Paths to the Market: analysing Tourism Distribution Channels for Community-Based Tourism

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Abstract

This research investigates distribution channels as a critical business mechanism for community-based tourism (CBT) by connecting CBT projects with the market. Specifically, it examines the distribution channels structure of a culture & heritage focused CBT project in Cambodia, explores the key influencing factors behind the observed structure, and develops recommendations for improved economic sustainability. The paper is informed by 21 interviews which were conducted with respondents from Banteay Chhmar CBT, key private sector businesses, NGOs, local and central government, and CBT experts. The examination of the distribution channel structure reveals considerable channel diversity which sees both direct and a variety of indirect channels included in the distribution mix. Due to the community-guided nature of the CBT project, intermediaries had a very strong presence in the distribution structure and maintained both direct and multi-layered indirect channels with consumers. Five factors were identified to underlie the observed distribution structure: commissionable product, product characteristics and market access, information and communication technology, partnership issues, and community capacity. Based on these findings a range of recommendations are proposed that seek to improve the distribution channels related economic sustainability of the CBT project.

Keywords: CBT, Cambodia, distribution channels, influencing factors, economic sustainability

Introduction

Many countries in South East Asia have been experiencing a rapid increase in tourist arrivals over the last five to ten years. For instance between 2011 and 2015 Thailand reported an increase from 19.2m to 29.9m, while Viet Nam has seen arrivals increase from 6.8m to 10m between 2012 and 2016. Cambodia mirrors this rapid increase experienced with arrivals increasing from 3.5m in 2012 to 5m in 2016 (UNWTO, 2017) While many parts of South East Asia are reaping significant economic benefits from this growing tourism market the rural areas are mostly ignored by the hordes of international tourists. In response there has been a significant interest in the concept of Community-based Tourism (CBT) to diversify the economic benefits of tourism into the peripheral regions of these countries. For instance Cambodia has 13 CBT projects located throughout the country (Tourism Cambodia, 2017), of which many include more than one village in seeking to spread the economic benefits across many households. Although economic sustainability, defined as the level of economic gain from an activity sufficient either to cover the cost of any special measures taken to cater for the tourist and mitigate the effects of the tourist's presence or to offer an income appropriate to the inconvenience caused to the local community visited (Mowforth & Munt, 2015), is a strong component of the CBT concept it is the most challenging to achieve. The economic sustainability is most commonly challenged by limited connections between communities trying to sell its CBT product and the market (Zapata, Hall, Lindo & Vanderschaeghe, 2011) as well as the companies providing paths to the market (Mitchell & Ashley, 2009). This pivotal challenge is effectively articulated by Mitchell & Ashley (2009):

“developing countries are littered with well-intentioned community-based tourism projects...developed in isolation from commercial distribution channels, they lack the client volumes needed for commercial sustainability” (p.1)

This challenge is well documented in the literature and there is vast anecdotal evidence that this issue is plaguing CBT projects in Cambodia, such as the culture & heritage focused Banteay Chhmar CBT project in the country's North-West. In response this paper provides a detailed examination of CBT distribution channels with the aim of formulating recommendations for enhancing their effectiveness. Specifically the case of Banteay Chhmar CBT (BCCBT) is examined by initially analysing the project's distribution channels structure before the important influencing and contextual factors for the observed structure are identified. In discussing the implications from the findings the paper will propose recommendations for improved channels for distributing the CBT product.

Literature Review

According to Salazar (2012) CBT is a vague term and an elusive concept. Although authors including Mowforth and Munt (2009), Salazar (2012), and Goodwin and Santilli (2009) have contributed definitions since the concept's first appearance in 1985 (Murphy, 1985) there is no single way to conceptualize CBT (Ndlovu & Nyakunu, 2011). Despite this lack of consensus several commonalities are nevertheless evident across definitions of CBT, these include the following features: local ownership of development projects, strong and meaningful participation by locals in all stages of decision-making, transparent benefit-sharing mechanisms among community members, and meaningful host-guest interaction. CBT then is an alternative form of tourism development that concentrates on community participation in all processes from idea formulation to planning, implementation, management, monitoring, evaluation, and benefit sharing. Stemming from sustainable tourism, CBT encompasses the triple bottom line approach which includes socio-cultural, environmental and economic dimensions. Although there is a strong claim on the significance of economic sustainability, most CBT research focuses on the environmental or cultural aspects of this form of tourism.

A CBT scheme involves multiple stakeholders; these generally include the community, local and national governments, private sector and Non-governmental Organisations (NGOs) (Simpson, 2008). One of the fundamental benefits to the community is that it has a strong participation in planning, implementing and managing the CBT products and services (Boonratana, 2010), thus promoting a strong sense of ownership. Figure 1 displays an adaptation of Simpson's (2008) key benefits of CBT. These benefits are based on the community's perspective and cover four dimensions: socio-cultural, economic, environment, and skill and influence building. CBT development goals tend to be rather ambitious because they embrace broad issues associated with political, socio-cultural, environmental and economic dimensions (Kontogeorgopoulos, 2005). From an economic perspective, CBT should improve local living standards through local job creation (Manyara & Jones, 2007; López-Guzmán, Borges, & Castillo-Canalejo, 2011). Similarly, Lapeyre (2010) posits that CBT helps to enhance rural livelihoods and offers better economic connections locally, while minimizing economic leakages.

