres. On the other hand, most of the CBTPs were owned in the form of partnership (40.8%), sole proprietorship accounted for 24.9% and joint venture was 15.4%.

Moreover, regarding the ownership structure, the majority of the CBTPs (39.6%) were owned by one individual who owned more than 50% shares, followed by one owner (30.2%) who owned less 50% shares and two to five owners (14.2%) who own equal shares. Further analysis indicated that 50.9% of the CBTPs were initiated by one to three founders and 18.3% were initiated by two to four founders. These findings are in lines to those of Nelson (2004) who argued that the CBTPs are not benefiting majority of the local communities, but few people who enjoy realized benefits for their own ends at the expense of local people. In view of local

communities' participation, there is little to comment as it was beyond the scope of this study.

Regarding local communities employment characteristics, the study found that 26% of the CBTPs had between three to five full-time employees, 15.4% had fifteen to twenty and 14.2% had between less than three full-time employees. On the other hand, 43% were found to prefer using less than three part-timers and 21.1% preferred three to five part-timers (NB: Employees and owners are synonymous). It was further noted that the earned income from the CBTPs has an array of both individual and communal benefits. 36.7% of the CBTPs were found set aside between eleven to twenty percent of their margins for community development projects (CDPs), 13.6% set aside between twenty one to thirty percent and 2.4% set aside between thirty one to fifty percent. These variations were found to arise due to the nature of the activity, structure and the purpose of establishment.

From the window of opportunity perspective, the service duration was found to vary significantly. 37.7% of the surveyed CBTPs were found to be in operation from two to five years since their establishment and 19.5% were between five and ten years. Only 3.6% were over twenty years after their inceptions. These findings contradict to the previous studies, including those of Hubert (2000), Visser (2002), Bianetics (2007) and Godwin and Santili (2009) who concluded that CBTPs are faced with numerous constraints to the extent that it is difficult to find successful cases in practice. Moreover, the number of visitors, sales volume and margins were shown to rise in the past three years, implying that CBT is still a growing and potential segment

of tourism to be nurtured. When considered response in terms of relative importance regarding entrepreneurial performance, products and services were rated high with a mean score of 4.37. Even if products were rated high, they need to be unique and distinct in line with the needs of potential clients which is a main component at the heart of entrepreneurial activity.

The second objective of the study purposed to determine the influence of owners of CBTPs entrepreneurial skills on performance at close proximity to PAs. Despite The fact that the hypothesized relationship between entrepreneurial skills and performance was accepted, the CBT development was found to be somewhat ad-hoc, unorganized and dependent on inconsistent and volunteering members with skills variability. Additionally, there are no clear entrepreneurial capabilities and the essence of CBTPs as a process of entrepreneurship is somewhat debatable. The state of entrepreneurial performance relies mainly on the abundant natural and cultural heritage, ecological diversity and attractive scenery within the PAs. Even though the majority of respondents showed that the number of visitors, participating members as well as sales and margins increased in the past three years, the expected level is not satisfactory. Cultural products and services offered need to be unique, distinct, meet and exceed clients' expectations and strive for continuous improvement to bring about and surpass the expected results. Cultural tourists are sensitive both to absolute prices and price changes, and so the price of cultural services was unrealistic and prevailed unfair currency exchange rates as external groups take advantage of low exposure and remoteness of the local people.

The relationship between entrepreneurial skills and performance (H_01) was supported although the relationship was not in the expected direction. Examination of the predictors showed that management and organizing skills were the most important predictors. That is, the owners/members of the CBTPs who rated themselves as having strong in management and organizing skills were likely to have fewer full time employees/members. It is plausible that managing and organizing skills enable them to achieve desired goals with fewer members. It is important to note that entrepreneurial management in CBTPs is mainly concerned with the internal environment and not with the matching capabilities to the external environment in which the programme must compete.

The third objective of the study targeted on determining whether owned local resources have significant influence on performance at close proximity to PAs. (H_02) was not supported, i.e. the average composite did not favour the null hypothesis. This is in line to many other findings in previous studies which show that resources are important antecedents of performance. However, Uni-ANOVA and Chi-square test indicate that there is no significant relationship between prior experience and performance which is contrary to theories in entrepreneurship literature, which asserts that prior experience is instrumental for organizational performance, but not surprising given that the majority of the respondents were in their first job/employment. However, this is not surprising since majority of the respondents were in the first venture.

The fourth objective aimed to determine whether there exist certain government related factors that affect performance of community based tourism programmes at close proximity to protected areas significantly. It was found that there exist certain constraints that hinder effective performance which were categorized as originating from economic, human, political, government, social and tourism development factors. The government policies was found to have a high cronbach alpha of = 0.767, and correlation coefficient of 0.221 at $p = 0.01$, implying that the existing policies influences CBTPs development significantly and therefore H_03 was not supported. Many responses indicate that there exists the lack of a reliable policy regarding the development of community based tourism programmes.

During interviews FGD, and participant observation sessions, it was noted that most government officials do not appreciate the essence of community based tourism and considering it as just like any other business. They have a feeling that they are not responsible for empowering local communities in their areas of jurisdiction, while local communities expect their intervention in creating an enabling environment for them to be able to operate smoothly in a competitive manner with external groups who uses their logos for promotion purposes for their own ends. As a result government involvement is seen to be for economic reasons to collect more revenue and not for empowering local communities as individuals.

