Eco-cultural tourism in Marau Sound:

Feasibility of developing community-based tourism in Marau Sound, Solomon Islands, to encourage conservation

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1 Introduction

The Turtle Monitoring and Ecotourism Development project aims to enhance capacity and commitment in the Pacific region to conserve and sustainably manage endangered marine turtle populations, to improve skills, to reap sustainable economic benefits and improve livelihoods for local communities through turtle-related management and eco-cultural tourism activities.

The goal of this project is to enhance the capacity of communities and to improve knowledge and skills to sustainably manage natural resources, increase local skills in resource and business management, and support the development of sustainable heritage-based businesses that bring economic and social benefit to local communities, including eco-cultural tourism and cultural industries enterprise development. These eco-cultural and heritage-based opportunities will provide incentives for conservation through linkages with natural resource-based management within the enterprise structures.

The project is a partnership between the New Zealand Department of Conservation – Te Papa Atawhai, the Secretariat of the Pacific Regional Environment Programme (SPREP), the Pacific Community (SPC) and national governments, including the Ministry of Environment in Solomon Islands and the Ministry of Fisheries in Fiji. The New Zealand Department of Conservation provides the overall project management and coordinates project monitoring and reporting. The local government partners have been fully engaged in providing on ground support, including leading consultations with communities and in-country activities in cooperation with other national stakeholders. SPREP and the Solomon Islands Department of Conservation have led the sea turtle monitoring and conservation aspects of the project. SPC provides assistance and technical input on the development of eco-cultural tourism enterprises in project sites in Solomon Islands and Fiji.

To assess the potential for tourism development linked to the turtle monitoring sites, SPC conducted a scoping and market review to determine the feasibility for eco-cultural tourism development in Marau Sound, Solomon Islands, and to provide recommendations on tourism development in the destination. The feasibility study provided the partners with the necessary documentation for subsequently building sustainable eco-cultural tourism in Marau that supports community livelihoods, conservation and destination development. The study is based on an in-depth understanding of community needs and structures and a market and demand analysis for tourism in Solomon Islands. It includes recommendations for eco-cultural tourism products, potential business models and a financial feasibility analysis. This study focuses only on the eco-cultural tourism aspect of the project and the potential for tourism to support sea turtle and other types of conservation. Specifics on the sea turtle monitoring activities and progress can be found in separate progress reports created by SPREP and the Solomon Islands Department of Conservation.

2 Situation analysis

The situational analysis illustrates the environmental context within which any Marau tourism business will need to function by examining the broader cultural, social, environmental and economic context of Solomon Islands, as well as identifying key stakeholders. It is important to understand the context within which the destination will function in order to identify potential challenges or opportunities for long-term growth for tourism at the national and destination levels.

Tourism in Solomon Islands

To better understand the potential for tourism in Marau Sound, it is important to understand the context and prioritisation of tourism at the national level.

The Solomon Islands National Development Strategy 2011 to 2020

Within the country's *National Development Strategy 2011 to 2020,* tourism is noted as an important sector. It is intimately linked to natural resource management, which is specifically targeted in the country's mission. Although not specifically noted in all cases, tourism development would support the realisation of a number of objectives, policies and strategies in the strategy. These include:

- within Objective 1 "Alleviate Poverty and Improve the Lives of Solomon Islanders in a Peaceful and Stable Society," the development strategy specifically identifies the need to: "develop and implement programs to alleviate poverty based on improved market access and a vibrant smallholder sector through sustainable natural resource use and commercial activities in rural and remote areas." Objective 1 also calls for "develop[ing] the capacity of communities to identify and address their needs" by "support[ing] ownership and participative planning…and encouraging communities to take ownership of rural development programs."[1]
- within Objective 5, the development strategy specifically focuses on increasing economic growth, employment and income benefits. There are specific policies and strategies to support private sector growth by developing "programmes and institutions able to provide comprehensive support to entrepreneurs in the [MSME] sectors,"[2] which would benefit small tourism business in remote areas. The strategy also pinpoints tourism as a way to promote sustainable use of nature resources in rural areas through:

  sustainably increase[ing] tourism's contribution to economic development, replac[ing] previous focus on potentially unsustainable tourism visitor numbers with tourism development based on higher yields through developing products and spend within the context of a thorough understanding of environmental sustainability and climate change….[3]

  and:

  support[ing] tourism development and investment throughout the country, relevant government bodies put more emphasis in tourism promotion and provide incentives, including improved infrastructure, international and domestic aviation and telecommunications. [4]

The strategy also noted the importance of natural resources such as reefs, coastal fisheries, biodiversity and land resources for the future of Solomon Islands.

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[1] Government of the Solomon Islands, *National Development Strategy 2011 to 2020*, July 2011, p. 8–12.
[2] Ibid. p. 27.
[3] Ibid. p. 30.
[4] Ibid. p. 30.

The Solomon Islands National Tourism Development Strategy

In 2014, the government created a new strategy to guide the overall development of the tourism sector. The *Solomon Islands National Tourism Development Strategy 2015-2019* takes a realistic view of the development needs and market demands for tourism in the country. Although tourism development in Marau would be aligned with most of the strategy, widespread product development is not considered a first level priority and Marau is not specifically identified as a priority tourism growth area.

The strategy, however, does note that a "focus on small scale tourism based on niche markets is required" for overall sector development in the country.[5] The Draft National Tourism Policy and the 2013 *National Culture Policy* also identify rural and cultural tourism as important to Solomon Islands tourism growth. The draft tourism policy notes that, "Development shall focus on sustainability, community participation, innovation, decentralization, [and be] investment driven and supported by the government and private sector,"[6] and the culture policy states, "cultural tourism holds huge potential in contributing in the near future to a flourishing tourism industry in the country [and] provides the ideal avenue for effective participation of local communities and cultural resource owners in tourism development."[7]

Within the product development section of the tourism development strategy, the government pinpoints the need to focus on activities within the adventure tourism market, including the "development of products which highlight the natural and cultural strengths of the country, through small scale, special interest tourism."[8] The strategy recognises the destination's comparative advantage is that the "country is unspoiled, remote and has rich Melanesian cultures"[9] and that cultural and environmentally based attractions are key product development opportunities. It also notes the need for further development of marine protected areas as a critical component of marine tourism. However, specific product development plans are focused on thematic trails in Guadalcanal and Western Province. The proposed "Guadalcanal and Central Province Culture and Nature Trail" would only include Honiara and surroundings and Florida Islands in the short term. There may, however, be potential to link the trail to Marau Sound in the medium to long term, given sufficient interest from the Solomon Islands Visitors Bureau (SIVB).

Ultimately, this means that tourism development in Marau is linked to the national strategy at a high level and will help the country meet its overall tourism goals. However, in the short and medium term, the development of Marau as a tourism destination and community-based tourism product development are not part of the government's specific goals. Engagement with SIVB and the Ministry of Culture and Tourism will continue to be important so that the product is not side-tracked or delayed due to a lack of interest or political will in the government.

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[5] Government of Solomon Islands, *Solomon Islands National Tourism Development Strategy 2015-2019,* February, 2015, p. 3.
[6] Quoted in Ibid. p. 12.
[7] Quoted in Ibid. p. 12.
[8] Ibid. p. 8.
[9] Ibid. p. 19.

Tourism in Marau Sound

There is certainly potential for tourism development in Marau Sound. Its key strengths include stunning scenery, mostly pristine marine and forest environments, and unique and interesting cultures. The destination is relatively close to Honiara and accessible by air (30 minutes) and boat (four hours). There are three flights a week and a weekly boat service, as well as private boat services available for hire.

The communities in Marau are eager to develop tourism as an alternative source of income and motivation for protection of sea turtles and conservation. They have been initially engaged through the turtle-monitoring aspects of the project. Culturally, the destination is rich, with two distinct ethnic groups and ten tribes with diverse cultures and traditions. Marau also has an interesting, though somewhat fraught, history, including campaigns in World War II, major conflict during the Tensions, and inter-tribal conflicts. Unfortunately, there are no known major World War II wrecks in the Sound but there are outposts on land and sea and there may be an airplane crash site accessible via trek in the forest (this has yet to be confirmed). The communities have deep interest and knowledge of their tribal and cultural history and customs, as well as the more recent historical events.

There is some existing leisure tourism in Marau, mostly focused on the Tavanipupu Resort. Additionally, the area has a few development projects and is often visited by expatriate workers and public officials from Honiara, many of whom engage in leisure tourism activities if they need to stay in Marau over the weekend. Although Tavanipupu has declined in recent years, the resort has a new General Manager from Australia and is now owned by the Solomon Islands National Provident Fund. It is hoped that this will encourage visitors to the destination.

Previously, there were a few homestay operations in the area that linked into the Solomon Islands Village Stay Network. The network was marketed in Australia through a travel agent and was fairly popular, drawing a few hundred tourists each year. Most tourists were young and middle-aged couples from Australia who would be classified as eco-tourists. However, the network stopped functioning in the early 2000s due to the Tensions and has not been revived.

There are clear tourism products that have potential in the backpacker, adventure tourism and couples markets already being targeted in Solomon Islands. However, there are also significant community engagement and organisation challenges that will need to be addressed before pursuing a full eco-cultural tourism development plan.

Stakeholders

During the feasibility study research, SPC identified key stakeholders related to the development of the Marau destination and the tourism sector. Stakeholders that may have a stake in the development of the destination are described below.

Ministry of Culture and Tourism

The Ministry of Culture and Tourism (MoCT) has the mandate for development of all tourism segments in the country. The ministry has tourism development officers assigned to each province with specific knowledge of the area. Additionally, the ministry has a tourism investment officer and a training officer, who lead tourism product development and upgrading.

Despite Marau not being mentioned in the National Tourism Development Strategy, the Tourism Division in the MoCT has identified Marau as a priority area for tourism development due to its pristine environment and accessibility. Currently it is targeting the honeymoon and eco-tourism markets as key segments but also it also sees an increasing interest in voluntourism. Within all of these markets, the Tourism Division sees a critical need for product development. Although there is a need to upgrade some of the existing accommodation in the destination, the Tourism Division does not see an urgent need for increasing the number of beds or accommodation facilities in Marau at this point.

The main accommodation in the destination is the Tivanipupu Resort. Previously, the resort was well known and respected, even hosting Prince William and the Duchess of Cambridge on their honeymoon. However, the resort is now owned by the National Provident Fund due to previous mismanagement. There is a new manager from Australia from November 2015 and the majority of staff are local.

There are a few existing and new tourism products in the destination but most are being offered informally. They include casual cycling on the mainland, island tours and cultural tours/demonstrations. The Tourism Division has recently supported an investment in a sport fishing operator based in Honiara. The outfit travels to Marau, among other places, for day trip and multi-day trips.

A tourism training officer visited Marau with the project team in 2015 and provided basic training on tourism. This two-day training included an overview of the elements of the tourism industry and links between tourism and conservation. During the training, the officer touched on a wide number of areas, including marketing, accommodation needs, hospitality, environmental protection, waste/rubbish management, design and construction of lodges, ecotourism activities and attractions, and managing the environment. The training relied on examples from other ecotourism lodges and destinations. In addition to the tourism introduction training, the MoCT also offers customer service and in-depth hospitality training. They would like to develop partnerships to build their training courses to cover more ecotourism-focused topics. In addition to training and investment promotion, MoCT provides small grants to tourism operations and supports exchanges for learning opportunities.

