

TEMPO: Recipient of ATA's 2010 Award for Outstanding Achievement in Development of Responsible Tourism in Africa

## Tourism Development in Nigeria



DEVELOPMENT SOLUTIONS



News from CDC Development Solutions

# DEVELOPMENT SOLUTIONS

### TEMPO—TOURISM EMPLOYMENT AND OPPORTUNITIES

## Harnessing the Power of Tourism for Economic Development

**T**raditional misconceptions hold that tourism's role in a nation's economy is always about large hotels and cruise ships, grand cities and elegant dining. In fact, tourism's effects extend to a broad range of local businesses in urban and rural areas that include small family-run farms, construction and transportation businesses of all sizes, handcraft micro-enterprises and cooperatives, "mom-and-pop" restaurants, small hotels, sports and recreation firms and far more. As an engine for economic development, tourism benefits enterprises, employment and economies in varied and dynamic ways, from building a tax base and economic stability through the growth of enterprises (small, medium and micro-size) to providing employment for unskilled labor and migrants – and often women. Significant export opportunities are developed just as linkages are created with the informal sector thereby generating multiplier effects with poorer groups. Farmers can expand quality, variety and quantities of products for the tourism supply chain, transportation businesses expand to deliver customers to the tourism "product," and infrastructure is developed (and jobs created) that will also provide essential services for local communities. And, of course the natural resources and culture enjoyed by the tourists can also be enjoyed by all the people of a country with quality tourism products and services.



*A musician performing at the annual Yam Festival in Cross River State*

CDC Development Solutions has been working in tourism development since the 1990s with programs that extend from creating and promoting investment strategies to tourism route development, from supporting the export of handicrafts to supply chain development. One current and potentially far-reaching program is Tourism Employment & Opportunities (TEMPO). This 15-month pilot initiative for the World Bank's Growth in Employment in the States (GEMS) program brings a comprehensive value chain development model to Nigeria's popular Cross River State.

"With TEMPO, we have taken a holistic, inclusive approach to tourism development, one that includes in-depth diagnostics, strategic development engaging every stakeholder group, a vigilant focus on capacity building across the value chain, and an implementation model that utilizes the technological tools needed to build a robust industry," according to Deirdre White, CDS President and COO.

*(see TEMPO, on page 4)*

### THE AMBASSADOR PROMOTION

## Putting TEMPO Into Action

**E**ven a pilot program needs a test run to identify potential weaknesses and work out the inevitable kinks. The Ambassador Promotion was designed to identify for TEMPO staff and the Cross River State tourism stakeholder community the bottlenecks and challenges across the hospitality value chain as well as approaches to address the issues raised during the Promotion.

Rolled out over a 30-day period during February and March 2010, the country-wide promotion to attract Nigerians to Cross River featured weekend packages targeting an array of potential traveler interests including *Meet Me In Cross River* (business), *Valentine's Romance* (couples), *Gospel Encounters* (music), *Destination Calabar* (leisure) and *Paradise in the Clouds* (recreation).

*(see Ambassador, on page 3)*

### CDS SENIOR TOURISM ADVISOR

## Creating Competitive Advantages

**F**rom Muscle Shoals, Alabama to Amman, Jordan, to Johannesburg, South Africa, CDS Senior Advisor Alvin Rosenbaum literally has traveled the globe advocating the benefits of responsible tourism for economic development. "My concentration on tourism over the past decade has been about economic development—good business practices, MSME (micro-, small- and medium size enterprises) growth and jobs creation," he says.