Figure 1: Benefits of Community-Based Tourism

Source: Adapted from Simpson (2008)

CBT is also credited with encouraging local participation, empowerment and decision-making concerning a community's future direction (Duffy, 2002; Suansri, 2003) and as such promoting democratic processes through consensus agreement. Socio-culturally CBTs can be an important catalyst to revitalize local tradition and helping to promote local pride and self-esteem. Additionally, it encourages culture and knowledge exchange between host and guests (Kibicho, 2008) while also improving local infrastructure such as health care, transportation and communication which also benefits the community (Manyara & Jones, 2007). From an environmental perspective, CBT can be an effective tool to generate environmental and cultural awareness and conservation (Duffy, 2002; Hall, 2010).

However, Matarrita-Cascante (2010), argues that such initiatives present utopian ideals which make it almost impossible for the CBT project to achieve the goals originally stated. Further

criticisms of CBT include that overarching goals are too ambitious and that the key processes are often beyond community control. Another noticeable challenge is that CBT products have been observed to have very limited connection with the private sector or other main stream tourism products, thus limiting CBT's ambition to relieve local poverty through tourism (Mitchell & Muckosy, 2008). Mitchell & Ashley (2009), go further to suggest that developing countries are littered with well-intentioned community-based tourism projects that lack sufficient awareness of and linkages with distribution channels.

Heated debates about implementation and management challenges are found in the CBT literature (Vignati & Laumans, 2010; Scheyvens, 2007). Mohamad & Hamzah (2013) suggest that many of these challenges originate from the community's limited capacity to apply sound commercial development approaches which are critical to ensure economic sustainability. Freeman (2000) argues that in order to attain cultural goals and community outcomes, business practices should be prioritized and since distribution channels are an important element in business operation they are critical for CBT success (Mitchell & Ashley, 2009).

While the concept and practice of CBT was originally implemented in developed countries it has become more popular in developing countries from where the majority of the literature has emerged in recent times (Vajirakachorn, 2011). The key challenge for developing countries lies in the fact that the benefits gained from CBT initiatives need to be shared widely amongst its members while safeguarding overall business sustainability (Ellis, 2011). In response Rogerson (2007) recommends that community capacity building should be prioritized while maintaining a transparent and accountable benefit sharing mechanism.

Key to the economic sustainability of CBTs are distribution channels (Mitchell & Ashley, 2009) in order to connect the product to the consumers. Unfortunately the concept of distribution channels is also lacking a widely-agreed definition, however, Alcazar Martinez (2002) summarises the main objectives of a distribution channel is *"to make the product available to the consumer in the quantity needed at the right time, place, state and possession utility to the consumer, thereby facilitating sales"* (p.17). Pearce (2010) adds that distribution channels are important in gaining competitive advantage and that their major function is to marry demand and supply and to build strong linkages between suppliers, consumers and intermediaries. Figure 2 depicts common characteristics of cultural and heritage based-tourism distribution channels (Pearce & Tan, 2004). The diagramme illustrates how suppliers reach

different markets simultaneously, which include local, international, group and independent. In addition, this distribution mix also shows a two-way relationships among suppliers, intermediaries and the consumers in terms of information provision, bundling and packaging, and booking and purchasing (Pearce & Tan, 2004). Song (2012) explains that the structure of distribution channels depicts how products or services are organized and delivered to the market through various distribution functions. Figure 2 illustrates that distribution channel structures are divided into two categories – direct and indirect. A direct distribution channel, as its name infers, is a point of sale where the suppliers deal directly with the consumers or travellers without intervention or facilitation from any intermediary. The proliferation of information communication and technology (ICT) has accelerated the growth of direct channels (Song, 2012). Some suppliers tend to focus more on direct channels because they believe that they can perform better on their own, in terms of cost saving, prompt responses and greater consumer satisfaction; however, Mkumbo (2010) reminds us that direct channels are not always the most cost effective due to volume considerations.

Figure 2: Distribution channels for cultural and heritage attractions in New Zealand

Source: Pearce and Tan (2004)

Indirect distribution channels refer to a point of sale where one, two or more intermediaries are involved in facilitating the sale process. The intermediaries' involvement is critical in market access, marketing and information provision, bundling and packaging, and finally booking and payment. Christopher (1992) synthesises intermediaries' roles into bridging five gaps; time, space, quantity, variety, and communication of information. Yet, in many cases, introducing intermediaries into the distribution systems leads to commissions which in turn decreases the suppliers' profit margin (Song, 2012). Middleton, Fyall and Morgan (2009) contend that selecting the right intermediaries is critical in the context of product marketing as intermediaries are able to ensure effective communication with consumers, facilitate the purchase of products in advance of their production, have capacity to sell distress inventory on a last-minute basis, and intermediaries provide a range of essential marketing and customer services such as advertising, sales promotion and marketing research. From a customers' point of view, intermediaries provide convenient bundling of products in the form and at the time and place customers require. It is then largely dependent on the suppliers' attitude towards different channels, the incurred costs, and the needs of the target markets when deciding whether to choose direct or indirect distribution channels (Stuart et al., 2005). Volume versus yield is another critical determinant factor in distribution channels choices (Mkumbo, 2010). Not surprisingly, Song (2012) concluded that tourism suppliers tend to use a distribution mix which included both direct and indirect distribution channels.