As noted before, there is a potential for voluntourism development. MoCT is looking to develop voluntourism products nationally, since there is a growing appeal among their key markets. However, they recognise the challenges in the niche market, including low spending, the need for discounts on accommodation and challenges in relationships building. Typically, voluntourism groups to Solomon Islands include ten or more people from a church or community group.

Solomon Islands Visitors Bureau
The Solomon Islands Visitors Bureau (SIVB) is the organisation responsible for marketing and promoting tourism in the country. They have a visitors' office in downtown Honiara and run the country's destination marketing strategy, including the Visit Solomons website (http://www.visitsolomons.com.sb/). SIVB hosts regular familiarisation trips, participates in trade and road shows, and promotes tourism to Solomon Islands through their marketing strategy (advertisements, website, direct marketing, etc.).

SIVB is a parastatal organisation under MoCT. It works closely with MoCT on tourism product development and tourism research. SIVB is a member of the South Pacific Tourism Organisation and its CEO, Josefa Tuamoto, is the current Deputy Chair of the Board of Directors of the South Pacific Tourism Organization (SPTO).

SIVB works with outbound and inbound tour operators, accommodation providers, and other tourism service providers. It also directly markets to free-independent-travellers (FITs), individual tourists who travel alone or in small groups without the support of a travel agent or tour operator.

SIVB noted that most tourists to Solomon Islands are FITs. They typically arrive in Honiara without specific plans and use the Tourism Information Office to plan their trips, typically traveling to Western Province or Isabel Province. The inbound tour operators mostly link with outboard tour operators in Australia and the United States to market and coordinate trips.

In terms of tourism development in Marau, SIVB noted that there is a critical need for packaging and itinerary development, along with product development. It also noted the need for long-term community engagement to ensure conflict resolution techniques are in place.

Other stakeholders

Tour Operators Association: The Solomon Islands Tour Operators Association is a group of local, private sector tour operators, including ground operators, guides, travel agents and accommodation providers. Their key goal is to advocate on behalf of the tourism sector to the government for improvement of tourism.

Private sector stakeholders: Tour operators and travel agents will be important partners in the marketing and distribution of tourism services in Marau. At the national level there are ten registered tour operators with five providing tourism services, including itinerary development in Guadalcanal. These are listed below.

- Travel Solomons offers Honiara city tours, scenic tours around Guadalcanal, and WW II historical tours.
- SightSee Solomon Islands offers WW II historic tours, Honiara tours, weekend trips (snorkelling and picnics), and transportation, as well as two- to seven-day package tours.
- DestoSolo Travel & Tours offers Honiara city and environs tours, WW II historic tours, Matanikau waterfall tours, Savo Island day trip, Tulagi Island day tour, and customised tours.
- Extreme Adventure offers boat tours, snorkelling and diving tours, fishing and customised overnight tours from Honiara.
- Bilikiki Tours offers live-aboard diving tours from Honiara to the Florida Islands, the Russell Islands, Mborokua Island and Marovo Lagoon.

Business development service providers: Business development service providers in Honiara work in the tourism sector to provide training and skills upgrading. These include the Small Business Enterprise Centre, Women in Business, and the Solomon Island Chamber of Commerce.

Marau community structure

The Solomon Islands Department of Conservation, together with community representatives, defined Marau as having four zones based on geographic features and distinctions. These are:

- Komukomu – consisting of the group of islands in the south of the sound (including Marapa);
- Marauipusa – consisting of the group of islands in the north of the sound;
- Temataho – on the mainland of the northern coast of the sound; and
- Hatare – the main town, including the communities surrounding the airport and town centre.

Although the zones provide a convenient definition of land and communities (based on village and population centres), they do not take into account tribal commitments of the communities. There are ten tribes that live in the four zones. Apart from Temataho, there are representatives from almost all ten tribes in each of the zones.

The turtle-monitoring project has organised a group of community representatives who are functioning as an executive committee for the project and act as a liaison for project planning with community members. They have raised concerns about how the project will engage with the community, including payments/per-diems for working on project-related activities. The community representatives noted that community members typically have allegiances to their original tribes, rather than their geographic communities and would likely prefer to organise themselves by tribe rather than by geographic location, island or zone.

Based on conversations with community representatives and tourism stakeholders in Honiara, there is a critical need to engage deeply with the community before developing a tourism project. Inter-tribal conflicts and competition were noted as the largest threats to any tourism development in the destination. Stakeholders in Honiara mentioned that tourism developments and businesses have been sabotaged or inhibited in the past, due to inter-tribal conflicts and jealousy. Any tourism development in Marau will need to be done in close coordination with representatives from all tribes and the tribal elders or those that have authority in the destination. Recommendations for how to proceed with community engagement and tourism development are included in the following sections.

Social and cultural factors

Solomon Islands has unique cultural and natural assets that position it well for tourism development. In the recent past, ethnic and political tensions have limited this growth and damaged the country's international tourism reputation. There is eagerness within communities to develop tourism but also hesitancy due to potential negative impacts on traditional cultures and societies. Additionally, traditional community practices (e.g. *wantok* culture) and land tenure issues have created challenges for community-based tourism and eco-tourism in the past. There is both published and anecdotal evidence that communities often abandon or sabotage community enterprises due to cultural factors or a lack of participatory planning. For example, the Anhuha Lodge project was eventually abandoned due to conflict over access to land and marine resources.[10] Other projects/partnerships have ended due to disputes between communities, their extended families and owners.[11] A focus on participatory sessions and open discussions during planning stages will be critical.

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[10] Sofield, T.H.B, Butler, R. "Anuha Island resort, Solomon Islands: a case study of failure", *Tourism and Indigenous People*, 1996. p. 176-202.
[11] International Trade Center. Solomon Islands Services Sector Analysis. Undated.

There will also be service challenges for tourism development in Solomon Islands and Marau. Challenges include lack of service and business skills, low knowledge of tourists' needs, and English language skills, especially in rural areas. (Note, some language skills are more an issue of confidence than knowledge and can be addressed through training and practice). MoCT, SIVB and development partners will need to address some of these concerns to help expand tourism in Solomon Islands. Tourism service providers will need to develop better products, business skills and language skills in order to better service tourists and improve the industry. Since destination marketing depends largely on word of mouth recommendations at this point, service needs to be of high quality to ensure positive reviews and recommendations.

Planning should also take into consideration negative impacts of tourism on communities. Without the involvement of communities in development and a plan for acceptable limits of change, the cultural and social tourism assets of Solomon Islands and Marau could be degraded. Since tourists to the area are seeking authentic cultural experiences, along with adventure and nature-based tourism, it will be important to mitigate the negative impacts of tourism on the culture and society of Solomon Islands.

Environment

Tourism in Solomon Islands is directly reliant on the natural assets of the country, along with its unique cultures and history. The stunning dive sites, endemic species, jungle treks and iconic marine animals are the very assets that draw tourists to the destination. The environment plays a crucial role in tourism and it will be important for the country and communities to manage their natural assets properly. If the natural assets are not so managed, tourism will not be viable in the long term. The business models proposed for Marau tourism enterprises take the importance of conservation into account.

Destination viability

Currently, Solomon Islands is still an undiscovered destination in the marketplace with exciting natural, cultural and historical tourism assets but also challenges in terms of infrastructure, access, product development and marketing. It is an emerging destination with strong natural and cultural tourism assets and some of the cultural and social resources necessary to develop a vibrant tourism industry. Although the tourism industry has been growing in terms of visits and revenue during the last few years, overall leisure visitor numbers remain low. The government will need to provide appropriate support in product development and marketing to enhance growth and increase demand for eco-cultural tourism in the provinces. Additionally, the economy will need to further liberalise to promote business development and private sector growth in the long term.

At the national level, Solomon Islands scores relatively low in international tourism ranking systems. The World Travel and Tourism Council ranks Solomon Islands at 178 (out of 184 countries) in terms of importance of the tourism sector's total contribution to GDP.[12] In 2014, the direct contribution of tourism to GDP in Solomon Islands was SBD 352.8 million or 4.0% of GDP. WTTC does forecast that

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[12] World Travel and Tourism Council (WTTC), Solomon Islands Country Profile, 2015.

tourism will continue to grow in Solomon Islands and predicts a ranking of 101 in the long term, with tourism's contribution to GDP rising by 3.8% per annum to SBD 527.2 million by 2025.[13]

Within the adventure tourism market, slow but positive growth is also expected for Solomon Islands. The Adventure Tourism Development Index (ATDI) illustrates Solomon Islands' growing popularity among adventure travellers. The ATDI represents the adventure travel market, which values authentic experiences, natural environments and cultural interaction. In the 2010 ATDI, Solomon Islands was solidly within the "Worst in Class" category for adventure tourism in developing countries; it ranked 140 out of 163 countries. However, the country's ranking increased to 136 (out of 163) in 2011 and to 135 (out of 163) in 2013. For further penetration into the adventure market, Solomon Islands will need to improve in the ATDI through infrastructure development and marketing.

The government's prioritisation of the tourism sector in their *National Development Strategy 2011 to 2020* and their recently launched *National Tourism Development Strategy 2015-2019* indicates that tourism will continue to grow in the country. With sufficient and appropriate resources allocated to tourism development, the country can expand its tourism markets. In recent years, SIVB has sought to increase the country's presence in international markets through their website and participation in trade show and road shows.

Within Marau, there is potential for tourism development but also challenges. On the positive side, the destination is accessible by air and boat with regular, commercial services and there are a number of local accommodation providers and a resort. The destination has strong natural, cultural and historical assets, with some low levels of existing tourism in the expatriate and domestic markets. The community is interested and engaged in tourism development. However, there are also some challenges in tourism development at the community level. These challenges include overall low tourist numbers at the national and community levels, a need for improvement in accommodation and food and beverage services, and high local transportation costs (i.e. boat rental and fuel). The biggest challenge will be the willingness of the community to commit to tourism in the long term and navigate the potential conflicts (internal and external) that will arise as tourism grows.

3 Market analysis

In order to understand the potential for tourism development in Marau Sound, the following market analysis provides information about expected demand and tourist behaviour. To conduct the analysis, SPC reviewed and evaluated previous reports, including project documents and government assessments and plans. SPC also conferred with relevant stakeholders during this planning phase, including NGOs, tour operators, and sector associations to better understand the current situation. SPC used the information gathered to understand the market potential for eco-cultural tourism enterprises in Marau. The information was also used during the scoping assessment to identify products that have market appeal and also informs the financial analysis presented later.

Overall, tourism in Solomon Islands has seen a mostly positive growth over the past ten years. This is a direct response to the increased investment and efforts in marketing by the SIVB and research done in conjunction with the South Pacific Tourism Organisation (SPTO). SIVB has launched a website with

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[13] WTTC, 2015.

product itineraries and traveller information to support the FIT market. Additionally, they have partnered with the private sector to participate in travel trade shows and road shows in Australia and New Zealand.

Importantly for the FIT market, Solomon Islands has had much positive coverage in the press during the past few years. Solomon Islands was named "Hottest Travel Destination for 2016" in Australia by News Limited 'Escape', providing more national coverage for the destination. This comes after Carnival Cruise Line Australia CEO, Ann Sherry, was quoted as saying, "Solomon Islands will win the hearts of travellers next year," and Tatyana Leonov, a travel writer for the Sydney Morning Herald, named the destination as one of the "friendliest for tourists".[14]

Demand analysis

The situational analysis revealed a destination on a growth path. This will continue as long as the government remains supportive and puts adequate resources into product development and marketing. Given these assumptions, Solomon Islands can expect consistent growth in tourism arrivals to the country over the next few years. Tourism businesses in Marau Sound will benefit from these increased arrivals through a larger market base.

