

**Tour operators' perceptions of the  
links between conservation and  
tourism sector development in  
Madagascar: interview survey feedback**

**DRAFT – NOT FOR CIRCULATION**

**DRAFT SUMMARY OF FINDINGS**

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**March 2009**



# MADAGASCAR REPORT - DRAFT SUMMARY OF FINDINGS

## Summary of findings

This summary outlines the main findings from interviews conducted with 59 tour operators from the following countries:

### *International operators*

France  
Germany  
Italy  
Switzerland  
United Kingdom  
United States

### *Ground operators*

Madagascar

These interviews were carried out for research commissioned by World Wildlife Fund (WWF) Madagascar into tour operators' perceptions of managing tours in Madagascar. This includes an analysis of operational challenges, clients' awareness and interest in Madagascar's natural environment, and ways in which to effectively manage protected areas.

The project is financed by the WWF in collaboration with the Ministry of Environment, Forests and Tourism and the Office Nationale du Tourisme de Madagascar (ONTM). The research presented here represents one part of the research programme and complements the analysis of a visitor questionnaire survey which was conducted in Madagascar during December 2008 and January 2009.

The findings of the analysis are presented in a SWOT matrix of the potential to use tourism to support protected areas and biodiversity conservation in Madagascar, and a chart of factors affecting the willingness of tour operators and their clients to support conservation initiatives (Charts 1 & 2).

### **Definitions: International Operators and Ground Operators**

'**International operators**' is used to refer to tour operators and travel agents in the international marketplace. It is recognised that travel agents traditionally have a retail function and tour operators a packaging function, but the distinctions between the sectors are becoming increasingly blurred in the European market. Use of the term 'international operator' therefore effectively conveys international (i.e. overseas or outbound) companies engaged in tour itinerary design alongside sales.

'**Ground operators**' refer to tour operators/travel agents in Madagascar. This sector is sometimes known as 'inbound' operations/agents. It covers Malagasy businesses which are typically contracted (or in some cases are part owned) by international operators to develop and manage tour itineraries, as well as those which market tours directly to tourists.

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### ***Source markets and factors influencing clients to choose Madagascar***

The largest source markets for tourists to Madagascar are France and Italy. A significant part of these markets is for resort-based holidays, but there is also a substantial interest in tours and wildlife/culture based holidays. In the UK, US, Germany and Switzerland – amongst Madagascar's other larger markets<sup>1</sup> - the interest in Madagascar is primarily as a nature/culture destination. Some operators offer a 'combination' of resort based experiences alongside nature/culture focused interactions.

Madagascar's endemic flora and fauna provides a unique selling point in all markets. The language, culture, heritage, hospitality and the diversity of the population are also attractive factors. The value of the beaches is important for the French and Italian markets. The destination is frequently described as "*off the tourist trail*", "*wild*", "*alternative*", "*iconic*", "*unusual*" and "*unknown*" - a further attraction for some tourists, including those who want to see the Island "*before it is too late*": a part of Madagascar's attractiveness lies in the fact that it "*hasn't yet been over-run*".

Many tourists visiting Madagascar do so after they have already experienced safaris in other African destinations such as South Africa, Kenya and Botswana, or in the case of beach-based products, choose Madagascar having previously visited other Indian Ocean destinations such as the Seychelles, Mauritius and Reunion Island. Because of the service these tourists have experienced in these destinations, they also have high service expectations for their holidays in Madagascar.

While Madagascar represents a significant volume of sales for some tour operators, others primarily include Madagascar in their product portfolios to gain a marketing and competitive edge by broadening their portfolios to include lesser known destinations. Some also include it in order to meet customer expectations, particularly in the case of African specialist operators. For many of these operators, Madagascar represents a small proportion of their total sales.

### ***Key product/service components affecting tour operators' development of tourism in Madagascar***

All operators look for a combination of suitable accommodation and infrastructure, to meet their requirements of quality, accessibility, security, and value-for-money (quality/price ratio). Alongside this, operators look for availability of good walking trails in National Parks, and/or good beaches, depending on their specific tourism products.

Securing suitable accommodation with good accessibility to points of interest such as National Parks or hiking areas, is often reported to be problematic. Much accommodation does not meet the quality standards usually required by European and North American operators, and is also described as lacking any 'Malagasy ambience'. Operators would like to see an improvement in the quality and availability of accommodation in general, and particularly around more National Parks.