Sudden changes in user fees to public utilities end up frustrating, causing losses or canceling planned tours. Most respondents felt that they are responsible to a large

number of stakeholders, e.g. their direct contribution to CDPs, and indirect contributions which are high. Although LGAs have a stake in CBTPs, they are often preoccupied with the issuance of permits to access land and the signing of contracts between CBTPs and their partners. Although the MNRT and TTB have been instrumental in promoting this form of tourism, these efforts are being interpreted as guided by the realization of the existing potential which is not yet being properly utilized. Seasonal and part-time employees/members lack career development opportunities and their participation as cheap labour can no longer be accepted. Although product prices can be lowered during off-seasons in order to maintain members by encouraging inbound tourism, seasonality still affects not only CBTPs but also other sectors' capacity.

The development of CBTPs depends on their ability to attract tourists and to integrate and coordinate efforts with different chains of suppliers' including government bodies and the operation of its institutions. Their human resources lack the necessary capacities and they are given poor incentives. They are not knowledgeable enough as there is a shortage of specialized personnel and the absence of appropriate training. In addition, they do not realize the importance of marketing and its instrumentalities and so they cannot compete fairly with commercial tourism enterprises within the same industry, and the efforts of development partners are often diluted by poor government support at the local level.

Although the safety of tourists plays a significant role in tourist destination development, there exists insufficient publicity of the region in the countries

generating tourists as a safe destination for community based tourism. There is no safety insurance cover due to the high cost, with different risks in different areas, which is a challenge to CBTPs because they cannot guarantee the safety of their visitors when planning their tour. Majority of the clients expressed however, that Tanzania is still safer than other destinations in East Africa.

Despite the fact that women form the majority of the country's citizens, most are still held back by cultural and economic factors, and are often excluded by family members, clan elders and tribal leaders (*Laigwanak*). Although the constitution and legal rights guarantee equal protection against discrimination, the reality at village is different. Majority of them are not aware of what the law states with regard to property ownership (including land), and do not consider themselves as having rights to own properties. They are not informed that they have such rights to access resources and land and actually they are surprised by such suggestions and have feeling that it contradicts to their traditions as some of the traditions, perceptions and values have tended to create a culture that is anti-entrepreneurial for women.

5.2 Conclusion

There is satisfactory evidence in the entrepreneurship literature that those countries that put higher emphasis and priorities on entrepreneurial activities in different levels of economies regardless of the kind of communities and people are showing greater socio-economic development. The propensity of CBTPs as entrepreneurial initiatives is a complex titration of history, culture, clients, economic conditions, family background, individuals' upbringing, education, skills, prior experience, availability

and management of local resources, and government support. The fact that changes in tourists' preferences, behaviour and values are the main drivers behind the pace and direction of tourism development, local communities are emerging as entrepreneurs who are positioned to take advantage of opportunities by putting themselves into the needs of potential tourists who are becoming less satisfied with traditional packages of the industry.

The successful future of CBTPs' is thus depending on capabilities of the owners to understand instrumentalities and concepts of entrepreneurship by being active participants in tourism within their local settings. Known that community based tourism is a more customer focused segment within a chain of services; it requires personal initiative, motivation, creativity and innovation behind entrepreneurial capabilities. This empirical study has captured substantial evidence that CBTPs at close proximity to protected areas in Arusha region do not perform at the expected level and do not match with sustainability principles at the heart of new forms of tourism. This contradicts with theories in the wake of formation of new forms of tourism and sustainability principles without which the basic premise behind the concept of community based tourism are undermined, despite the fact that it is a potential segment that needs to be nurtured.

There are no clear entrepreneurial capabilities and the essence of CBTPs as a process of entrepreneurship is somewhat debatable as most of the CBTPs developments were found to be somewhat ad-hoc, unorganized and dependent on inconsistent and

volunteering members leading to skills variability. The state of entrepreneurial performance relies mainly on attractive scenery within protected areas, cultural heritage and the friendly nature of local people at the destination. In addition, the involvement of the government in community based tourism is driven by realization of existing potentials for more revenue collection.

Since new or emerging forms of tourism manifest themselves in many names with tautological nature that fails to address the complexity surrounding the concept. This study found that a community based tourism programme should be used to describe tourism initiatives with one of the following characteristics; a private tourism enterprise with some degree of the wider community benefits, some benefits goes to individuals or households as economic gains. Moreover community development projects benefit all the households within the community. Similarly, product networks (depth & breadth) are developed for marketing tourism in a local area. It is a community enterprise within a broader cooperative in a local area or private enterprise developed within a village owned reserve or joint ventures with local communities or collective benefits including anticipated transfer of management, community owned and village managed enterprise with collective benefits through creation of assets which are used by the community as whole e.g. schools and dispensaries and/or conservation initiatives with community and collective benefits.

Providing a positive environment for community based tourism requires a proper functioning of the rule of law, streamlining and clarifying the kind of investment

procedures and policies for proper functioning and improved government transparency and accountability at all levels. Similarly security and the safety of tourists have to be reinforced if CBT is to continue to grow. The problems of excessive taxes which are exacerbated by a system of proxy under the guise of community development tends to hamper the efforts of most of the CBTPs. Furthermore, the importance of CBT to the overall development needs to be reflected in the prominence and policy documents.

5.3 Recommendations

With reference to the empirical evidence and the findings of this research, it is recommended that the following areas should be given considerations.

[1] Start-up and incubation support

The premise behind the establishment of CBTPs is the assumption that it can help to minimize the existing economic gap between the privileged (the-urban) and the unprivileged (rural, local) by ensuring steady acceleration of socio-economic development in the latter (WTO, 2002). The fact that remote areas have special appeal lying behind their cultural life, historical and geographical characteristics which are unique attractions on their own, and so these provide opportunities for visitors to complement their tours with unknown treasures and for local people to generate substantial incomes.

The fact that local communities are highly dispersed with unmatched capabilities, it is recommended that professional facilitators and experienced people from the

government, NGOs and the private sector should help them to gain understanding through conceptualization programmes. Cultural products need to be unique, distinct and continually improved, local communities at the destination need to be empowered to realize their potential as entrepreneurs by being assisted by development partners and the government to pursue training, starting with massive awareness creation and providing support for start-up and incubation.