Pearce and Tan's (2004) research indicates that there are three major factors determining suppliers' distribution channel choices. They are breath of product appeal, capacity issues and commission related issues. The first refers to the appeal of the products; in other words whether the product will be widely included in itineraries. The second refers to the capacity of the suppliers in dealing with the market. The last factor is associated with indirect distribution channels where commission and/or mark-up are common and play a critical role in determining the channel preference. More recently the proliferation of ICT has also influenced tourism distribution channels in significant ways (Song, 2012).

Banteay Chhmar CBT

Banteay Chhmar CBT (BCCBT) is situated in Banteay Chhmar commune, located in the north western province of Cambodia. It is in a remote area approximately 60km from the Banteay Meanchey provincial town and approximately 450 km from Phnom Penh. Not uncommonly for CBTs, it consists of five villages which are located around the Banteay Chhmar temple

complex; the main attraction. Most families participate in other work alongside the CBT project, in particular farming. The creation of the CBT was originally proposed by a French organization called Agir Pour Le Cambodge (APLC) in 2007 and now offers a range of activities which include home-stay experiences, temple and village tours, dining and local food experiences, rice flattening and other activities related to village life. The structure of BCCBT centers on the tourism committee, consisting of the president, vice president, assistant, accountant, the Global Heritage Fund liaison (which started work in the community in 2009), local authority, and a head of each of the activities. There are 70 other people in the community who work directly with the committee and regularly participate in providing services and facilitating activities in the community. Because most community members do not have sufficient knowledge about implementing and managing a CBT, a number of NGOs and government agencies have supported and facilitated a wide range of capacity building activities. These include hospitality training, the establishment of accommodation (home-stay), food and beverage services and local guide training. Visitor arrivals to BCCBT have doubled from 671 in 2012 to 1288 in 2014. During the inception stage, APLC helped to promote Banteay Chhmar in Europe through printed brochures but phased out its involvement with BCCBT in 2008 due to lack of funding. Although BCCBT does not have sufficient funds to pursue marketing activities per se it launched a website a few years ago.

In view of the gaps in the literature identified on the preceding pages this paper investigates the distribution channels for BCCBT by following three sequential aims: (1) investigate the distribution channels structure from the perspective of the CBT and intermediaries, (2) examine the influencing factors for the observed structure, and (3) draw out implications for the distribution of the CBT products.

Methodology

As is common in supplier-based tourism distribution research (Buhalis, 2000; Schott, 2007; Yamamoto & Gill, 2002) semi-structured interviews were employed to combine a base set of questions with the freedom for respondents to expand on certain points. A combination of purposive and snowball sampling techniques were employed to recruit respondents, who were selected based on their level of engagement with CBT. Consistent with Simpson's (2008) conceptualisation of key CBT stakeholders the community, private sector (travel agencies, tour operators, etc), NGOs and relevant government authorities were interviewed for this research; additionally, Cambodian CBT experts were also included to benefit from their CBT expertise.

Respondents were initially contacted via telephone and further details about the research project was subsequently sent via email. Due to the focus on distribution channels the participants were classified as follows:

- *Supplier (community)*: Three of the thirteen BCCBT members were invited to participate in the interviews. They were selected because they are the most familiar with the CBT's distribution channels and related issues.
- *Intermediaries*: According to the 2014 Banteay Chhmar community annual report, there were 37 private tour companies and sending NGOs working with the BCCBT. From this list 15 companies were selected based on three selection criteria (recommendation from community and NGO, level of engagement with the community, volume of business through intermediary) and subsequently approached. Eleven intermediaries agreed to participate in the interviews. The research participants are managers or owners of the selected companies.
- *Supporting Partners*:
 - *NGO*: Global Heritage Fund (GHF) is an important donor and developmental partner. Thus, a representative from GHF was included because the person is a long-standing supporter and advisor to the community.
 - *Tourism authorities*: Government plays an important role in policy design and guidance for the tourism industry in Cambodia. As a result a representative from the provincial Department of Tourism and the Ministry of Tourism are included in the study.
- *CBT experts*: Three experts in CBT are also included as they are intimately familiar with the specifics of CBT as a tourism product. They were selected based on their expertise of CBT and the Cambodian context.

The interviews were digitally recorded. As summarized in Table 1 the interviews ranged from 45 minutes to one and a half hours depending on the complexity of the respondent's relationship with Distribution Channels for BC. The interviews were conducted in three locations – the community, Siem Reap province and Phnom Penh. However, in order to accommodate the tight schedule of a number of respondents and to include offshore intermediaries some interviews were conducted via Skype video call.

Table 1. Characteristics of the interview participants

Respondents	Number of participants	Location of the interviews	Duration of the interview
Community members	3	Community	Approx. 1 hour
NGO	1	Community	1.20 hours
Key informants	3	PP	1-1.5 hours
Tourism Authorities	3	PP, BMC, SR	45 minutes – 1 hour
Intermediaries	11	SR, PP	Approx. 1 hour

Note: PP: Phnom Penh, BMC: Banteay Meanchey Province, SR: Siem Reap Province

Most interviews were conducted in Khmer and the remainder in English. To ensure accuracy during the translation process assistance was sought from a tourism expert proficient in translating Khmer to English. The analysis of the transcripts was guided by the research aims and enlisted thematic analysis to identify and group information in its appropriate context. Ethical approval was granted from the Human Ethic Committee of the university; to retain confidentiality respondents are referred to only in terms of the respondent group they belong to, such as intermediaries or tourism authorities.