Tourist arrivals

Statistics from United Nations World Tourism Organisation (UNWTO) and the Solomon Islands National Statistics Office show that there has been an overall growth trend for tourism arrivals since 2000. There was a slight decrease in tourism arrivals in 2014 but information from SIVB indicates that 2015 arrivals will illustrate recovery.[15] Overall, the sector has seen sizeable growth during this time period with an average annual growth rate of over 11.3% and a total increase of international tourist arrivals by 66.6% between 2005 and 2011. The high season is from June to October with over 45% of visitors arriving during this time.

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[14] Solomon Islands Visitors Bureau. Media Release: Solomon Islands named Australia's 'Hottest travel destination for 2016'. 22 October 2015
[15] Solomon Islands Visitors Bureau. Media Release. 7 October 2015.

Figure 1: International tourist arrivals to Solomon Islands 2005–2014 and forecasted arrivals 2015–2019
Source: UNWTO and SIVB 2015

Based on SIVB statements and modest projection, the country should expect to see around 25,000 to 30,000 visitors per year in the next four years. The *Solomon Islands National Tourism Development Strategy 2015-2019* has set a target of 32,320 annual arrivals by 2019 with 12,500 of those being leisure tourists. The government also has ambitious goals for the cruise market, aiming for 28 cruises per year by 2019. The cruise strategy has seen growth in 2016 with SIVB recently announcing the planned arrivals of eight cruise ships in 2016. This will increase if the government invests more into marketing and promotion but could also stagnate or decrease if there are negative changes in safety, security or the global economy.

Demographics
The majority of tourist arrivals to Solomon Islands are from Australia, New Zealand and the Pacific, representing a strong regional market base. Long-haul visitors from the Americas and Europe represent a much smaller percentage of the market but have the most potential for growth in the long term if tourism is properly developed. Japan is also a strong leisure market for Solomon Islands due to World War II tours and attractions. China and other Asian countries could also have potential with much room for growth. Although, Solomon Islands' position as an emerging country does not meet the current Asia market profile, aside from in Japan.

International tourist arrivals by region 2014
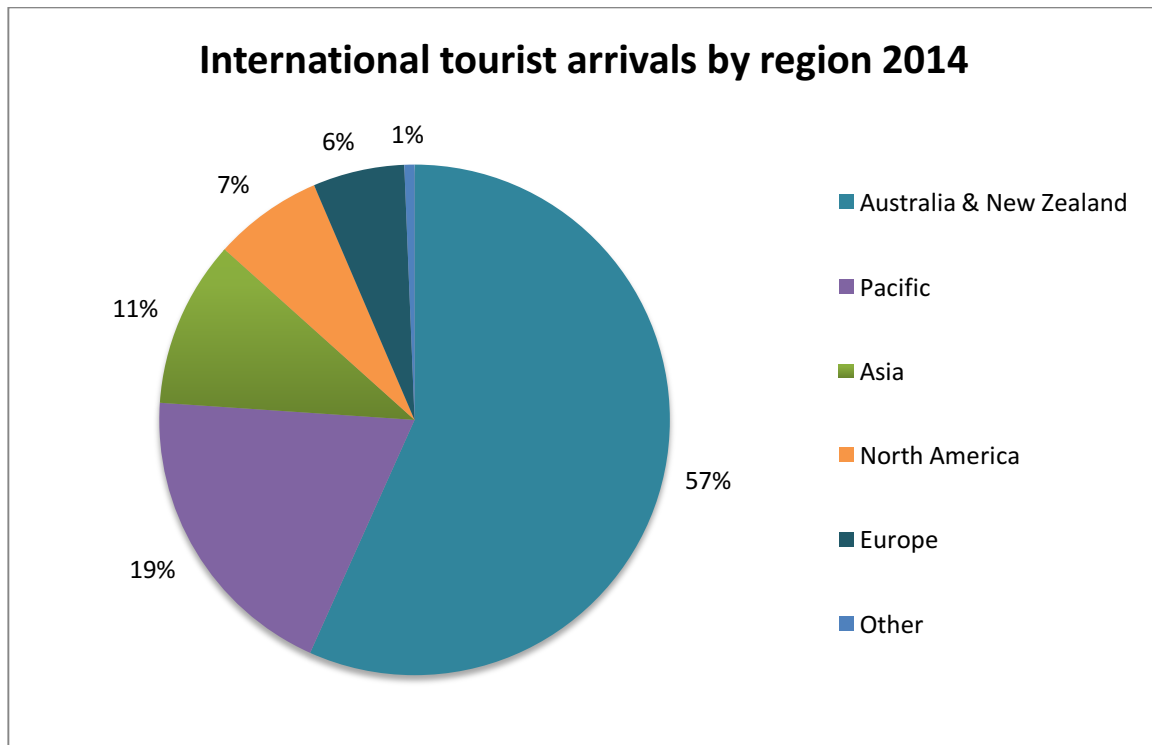
Figure 2: International tourist arrivals by region of origin 2014
Source: SIVB 2015

Based on 2014 visitor arrival data, the largest source market for Solomon Islands is clearly Australia with 45% of total arrivals. Within the Pacific, Papua New Guinea and Fiji have a roughly equal market share with approximately 6.2% of total arrivals. For Asia, Japan remains the most important market with 2.5% of total arrivals (although China is close behind with 2% of arrivals). The USA and the UK are both the top markets in their regions with 5.7% and 1.7% of total arrivals respectively.

International arrivals by county of origin per region 2014
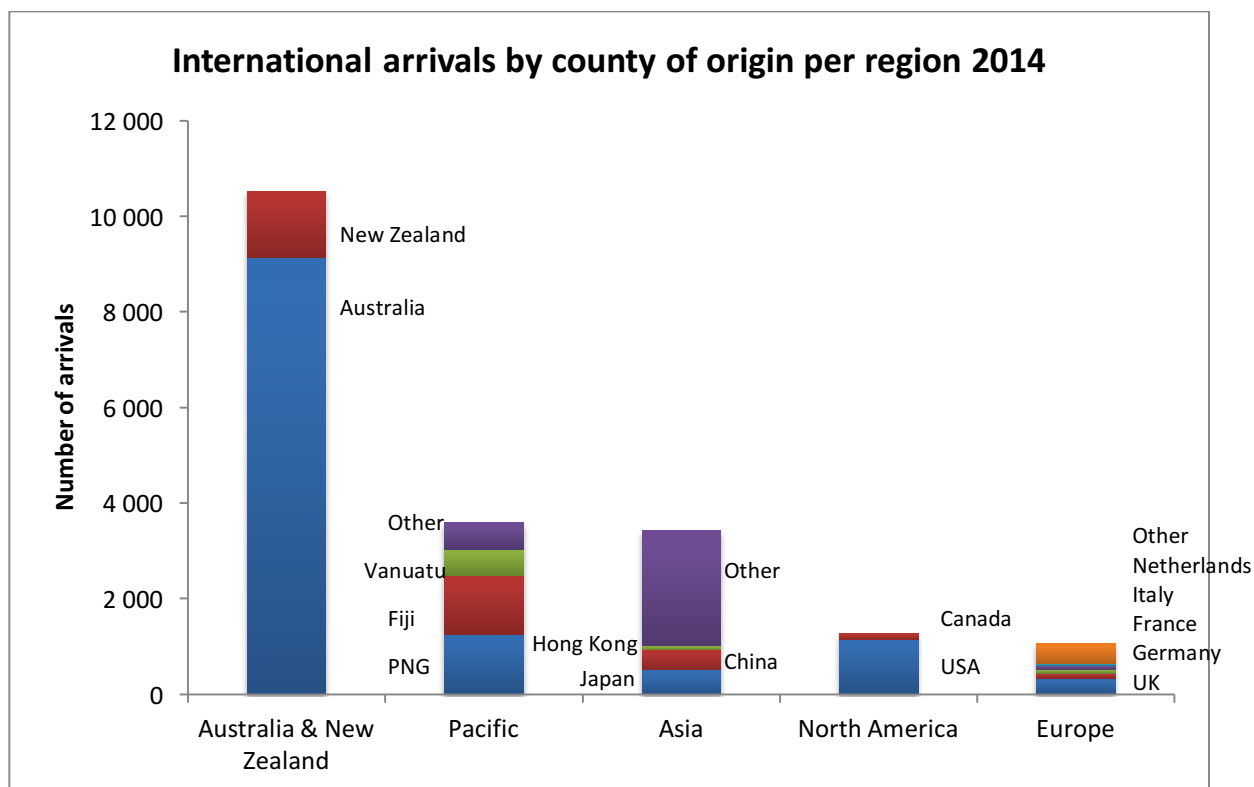
Figure 3: International arrivals by country of origin per region, 2014
Source: SIVB 2015

Overall, the largest motivation for traveling to Solomon Islands in 2014 was business and conferences with 36.6% of total visitors, followed by holiday and vacation at 27.4% of total visitors. There is also a small visiting friends and relatives market with 13.4% of all visitors in 2014.

Perhaps because of the adventure tourism appeal in Solomon Islands, a large majority of visitors in 2014 were male (72% of arrivals). Even amongst those traveling for holiday and vacation in 2014, 64% were male. Over 44% of total visitors in 2014 were between the ages of 35 and 54.[16] Although this number is for all visitors, regardless of purpose of travel, some tentative conclusions can be drawn. Given that Solomon Islands is an adventure tourism destination, the age bracket is a bit higher than expected. This indicates that tourists may wait to visit Solomon Islands after visiting other, more accessible adventure destinations (e.g. Vanuatu), or that costs of travel and accommodation are prohibitively high, encouraging tourists to wait until they are more financially secure before travelling to Solomon Islands. This is particularly true for American tourists, who were predominately between 45 and 64 years of age (2013).[17]

Overall, the average length of stay for visitors was 15.5 nights in 2014. The European market had the longest length of stay at 17.2 nights. Australian and New Zealand markets also had a long length of stay, about 2 weeks. Despite being long-haul markets, visitors from Japan, USA and Canada had much shorter lengths of stay at 10 to 11 days. This is likely due to the fewer vacation days in these source markets. Notably, almost 50% of tourists visited another country during the same trip. Top countries

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[16] SI Office of Statistics, 2016.
[17] SIVB Solomon Islands Visitor Survey 2014.

included Australia, Fiji, Vanuatu, New Zealand and Tonga and the average total length of the trip was 27 nights when other countries were visited.[18]

For a deeper understanding of the Solomon Islands tourist market, the Solomon Islands Visitors Survey conducted by the SIVB in 2013 illustrates detailed information about visitor motivation, spending and opinions. Of the 47.8% of visitors who had visited the Solomon Islands previously, 33% had visited five or more times before. Among business travellers, there is a high level of returning visitors at 59%. This provides a great opportunity for weekend trips to Marau for business travellers who have already been to the major destinations in the country.

On average, visitors spent approximately SBD 1,410 per person per night. See Table 1 below for details on spending. This information will inform the financial analysis at the end of the feasibility study.