[2] Unique products, services and clients

The fact that community based tourism is a more customer focused segment with new tourists who are more experienced and harder to please, cultural products need to be unique and distinct so that it may appeal to the needs and wants of potential clients. It is thus recommended that community based tourism owners need to be captive and creative enough when producing their cultural products which is the essence behind entrepreneurship rather than continuing producing the same without additional features or value added in collaboration with development partners.

Since the majority of the clients captured during the survey were found to originate from countries with large proportions of senior citizens where at the age above 55years are often coupled with retirement benefits and more disposable incomes and ample time for leisure which in turn lead to potentials for tourism. It is therefore recommended that this group should be given special attention by both the CBTPs owners and Tanzania Tourists Board, development partners and responsible government institutions when publicizing. Unlike young aged group who can use

sophisticated means of gathering information e.g. internet regarding their tour, this group often rely more on travel agents and magazines to get information.

[3] Benefits to conform with ownership structures

The major contribution of CBTPs is substantial for incremental wealth, ownership and basic needs of their founders that cannot happen even if people, products and markets are available unless some individuals see and pursue the opportunities, gather resources, and assume investment risks and implementation. Most of the programmes were found to be owned by few people through partnership forms. To make sure that the benefits from the programmes benefits the majority of the local community members. They need to be established as a workable enterprise through responsibilities sharing which are directed towards allocation of rewards in a manner that is fair, equitable, integrative, comprehensive, and goal oriented towards the wider community.

The owners of CBTPs should therefore establish a roster system to guarantee reliability and consistency, and market it through tourism hubs to allow service delivery by whoever is available to maintain consistency in operations and the running of the programme.

[4] Collaborative networks

Networking is important as it creates alliances with people, institutions and organizations beyond the immediate boundaries of the programme. As the process of linking up with the right people and allowing sharing of experiences, providing

constructive ways of dealing with challenges and it is key drivers and assets for successful performance. It is therefore recommended that supporting organizations, TTB and the MNRT should embark on strategies to create global networks to enable the owners of community based tourism programmes to capture the market and access other important information for this potential segment of tourism.

[5] Education and training

The local communities owning CBTPs at tourist destination are characterized by low levels of formal education, less developed and depend on indigenous knowledge which is essentially tacit, untapped, undocumented, vulnerable to attrition, faces extinction from one generation to another with inability to develop into local enterprise, lack specialized services and support to complement their skills. The owners of community based tourism programmes need to be able to act professionally, feel confident, communicate well and recognize a range of symbols and non-verbal messages in order to provide the expected level of cultural services.

It is more feasible to have fairly qualified members to handle their products, proper record keeping and marketing skills that need to be upgraded for effective performance. Therefore training them in the form of seminars and workshops in related activities is vital for their performance success. Development partners, NGOs, MNRT and TTB have to assist them by providing training programmes, beginning with massive awareness creation within their local environmental settings.

[6] Demand for community based tourism

Tourists belong to different segments and strata whose desires and wants are divergent, thus a deeper understanding of their motives is an instrumental factor in creating CBT. Since tourists are motivated by diverse and simultaneous objects, tailor made products and services need to be offered and new niches identified, as tourists desire new experiences. Services offered by CBTPs should consider characteristics such as gender, age and country of origin and become proactive in publicizing them instead of relying on government and supporting agencies. While characteristics such as seasonality and perishability tend to cause fluctuations in demand around the fixed supply capacity, the CBTPs need to seek a small market segment while considering the clients' sources, behaviour and attitudes.

[7] Competition with formal commercial operators

It is noted that large multinational commercial tourism operators dominated the travel and tourism industry in Tanzania. It should be investigated whether their dominance could be reduced by encouraging entrepreneurship practices of the destination's hosts. There is a need to take affirmative actions and have effective strategies for viable and exclusive access to attraction sites within remote areas.

In order to promote this form of tourism, responsible authorities, the Ministry of National Resources and Tourism (MNRT) in particular, need to provide a context in which local people can viably develop exclusive sites and attractions through agreements that will guarantee exclusive use for a specific period of time. Likewise, large multinational operators should voluntarily encourage the active participation of

local communities by signing operational contracts with villages as a means of promoting CBTPs.

[8] Conflicts arising from human-wildlife coexistence

Community based tourism has not been properly factored into traditional ownership, although the law grants rights through village registration, there exist conflicting interests among different levels of government to the extent of questioning whether village titles have legal implications. It is therefore recommended that permission from registered villages must be obtained before undertaking tourism activities with a clear and transparent system of control and regulations within the village boundaries.

[9] Cultural tourism image and commodification

Tourism is one of the appendage industries that give rise to neo-colonialist relationship in which its performance success depends on acceptance from the metropolitan countries, takes place in the context of inequality of wealth and power and often viewed as a conduit and transmitter of power relationship. From tourists' point of view, Africa is often considered as one with similar characteristic. Thus political instability in neighbouring countries reinforces negative images of tourism. It is recommended that image assessment should be carefully considered when formulating of a CBTP. Since accommodating tourists in homes allows observing the practiced lifestyles at lower cost, moral behaviour needs to be adhered in order to reinforce a positive image of the destination.

In order to minimize challenges associated with commodification, opportunities arising from tourists demand should be structured in ways that are culturally appropriate so that local communities at the destination are more able to take advantage and they need to be given more control over tourism development in their communities.