Findings

Following other studies of tourism distribution channels (Pearce, Tan and Schott 2008) the findings section will initially establish the distribution channel structures for BCCBT, both from a marketing and booking and payment perspective, before the factors influencing the observed structures are analysed. This will allow for a systematic analysis that crystallises the particular dynamics, strengths of weaknesses of Banchey Chhmar CBT; which will in turn have implications for other CBTs in South East Asia.

Figure 3 graphically summarises the marketing channels structure ranging from low level of complexity on the left to increasing level of complexity on the right. The thickness of the arrows indicates the channels' frequency of use.

Figure 3: BCCBT Marketing Channels Structure

Marketing channel (MC) 1 highlights that the community uses a direct channel as well as a variety of indirect MCs (channels 2-6) to reach its market both locally and offshore. The direct MC channel is crucial for the community as it enables them to provide more detail about their products or services and allows them to respond to visitors' inquiries effectively and in a timely manner. However, the extent to which a community invests in such activities was reported to be constrained by capacity issues and funding. Although it is not of frequent use MC 2 highlights that local channel members play a role in providing product information either via word of mouth (WoM) and/or by allocating a small space to display brochures or other marketing materials. These local relationships are largely based on informal relationships and a willingness to support this community project. MC3 is used similarly infrequently and includes a small group of travel agents that work directly with the community as well as offshore-based sending NGOs; these NGOs are not motivated by profit but instead see it as development support for the community.

The frequent use of MC4 illustrates that the TOs are more active in marketing and promotion of their own packages, which includes the CBT products, rather than the CBT per se. Although

the community acknowledged during the interviews that the TOs are important marketing partners it pays little attention to this marketing channel as illustrated by the thin arrow connecting the two. It should be pointed out at this stage that the roles of travel agents (TA) and tour operators (TO) overlap at times and although effort was made to distinguish between the two a number of TOs also perform roles as TAs. While some TOs are locally based and operate directly with the consumer (MC4), many others operate through head or regional offices (MC5) or circulate product information through TO's offshore agents, partners, online travel agents (OTAs) and/or other wholesalers (MC6). In the two latter cases the local TOs are only responsible for collecting and updating information while the marketing tasks are largely the responsibility of their head or regional office, offshore partners or agents.

Booking and Payment Channels Structure

Figure 4 graphically summarises the booking and payment channels (BPC) structure and illustrates that direct booking and payment constitutes an important part of distribution channels for BCCBT (BPCI). The community website, word of mouth and printed materials are playing an important role in promoting this direct channel. Most direct visitors arrange their trip to the community well in advance by booking via email, and in a small number of cases with a phone call; only few visitors walk into the community directly.

Figure 4: BCCBT Booking and Payment Channels Structure

A number of local intermediaries (BPC2) also sell the CBT product, however, only few travellers make use of this channel. BPC3 depicts indirect international channels through overseas agents, which include overseas TAs as well as well sending NGOs which act as intermediaries. Although the volume of bookings through this channel is small the visitors through the NGOs are highly valued by the community because they are often interested in volunteering and typically stay longer than visitors through other channels. BPC4 is reported to be the most important channel; particularly for international tourists. This infers that working hand in hand with TOs is a critical factor for bringing international visitors to the community. Noticeably, there are five sub-channels which will be discussed briefly by referring to the associated number starting with the largest volume. The most significant channel is direct between the TO and the consumer (Sub-channel 1). Consistent with the direct

marketing effort, many tour companies are able to sell their CBT packages directly to the visitors; this is predominantly via their website. Most TOs also build partnerships with offshore travel companies (Sub-channel 2) such as travel agents, online travel agents, chain-based partners, and wholesalers. Some TOs maintain flexible partnership with their overseas partners, which tend to be sales volume dependent, while others reported strong and committed business partnerships. These partnerships were based on the condition that information provision, bundling & packaging, and booking & payment are required to go through their partners. Booking and payment via the TOs' parent company's head office was reported to be of mid-scale importance (Sub-channel 3). Although multiple layers of commission/mark-up can render the CBT products uncompetitive the presence of multiple channel members (Sub-channel 4) was also reported and identified as not insignificant in overcoming the great cultural and geographical distance between demand and supply. Finally, local channels members such as accommodation providers (Sub-channel 5) play only a minimal role.

Factors influencing CBT Distribution Channels

To allow for a nuanced analysis of the influencing factors Table 2 distinguishes between the three core respondent groups (the CBT experts were placed in the supporting partner category) and the level of influence reported for each factor. In total five key factors were identified during the thematic analysis: commissionable product, product characteristics and market access, information communication technology, partnership issues and community capacity. Each of these factors will be discussed in turn and supported by quotes to add richness and context.