Table 1: Visitor spending in Solomon Islands, 2013

Visitor spending 2013					
Activity	SBD	Country of origin	SBD	Purpose of travel	SBD
Accommodation	734	USA	1,895	Holiday	1,714
Food and beverage	276	New Zealand	1,505	Business	1,296
Transportation	153	Other	1,361	Other	684
Shopping	77	Australia	1,354		
Tours	73				
Leisure and entertainment	62				
Other goods and services	35				
Total	1,410				

Source: SIVB 2014

There is little information available for the current number of visitors to Marau Sound. There are three scheduled flights from Honiara to Marau each week (Monday, Tuesday and Friday), although the Tuesday flight is regularly cancelled. Depending on the size of aircraft, there are between 936 to 1,872 available seats to Marau each year (based on full flights three times a week for 52 weeks). There are also a number of cargo ships that provide passenger service from Honiara. There are two slow ships that take between seven and ten hours to reach Marau and cost between SBD 150 and 250 per passenger. There are also two faster ships that take between three and five hours and cost between SBD 250 and 330 per passenger. The average capacity for the ships is around 30 people. The faster ships arrive in Marau on Tuesday and depart on Thursday or Friday.

Anecdotal evidence from accommodation providers in Marau indicates that the destination currently receives around 150 to 200 visitors each year, with the majority being domestic business travellers and some expatriate and foreign business travellers (usually development aid workers).

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[18] SIVB Solomon Islands Visitor Survey 2014.

Market segmentation

There are five general market segments among travellers to Solomon Islands. These include adventure tourists (including free independent travellers and package tourists), cruise tourists, business travellers, expatriates and the domestic market. There are further market segmentations within each market that have specific needs and requirements for destination development.

Adventure tourists

Adventure tourism is a growing tourism market globally, representing USD 236 billion annually. An adventure tourism trip typically involves at least two of the three following activities: interaction with nature, interaction with culture, and/or a physical activity.[19] Solomon Islands' main market for holiday trips is adventure tourism and SIVB has created a successful marketing campaign around this. The majority of Solomon Islands visitors engage in soft adventure tourism activities such as swimming, snorkelling, cultural tours and fishing. Diving and other water sports are popular hard adventure tourism activities.

Table 2: Adventure tourism activities engaged in by purpose of visit

Activity	Holiday (%)	Other (%)	Type of adventure activity
Swimming/snorkeling	52.2	34.8	Soft
Sightseeing/cultural tours	38.9	30.6	Soft
Diving	33.4	11.2	Hard
Fishing	24.2	7.1	Soft
Hiking/trekking	19.0	10.2	Soft
Nature/landscape touring	19.9	9.2	Soft
Sailing/kayaking	14.6	8.2	Hard
Adventure sports	7.8	5.1	Hard
Bird-watching	3.3	0.0	Soft
4 x 4 Trails	1.8	0.0	Hard

Source: SIVB 2013

Adventure tourists to Solomon Islands are both free independent travellers (FITs) and package tourists. However, the FIT market dominates, with 58% of tourists planning trips by themselves and 16% relying on advice from friends and family for trip planning. Only 27% of tourists use a travel agent (TA) or tour operator (TO) to plan their trips (18% using a TA/TO in their country of residence and 9% using a TA/TO in another country). This information will inform the marketing strategies needed for Marau to successfully establish and maintain itself in the marketplace.

As a part of the overall adventure tourism market, cultural tourism has been identified in the *National Tourism Development Strategy 2015-2019* as a priority market. Together, the natural environment, unique cultures and accessibility position Marau as an ideal destination for adventure tourists (including eco- and cultural tourists). However, developing specific activities and services and effectively marketing the destination will be critical.

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[19] ADTI 2011 report

Sport fishing

Sport fishing remains an important niche within the adventure tourism market in Solomon Islands and was identified as a target market in the *Solomon Islands National Tourism Development Strategy 2015-2019*. In the 2013 tourist survey, SIVB found that 24.4% of holiday tourists participated in fishing during their trip.[20] A recent article in *Fishing World Magazine* noted the potential for sport fishing in Solomon Islands. The article covered the Stunned Mullet Competition in Western Province that attracts over 300 competitors from around the world.[21] Although Marau does not have any current fishing events, there is potential to develop this area of tourism. Recently, a businessman invested in a boat for sport fishing trips out of Honiara. He has already scoped Marau as a potential destination. Tour operators in Honiara have noted that, although sport-fishing enthusiasts may have a lower interest in community tourism, their families and other people in their parties are likely to engage in day trips in the destination.

Bird watching

Although typically not lumped into the adventure tourism market, the international birding market is a large and growing market with tremendous potential in Solomon Islands. In a recent article by *Travel Weekly Destinations*, SIVB chief executive Josefa Tuamoto noted that there are "close to 300 species of birds in the Solomon Islands, 102 of which are endemic, [and] we have recognised this niche area as representing a major draw card for the international bird-watching community."[22] To provide some perspective on the size of the birding market, it is useful to take a look at the USA, one of the largest birding source markets in the world with 57.3 million self-proclaimed birders, and 24.7 million birders who travel each year to view birds. In Solomon Islands, 4.5% of American visitors in 2013 participated in bird-watching activities during their trip.[23] The government sees bird-watching as an important potential market, identifying it as a target market in the National Tourism Development Strategy.

The birding market is particularly attractive because birders tend to be older, more affluent, socially conscious, and flexible regarding the availability of tourism infrastructure. Furthermore, there are strong linkages between bird-watching and conservation, making it an ideal match with the goals of tourism development in Marau. However, established birding sites in Solomon Islands are difficult to access with few services (accommodation, food and beverages, etc.). This means only the most dedicated and adventurous of bird watchers make the trip. Within Marau, a full bird survey would need to be conducted by an ornithologist to assess the full potential for bird-watching tourism.

Dive market

The dive market in Solomon Islands is predominately American with 39% of American tourists participating in diving as their top activity (versus Australia at 16.7% of visitors). The government estimates that around 1,000 to 2,000 tourists each year visit Solomon Islands primarily to dive.[24] Although the Marau Sound has a Marine Protected Area and a few small WW II wrecks (one partial airplane and one barge), there is limited appeal for serious wreck diving. There are no regular dive

[20] SIVB Visitors Survey 2013
[21] Reilly, Luke. "Destination: Solomon Islands - Solomon Sojourn", Fishing World, February 2016.
[22] *Travel Weekly Destinations*, "Birdwatching Latest Focus For Solomon Islands Tourism," 29 March 2016.
[23] SIVB Visitors Survey 2013.
[24] *Solomon Islands National Tourism Development Strategy 2015-2019*

shop or certified dive masters in the area. Additionally, the competition from the Iron Bottom Sound and Western Province is very strong. In order for divers to be a serious market force in Marau there would need to be specific dive sites that provide regular access to marine species, coral or underwater scapes that are particularly stunning and unrivalled elsewhere in Solomon Islands. The Sound is shallow enough that tourists can view a wide range of coral and marine life by snorkelling. There could be potential for the casual dive market if a dive shop were opened at the Tivanipupu Resort but it would need significant funding (perhaps through a public-private-partnership tourism investment opportunity). Without a dive shop, diving is not likely to be the major attraction at the destination.

Cruise market

Cruising is a growing market in Solomon Islands. Carnival Australia ran two large cruises to Solomon Islands in 2015 and is aggressively pursuing new destinations in the Pacific because of the rapid growth of the Australian cruise market. Carnival began launching ships from Cairns in 2016, putting Solomon Islands within a two-day sea journey. Based on the success of a seven-night Papua New Guinea cruise that calls at four small ports, including ports that tender passengers to shore, Carnival is launching a new cruise to Honiara, Gizo and western Papua New Guinea.

The government sees the cruise market as a priority for tourism development. As part of the *National Tourism Development Strategy 2015–2019,* the government plans to "explore and develop other potential ports and suitable anchoring sites … with a view to making additional cruise ship calls to other areas of the country."[25] However, this port development will need to be accompanied by destination development so that there is suitable transportation, tour guides and tours for the large number of passengers on cruises.

Outside of a few yachts and rare expedition ships, there are no regular cruises to Marau. However, there is much potential to develop this market, especially as the demand for cruises in Australia grows. Carnival is working with the International Finance Corporation (IFC) and country governments to continue to create new itineraries for the Australian market. The port in Cairns and the new, potential departure port in Lautoka, Fiji, puts Solomon Islands within easy reach of cruises.

Although there is a jetty in Marau, is it likely that all but small expedition cruises would need to anchor off shore and tender passengers to Hatare. The Ministry of Lands has conducted a hydrographical survey in the Sound. A cruise expert would need to consult the charts to identify an anchorage location that is close enough to the destination. If the tender trip is too long, it will discourage passengers from disembarking during the stop.

Business travellers

Business travellers made up almost 37% of total international arrivals to Solomon Islands in 2014. Within the New Zealand, Japanese and Pacific (Papua New Guinea, Vanuatu, Fiji and other Pacific Islands) markets, between 40% and 57% of arrivals were business tourists. Business tourists have an overall length of stay at 17 days per trip, offering opportunities for weekend leisure trips. Based on the SIVB Visitor Survey, more than 47% of business travellers participated in some leisure activity during their trip. Most engaged in swimming/snorkelling, shopping and sightseeing/cultural tours

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[25] *Solomon Islands National Tourism Development Strategy 2015–2019 p 53*

(see Table 3), activities that are all accessible in and around Honiara. Although this represents a significant market, there is obvious potential to tap into the more than 52% of business travellers who do not participate in any leisure activities during their stay.

Table 3: Business travellers' tourism activities, SIVB Visitor Survey 2013

Business travellers' tourism activities		
Activity	% of business travellers	Type of activity
Swimming/snorkeling	26.1	Soft adventure
Shopping	24.3	Cultural
Sightseeing/cultural tours	21.6	Soft adventure/cultural
Visited war relics	13.1	Historical
Diving	10.3	Hard adventure
Historical/archaeological sites	14.2	Historical
Fishing	8.7	Soft adventure
Hiking/trekking	9.8	Soft adventure
Nature/landscape touring	7.3	Soft adventure
Sailing/kayaking	5.0	Hard adventure
Adventure sports	3.9	Hard adventure
Bird-watching	0.9	Soft adventure
4x4 trails	0.7	Hard adventure
Other	0.9	Unknown
None	52.9	

Expatriates and domestic markets

There is little data on the domestic market and SIVB has not historically marketed to them. Despite the reduction in RAMSI staff, there is still a vibrant expatriate market in Honiara. Many expatriates work for government or aid projects and have relocated to Solomon Islands with their families. Additionally, there is a small but important upper and middle class domestic market that is interested in weekend getaways. Although both markets are somewhat price sensitive, especially to travel costs, there is potential to target them for Marau. The expatriate and domestic markets will be important during destination preparation and launch to test the products during low season. However, it will be important to develop specific packages for these markets based around weekend and holiday travel and taking price sensitivity into account. Reductions in airfare or securing boat transport on the weekend schedule will be important.

4 Destination scoping

Marau Sound is located on the far eastern edge of Guadalcanal Islands. It has a population of around 4,700 adults comprising ten tribes in an area of about 15.5 square kilometers. The population lives on the mainland (Guadalcanal) and seven of the 19 islands in the Sound. Traditionally, tribes on the islands are of Malaitan ancestry and patrilineal. Tribes on the mainland are of Guadalcanal ancestry and matrilineal. However, people from all tribes have inter-married and settled throughout Marau.