[10] Tourists' security, safety and healthy services

Safety and security provisions must be built into national, regional and local travel with easy, clear and implementable practices that ensure the safety of visitors. Special emphasis needs to be placed on safety issues when tourists visit community lands within the overall policing strategies. There is a need for the Ministry of National Resources and Tourism in collaboration with the Ministry of Internal Affairs and the police force to reinforce security and ensure safety at tourist destinations in the village level so as to be able to combat petty crimes, respond and acting immediately in case of the crime incidence.

Local entrepreneurs need to be empowered both socially and mentally in order to have access to tourism activities, and provided with clear guidelines concerning healthy and hygiene issues, cleanliness so as to be able to produce services that conforms with fitness for consumption in international arena in particular for local cuisines and HIV/AIDS avoidance during interactions among hosts and guests by reinforcing moral rectitude at the CBTPs as work places.

[11] Policy implication

The sustainability of effective participation of tourist destination hosts lies on the expansion of sources of income and benefits accrued to local communities that need to be sustained. To ensure that local communities and other different stakeholders of different interests are satisfied with community based tourism, the existing policies should illuminate the whole rather than a sectional interest of the industry, recognize and support CBTPs with exclusive focus on the benefits accruing to local people at the destination by supporting and guiding the identification of features and attractions based on emerging preferences and product possibilities.

It is recommended that policies should be clear and coherent and at the same time should be facilitated by good governance at all levels of the government to sustain resources, rights and partnership structures. The government through a responsible ministry needs to review current policies and focus on proper cultural products diversification for the benefits of local people, encourage inbound tourists and strengthen the domestic tourism.

[12] Recommendations for future research

From the results of this study, it is clear that there are few research studies with little empirical evidence on capabilities and entrepreneurial performance success for community based tourism. It is therefore acknowledged that further research studies are required to address other areas sufficiently. Recommended areas include:

- (i) Research needs to be done to integrate tacit (indigenous) and explicit knowledge with entrepreneurial skills for CBT development.

- (ii) Research to be done on CBTPs' contribution to environmental conservation as a tourism base for sustainable use.
- (iii) This study can be replicated by focusing CBTPs' partnership models and their benefits to local communities.
- (iv) Research needs to be done on various conflicting policies and regulations between CBT development and wildlife conservation.
- (v) Assessment needs to be done on the role of government on CBT development.
- (vi) Research needs to be done with a focus on social-cultural impacts on CBTPs' performance.

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APPENDICES**APPENDIX 1: CONSENT LETTER**

Dear Respondent;

This questionnaire is part of an extensive doctorate research study on factors influencing performance of community based tourism programmes in Arusha, Tanzania. You have been involved in this study because of your potential to the required information. Being aware that you are very busy, it will be highly appreciated if you would complete and answer the questions as thorough as possible. We are also sensitive about maintaining absolute confidentiality about your specific business operations. All given information will be used for the intended purpose (academic) only. Please feel free to contact the researcher if you need further information concerning the questionnaire.

Thank you for your cooperation.

Daud N. Mollel

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Kenyatta University, Nairobi. Kenya.

C/O The Business School

P.O. BOX 6 Mzumbe

Mzumbe University, Tanzania.

Mob: +255784264187; Email: daudmollel@yahoo.com

NB:

- (i) Answer all questions as objectively and honestly as possible.
- (ii) Place a tick (v) in the spaces provided which reflects your most accurate answer after each question.
- (iii) Where asked for comments or own opinion, keep answers short and direct to the point.
- (iv) You are kindly requested to complete the questionnaire and return it by postal not later than 30th October, 2009.

APPENDIX 2: CBTPS OWNERS' QUESTIONNAIRE

APPENDIX 3: QUESTIONNAIRE FOR CLIENTS

APPENDIX 4: INTERVIEW GUIDE FOR CBTP' OWNERS

I am Daud Mollel, a postgraduate student at the School of Hospitality and Tourism Management at Kenyatta University in Nairobi, Kenya pursuing a research study on *entrepreneurial performance and capabilities analysis for community based tourism programmes* for communities located at close proximity to protected areas in Arusha region. This interview is part of a study being conducted for a partial fulfillment for a PhD degree award with a purpose to help data collection that will be used for my study.

Thank you for your co – operation.

1. Date.....
2. Name of your initiative or programme
3. Primary activity.....
4. Other activities
5. The year of establishment.....
6. Form of ownership
7. Major stakeholders.....
8. Supporting organization.....
9. Skills.....
10. Prior experience.....
11. Unique resources and attraction.....
12. The trend of visitors in the past three years
13. The trend of sales in the past three years
14. The trend of the number of members participating in the activity in full time basis in the past three years
15. Does your programme prefer to use part time members?

APPENDIX 5: FOCUS GROUP DISCUSSION GUIDE FOR CBTPS' OWNERS

I am Daud Mollel, a postgraduate student at the School of Hospitality and Tourism Management at Kenyatta University in Nairobi, Kenya pursuing a research study on *entrepreneurial performance and capabilities analysis for community based tourism programmes* for communities located at close proximity to protected areas in Arusha region. This discussion is part of a study being conducted for a partial fulfillment for a PhD degree award with a purpose to help data collection that will be used for my study.

Thank you for your co – operation.

1. Date.....
2. Name of your initiative or programme
3. Primary activity.....
4. Other activities
5. The year of establishment.....
6. Form of ownership
7. Major stakeholders.....
8. Supporting organization.....
9. Skills.....
10. Prior experience.....
11. Unique resources and attraction.....
12. The trend of visitors in the past three years
13. The trend of sales in the past three years
14. The trend of the number of members participating in the activity in full time basis in the past three years
15. Does your programme prefer to use part time members?