Table 2. Factors influencing CBT Distribution Channels Structure

Factors influencing CBT distribution channels	Community	Intermediaries	Supporting partners (Government, NGO, Experts)
• <i>Commissionable product</i>	-	✓✓✓	-
• <i>Products characteristics and market access</i>	✓✓	✓✓	✓
• <i>Information communication technology (ICT)</i>	✓✓	✓✓✓	✓
• <i>Partnership issues</i>	✓✓	✓✓✓	✓
• <i>Community capacity</i>	✓✓✓	✓✓	✓✓

Note: ✓ Indicates minor, ✓✓ indicates medium and ✓✓✓ indicates strong influence of the factors on the DCCBT, while - indicates that it is not applicable in these groups

Commissionable Product

BCCBT does not offer commission and as is the case with most CBTs in Cambodia the prices remain the same even when a channel member bulk buys CBT products. This is largely due to the fact that a fixed price for each product was agreed during an extensive consultation process when the CBT was developed. A NGO working in the community highlights this point,

“intermediaries may need to prepare a new price for their packages or services without taking commission from community. They cannot force community to set certain prices for products; consequently, they have to negotiate with visitors for their profits”

As outlined earlier the majority of bookings are via TOs, for whom commissions/mark-ups secure their existence. As was also outlined there are five sub-channels used by the TOs, including direct and multi layered indirect channels; each of which has different implications for commission/markup. The commissions offered, which were reported to vary between 10% and 25%, depended on a combination of the relationship between each channel member as well as volume of product sold. Some of the larger TOs tend to have a more systematic and formal commission system where a fixed percentage is offered based on earlier agreements with other channel members. They tend to be very protective of these agreements even if they are

contacted by other agents or directly by visitors. Other TOs have systems that are open to variation depending on the popularity and variety of products offered. The interviews revealed that it is dependent on company policy whether TOs and other intermediaries have a commission system, mark-up or both. Arguably the commission/markup applied by TOs is one of the key reasons for their bookings outstripping direct bookings to the CBT; the sales incentive is increased and via this income resources are available to provide marketing as well as booking and payment pathways.

Product Characteristics and Market Access

CBT products and services are characterised by a collective business entity, where locals work together to offer different components of the products, all of which are brought together as a CBT package. Often CBTs are located in remote destinations and their products are consequently less well-known. Therefore determining how product awareness can be raised and how the products can best be sold is a critical issue for these communities.

“There are many people asking me why I bring them (visitors) there (community). I just answer that there are many thing to do and see. Some locals simply do not know anything about Banteay Chhmar, let alone international visitors” (TO)

Several TOs reported that CBT products are vital components in their product range and that they aggressively highlight CBTs in the marketing campaigns for South East Asian regional packages, mainly with Vietnam and Laos. However, some TOs include CBT products simply as part of their product innovation strategies. When expanding into new markets they try to diversify their products to attract more clients and offshore partners play a critical role in such decision-making.

“We have to find something new and innovative to include in the packages. However, it is based on our partner as well. If they want to expand to CBT market, we will include that accordingly” (TO)

Market access is also seen as important and strongly associated with a number of challenges, such as, distance from the market, insufficient supporting tourism infrastructures, and lack of community initiative. As for many other CBT projects, for Banteay Chhmar the degree of remoteness is reported as a major issue. The remoteness restricts direct contact with visitors and renders transportation to the community complicated, time-consuming and costly because of a lack of public transport infrastructure.

“The connecting transportation to Banteay Chhmar community is very complex. When they (visitors) reach provincial town, they have to change to another local taxi stand (Phsar Themy), before catching the direct taxi. As a stranger to the new location, they find this quite confusing, especially when they do not speak the local language... It costs between USD 25 and 30 for pick up taxi from Sisophon (provincial town). It is difficult for foreign visitors” (NGO)

To overcome these challenges both formal and informal partnerships with TOs are important for the community as they fill the gap in product awareness and marketing; but they also play an important role in the sale of the CBT products. TOs include CBT products in a series of packages and promote them to a wide range of markets through regional and offshore partners. However, most TO interviewees said that developing a relationship with the community was challenging because the community was not proactive. Contrary to most other tourism distribution relationships TOs had to approach the community and even then the community often failed to provide adequate information, which creates a serious tension in the relationship. As the TOs have a lot of choice in products to sell they need to be highly motivated to maintain such a one-sided relationship.

“CBT is not well-known. When we include it in the itinerary, we have to put the description about community, and how the tourist’s money could help community. ...there are many hotels contact me because they want me to sell their products, yet community does not do this. I have to contact them for information. They do not contact and give me the updated information... I think it is the main problem that we do not get the information from them. I think that they should have a marketing manager and update the information with me every month, so I will keep an eye on it and promote it more.” (TO)

Information and Communication Technology (ICT)

BCCBT currently uses websites, direct e-mail marketing, social media, and e-newsletters for direct marketing. For independent travellers, the community website is perceived as the primary source of information which is complemented by email; these two ICT-based channels represent an important development in the community’s ability to direct market. Moreover, email is the main communication tool for the community when dealing with the TOs and other offshore agents. ICT was also discussed as a crucial factor by the TOs because of its ability to enhance direct distribution channels between the TOs and the consumers; allowing TOs to keep

the product price at a very competitive rate. However, some TOs also appreciated ICT's role in selling their packages through online travel agencies (OTAs) because of the global reach they offer.