*(see Alvin, on page 6)*

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## A Driver for Growth in Emerging Markets

For 20 years, CDC Development Solutions has been delivering innovative tourism programs that generate substantive change for small and medium size enterprises operating in emerging and frontier markets. The success of our work is born of the breadth and depth of our experience. Our work in Kyrgyzstan and Russia focused on route development. The creation of government-level strategy has served Nigeria and Bulgaria. We have assisted small hotels in Thailand and throughout the Caribbean. And we have worked to expand export opportunities for handicraft artisans in Guatemala, Azerbaijan and Ghana. **CDS' solutions for tourism development are built on sustainability and a respect for natural resources and cultural heritage. In addition, CDS' policies, programs and practices demonstrate thought leadership and innovation in harnessing the powerful and multi-sectoral impact of the industry to create economic opportunities and spread the benefits of prosperity.**

CDS has developed two specialized approaches to drive this growth potential. CDS' Tourism Development Corps utilizes best practices and creates effective new techniques in sustainable tourism development. And

**CDS's technology-driven Tourism Products Registry™** links businesses in the tourism value chain to new international opportunities. CDS interventions have led to business growth, the creation of new and better jobs and increased revenues, family incomes and national wealth, as well as the development of infrastructure and government policies that benefit all industry sectors.

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**"For over two decades and across five continents, our tourism work has created opportunities for small businesses, women, marginalized groups and agricultural producers."**

*Michael Levett, CEO, CDC Development Solutions*

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**In 2008, the world's** 922 million tourists generated over US\$944 billion in receipts. And these numbers are projected not only to rise, but to reach into new, untapped markets. As the number of people employed directly by the tourism sector has grown over the last decade to over 215 million people, and with tourism generating approximately 30% of global service exports, it is not surprising that there is greater and greater recognition of the power and potential of the global tourism industry to effect economic growth in emerging markets. As noted by CDS CEO Michael Levett, **"For more than two decades and across five continents, our tourism work has created opportunities for small businesses, women as business owners and employees, socially and economically marginalized groups and small-holding agricultural producers."**



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## Putting TEMPO Into Action

(Ambassador, continued from page 1)

Each package offered hotel accommodations, free breakfast, tickets to an appropriate special event, a special gift, targeted limited time offers, and airport transportation. The entire initiative was supported by an extensive marketing and public relations campaign that included newspaper articles, collateral materials, SMS messaging and website promotion.

The marketing campaign, which did not include a television component, delivered impressive results and provided a clear demonstration of the success of the pilot program and the potential impact of a focused, comprehensive tourism initiative. The website ([www.crossriverquality.com](http://www.crossriverquality.com)) tallied 1,333 unique visitors who viewed 28,803 pages and generated 201,767 hits. Over 300 referrals were made to 22 travel agents who received additional expressions of interest from seven large groups and 268 individuals. Media coverage included 17 print stories and three television appearances. Most importantly, a total of 67 businesses were engaged in the promotion that generated 743,000 naira profit to Cross River Quality, the private-sector destination management organization that emerged from this program

While participants were more than pleased with the program's apparent successes, the more strategic outcomes – a deeper understanding of its gaps and the development of the mechanisms for improvements – were of at least equal importance. Among the “fixes” that were identified as vital and



achievable within differing time frames: (1) increasing the number of front line workers participating in training programs in order to create immediate improvements in the visitor experience; (2) TEMPO needs to do a better job of educating travel agents about the many attractions and pleasures Cross River State has to offer; (3) an online payment system must be developed in order to facilitate the booking and payment process; (4) infrastructure improvements, including transportation to and from CRS tourist sites, as well as at the sites themselves, are needed; (5) communications between owners, managers and frontline staff must be streamlined to minimize confusion and misunderstandings; and (6) there is a real need to create a business culture that is comfortable with long-term planning.

TEMPO continues to analyze the results of the promotion with an eye toward refining existing practices and developing effective ways of marketing Cross River State and **improving the product.** Noting the Promotion's success, one of the CRS hotel owners observed, “What the Ambassador Promotion has clearly shown is that, in spite of outside challenges and the need to greatly improve systems and resources, Cross River State has the potential to be a destination of choice to visitors looking for a unique and rewarding business and/or leisure experience. With the results of the program in hand, we have a roadmap for making the improvements needed to match this potential.”