APPENDIX 6: OBSERVATION GUIDE

Natural attraction
Overall management
Organization
Attitudes of participating members
Commitment
Enthusiasm
Customer service
Ability to communicate with clients
Team spirit
Indigenous knowledge
Records
Production relation
Individual benefits
Supporting organisations
Attitudes of local government officials
Attitudes of nearest protected area authority
Networking with commercial operators
Communal benefits
Cultural conservation

APPENDIX 7 : CONTENT ANALYSIS GUIDE

Definition of community based tourism programmes

Awareness of the new forms of tourism

Entrepreneurial skills

Owned resources

Opinions on performance

Opinions on creativity

Opinion on challenges

Suitability on government policies

Strengths for enhancing community based tourism programmes survival

Opinions on community development projects

Clients' expectations

Clients satisfaction

APPENDIX 8: FGD SESSION AT LEMALA CULTURAL BOMA



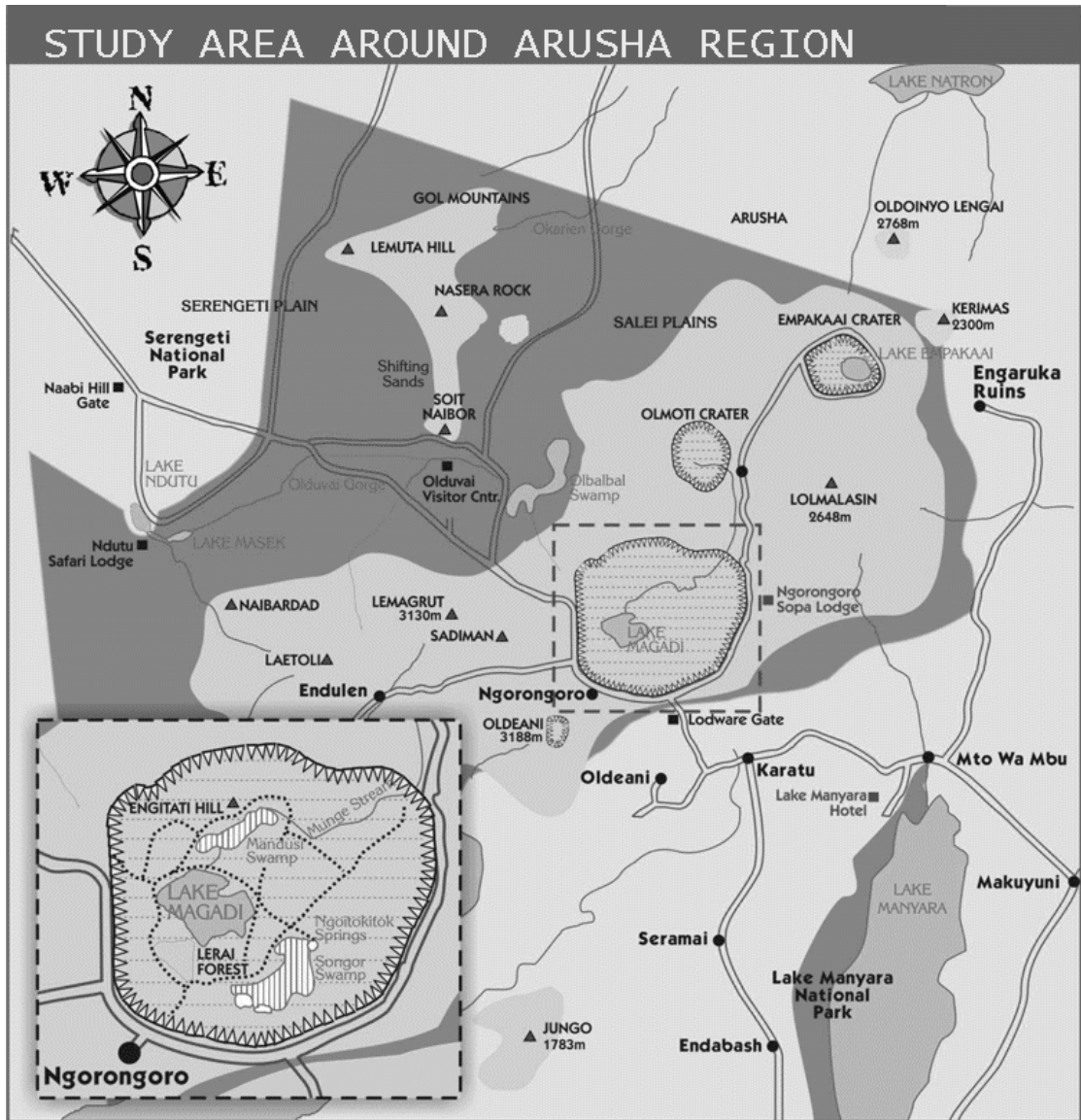
APPENDIX 9 : PARTICIPANT OBSERVATION SESSION AT SENETO CULTURAL BOMA



APPENDIX 10: INTERVIEW SESSION AT ENGARUKA CBTP



APPENDI X 11: STUDY AREA MAP

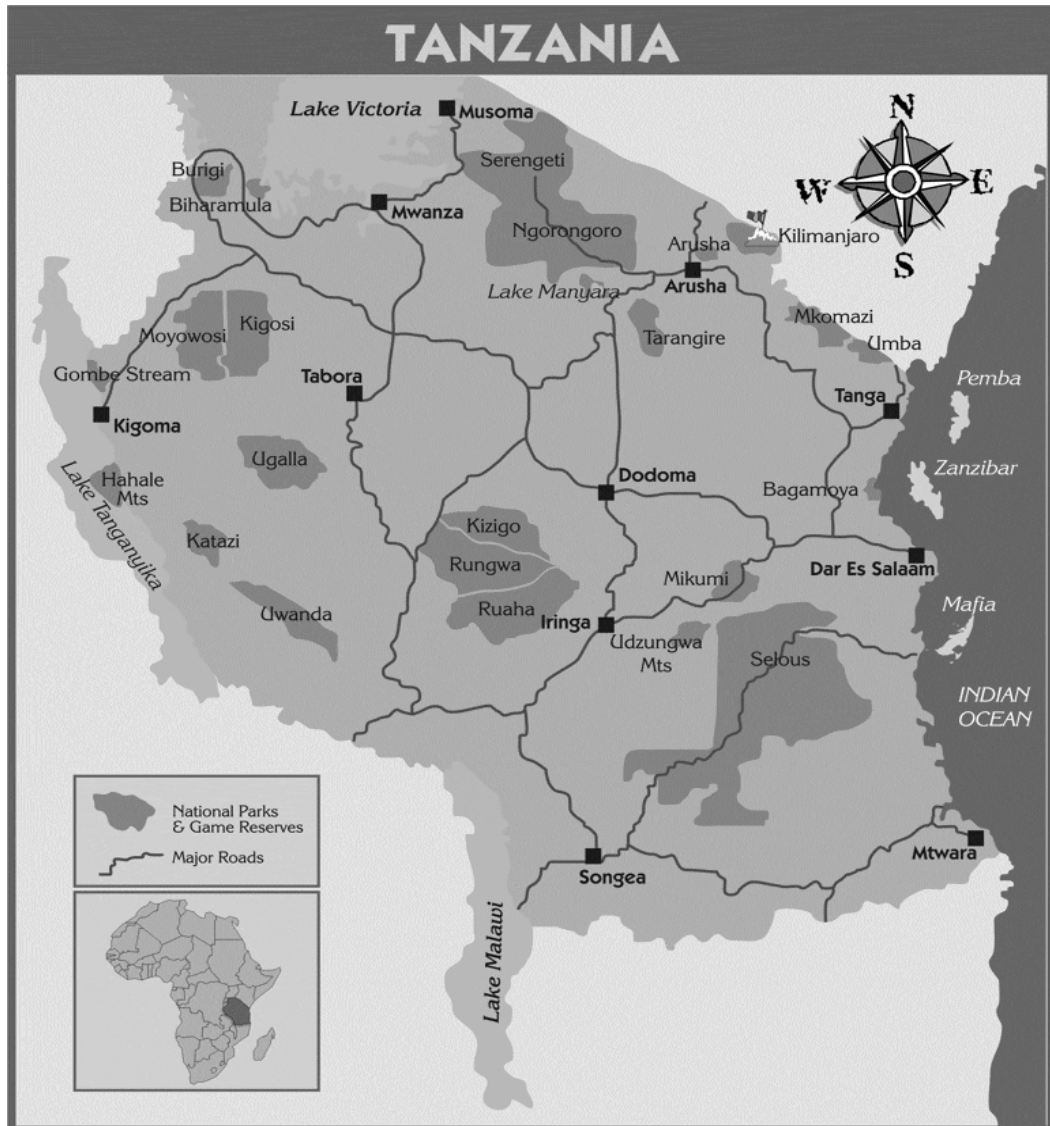


Source: Arusha Regional Administrative Secretary (RAS, 2008).

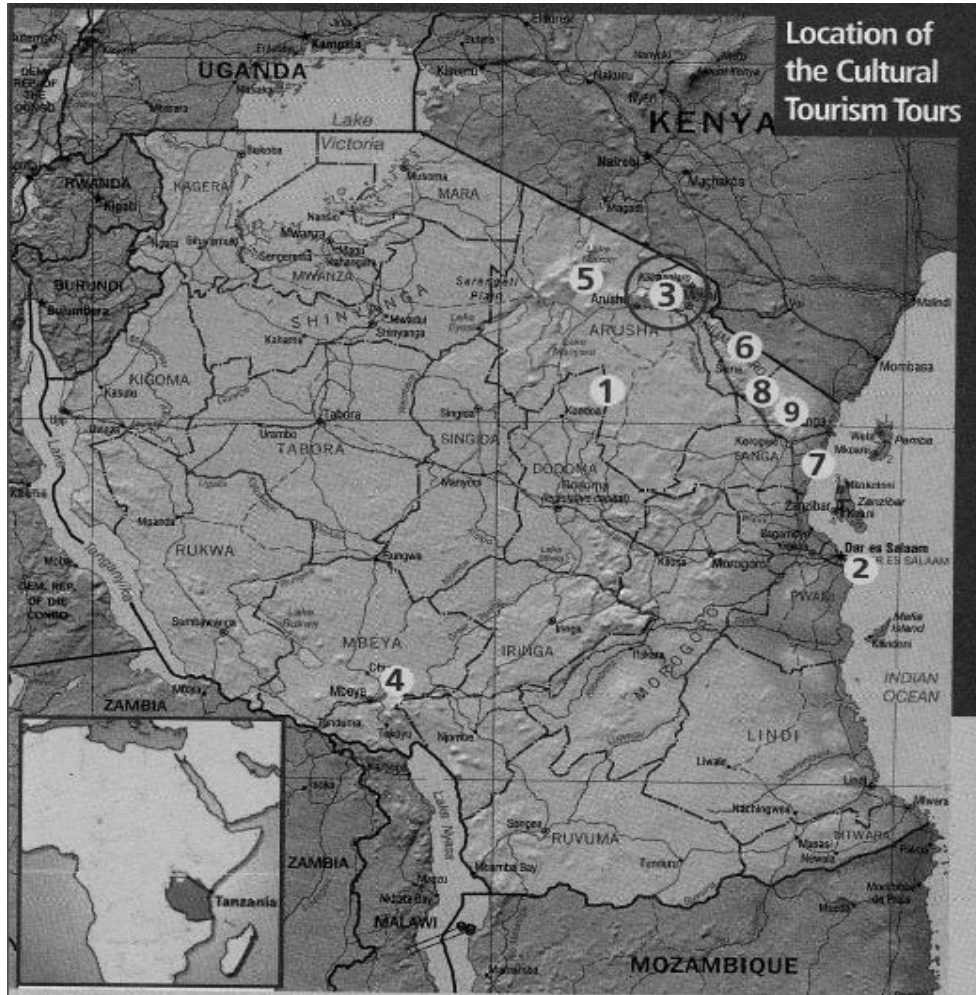
APPENDIX 12: TANZANIA REGIONAL BOUNDARIES