To facilitate the turtle-monitoring project, a project committee was formed in Marau and the destination was divided into four environmental zones:
- Komukomu, comprised of islands in the south of the Sound
- Maruaipusa, comprised of islands in the north of the Sound

- Temataho, on the north side of the mainland
- Hatare, on the south side of the mainland
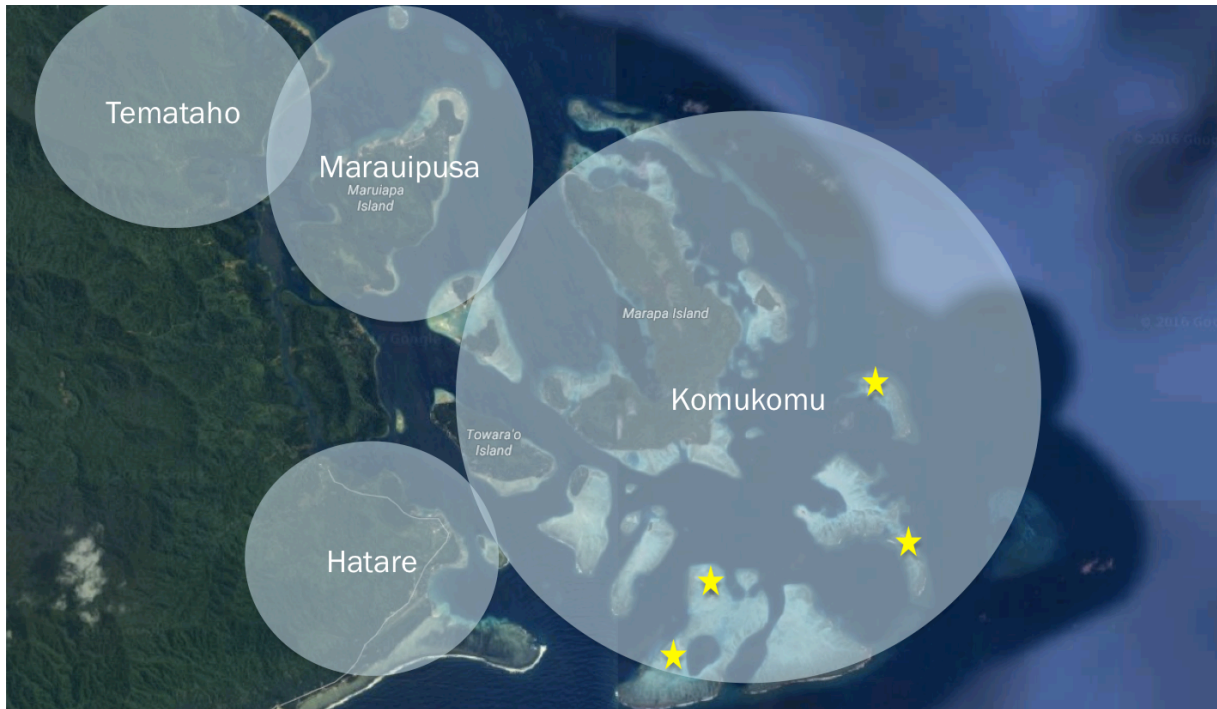
Figure 4: Marau Sound map and zones with turtle nesting sites labeled

SPC, the Solomon Islands Department of Conservation and the Marau Project Committee conducted a scoping of Marau and engaged in participatory planning to better understand the destination. See Annex 1 for more details on the scoping. During the scoping, community representatives broke into small groups to brainstorm potential tourism products that are unique to their communities and islands. The team urged the groups to consider what they would be willing to share with tourists and what they might not want to share. These are shown in Table 4.

Table 4: Tourism assets in Marau communities

Komukomu	Marauipusa
Nature-based tourism • Coral viewing – rare and endemic corals • Bird-watching – seagulls • Game fishing • Turtle nesting • Dolphin watching • MPA activities (snorkelling, diving) • Fresh-water stream swimming • Surfing • Dugong watching • Sandbar walks • Night-time nature walks • Opossum-watching • Whale-watching in November **Cultural tourism** • Music and dance demonstrations – Water music • Sunset and sunrise trips • Traditional fishing • Traditional hut building • Beach soccer • Lullabies • Traditional games • Rope game and storytelling • Taboo sites • Prince William Village tour • Traditional medicine walks • Traditional costumes • Craft production – carving, basket weaving, shell money making **Historic sites** • Wreckage viewing (in water) • Historical sites – WW II memorials on land **Agro-tourism** • Coconut demonstrations • Pig farming and grazing • Traditional cooking • Seaweed farm and processing; seaweed oil • Food gardens	**Nature-based tourism** • Crocodile-watching • Sunset cruise • Explore the mangroves • Surfing • Big river swimming • Game fishing • Mud crab hunting • Snorkelling – hard and soft corals • Bird-watching and nesting – seagulls • Bushwalking • View point • Nature walk • Diving • Coral viewing • Local sailing and paddling with canoe **Cultural tourism** • Taboo sites/custom remains • Canoe making and storytelling • Craft demonstrations – weaving and storytelling, carving, painting, shell money making • Custom fishing techniques • Rararoa – traditional rope game • Costume making and dress • Kiro – water dance • Roropa – lullaby songs • Custom feasting • Panpipe performances • Medicine tours • Healing sea site • Shark feeding sacred site • Giant stone • Twin stone • Traditional sacrifice oven **Agro-tourism** • Farming system • Local food preparations • Traditional food preparation • Local fruit tasting

Temataho	Hatare
Nature-based tourism • River tours – fishing, harvesting, diving, swimming • Natural diving • Forest walks • Viewpoints • Waterfalls – medium and large • Caves – flying fox cave, snake cave • Land reptiles (snakes) • Plant tours • Fish pond (man-made) **Cultural tourists** • Storytelling, history of the area • Traditional medicine tours • Traditional culture (customs, bride price, chiefs, leaf huts) • Writing with rocks and stones • Craft: Weaving mats and baskets, tapa, grass skirts, • Village setting • Custom dance • Local language • Fire-making traditionally • Dances, songs and poems from the children • Local music **Agro-tourism** • Traditional cooking • Hunting – wild pigs with bow and arrows • Local food – local ice cream • Freshwater prawn fishing • Traditional cooking • Traditional gardens • Bamboo weaving • Tribal war locations **Historical Sites** • WW II airplane wreck • Taboo sites	**Nature-based tourism** • Bicycle riding • Mountain bike riding • Waterfall and fresh water swimming (different zone) • Sunrise tours • Seabird watching • Climate change experience • Long road walk • Beach walking • Mountain recreation • Bushwalking • MPA – good snorkelling, diving **Cultural tourism** • Craft demonstrations • Market on Thursdays • Panpipe performances (special role for women in this community) • Jewellery making • Cultural entertainment – festivals, lullabies, dances • Beach football • Female only taboo site for good harvest • Museum for local culture • Craft shop • Hang out with locals **Agro-tourism** • Traditional food preparation • Traditional farming • Pig raising • Hunting

5 Tourism products

Based on an initial scoping of the destinations, the partners are recommending the following tourism products for each community.

Table 5: Potential tourism products in Marau communities

Komukomu
Culture and nature trail on Marapa: Marapa is the largest island in the sound and has a unique place in both the history and culture of the destination. During the Tensions, most of the Malaita ethnic population moved to Marapa for safety. Also, within the culture, the island is known as the Ghost Island since people claim to hear the voices of the recently departed. More cultural stories could be collected and integrated into a tour script for this product. Sites in the tour could include: • sites with local flora and fauna and explanations; • views of the surrounding islands and Sound; • Prince William Cultural Village (currently defunct); and • a quaint active village. **Turtle nesting sites on Kosa**: There is potential to develop turtle-based tourism products on Kosa. (See product development needs section below for details). **Seaweed farm on Simiruka**: The community on Simiruka is engaged in seaweed farming and processing, mostly for the export market. The seaweed farms are located in clear, shallow waters with beautiful views of the surrounding islands. There is potential to develop an interactive tourism experience for visitors to learn about seaweed farming and engage in the seeding or harvesting process. Since seeding and harvesting occur regularly on different farms, the community would need to work closely to coordinate which farm visitors would see.

Marauipusa
Custom tour: Marauiapa is the island with the most intact and accessible cultural and custom sites. The community was willing to provide a tour to most sites with full explanations of traditional uses of the sites. The product would centre on guided cultural and nature-based tours around the main island, including stops at important custom sites: • house sacrifice remains; • harvest taboo site; • bad omen site (potentially too culturally sensitive to include); • healing sea site; • unrequited love site; • sacrifice oven taboo site (men only); • twin stone (specifically for women); • potential dugout canoe ride in shallow, calm water; and • shark feeding sacred site.

Temataho
Temataho is the most organised community with clear conservation goals. They have three potential tourism products: • **short waterfall hike**: A one-and-a-half-hour return hike is accessible from the village centre. The waterfall is charming and has a small pool for bathing or wading at the top. The trail offers interesting flora and scenery with the potential to add a cultural script for tour guides; • **long waterfall hike**: A four-hour return hike is accessible from the village. (This was not assessed but will need to be visited during a follow-up trip); and

- **village visit**: The Temataho Village is a charming village with a unique culture from the surrounding island communities. It is a matrilineal society, with highland houses and forest farming techniques that would make an interesting tourism experience with appropriate guiding and interpretation.

Hatare

The majority of the community was unavailable to meet due to a community commitment. The following products have the most potential:

- **culture tours**: the community is already informally offering cultural demonstrations. This could be formalised and include a craft shop, market tour, dancing, etc.;
- **cultural performances**: panpipe groups, dances, singing;
- **cycling**: a few guesthouses are already renting bicycles; a well-defined cycle tour could be created, linking local sites;
- **mountain biking**: there is potential for mountain bike tourism development; a mountain bike expert is needed to assess trail capacity and market potential; and
- **Marau MPA snorkelling tour**: The MPA accessible from Hatare has an abundance of coral and fish species. Well-developed and defined snorkelling tours could be created.

Product viability

The identified products have a strong potential to appeal to current tourism markets in Solomon Islands. Based on the SIVB Visitor Survey in 2013, 41% of visitors decided to choose Solomon Islands as their destination because of its unique culture and 36% because of its friendly people. By entering the market, Marau will be providing more culture-based tours and activities presented as community-based and connected to the people of the destination. Additionally, Marau can offer a range of tours and attractions that appeal to a diversity of tourist markets. In the SIVB Visitor Survey, the top activities in which tourists participate include cultural tours, swimming/snorkelling, and shopping; Marau has the potential to offer all of these activities in one destination.

The key to product and destination viability will be intensive product development in the destination, in-depth training and capacity building within the community-based enterprise, and the creation of a strong destination management structure trained in conflict resolution.

Product development needs

The main attractions and essential tourism product concepts exist in all four communities. However, there is a critical need for product structuring and interpretation, physical infrastructure development, guide training, guide script development, and general tourism operations capacity building for all communities. Almost 32% of visitors to Solomon Islands in 2013 relied on friends and relatives to plan their trips, meaning that word of mouth marketing is still very important. High levels of service in the accommodation and food and beverage operators and good quality experiences will be important to marketing the destination. Specific product development needs for each product are shown in Table 6.

Table 6: Tourism product development needs for each Marau community

Komukomu

Culture and nature trail on Marapa: There are a few existing hunting trails that could be developed as proper hiking routes, including a longer trail that may follow the ridge of the island. Further scoping to identify specific trails will need to be done. Other product development needs include:

- further route definition;
- research on local flora and fauna;
- tour script development;
- tour guide training;
- physical infrastructure development: trails, toilets, small jetty, etc.;
- rebuilding the Prince William cultural village; and
- community engagement and structuring.

Turtle nesting sites on Kosa: At the time of the scoping, four turtle nesting sites were identified in the Komukomu zone. Three were selected for potential protection and monitoring. Three of the four sites are taboo and women are prohibited. Only Kosa allows access to both men and women. Although there is some potential to develop turtle tourism products on Kosa, the island currently shows a high level of human activity and a low level of turtle nesting activity. The team currently plans to put the island under protection and monitor turtle activity before pursuing tourism development further.