### A MESSAGE FROM CROSS RIVER STATE

## Building for the Future

My Good Friends,

Cross River is my home. We are the gateway to the Atlantic and reach Nigeria's highest summit at Obudu Mountain. Our people, the Efik, have welcomed visitors to our land for more than two centuries and we pride ourselves in our co-existence with the Ejagham Bekwara and the other 16 linguistic groups who live together peaceably in Cross River State.

We have come together through the work of CDS and TEMPO to form this new Destination Management Organization, Cross River Quality, working together as both competitors and collaborators to learn international best practices and to provide the unique opportunities that Nigeria has to offer. Our first task is as hosts to our Nigerian guests visiting from our big cities of Lagos, Abuja, Port Harcourt and Kano who seek a green, quiet and gentle place for their business meetings and family recreation. Only when we have achieved their satisfaction will we reach beyond to the international market.

“The key to building a reputation of value for Cross River tourism is enhance value for visitor's money, and a combination of customer satisfaction and improved products including presentation, packaging and pricing.”

High Chief Edem Duke



A descendant of Cross River State's royal founders, High Chief Edem Duke, is a University of Lagos graduate, Chairman of the Greater Calabar Chamber of Commerce, Industry, Mines and Agriculture, former President of the Federation of Tourism Associations of Nigeria, and owner of Cross River State's Mirage Hotel. Duke is also the founding chairman of Cross River Quality, the destination management organization created by the private sector leadership of Cross River's tourism industry.

# Harnessing the Power of Tourism for Economic Development

(TEMPO, continued from page 1)

Tourism is a powerful economic force for both the developed and developing world. International tourist arrivals will top one billion by 2011 and by 2020 that number is expected to exceed **1.6 billion people**. In 2008, the world's 922 million tourists generated receipts in excess of US\$944 billion. Travel and tourism is the leading industry in many countries and is the fastest growing economic sector in worldwide job creation; according to the World Economic Forum, tourism is generating 10.3% of world GDP and providing 234 million jobs, or 8.2% of the total world employment. **The greatest growth in global tourism is in "experiential" travel**, a category that includes adventure-, cultural-, and eco-tourism. And since tourism began to rebound following 9/11, travelers have steadily favored new and challenging destinations over traditional markets, a trend likely to continue for some time.

Tourism in Africa stands to both support and benefit from this growth. Currently accounting for only 1% of the tourism market, **the United Nation's World Travel Organization (UNWTO) projects a 5% annual increase in travel to Africa over the next decade**, bringing 77 million visitors to the continent. Of the **UNWTO's top 20 fastest growing developing countries in terms of international tourist arrivals**, seven are located in Africa including Nigeria, that ranks 12th.

Cross River State (CRS), located in the southern-most region of Nigeria, enjoys a rich diversity of attractions and a statewide distribution of sites that includes activities for virtually every traveler – natural, historical and archeological resources as well as cultural heritage and business and convention tourism. It is **considered the wellspring of the country's hospitality industry**. A tribal community that has evolved into a contemporary society, it is a relatively new state, formed in 1967 when King Egbo Young and his followers united the ancient villages along the Gulf of Guinea.

A decade of work in African tourism development has provided CDS Senior Advisor Alvin Rosenbaum an in-depth understanding of both the opportunities and the challenges faced by **CRS' tourism industry at both the "micro" level (e.g., linking small businesses to the tourism value chain) and the "macro" level (e.g., strategic and regulatory planning, ensuring sustainable development)**. Additional challenges include a difficult business **"enabling" environment; insufficient marketing to increase awareness and demand among Nigerian tourists, TEMPO's principal target market; limited ac-**

cessibility to the region; poor private-public governance; and an insufficient understanding of the essential drivers for economic growth through tourism. As a pilot program with a short timeline, **TEMPO's principle objective in Cross River was to closely examine and understand these challenges and begin to address them through business development services (BDS) grants, partnerships and capacity building and training initiatives**. The **project's first phase was a comprehensive evaluation of the business climate** focused on data gathering, analysis and planning. TEMPO conducted 1229 visitor interviews, audited 480 hospitality businesses including 110 hotels, 25 sites and attractions, 87 restaurants and 50 support businesses. Analysis of the data helped to identify additional challenges: overlapping and conflicting roles and responsibilities of relevant public sector institutions; the absence of a trained, qualified workforce; the poor conditions of cultural historic and natural assets; and a challenging financial climate making it impossible for visitors to use credit cards outside of the major hotels.