APPENDIX 13: FAMOUS PAs IN TANZANIA



APPENDIX 14: LOCATIONS OF CULTURAL TOURS IN TANZANIA



APPENDIX 15: CBTPS IN THE STUDY AREA

S.No	CBTP	NEAREST PA	PRIMARY ATTRACTION
1.	Engaruka	Oldonnyo Lengai	Active volcano, oldest African irrigation system, Maasai boma, cattle market, walking safaris
2.	Ganako Karatu	Ngorongoro highland forests, lake Eyasi, NCAA	Walking safaris, coffee plantations, Germany colonial settlements, ritual sites
3	Ilkiding'a	Mt. Meru Forests	Craftsmen, local cuisine, hiking, view point for Arusha city, traditional healer
4.	Ilkurot	Kilimamoto Crater	Holy tree, Maasai boma, traditional healer, camel hike, dances, beekeeping
5.	Karatu Iraqw	Mt. Oldeani & Ngorongoro Crater	Tours in Hadzabe and Datoga village near Lake Eyasi, traditional wares, stone tools
6.	Longido	Mt. Longido & Lake Natron	Trail to spot birds, dense natural forest, British colonial settlement, Mt. climbing
7.	Matunda	Mt. Meru	Historical, Archaeological sites, view of snow capped Kilimanjaro, local brew
8.	Monduli Juu	Oldonyo Lengai & Lake Natron	A cluster of 4 maasai villages, medicinal plants,
9.	Mkuru	Arusha National Park	Archaeological place, Oldonyo loondare mt. climbing, small mammals, baboon cave, maasai boma, birds
10.	Mto wa Mbu	Manyara National Park, Rift valley	Balaa hill climbing, waterfalls, ideal safari resting point, agriculture projects
11.	Mulala	Mt. Meru	Women group economic activity, cheese unit, traditional meals, both Mt. Kilimanjaro & and Mt. Meru views
12.	Ng'iresi	Mt. Meru	Kivesi mt. climbing , Songoro and Navuru waterfalls, traditional cuisine, old volcano with a natural forest
13.	Oldonyosa mbu	Glimpse of Mt Kilimanjaro	Maasai boma, ornamental, traditional healer, holy tree, camel and donkey rides, markets and watering dams
14.	Osotwa (OCTI)	Mt. Meru	Local environment conservation, Maasai boma, traditional healers and rituals
15.	Tengeru	Mt. Meru	Meru culture, Farms managed by women groups, living with disabled children, VEC, church services, local theatre
16.	Them Valley	Arusha Municipality(<i>Now converted into city</i>)	Sting less beekeeping, biogas, renewable energies initiative, national museum, indigenous plants & town trip

APPENDIX 16 : CULTURAL PERFORMANCE AT LEMALA CULTURAL BOMA



Source: Adapted from Naabia, (2006).

APPENDIX 17: SUPPLEMENTARY CAPTURED CBTPS' ACTIVITIES



Source: Field Work, (2009/2010).

APPENDIX 18: COMMUNITY DEVELOPMENT PROJECT



EMAOI PRIMARY SCHOOL: *FUNDED BY CBTP - OCTI FUNDS.*

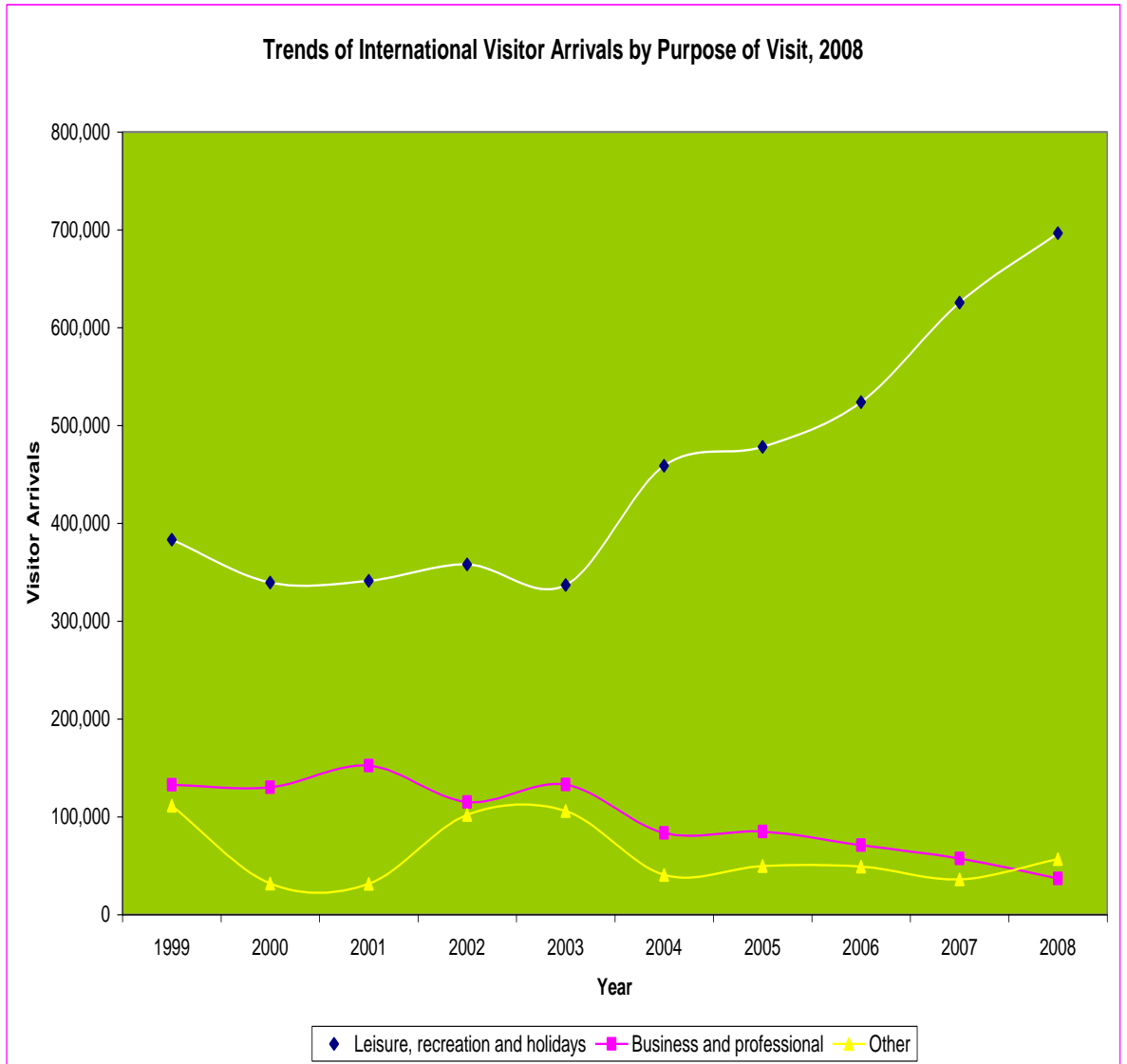
Source: Field work (2009-2010).