In addition to ensuring turtle nesting on Kosa, the community will need to increase their knowledge of turtles in order to develop a tour script and educate tourists about turtle monitoring, nesting and appropriate interaction.

Marauipusa

Custom tour: The attractions in Marauipusa are relatively close together, offering a pleasant short tour. Product development needs include:

- approval from elders and the community to bring tourists to the custom sites on a regular basis;
- route definition, including trails and custom attractions;
- research into custom sites and history of the island;
- tour script development;
- tour guide training;
- physical infrastructure development: trails, toilet, small jetty, etc.; and
- community engagement and structuring.

Temataho

Although the community is fully engaged and well structured, there are some physical infrastructure and training needs. Overall product development needs for Temataho include:

- tour guide training;
- physical infrastructure development: trails, toilets, etc.; and
- community engagement and structuring.

Short waterfall hike:
- further route definition and alternate route identification for rainy season;
- trail building;
- research on local flora and fauna; and
- tour script development

Long waterfall hike:

- initial scoping and assessment of the feasibility of this hike;
- further route definition;
- trail building;
- research on local flora and fauna; and
- tour script development.

Village visit:
- route definition;
- research on local history and culture; and
- tour script development

Hatare

Since the meeting in Hatare was not well attended, it is recommended that the team continues to engage the community to better understand the local context. If product development proceeds with the identified products, needs would include the following.

Culture tour
- research into custom sites and history of the island;
- route definition;
- tour script development;
- tour guide training;
- potentially physical infrastructure development; and
- community engagement and structuring.

Cycling
- scoping of this product to assess feasibility;
- approval from neighbouring communities;
- route definition, including trails;
- tour script development;
- cycle tour guide training;
- training on cycle repair and maintenance; and
- community engagement and structuring.

Mountain biking
- scoping on the feasibility of mountain bike trail development by an expert;
- route definition, including trails;
- mountain bike guide training;
- training on cycle repair and maintenance;
- first aid training;
- physical infrastructure development: trails, etc.; and
- community engagement and structuring.

Marau MPA snorkelling tour: In order for tourists to pay for a snorkel tour, the guiding experience must be high quality. Otherwise tourists will choose to snorkel for free from the shoreline.
- snorkel site identification;
- training on fish identification;
- training on conservation practices in MPAs;
- tour guide training;
- boat safety training; and
- community engagement and structuring.

In addition to specific product development needs, every community will need training and capacity building in a range of areas. Training is perhaps the most important element of community-based tourism development. Continual and intensive training is needed for the community members to prepare them to successfully launch and implement any tourism businesses. It is important to stress that the training courses be geared towards communities and adapted to the local context. There should be real understanding of the communities' limited skills and experience in service provision. Any training course should be extensive, with an emphasis on the quality of the training course rather than the overall number of recipients trained. Specific training for all communities should include the following.

- **Tourism operations and management training**: The community enterprise should have a business manager, who will require extensive training in areas such as tourism business operations, reservations management, basic accounting, costing and pricing, marketing, retail store operations, human resource management, etc. The objective of the training is to provide managers of community-based tourism enterprises with the skills and tools needed to lead the businesses in a profitable and sustainable manner. With the knowledge gained during the training, the participants will be a benefit to hundreds of community members who will benefit from the tourism enterprises in their community.
- **Guide training**: Community members possess a wealth of knowledge regarding the local terrain, culture, history and wildlife. However, they will require training in basic guiding and interpretation techniques to prepare them for providing an informative and enjoyable experience for international and domestic tourists. The training will include script development and training on plant and wildlife species identification. Guides will also require training in safety and first aid to ensure that they are prepared for emergency situations. The guide training should be implemented by trainers who have experience in guide training and script development for community-based ecotourism projects.
- **Nature guide training**: In addition to standard guide training, some guides will need specific training to develop valuable marine and nature guide services. Training should be a combination of classroom and in-situ training to focus on developing specific knowledge of local flora, fauna and marine species.
- **Customer service**: Community members that formally interact with tourists should be able to provide high quality experiences. Customer service training should be implemented for all staff from all community tourism businesses.
- **Food and beverage training**: Training in food preparation and handling, food presentation, and hygiene/sanitation will be necessary to ensure the safety and quality of visitors' experiences in several of the intervention communities.
- **Marketing training**: Marketing will depend on strong linkages with tour operators and other tourism stakeholders such as lodge and hotel owners. Business and product managers should have a solid understanding of how to independently market their products to potential clients.

In addition, boat services in Marau will need to be improved, since it is a key element in the destination experience. Small boat operations training should be implemented with boat owners and operators. The training should include both theoretical and practical sections, allowing trainees to understand and gain experience in each element of the course.

Follow-up technical assistance

Since Marau Sound is still an emerging destination, considerable support will be needed to ensure that the communities are able to offer good quality service to tourists. While training should provide a strong foundation, the newly acquired knowledge must be reinforced and deepened through consistent ongoing technical assistance. Additionally, such assistance, provided by the project staff, volunteers, and consultants, will ensure that other on-ground activities, such as infrastructure development, are being effectively implemented.

Much of the success of the community enterprises will hinge on the performance of the manager trained in tourism operations and management. The manager will need ongoing technical assistance in order to face the many challenges associated with launching and running a tourism enterprise. Such assistance should be provided on a day-to-day basis by the implementing agency and the local and regional government representatives who also participated in the course.

6 Competitive analysis

Although the Marau community tourism company will be a collaborative enterprise, it is important to note potential competitors at the destination level. It is also important to look at other destinations as both potential competitors and collaborators. Understanding their competition will allow Marau to better understand its markets, tourists and trends in the sector.

Destination competition

In terms of destination level competition, Marau is well positioned within the adventure tourist market. It has outstanding natural resources and unique cultural assets, a range of accommodation options, good accessibility to Honiara and a committed community. However, the destination is new and emerging and will face competition from the country and the region. The destination competitive analysis in the following paragraphs is not comprehensive and does not try to assess all potential destination level competitors. Rather it is illustrative of the types of destination with which Marau must compete and collaborate.

Vanuatu

Most Pacific destinations focus on sun and sand tourism and adventure tourism. Vanuatu in particular has a robust adventure tourism offering and already draws over 100,000 tourists each year.[26] Vanuatu also has interesting cultural tourism offerings and a few community-based tourism operations that link with conservation objectives such as Food and Agricultural Organization's (FAO) eco-cultural tourism initiative in Bay Homo, Pentecost. These adventure and cultural tourism offerings are in direct competition with Solomon Island products. Additionally, since Vanuatu has a wider market presence and a longer involvement in the tourism industry, they have a competitive edge on Solomon Islands. It will be important that Solomon Islands and the Marau community tourism company look toward Vanuatu as a model and competitor.

Western Province, Solomon Islands

Within Solomon Islands, Marau will be competing with other national destinations for the small number of international visitors that come each year. Currently, the Western Province is Solomon

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[26] Vanuatu National Statistics Office, "International Arrival Statistics," December, 2015.

Islands' top destination for leisure tourists. Tourists participate in diving, fishing, cultural tours and other adventure tourism activities. Specifically, Marovo Lagoon is one of the best-known destinations in Solomon Islands. With a double-barrier-enclosed lagoon, the destination is perfect for diving and snorkelling. In addition to diving, tourists engage in village visits, lagoon tours, kayaking, hiking and other eco-cultural activities.

Since the destination is already developed with a range of accommodation options and annual events, the Western Province has an advantage over Marau. Marau will need to strongly market its competitive advantage over places like Gizo to capture some of the market. Key advantages could include a focus on cultural tourism, opportunities to authentically connect with the community, community benefit and high quality services.

Florida Islands

Florida Islands may also pose some competition for Marau from within the Solomon Islands. Close to the capital, Florida Islands attract tourists for diving, snorkelling, surfing and relaxation. Tulagi, one of the main islands, was the colonial-era capital and hosts good beaches, rugged interiors and mangroves. The destination has an interesting WW II history with relics and wrecks. The Florida Islands pose competition to Marau due to their proximity to Honiara and their draw with the expatriate and domestic markets. However, Marau's focus on eco-cultural tourism will set it apart.

Competition – complimentary elements

Since the tourism industry is still developing in Solomon Islands, collaboration with competitors will be important. Within the country, the Marau community tourism enterprise will need to continue to have strong partnerships with other tourism destinations in the country. These relationships will need to include information sharing of visitor numbers and trends and market research. Other community-based or eco-cultural tourism destinations could also consider co-branding under a new community tourism brand and learn to market each other's products, as well as recommend each other's destinations to potential tourists. The destinations could also align their marketing activities to leverage resources and reach more markets.

7 Business model and profit-sharing

Participatory business planning

SPC and partners conducted participatory business planning with the communities to create a business and financial plan for a potential eco-cultural tourism enterprise. Business plans help to guide the objectives, activities and financial goals of an enterprise. They outline the structure and profit-sharing mechanisms and guide the business as it grows and matures. During the business planning process, SPC provided information on tourism markets and business model options, presenting both the advantages and disadvantages of all options.

Through a participatory business planning process, the community identified a potential structure and profit-sharing mechanism for community-based tourism in Marau. The participatory business planning was attended by tribal leaders from all ten tribes. During the first day, the meeting focused on raising awareness with the community leaders on tourism impacts, both positive and negative. This was partly a recap on the discussions held during the previous community meetings. The group

discussed the reasons and motivation for tourism development in Marau and identified the following as priorities:

- to increase job opportunities and increase income for the entire community to support things like school fees, building materials for homes, and purchase of basic amenities;
- to revive cultural practices and activities and share their culture with the world;
- to sustainably use limited natural and land resources in the most effective way possible; and
- to build on the existing infrastructure (e.g. wharf, airport, clinic) and improve Marau as a tourism destination.

Community enterprise structure

To determine the potential structure of the community tourism business, the project team presented the options for legal registration in Solomon Islands, laying out the benefits and disadvantages of each option. The options included:

- charitable trust;
- co-operative;
- community company; and
- limited liability company.

The community leaders discussed among themselves and determined that the best option for a community tourism business in Marau would be the community company model. The community company model is a new type of company, which can earn profits, but the profits must be used to benefit the community and the individuals. The process for registration is simple and done with Company Haus for free. Within the community company model, the business must abide by the following regulations:

- follow the rules under the Companies Act 2009;
- describe in the constitution the community interest of the company (i.e. how the community will benefit from the company);
- must not make loans to directors or shareholders;
- must not sell assets owned by the company without community approval; and
- prepare a director's report on the activities of a community company each financial year.

Under this legal structure, the company must, by law, benefit the entire community. The model provides voting rights for community members that are part of the company to ensure community consultation occurs. As a company, a community company can make profits and receive grants and donations from local and international donors. The director of the company must report regularly on the activities and finances of the company and keep financial accounts. Community company directors and shareholders are protected by limited liability and there are regulations for protecting community assets.

All community companies must be overseen by a board of directors. Together, the community decided to incorporate the tribal leaders and those involved in tourism into a structure that has links to tribal leaders and to community members actively involved in the tourism industry. See Figure 5.

The structure will be led by a Board of Directors that links to tribal committees and to tourism service provider groups/associations activity engaged in the tourism industry and the community company.

Each tribe will have a tribal committee to oversee tourism development in their area in coordination and with approval of the Board of Directors. The tribal committees will be comprised of at least ten people, including tribal leaders, elders, representatives from youth and women groups in the tribes, and those involved in tourism activities (e.g. tour guides, boat owners). The tourism groups will be comprised of those actively involved in providing tourism services, such as tour guides, boat owners and drivers, transportation providers, food and beverage providers. The board of directors will be comprised of at least ten seats, one seat per tribe. The board of directors, tribal committees, and the tourism service provider groups will all have the responsibility for three-way reporting to ensure regular communication.