Stakeholder buy-in is an essential component to the development and implementation of an effective tourism program. TEMPO personnel developed key strategies designed to improve CRS tourism products and services, including the identification of competitive advantages that maximize the impact of tourism on poverty alleviation while simultaneously minimizing the social and environmental risks, and then presented these strategies to more than 100 private and government sector stakeholders. These presentations were followed by 64 committee meetings conducted over a three and a half month period that resulted in a joint strategy development and implementation plan that integrated the BDS program, technical assistance relating to service quality, the formation of a private sector association and a demonstration promotion program that involved all components of the value chain. (See Ambassador Program, pg 3)

With in-depth diagnostics and a stakeholder-supported strategy in hand, the TEMPO team moved forward with the recommendations for building the capacity of local companies and institutions to meet demand in the future. To facilitate and bring value to the public-private dialogue, the private sector organized an independent, unified business group, Cross River Quality, just as the public sector is now being reorganized into a viable service unit. Having the two, clearly delineated organizations, a process that is still on-going, has significantly improved dialogue between the two sectors.

*Tahalia Barrett, a CDC Development Solutions MBAEC Advisor, facilitated skills training and microenterprise development programs that can be utilized in the growth of community-based tourism.*





*CDS MBAEC Advisor Jessica Ziegler leads the first Cross River State stakeholders meeting*

High on TEMPO's priority list was the need to determine the marketing and visitor readiness of CRS' hospitality and tourism businesses, to create a strategy to introduce technology for bookings and online transactions, and to tighten the administration and enforcement of the CRS government's tourism-related statutes. TEMPO focused its training on service quality for both general managers and front line workers, training more than 200 people from a dozen properties involved in the Ambassador Promotion through train-the-trainer programs and using materials developed by TEMPO and a BDS grantee. The result is a cadre of training professionals who are now ready to work with the hotels management and staff in the future.

One of TEMPO's most robust and successful capacity building initiatives involves local sourcing. The effort focused on building the capacity of CRS farmers to supply quality produce, fruit, honey, poultry, fish, snails and grasscutters, (a local delicacy), to seven hotels and re-stock stores at 30 day intervals. BDS grantees conducted extensive evaluations resulting in recommendations that include:

- provide technical training for vegetable producers to enable year-round production;
- encourage a comprehensive program for would-be domestic fish and shrimp farmers;
- provide training in the formulation of natural fertilizer and improved cultivation methods.

Implementation of these and other improvements is projected to increase the number of businesses producing for the hospitality industry from 115 to 215, increase related employment from 46 to 146, and increase the percentage of locally procured items for the hotels from 8.3% to 30%. Underlying all of these efforts is a host of technological tools essential to effective business management **both at the company and industry levels.** TEMPO's intervention created the protocols that CRS needed to gather and analyze es-

## Short on Length, Long on Results

In spite of its short 15-month window, the TEMPO pilot program generated impressive results that will continue to have a positive impact on business practices in Cross River State as well as provide guidance for future improvements.

KEY PERFORMANCE INDICATORS	TOTAL RESULTS
Number of Cross River Assets Audited (Businesses and Sites)	480
Providers Identified for Local Sourcing	147
Value of In-kind Contributions to CRO Promotion	\$617,757
Service Workers and Managers Trained in Service Quality Performance	207
CRO Committees Stakeholder Strategic Planning Contact Hours	1,195
CRO Website Hits @ 77 Hits Per Visit	211,991
Businesses engaged in CRO Promotion	67
CRO National Newspaper Exposures	4,250,000

sential data including occupancy rates, settlements, a core calendar of events, etc.