APPENDIX 19: THE TREND OF INTERNATIONAL TOURISTS IN TANZANIA (1995 - 2008)

Year	Number of Visitor Arrivals	Annual Change (%)	Receipts (US \$ Mill)	Receipts (TZS Mill)
1995	295,312	12.89	259.44	155,663.00
1996	326,188	10.46	322.37	194,220.00
1997	359,096	10.09	392.39	235,446.00
1998	482,331	34.32	570.00	370,500.00
1999	627,325	30.06	733.28	586,624.00
2000	501,669	-20.03	739.06	628,201.00
2001	525,000	4.65	725.00	665,115.00 ¹
2002	575,000	9.52	730.00	705,618.00 ²
2003	576,000	0.17	731.00	759,070.40 ³
2004	582,807	1.18	746.02	812,676.89 ⁴
2005	612,754	4.8	823.05	929,058.84 ⁵
2006	644,124	5.12	950.00	1,079,137.00 ⁶
2007	719,031	11.62	1,198.76	1,290,542.25 ⁷
2008	770,376	7.14	1,269.68 ⁸	1,520,429.10 ⁸

Source: MNRT, Tourism Department (2009).

APPENDIX 20: THE TREND OF INTERNATIONAL TOURISTS BY PURPOSE OF VISIT (1995 - 2008)



Source: MNRT, Tourism Department (2009).

APPENDIX 21: THE TREND OF INTERNATIONAL TOURISTS BY COUNTRY OF ORIGIN (1995 - 2008)

S. No	Country of origin	No. of visitors	Percentage
1	Italy	1404	22.9
2	UK	1154	18.8
3	USA	621	10.1
4	Germany	495	8.1
5	Spain	462	7.5
6	France	289	4.7
7	South Africa	273	4.5
8	Netherlands	243	3.9
9	Australia	200	3.3
10	Canada	146	2.4
11	Belgium	77	1.3
12	Switzerland	73	1.3
13	Japan	63	1.0
14	Denmark	61	0.9
15	Sweden	53	0.9
16	Other	524	8.6
TOTAL		6138	100

Source: MNRT, Tourism Department (2009).

APPENDIX 22: APPROACHES FOR DESCRIBING ENTREPRENEURS

Entrepreneurial Model	Central Focus	Assumption	Behaviour & skills	Situation
Great Person School	The entrepreneur has an intuitive ability – a sense and traits with which he/she is born	Without this ‘inborn’ intuition, the individual would be like the rest of us mortals, who lack what it takes	Intuition, vigour, energy, persistency, and self – esteem	Start-up
Psychological Characteristics School	Entrepreneurs have unique values, attitudes, and needs that drive them	People have in accordance with their values; behaviour results from attempts to satisfy needs	Personal values, risk taking, need for achievements, and others	Start-up
Classical School	The central characteristic of entrepreneurial behaviour is innovation	The critical aspect of entrepreneurship is in the process of doing rather than owning	Innovation, creativity, and discovery	Start-up & early growth
Management School	Entrepreneurs are organizers of the economic venture; they are people who organize, own, manage and assume the risk	Entrepreneurs can be developed, or trained in the technical functions of management	Production planning, people, organizing, capitalization and budgeting	Early growth & maturity
Leadership School	Entrepreneurs are leaders of people, they have the ability to adapt their style of the needs of the people	An entrepreneur cannot accomplish his or her goals alone, but depend on others	Motivating, directing, and leading	Early growth and maturity
Intrapreneurship School	Entrepreneurial skills can be useful in complex organizations; intrapreneurship is the development of independent units to create, market, and expand services	Organisations need to adapt to survive; entrepreneurial activity leads to organizational building and entrepreneurs becoming managers	Alertness to opportunities, maximizing decisions	Maturity & change

Source: Adapted from Srivastava, S.B. (1982). A practice guide to industrial entrepreneurs (1st ed.). New Delhi: Sultan Chand & Sons.