The tribal committees will each elect a person to sit on the board of directors, ensuring that they meet a set of minimum criteria. The criteria will be developed in collaboration with all tribal committees but will include the following:

- the representative must have some knowledge and experience in tourism;
- the representative must be in good standing in the community and trustworthy; and
- the representative must be respected by the tribe.

The community leaders also agreed that there should be a group of external tourism advisors who work with the board of directors to support their decision-making process. The advisors will not have authority over the company but will play an advisory role. The advisors could include people from the Tivanipupu Resort, the Solomon Islands Visitors Bureau, SPC and other organisations.
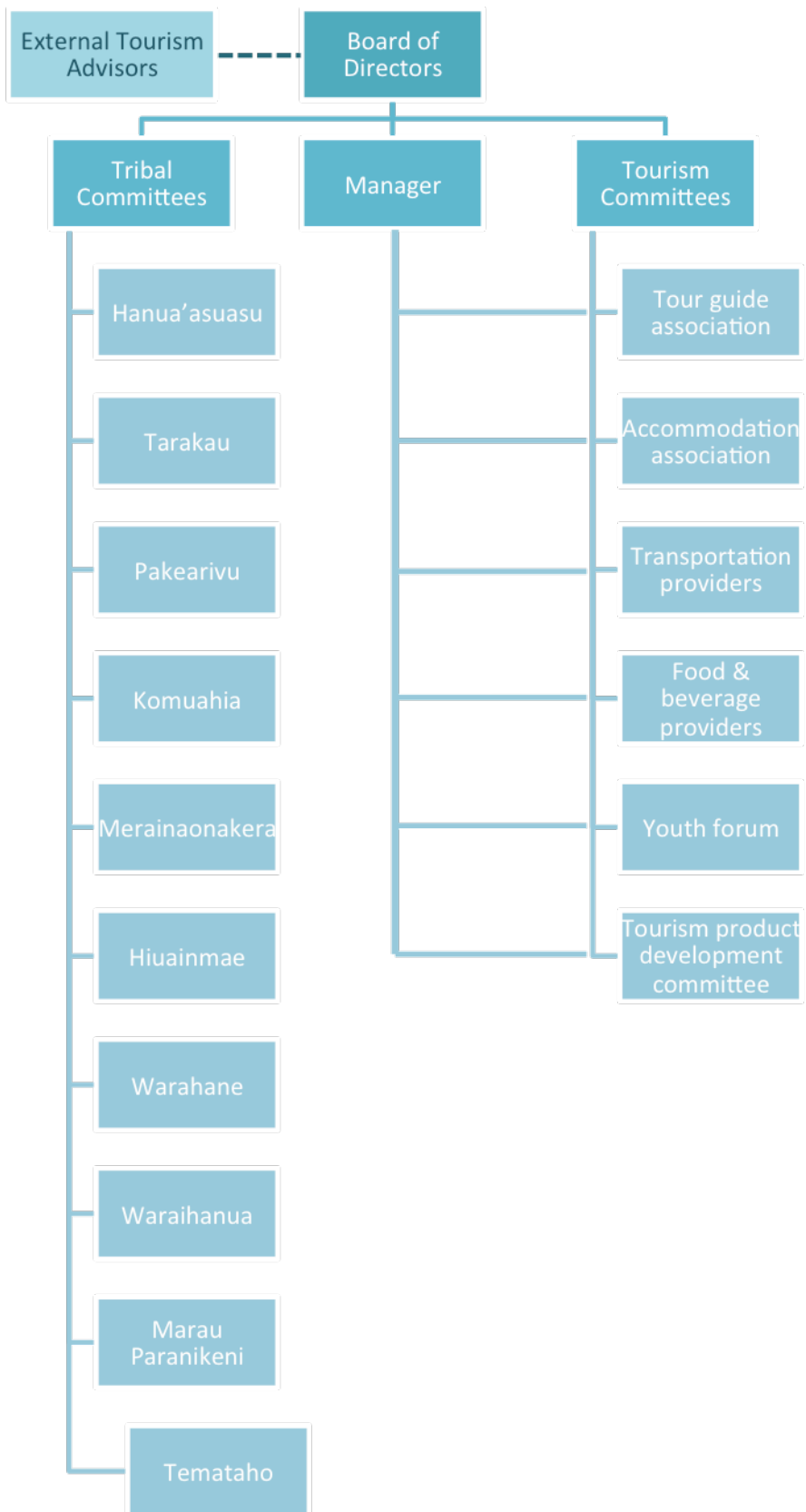
Figure 5: Potential community-based tourism company organisational plan

Community benefit model

To ensure that the community benefits from tourism, the community leaders also discussed benefits and profit distribution methods. They acknowledged that some community members will benefit directly from the tourism company through jobs and provision of services (e.g. tour guides, crafters, boat drivers). However, they also wanted to ensure that the wider community would also see some benefits from tourism.

The project team discussed the realities of tourism development, explaining that not everyone will be able to earn a direct income from it. Some people will earn income indirectly through the provision of goods and services to those that have earned income from tourism but others will not earn any direct or indirect income from it. So the community decided that some company profits should be set aside for the community. However, the community also recognised that dividing the profits equally among community members and distributing cash would not be a good outcome. Since there is a large population in Marau (approximately 4,700 adults), dividing profits as cash payment would result in each person receiving only about one or two SBD each year. In order to ensure a significant impact, the community decided that the profits should be used for community development projects instead.

Through discussions, the community leaders identified the following breakdown for profit (income minus direct and operational expenses) distribution each year:

- 30% will be set aside for reinvestment back into the tourism business for things such as infrastructure redevelopment, purchasing new uniforms, product development expansions; and
- 70% will be used for community development projects that benefit the wider population in Marau, to be decided by the board of directors on the advice of the tribal committee.

The community leaders also agreed that some profit could be set aside for cash benefits for the disabled and elderly.

Company name, vision and mission statement

After discussing the business model and structure, the community reflected on defining the name and mission statement for the tourism community company. Through a discussion, the community leaders came to a consensus to select the name "Marau Hidden Paradise Community Tourism Company". They selected this name since it conveys: i) that the business is community-based; ii) that it is a tourism business offering tours and services; and iii) that it is for all of Marau. By including the word "hidden paradise", the community leaders also wanted to convey a little bit about the destination itself, enticing visitors to select Marau as their holiday destination.

The group decided on the following vision statement:

Enhance the rural life of Marau people in a challenging cultural, social and economic environment

Through a discussion, the community leaders decided on the following mission statement:

The Marau Hidden Paradise Community Tourism Company will provide ecotourism and cultural experiences through the sustainable utilisation of their natural and cultural resources in order to address poverty, enhance living standards and create a sustainable future for the Marau people.

Community development needs

Based on the conversation with the community leaders and the manager of Tivanipupu Resort about the recent tensions there, it is clear that the community requires further engagement before launching any tourism development activities. There is a critical need for a deeper understanding of the tribal structures and relationships, and for tribal leadership and governance strengthening, as suggested by the community leaders themselves. This should be done in coordination with wider awareness raising and education programmes on tourism so that the community better understands how the tourism industry functions and what impact it might have on their community. The community needs to complete understand the impact that violence, damage to infrastructure and harassment of tourists will have on their destinations.

In addition to this community-wide education and tribal governance strengthening, other training will be necessary to ensure a destination managed by professionals. The community leaders identified the following training activities and topics as important for destination development in Marau:

- experience-sharing visit with competitors;
- safety and first aid training;
- guide training, including specialist guide training for bird-watching and fish identification;
- management and operations training;
- youth awareness training;
- food and beverage training for cooks and caterers;
- health, hygiene and sanitation training and upgrading;
- accommodation quality and hospitality training; and
- conservation training.

The community also identified potential infrastructure development and equipment needs for the professional management of a tourism company. Although some infrastructure development and equipment will be necessary, other items were recommended as a "wish-list".

Table 7. Infrastructure and equipment needs for community tourism business

Necessary infrastructure development	Necessary equipment
• Trail building • Rustic bridges on some trails • Benches and rest areas on trails • Welcome bungalow that holds the company office and a craft centre • Toilets in some destinations	• Safety equipment such as first aid kits, fire extinguisher and life preservers • Snorkeling gear to rent • Two-way radios for village communication • Internet access • Uniforms • Binoculars • Backpacks • Laptop and printer • Solar power • Tools for maintenance and infrastructure development (hammer, bush knife, wheel barrow, axes, etc.)
Wish List Infrastructure	**Wish List Equipment**
• Jetties on each island for improved access	• Outboard motor for emergencies • Boat • Eskie or packs for traveling • Land-line phone (need to determine feasibility) • Generator • Water tank/rain catchment

The community also requested support in obtaining grants from the government or loans from microfinance organisations for the upgrading of accommodation owned by families and private business owners.

Potential partners

Since tourism is a cross-sectoral industry and requires the coordination of all stakeholders, the community brainstormed potential partners for the development and management of tourism in Marau. The list includes the following:

- World Vision, since they have an office in Marau substation and internet access;
- Tivanipupu Resort for marketing and overall tourism development;
- Health clinic to ensure services are available for tourists in an emergency;
- Ministry of Fisheries for links on conservation, stopping poaching and coordinating with the seaweed farm;
- Department of Conservation for links on conservation and environmental impact assessments;
- Ministry of Culture and Tourism for marketing, tourism development and tourism grants;
- Solomon Islands Visitors Bureau for marketing and market information;
- New Zealand Department of Conservation, SPC and SPREP for capacity building, training, advisory services and funding;
- community groups, such as the churches, the women's association, the mother's association and youth forums, for community awareness raising and engagement;

- Chiefs/leaders for conflict resolution, community engagement and community development projects;
- the police for ensuring law and order and safety for tourists;
- the Ministry of Agriculture for improvements to agricultural linkages to tourism;
- Staghorn Recreational Centre for event space when needed;
- accommodation owners for marketing and overall destination development; and
- Solomon Airways for transportation services and information.

Additionally, there will need to be a significant marketing budget to establish and maintain Marau as a destination in Solomon Islands. Over 60% of visitors used internet sites to plan their trips, meaning that the Marau community tourism company will need to create an umbrella website and dedicate time and money to maintaining it. Only 18% of visitors to Solomon Islands in 2013 used guide books to plan their trip. This may be due to poor information in guidebooks or illustrating a shift to more web-reliant visitors.

8 Impact assessment

Tourism development in Marau will undoubtedly have an impact on the communities, including both positive and negative elements. In order to raise awareness among the communities and prepare mitigation plans, SPC and partners worked with communities to identify potential impacts of tourism. During the scoping, the partners conducted community meetings to discuss tourism and ecotourism; benefits and negative impacts of tourism development in their communities; the different roles and actors involved in the tourism industry locally and nationally; tourists' expectations and decision-making processes; and opportunities for tourism development in each community. The sessions were facilitated in a participatory manner and the communities led the discussions.

During these discussions the communities acknowledged the following.
- They felt that a major benefit of tourism was the opportunity to improve income for the communities. This would help them address issues of a growing population and migration, and would increase the number of jobs available to local people. The potential to increase sales of local crafts was mentioned by all communities.
- They also felt that the benefits of tourism could flow through the entire Marau community, directly and indirectly, to help raise the overall standard of living in the area. A few communities specifically mentioned the potential for tourism to develop the communities by providing financial support for community projects.
- Through an increase in visitors, the community also saw the potential to build relationships with foreigners. Through these relationships, community members could gain exposure to the global community.
- Finally, the communities saw the opportunity for increased conservation, revival or preservation of traditional cultures, and support for education with the growth of tourism. By earning income from conservation and culture, communities would be more willing to preserve it for future generations.