“Online bookings through OTA is very prevalent now and they are very important because they have huge network. When we upload information, customers will find us worldwide” (TO)

Some TOs make diverse use of ICT, including for accessing visitor databases, as a communication tool amongst their travel partners, and for booking and confirming availability of products and services. Despite the opportunities offered by ICT to use direct channels for these tasks some TOs still use other intermediaries or partners. This is mainly due to the fact that they consider their partners to be regarded as more trustworthy by consumers than they are.

“Previously, we had staff handle direct booking. We tried for one or two years but it was not effective because we are not famous like other large travel firms which have connection in many other countries. So, most tourists do not trust us” (TO)

Partnership Issues

Respondents not only from TOs but also the community perceive partnership as a major factor in how products are distributed and why certain channels are chosen. There is an interwoven connection with other factors, such as key factors previously discussed (product characteristics), as well as less significant factors that could not be discussed (demand features, product cost, and the characteristics of the suppliers and operators). Given the fact that approximately 70% of all visitors approach BCCTB through TOs there is no doubt that they are a pivotal part of the distribution system. The TOs-community partnership and how the TOs deal with other intermediaries in the market place explains to a large extent how such partnerships affect product distribution. Currently, there are approximately 40 travel companies sending visitors to BCCTB. A few of them have developed a serious relationship with the community by means of a memorandum of understanding (MoU), year-end appraisals and feedback meetings. However, many others have an informal relationship with the community. The formal partners are likely to send visitors more regularly to the community while informal partners tend to send a lesser number of visitors in a more ad-hoc fashion. As previously outlined, the community does not offer commission, thus TOs need to mark-up the price and include this in their package before making a direct sale or sending the package to

their offshore partners. The level of mark-up is beyond the community's control and they do not interfere in their partners' pricing decisions; this ultimately means that the community neither has influence nor knowledge of the final product price. However, due to the nature of the CBT products, partners who sell CBT products are generally characterised as not solely profit-oriented. The majority of TOs try to support the CBT by including details about the CBT concept and community life in their package information, newsletters or websites. Importantly they also educate visitors about cultural etiquette in the community, which is crucial for a CBT project.

“we put detailed information about community in the package including how to take bath, how to stay well with community, code of conduct and so on...and our partners or agents also include such information in their packages as well...”

The community's non-profit oriented partners, such as the overseas NGOs tend to send their trip participants directly to the community. These visitors are likely to stay longer and join the volunteering activities in the community while learning about the community and local culture. This suggests that these partners have developed a more sustainability-focused relationship with the community. Such relationships are clearly very important for the community as they provide loyalty and ongoing willingness by the NGOs to provide support to the community. A critical factor in the community-private sector partnership is the proactivity and commitment from the private sector partners. All private sector respondents indicated that they approached the community first before a business relationship developed and that they had to actively seek information about the community before they could conduct an on-site appraisal to subsequently develop packages for their regional and offshore partners. While this relationship is clearly important to reach a wide audience it is unusual for TOs to have to take the initiative, which leaves CBTs in a vulnerable position if a TO changes their strategy or market focus. Ultimately, the reasons why TOs choose to follow certain channels and not others are associated with the company's policies and protectionism. Some TOs have strong relationships with local and/or overseas partners and such relationships determine the way products are distributed; usually all of the involved channel members trust and support one another.

“If there are some companies or visitors contact us directly, we do not accept that. We will refer to our partners because we are afraid that our partners may lose the commission” (TO)

Community Capacity

Even though BCCBT has witnessed a visitor growth of 300% over the last five years, community capacity to run the CBT as a commercial enterprise continues to be a significant challenge. Most of the operational costs still largely rely on NGO support, and although there is evidence that the community will be economically sustainable in the coming years there are currently insufficient financial resources to optimize distribution. As suggested earlier, human resources were identified as very important and the community's current situation suggests that certain skills are needed to keep pace with the on-going growth.

"We have limited skills in the areas of English language, information update on Website, marketing, how to use email and keeping track of bookings...we are not strong enough to communicate with tourists" (Community member)

Concerns about the community's capacity is echoed by the TOs who are apprehensive about the community's ability to deliver the product at the level their clients expect.

"we have to have our guide because community guides do not have broad idea to link to other places...they should continue to create new products and keep us informed... Sometime, some of their products do not reach our requirements...so we need to negotiate with them in order to minimize the gaps" (TO)

Interestingly, some TOs do not believe community capacity to be a drawback. They acknowledge that the community is limited in what it can provide but emphasise that this challenge can be negotiated by clearly explaining the situation to all channel members as well as to potential visitors. The CBT's ability to offer a high level of authenticity which could be harmed by a high level of commercial savviness is seen as an advantage.

"They (community) can extend their products in the way that authenticity is still guaranteed... I think there is no problem with their capacity to sell the products. I told visitors that our trip is not about travelling to a place where five-star service standard are served" (TO)

This perspective provides an important counter point to the concerns about lacking efficiency and professionalism in that a CBT project is ultimately a niche experience that embraces tourists' interests in learning about other cultures, their quotidian lives and value systems.