TEMPO serves as a pilot and a prelude to an ambitious five-year, four state initiative scheduled to begin in 2011. As such, **TEMPO's staff was always cognizant of the project's role in creating an understanding of the tourism and hospitality value chain as it currently exists in CRS and developing specific and attainable recommendations for building on the lessons learned through TEMPO.** According to Alvin Rosenbaum, "Under the banner of TEMPO, CDS' recommended next steps emphasize the need to move to an online information and booking platform so that Cross River State hotels, events and points of interest can be distributed, packaged, booked, ticketed and promoted into major Nigerian markets and around the world."

For further information about TEMPO please contact Alvin Rosenbaum at [arosebaum@cdc.org](mailto:arosebaum@cdc.org). For further information about CDS' work in Tourism, visit <http://www.cdcdevelopmentsolutions.org>.

## Creating Competitive Advantages in Pioneering Destinations for Tourism's SMEs

(Alvin, continued from page 1)

**“We must be careful not to romanticize nature or culture in this work. Most tourism and hospitality development in emerging markets that need donor intervention is regional—business, family and friends, local events—and not necessarily what you see in glossy magazines. Putting people to work earning a living and supporting a family is our focus.”**

Alvin has walked the talk of development as a force for change throughout his professional life. As a regional planner, he was deeply committed to finding solutions to help alleviate poverty. Through civil rights work in his native Alabama in the 1960s and political and advocacy consulting throughout his long career in Washington, he has combined his efforts in community development, marketing, the arts, publishing and tourism, working with hundreds of small organizations and businesses over the past four decades.

After writing two books on social history for the National Trust for Historic Preservation in the early 1990s, Alvin became president at the Trust of the National Coalition of Heritage Areas and, later, CEO of the National Center for Heritage Development. Subsequently he was appointed by President Clinton to lead the American Heritage Rivers Alliance. He began work in international development fulltime in 2000 after a Fulbright lectureship in Brazil and as senior visiting scholar at the **George Washington University's International Institute of Tourism Studies**. He has now been engaged as a senior advisor for projects in a dozen countries in Africa, the Middle East, Latin America and Southeast Asia. In 2007, he joined CDS to organize and lead the World Bank tourism value chain initiative in Nigeria – TEMPO (Tourism Employment and Opportunity) – a collaboration among small businesses in the hospitality sector of Cross River State dedicated to building capacity and creating linkages to domestic Nigerian markets.

Alvin has authored over 25 books and articles focusing on regionalism and design. He has also appeared at over 80 seminars and presentations, speaking on such diverse topics as *Strategies for Sri Lankan Domestic Tourism*, *Technology Trends in Heritage Tourism*, *Creating the Exceptional Visitor Experience*, and most recently, *Emerging Trends and New Products in Africa*.

With his knowledge and experience, he is not afraid to speak his mind. The watch words of cultural tourism

are **“First, do no harm,”** yet through his work, Alvin has discovered that cultural tourism, for good or ill, can often tie native people to the perpetuation of traditional **but destitute lifeways while trumpeting “sustainability” practices, including “authentic” tourism.**

**“But tourism tends to destroy authenticity that thrives only in obscurity,”** he believes. **“Re-creating these practices from the past in the present day can mock authenticity, with or without the witness of visitors – a staging that has little to do with poverty reduction. Indeed,”** he continues, **“most traditional lifeways are practices at some pre-modern, earlier stage of development; and while sustainable tourism seeks to protect, it also seeks to exploit an impoverished past, engaging the paradox that tourism can spoil if not destroy the object of its attentions.”**

Having dedicated more than 20 years of his career to tourism, and many more to the pursuit of economic opportunity, **the TEMPO program brings together Alvin's knowledge and practical experience into a groundbreaking program that, even in its pilot phase, is generating measurable change. Further, it provides a viable blueprint for the creation of future innovative programs in emerging markets. “With TEMPO we combine intensive surveys to gain knowledge of a destination, its value chain and core businesses and offer targeted strategies to build capacity and a suite of world-class technological tools to create competitive advantages for pioneering destinations typically off the beaten track,”** he concludes.