Although the road infrastructure is gradually improving, the poor quality of many roads limits the localities that operators are effectively able to visit with tourists, since the journeys are too long and difficult, and therefore are not suitable for packages with tight scheduling. This also severely limits the possibilities for offering family tour packages or day excursions as part of resort packages, since travel time needs to be kept to a minimum. Problems with road infrastructure are magnified during the rainy season when some roads become unusable.

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<sup>1</sup> Réunion and South Africa are also important markets for tourism to Madagascar, but are not covered in this report.

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Air infrastructure is a further limiting factor, with frequent delays and cancellations to internal flights. These can be highly disruptive to tour itineraries, leading to major problems for management of tour itineraries and tour groups.

### ***International and ground operator relationships***

Relationships between international and ground operators are reported to be satisfactory, and are based on close, long term working relationships. International operators particularly value their ground partners for their high level of destination knowledge, ability to provide suitable product itineraries, transparency and honesty, respect for legislation, and ability to deal efficiently with operational challenges as they arise. Some Malagasy companies demonstrate a high level of expertise on conservation issues, which exceeds that of many international operators. Effective ground operators “*add definite value to the trip*”.

Some companies reported that it had taken them a long time to find a suitable Malagasy ground operator, before they began to develop tours in Madagascar.

Problems noted with ground operators include slow response to requests (eg. for proposals for tailor/custom-made itineraries) and a “*different mentality and attitude to work and promises*”. In some instances, international operators reported that they had lost potential sales because of this. There is also a feeling that ground operators could play a stronger role in training local tour guides and general awareness raising on customer service issues, and could develop greater flexibility and creativity in developing tour itineraries.

Operators reported that they apply sustainable tourism policies and practices which contribute to conservation management, such as limiting group size, and raising awareness about the need to protect the environment/wildlife (including appropriate client behaviours for wildlife watching). However, most rely on their ground operators to ensure that tour guides, and other service providers, apply these practices with tour groups. Operators who primarily feature resorts/accommodations or combination tours depend upon the hotels/lodges to follow responsible tourism policies and to set up projects which benefit local communities.

### ***Operational challenges of tourism in Madagascar***

Madagascar is perceived as a “*complicated*” destination to manage, with fundamental challenges related to transport infrastructure and accommodation: this limits to degree to which it is offered by international operators both in terms of whether it is featured in the first place, and in the range of tours offered. It is also considered to be an expensive destination.

It is noted that Madagascar’s location and infrastructure make it less competitive compared to other alternative destinations, and that “*other countries have better guides, accommodation, service and infrastructure*”.

Apart from the problems of accommodation and internal road and air transport infrastructure, international flights to Madagascar are also expensive, and the flight times are lengthy, particularly from markets such as the US, and now Italy, where it is necessary to fly via Paris rather than on more direct routes.

Many tour operators commented that the servicing performance in National Parks is poor, and is in need of significant improvement (see below). Overall, it is felt that Madagascar needs to understand the standards of its main competitors, and take action to raise its own standards in order to match these, and to become a more competitive international destination.

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### Accommodation

Accommodation is reported by many operators to be an operational restraint. Their concerns focus on both quality and quantity of accommodation, as well as a perceived “*lack of professionalism*” among accommodation providers, and problems of securing room allotments. The problems in securing suitable accommodation are so acute that one operator has recently dropped its ‘luxury’ package. Another operator deals with the accommodation problem by flying clients to countries such as the Seychelles or Mauritius, where upmarket/boutique hotels with good service performance can be guaranteed, following the natural history part of the trip in Madagascar.

Suitable accommodation is very limited in more remote areas/around National Parks, and this, as well as accessibility, also limits itineraries. Accommodation in the mid-range and luxury end of the market is also expensive compared to comparable accommodation elsewhere in Africa, or in Europe.

The need for increased professionalism in servicing client needs is a consistent theme amongst the operators interviewed.

### Guides/National Park management

Although satisfaction with wildlife experiences is generally high, there are widespread concerns expressed that many of Madagascar’s National Parks operate at too high a volume and density of tourists, and the resultant crowding leads to a loss of the exclusivity which their clients seek. There is a strong feeling amongst operators that National Parks need do far better at meeting the needs of a range of client groups, alongside meeting conservation goals.

Problems highlighted include:

- lack of consistency in applying the pricing structures of National Parks with either the prices charged often being higher than those originally quoted, or fewer guides than required being provided for tourist groups, particularly in the peak season;
- failure of guides to apply even basic rules for wildlife watching, such as keeping to marked trails and minimising disturbance to wildlife;
- poor group leadership skills and disappointing service delivery and responses to questions from clients;
- poor proficiency in languages other than French.