Discussion and Conclusions

Consistent with many tourism products in the cultural and heritage sector (Pearce & Tan, 2004) the broad structure of BCCBT's distribution channels consists of considerable channel diversity, including direct as well as several types of indirect channels. Through the provision of a variety of indirect channels as well as other important marketing and payment services TOs (which are predominantly regional) add significant value to the distribution of the CBT product, the sale of which has limited appeal for other/larger intermediaries because of the CBT's no-commission policy. Because of the lack of education, training, and experience in promoting, selling and offering a tourism product the community valued the role of the TOs highly as they fill the capacity gap that exists within the community. This strong support and appreciation of the role of TOs is often not mirrored in other contexts, such as Greece (Buhalis, 2000), where both the high commission demands and the power of TOs are leading to conflict.

Despite the broad commonalities regarding the structure of BCCBT's distribution system a more nuanced view highlights differences between the CBT product and other attractions and activity products such as wine tourism (Liu, 2012), safari tourism (Mkumbo, 2010), adventure tourism (Schott, 2007), and cultural and heritage-based tourism (Pearce & Tan, 2004). CBT products are characterized by the combination of micro and small family-based ventures, which means that the 'service providers' are essentially local people who live in the vicinity of the key attraction and who often have other (competing) income sources at the same time (such as agriculture) and only low levels of tourism-related training. Therefore, it is not surprising that CBT products and services are highly fragmented without a consistent approach or quality standard because they are ultimately supply-oriented (Goodwin & Santilli (2009). Additionally, CBTs set themselves apart from other tourism attractions and activities due to severe access challenges; CBTs are often located in remote areas which renders transportation to the community both adventurous and costly (Zapata, Hall, Lindo & Vanderschaeghe, 2011; Harrison & Schipani, 2007).

Consistent with Pearce and Tan (2004) who found that the distribution strategy's level of sophistication is associated with the size of the business, BCCBT's structure was found to be similarly complex as a medium sized culture/heritage focused tourism business. Interestingly this finding also applied to the intermediaries working with BCCBT. Small specialized TOs tended to use direct or very short channels, while large TOs were likely to use more complex, multi-layer distribution channels involving other intermediaries such as offshore travel agents,

wholesalers or OTAs. Due to their differing audiences small, medium-sized as well as larger TOs were all found to play important roles despite the differing complexity of their distribution systems.

As highlighted in Table 1 a range of factors were identified to influence BCCBT's distribution structure. Similar to previous research (Pearce & Tan, 2004; Liu, 2012) *commission-related factors* were found to have profound effects, however, unlike in Pearce and Tan's (2004) study the local channels members are much less important for BCCBT than the intermediaries further afield; this is largely due local intermediaries lacking detailed knowledge of the niche product offered by BCCBT. The TOs mitigate the lack of commission by marking up the product for their own direct channels and subsequently offering a commission to their intermediaries. Largely consistent with other studies (Reid & Pearce, 2008) the commission or mark-up rate offered by the TOs was between 10% and 25% and dependent on the relationship between the TOs and their offshore agents.

The influencing factor which crystallises the specific context of CBT most overtly is product characteristics and market access as it highlights the significant influence of BCCBT's geographical remoteness, inadequate supporting tourism infrastructure and the community's limited understanding of market expectations. These factors have a strong influence on the distribution channels and help to explain the strong presence of TOs in the BCCBT's distribution structure. The TOs bridge the gap between the community and the market in all three contexts; although to varying degrees. The TOs most commonly fill the geographical gap through marketing/promotion and payment gateways, however, with lessening frequency TOs also educate about the CBT concept as well as provide information to potential visitor's with regard to expectations and conduct in the village (to overcome the community's lack of understanding of market expectations).

However, direct channels were also important for BCCBT and this was predominantly facilitated by the recent Internet connection. The community indicated that *ICT* played an important role in that the Internet allowed the community to reach wider markets through online marketing. Although ICT helps to facilitate and increase choice for consumers (Yin, 2013) its dynamic nature also presents challenges for BCCBT because its members are technological novices that do not have adequate skills necessary to maintain current or even adopt new technology. Any technological tasks such as website development are currently

supported by an expat volunteer, which presents a risk to the community as there is no contingency if that person moves on.

As has been observed in other contexts (Liu, 2012; Pearce & Tan, 2004; Schott, 2007) this study found *capacity constraints* to have a significant impact on distribution channels. On the one hand BCCBT has limited capacity in terms of marketing, management, general business operation, and technology skills. However, on the other it's physical capacity is better than many medium-sized businesses because it combines different service providers under the CBT umbrella which means that unusually large groups of tourists can generally be accommodated. In addition, BCCBT does not work alone in hosting group tours because TOs provide support with logistics which help overcome capacity issues in managing tourism. As had been observed in earlier studies of cultural and heritage sites (Middleton, 1997; Pearce & Tan, 2004), this research echoed that the key people in the CBT are skilful in conservation and temple restoration, yet many of them have limited tourism expertise.