These problems adversely affect tour quality, client satisfaction and conservation. Guides are generally reported to show a high level of scientific expertise on local flora and fauna, but training is needed to raise their performance on other aspects of working with tour groups as highlighted above.

Operators also reported that communications with ANGAP are difficult since ANGAP’s resources are very limited and in ANGAP “*people don’t really want to make decisions*”. Many international operators say that they do not have sufficient time to interact directly with those responsible for conservation management, and regard this is a role for ground operators and for the ONTM and tourism organisations such as TOP or GoTo Madagascar.

Some operators are interested in incorporating less visited National Parks into itineraries, subject to improvements in accessibility. The need for greater disabled access in National Parks was also mentioned.

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### ***Interest in and willingness to support conservation initiatives***

Many operators are interested in incorporating visits to conservation and/or charitable projects into tour itineraries, since these are of interest to their clients and have the potential to add distinctiveness and value to tours. Many already include a few visits of this type in their tourism products, and would be keen to add to this where suitable, accessible projects are available. Limiting factors in this are transport infrastructure, which limits accessibility, and a lack of knowledge amongst operators about existing projects that might be suitable for inclusion in tour itineraries. It was suggested that it could be useful for an NGO or similar organisation to produce a central list of suitable projects that would be willing to accept tour groups

Regarding donations to projects, many operators already make their clients aware of possible projects to which they may wish to donate, and some operators specifically add a donation (of up to 1 percent) into the overall tour price. Sometimes, and particularly for small operators, this is linked to the way they position themselves as Madagascar specialists.

Support for conservation/charitable projects is offered through tour visits and client donations. Although a considerable number of operators provide such support, there are relatively few examples of 'flagship projects' run by operators and based in Madagascar - this reflects the fact that tours in Madagascar are a relatively small proportion of many operators sales, and they tend to focus their 'flagship projects' on those places that generate the majority of their sales. Furthermore, where they do provide some project support, this is inevitably highly localised and linked to projects included in tour itineraries, and/or where they are perceived commercial benefits in terms of client promotion and improvement in tour quality.

Operators reported that their clients would be likely to give a range of amounts as donations, from for example, a few Euros to a village that they visit to as much as 100-200 Euros to projects where they can see that the donation is needed and will be well used. Donations of this size are mostly made by clients after they have returned home from their trips. Operators estimated that donations by the majority of their clients would be in the range of 10-50 Euros.

Not surprisingly, there is a wide range of views amongst operators on corporate and client donation support for projects, and ways in which any such support is best organised. Some operators regard the economic contribution of bringing tourists to Madagascar, and to specific sites where they pay entrance fees, as a sufficient contribution in itself – and the economic effects of tourism at both national and local level in the areas visited by tourists are significant. Others express concerns about the impact that increasing prices to include a donation could have on their competitive positioning and consumer demand. Madagascar is already considered to be an expensive destination, and some operators feel that they are at the upper limit of the prices that they can feasibly set.

For some other operators, supporting projects by encouraging donations by their clients and through corporate donations is an important part of their business ethic.

While some operators incorporate a donation into the overall tour price, others prefer an opt-in approach (for example, to carbon offsetting projects based in Madagascar) at the time of booking, or encouraging their clients to donate during and/or after trips (but not at the time of booking). All approaches have their merits, and operators that prefer to encourage donations during or after trips note that client interest is greater when "*they can put a face to a project*" and "*when they have been moved by the experience*" and "*seen the difference their money can make*". The approach adopted depends on the preferences of each operator, and perhaps to some degree on their core client base.

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Operators showed strong agreement on the need for any donations to be used effectively and for their stated purpose. There was concern that money collected by the government would not be used effectively, or would go into the general government budget and would not necessarily even be used to increase resources for conservation. There were also concerns about corruption.

Operators were also clear that donations should not be used to pay for services and facilities that the government, ANGAP, and/or private sector should be providing out of existing resources (for example, roads and other infrastructure, interpretive centres, guide training and signage, or for tourism marketing).

The types of projects that operators prefer to support are those that create tangible improvements so that the operator and clients can see the differences that their contributions make. 'Hands-on' projects such as planting trees, or visiting schools or hospitals to make donations are therefore popular. Client interest tends to be greatest for projects which improve living conditions for local communities, since the benefits are often more obvious to them. However, most operators noted that clients are interested in a wide range of projects, provided that the project purpose and activities are well explained to them. Perhaps the greatest potential lies in projects which address both conservation and living conditions.