One of the key challenges is that neither the community nor supporting partners like NGOs pay consistent attention to marketing. Due to the limited financial resources of the community, low-cost and highly effective marketing strategies are crucial. Currently most marketing related activities are done intermittently on the basis of available resources. Without a marketing plan, it is challenging to target particular groups of visitors and as a result the community tries to attract wider markets in an ad hoc manner, potentially wasting valuable resources in attempting to attract markets to which their products are not appealing. Given that the Internet is the most important of the direct channels, the community needs to develop the skills to maintain the website and use email proficiently without relying on external parties. Email marketing to people who have visited the community can aid in promoting the direct online channel not just for repeat visitation but also for friends and relatives through WOM and eWOM. Although some TOs do this well, direct online channels are also valuable for the community to provide accurate product education (Schott, 2007) and to ensure that visitors' expectations are realistic seeing that both the product and access to the community are more adventurous than mainstream products. It is also clear that despite the rapidly increasing importance of eWOM (Litvin, Goldsmith, & Pan, 2008) it is currently underutilised by BCCBT and the community could encourage greater use of social media to compensate for the current lack of ICT expertise. This can include encouraging or if necessary sponsoring bloggers to write about the community, which has been found to be very effective by Schmallegger and Carson (2008),

and encouraging visitors to review their experience through TripAdvisor and other social media sites (Buhalis & Law, 2008). Although Banteay Chhmar has increased its activity on Facebook over the last years more frequent updates are likely to be effective in reaching a wide group of people; those that have previously visited as well as those who may want to visit in the future.

As highlighted earlier there is very little booking activity from local channel members, such as accommodation providers, souvenir shops, and food and beverage outlets. This is counter to Schott's (2007) findings in the context of adventure tourism where local channel members were considered very important. The research identified the reason for this to be a lack of awareness about the community and its CBT products. Consistent with Williams and Richter's (2002) recommendations for indigenous tourism development in remote parts of Canada, BCCBT would be well-advised to organize familiarization trips, not just for local channel partners but also other Cambodian CBTs to encourage referral between CBTs. Although the channel between the community and offshore NGOs represents only a small share of the distribution mix the findings suggest that this is a very valuable channel as visitors via this channel tend to stay longer and spend more in the community than other groups of visitors. Additionally, they are likely to participate in volunteer activities such as raising health awareness, teaching local children, restoring treks in the temples compound, and helping to rebuild the local school. Because of this close alignment with the CBT's mission the relationship with the offshore NGO is greatly valued by the community despite the channel's low volume; fostering more relationships with like-minded sending NGOs overseas is likely to prove beneficial for BCCBT.

As was demonstrated in Figure 4, TOs represent the biggest share of the distribution mix and volume for Banteay Chhmar. Although relying on TOs may lead to an over-dependency on intermediaries in the long term a strong TO presence is likely to benefit the community in the short term because of the many benefits that TOs provide in both augmenting the CBT product through packaging and importantly by incentivising its sale through the offer of commissions. As recommended by Williams and Richter (2002), community-initiated communication and ongoing product updates are likely to be of great importance to maintaining strong relationships with TOs. It also appears timely for the community to consider a change in strategy by offering commission; this may be uncommon for CBTs but could prove pivotal to its economic sustainability. Commission has been identified as a critical factor in the distribution of tourism products by Pearce and Tan (2006) and they suggest that bundling of products can mitigate the

small commissions earned if the product price is modest. Conversely government stimulate CBT projects by providing key community members with training in basic principles as well as key skills in marketing, ICT training, service delivery as all these areas are currently lacking in Banteay Chhmar. Although the conservation goals are understandably important to the local NGOs more attention needs to be paid to supporting business development and operations so that CBTs have the capacity to deal with markets and other channels member effectively without external support.

In conclusion, this paper's contribution lies in offering a detailed insight into the distribution channels of a culture and heritage focused CBT in Cambodia. The research provided a multi-stakeholder perspective into the CBT's channel structure. While it exhibited some broad similarities with regard to channel structure a more nuanced analysis excavated highlights significant product-related differences compared to other tourism sectors. Because many CBTs in Cambodia and beyond share key characteristics with BCCBT the findings and recommendations are likely to have relevance for other CBTs, including those that are environmentally focused. In terms of further research several strands present themselves. For instance, a thorough investigation of the demand perspective is needed as Pearce and Schott (2005) demonstrated the value offered to suppliers from consulting tourists about their information search and booking experiences. Alternatively different research lenses that are likely to yield different insights could be applied to the topic, such as collaborative domain-level perspective (Jamal & Getz, 1996) could be applied to the topic or could offer interesting perspectives on overcoming the challenges discussed in community tourism planning is critical due to the interdependencies among multiple stakeholders in a community tourism destination. It is further argued that collaboration offers a dynamic, process based mechanism for resolving planning issues and coordinating tourism development at the local level. Though the discussion focuses on the community level, it should be noted that similar arguments can be forwarded for the application of collaboration to regional level tourism planning and development. Although learnings can be taken for CBTs in other attraction contexts and countries it would be interesting to conduct a detailed investigation of channel structures and strategies for a culture and heritage focused CBT in a developed countries would be illuminating insightful to tease out the significance of contextual and structural factors between developed and developing countries. Future studies should also include an in-depth investigation of CBT channel performance to ensure strategic and effective use of the (limited) human and financial resources available to the community. As differences in visitor markets were not explored in

this study it would also be useful to examine potential differences in CBT information provision and booking preferences between different international markets with a particular focus on the differences between the traditional Western markets for CBT and the rapidly increasing Eastern markets.

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