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**Chart 1: SWOT analysis of the potential to use tourism to support protected areas and biodiversity conservation in Madagascar**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• <i>Unique appeal</i></li> <li>• <i>National Parks</i></li> <li>• <i>Guides</i></li> <li>• <i>Diversified products</i></li> <li>• <i>French market connections</i></li> <li>• <i>Hospitable people and diverse culture</i></li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• <i>Excessive volume and density of tourists in protected areas</i></li> <li>• <i>Poor / inconsistent professionalism in service delivery</i></li> <li>• <i>Problems in meeting client and operator needs at the luxury end of the market</i></li> <li>• <i>Low quality of much accommodation at all levels in the market</i></li> <li>• <i>High cost and poor service of domestic flights</i></li> <li>• <i>High costs and length of international flights</i></li> <li>• <i>Poor quality and availability of road infrastructure</i></li> <li>• <i>Poor value for money/perceived as an expensive destination</i></li> <li>• <i>Political instability</i></li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• <i>Improve tourist accessibility to more protected areas</i></li> <li>• <i>Guide training</i></li> <li>• <i>Development of guiding standards in National Parks</i></li> <li>• <i>Increased incorporation of charitable/conservation projects into tour itineraries</i></li> <li>• <i>Establishment of centralised financial procedures linked to small charitable/conservation projects</i></li> <li>• <i>Establishment of an airport and/or bed tax</i></li> <li>• <i>Product diversification through cultural heritage</i></li> <li>• <i>Development of a Malagasy award/label</i></li> <li>• <i>Workshops for ground operators and international operators</i></li> <li>• <i>Development of marketing/promotion material</i></li> <li>• <i>Improvement in accommodation stock</i></li> <li>• <i>Improvement in professionalism of servicing standards in the accommodation sector</i></li> <li>• <i>Better development of domestic air infrastructure</i></li> <li>• <i>'Open skies' policy to increase competition on international air access</i></li> <li>• <i>Improvement of road infrastructure</i></li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• <i>Competing wildlife destinations</i></li> <li>• <i>Competing luxury beach resort destinations</i></li> <li>• <i>Cheaper 'substitute' destinations</i></li> <li>• <i>Global recession</i></li> </ul>

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**Chart 2:**  
**Factors affecting tour operators' and their clients' willingness to contribute to conservation / charitable initiatives\***

Willingness to contribute is high if...	Willingness to contribute is low if...
<ul style="list-style-type: none"> <li>• <i>Contributions will be used effectively</i></li> <li>• <i>Clients are highly satisfied with all aspects of the trip</i></li> <li>• <i>Concern for biodiversity, conservation and the environment is evident in all aspects of their trips</i></li> <li>• <i>Supported projects incorporate 'hands-on'/tangible activities such as planting trees, close observation of endangered wildlife, etc.</i></li> <li>• <i>High educational/interpretive opportunities linked to the project are provided (e.g. talks and wildlife watching led by field experts; high quality communication materials)</i></li> <li>• <i>The experiences on the trip have touched clients in a personal way</i></li> <li>• <i>Clients can make direct contributions to specific projects where they can see effective results, and which they can show to their clients</i></li> <li>• <i>Projects are identified which tour operators can incorporate easily into tour itineraries</i></li> <li>• <i>Projects generate business value (eg. through promotional opportunities, client appeal, product differentiation improved local relationships etc.)</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Collection mechanisms are cumbersome, inconvenient to tourists and possibly ineffective</i></li> <li>• <i>Revenues raised are likely to be diverted to other non-conservation purposes The way contributions are managed is not transparent and may be subject to corruption</i></li> <li>• <i>Tour operators and clients consider that a project should be the responsibility of the government and/or private sector associations (e.g. infrastructure provision)</i></li> <li>• <i>The cost of their tours is very high</i></li> <li>• <i>The quality of accommodation and tourism services is low</i></li> <li>• <i>It appears that government is not taking effective action to stop environmental degradation and deforestation and to support conservation</i></li> <li>• <i>Guiding and facilities provided in National Parks are below expectation</i></li> <li>• <i>Tourists and tour operators feel that their tours already make a significant economic contribution</i></li> <li>• <i>They don't understand the project or the benefits that their contribution will make</i></li> </ul>

\*This is a summary of detailed propositions regarding client/operator willingness to pay for conservation initiatives that have been formulated from the analysis of the tour operator interviews, and which are shown in full at the end of the main report