On the other hand, the communities also recognised the potential negative impacts of tourism.

- Each community noted the potential for tourists to impact their traditional culture, with a specific focus on exposing children and young men to female tourists in bathing suits.
- Communities were also concerned about tourists being respectful of taboo areas, especially those with restrictions or consequences for disrespect.
- The island-based communities also recognised the potential negative impact that increased tourism could have on limited natural resources, including increased pollution, pressures on fresh water, sanitation challenges.
- Elders in the communities noted potential issues with infringement on traditional knowledge. Solomon Island communities are often sensitised to issues with infringement on traditional knowledge due to past exploitation of community cultures.
- Some communities were concerned about not being able to meet tourist expectations or demands. A few people noted that this could cause embarrassment for the community members involved (e.g. not being able to communicate effectively in English).
- Issues of privacy, sound pollution from loud tourists and access to land and marine resources were also noted as potential issues. The communities and teams discussed the different types of tourists that could be targeted and how a focus on responsible tourism could help address these issues.

The communities discussed ways to address challenges and negative impacts of tourism, with a focus on educating the communities and tourists, focusing on responsible tourist markets and setting aside specific places for tourist development. Economic and financial impacts are assessed in the financial feasibility section below.

9 Challenges

The major challenges in developing eco-cultural tourism in Marau will be full community engagement and overall destination development. The original turtle monitoring project divided the community into four zones, based on their environmental characteristics. However, in each of the four zones there are multiple tribes, ten in all. Community members continue to identify first with their tribe, regardless of where they currently reside. Due to the complex nature of the destination, it will be important to engage with tribal leaders and ensure that all tribes are benefiting from tourism. Additionally, there will need to be strong conflict resolution skills on the ground to maintain the sustainability of the destination. Past community tourism projects in Solomon Islands have failed due to a lack of community engagement and conflict resolution planning.

To dig deeper into the challenges of community-based tourism development in Marau, the community leaders discussed the potential risks that a future community tourism business might face in its establishment and management. The community was very forthcoming about these potential risks including:

- conflict over land ownership and distribution of benefits from any tourism taking place on specific pieces of land (e.g. trails, attractions, accommodation) due to a lack of consultation with land owners;
- jealousy between community members and tribes if some tribes or families are involved in tourism while others are left out;
- unequal sharing of wealth or benefits from tourism, creating jealousy between families and/or tribes;

- poor management of the tourism business, resulting in a lack of business or loss of profit;
- the harassment of tourists by children or young people, resulting in a loss of business since tourists will stop coming to the destination;
- destruction of natural resource assets from logging, mining or illegal poaching of marine resources that would affect the tourism viability of the destination;
- destruction of tourism assets and communication infrastructure or injury to the community or tourists from natural disasters (e.g. cyclones, tsunamis, lightening);
- loss of tourists due to changes to the air service or delays in flights; and
- lack of commitment from the community to conflict resolution processes.

The community leaders discussed potential conflict resolution tactics for each of these risks. By identifying potential solutions at this early stage, the community can be prepared to avoid or mitigate the impact of these risks.

Table 8. Potential risk and conflict resolution tactics for the development of eco-cultural tourism

Risk	Conflict resolution tactic
Land disputes	- Land disputes should be settled by tribal chiefs through the reconciliation process - Conduct thorough consultations with landowners before initiating any infrastructure development or trail building - Land boundaries should be identified and registered with the Ministry of Culture and Tourism before tourism development begins - Strengthen the traditional governance system through capacity building and setting up a registered house of chiefs to regulate the system
Jealousy	- The community tourism business should try to ensure that everyone feels that they are part of the project and that they have ownership - Provide opportunities for all people to be involved in the project and the business - The community tourism business to hold regular business meetings, report on finances and communicate regularly to the community - Any remaining dispute should be facilitated and settled by the elders and the chiefs
Unequal benefits	- The tourism company should be set up in a way that shares benefits from the profit equally to communities involved - Ensure that staff salaries in the tourism company are not too high
Poor management	- The staff and manager of the tourism business should receive capacity building in management and operations skills - Ensure that the manager is a qualified person and trusted by the community - Provide training and capacity building for the manager, staff and community members, especially on operations, costing and pricing and financial management - Ensure there is a termination and replacement process in place - Communities should be educated on business culture to discourage the *wantok* system

Harassment of tourists	• There is a need to build awareness with the public and educate them about the importance of tourism and how it will benefit the communities • Ensure that all accommodation providers have security in place • Educate youth about the tourists' cultures and how they differ from the Marau culture • Involve youth in community activities and engage them in business activities/jobs • Work with the community (chiefs and elders) and police to take disciplinary actions when necessary
Logging, mining and poaching	• Ensure that all new structures and projects are implementing an environmental impact assessment • Enforce the Fisheries Act and MPA Act to discourage poaching and increase the fines, in the future, for illegal fishing • Educate members of the wider community about the importance of natural resources and their link to tourism • Educate the community about the destruction caused by logging and mining • Link community benefits from tourism to the protection of natural resources through education and demonstrations • Provide employment opportunities and benefits from tourism to communities to discourage them from harming the environment • Educate communities on how natural resources are natural assets and how they can be sustainably commercialised • Raise awareness on the difference between renewable and non-renewable natural resource usages
Natural disasters	• Build community resilience and preparations for natural disasters by locating tourism infrastructure in safe areas • Work with government and donors to ensure rehabilitation happens when a natural disaster strikes • Create a natural disaster plan so that the community knows how to prepare for and react to a natural disaster to protect themselves, the tourists and the infrastructure • Set aside some profits to help rebuild after the natural disaster • Educate the community about the risks of natural disasters and how to prepare for them • Have safety kits and equipment available and train tour guides in first aid • Provide information to tourists on how to react in a natural disaster
Transportation problems	• Liaise with service providers on arranging new transportation and payment to cover extra costs • Provide optional transportation to Honiara with an outboard motor boat • Liaise with Solomon Airlines to let them know that tourism is being developed and a regular schedule is needed • Communicate with service providers on a regular basis to get information updates

Private sector and market verification

Based on the results of the feasibility study, SPC engaged the private sector in Solomon Islands to better understand the market potential by tentatively identifying eco-cultural tourism products. In Solomon Islands, SPC spoke with SIVB, the Ministry of Culture and Tourism, Extreme Adventures, the Solomon Islands Tour Operators Association and other tour operators, two local guest house owners in Marau, and the new manager of the Tivanipupu Resort.

Key feedback from all stakeholders focused on the need for in-depth community engagement to prepare the community for destination development and to ensure conflict resolutions plans are in place for long-term sustainability. All stakeholders cautioned that communities have sabotaged tourism businesses and destinations in the past, even when they were benefitting.

From a product perspective, stakeholders had positive thoughts on the types of potential products. However, all stakeholders agreed that further community engagement was needed before pursuing any specific tourism development. Although all stakeholders saw the potential for tourism development based on the natural and cultural assets in Marau, they all cautioned against working with the community in Marau due to potential conflicts and tensions. Due to this feedback, any ecotourism development will need to start with deeper community engagement and awareness raising, along with potential conflict resolution between the community and resort.

10 Enterprise financial feasibility analysis

As a new enterprise, the Marau Community Tourism Company expects start-up costs of approximately SBD 117,000. The enterprise will keep operational costs low at the beginning until greater demand is generated. This start-up capital will be an important part of funding sourced through partners and will be used to build infrastructure, hire and train staff, and launch operations.

The company expects to make over SBD 12,000 in revenue in the first year with a profit of 2,360 SBD. By year five, the company will be generating over SBD 47,000 per year with a net profit of almost SBD 33,000. With these projections, community shareholders should benefit from over SBD 99,000 of cumulative profits over five years and over SBD 69,500 will be invested in local community development. The one specific challenge will be keeping up the initial investment. With current tourist arrival and demand numbers, the community company will not have sufficient profit to cover standard depreciation of assets such as the two-way radio, uniforms, etc. in the first few years. Additional grant funding for maintenance and investment may be needed in the five to ten-year time frame.

Start-up costs

Start-up costs include funds for developing basic business infrastructure, obtaining equipment and supplies, developing trails for hiking and biking, and improving boat services. Start-up costs also include funds for initial marketing and promotion but not for training, project management and technical assistance.

Table 9: Start-up costs for Marau Community Tourism Company

Start-up costs		Total in SBD
Business infrastructure		43,000
Equipment and supplies		33,500
Marketing and promotion		6,500
Hiking trail development		14,200
Contingency	20%	19,440
Total Start-up		**116,640**

Estimated product prices

The product prices in Table 8 are based on estimates of the direct and variable costs of delivering the activities and tours. These prices may change once tourism development begins in full force and need to be verified with the community and tour operators. All prices are in SBD and include boat transfers where necessary.

Table 10: Estimated product prices (SBD) for Marau Community Tourism Company

Community	Product	Cost for 1–2 people	Cost for 3–5 people	Cost for 5–10 people	Cost for 11–15 people	Cost for 16–20 people
Komukomu	Culture and nature trail	600	600	700	1200	1400
	Turtle nesting experience	600	600	700	1200	1400
	Seaweed farm visit	350	400	450	700	900
Marauipusa	Custom tour	600	650	700	1200	1400
Temataho	Short waterfall hike	400	450	500	800	900
	Long waterfall hike	500	550	600	1000	1100
Hatare	Cultural tour	350	400	400	650	700
	Cycling tour	250	300 + 50 per cycle rental			
	MPA snorkeling tour	400	400	450	800	850

Five-year projections

Five-year projections are based on the demand and estimated operational costs.

Table 11: Five-year projections for Marau Community Tourism Company

Source	Revenue (SBD)				
	Year 1	Year 2	Year 3	Year 4	Year 5
Adventure	4,344	5,213	6,255	7,506	9007
Sport fishing	473	473	567	680	816
Bird-watching	465	465	558	670	804
Dive	390	390	468	562	674
Business traveller	1,409	1,838	2,205	2,646	3,175
Expats and domestic	5,000	12,000	14,400	17,280	20,736
Cruise market	0	6,900	8,280	9,936	11,923
Gross revenue	**12,080**	**27,278**	**32,733**	**39,280**	**47,136**
Operational expenses					
Salaries	5,600	6,160	6,776	7,454	8,199
Utilities	1,200	1,320	1,452	1,597	1,757
Marketing and promotion	2,920	3,212	3,533	3,887	4,275
Total operational costs	**9,720**	**10,692**	**11,761**	**12,937**	**14,231**
Net profit					
	2,360	16,586	20,972	26,342	32,904
Net profit margin					
	20%	61%	64%	67%	70%
Annual depreciation					
	8,771	8,771	8,771	8,771	8,771

Profit distribution

Based on the projected demand and estimated operational expenses, there will be approximately SBD 69,400 in profits distributed for community development and conservation in the first five years of operation.

Table 92: Potential profit distribution for Marau Community Tourism Company

	Year 1 Total		Year 2 Total		Year 3 Total		Year 4 Total		Year 5 Total		Cumulative Totals
Net Profit	%	Amount (SBD)	%	Amount (SBD)	%	Amount (SBD)	%	Amount (SBD)	%	Amount (SBD)	Amount (SBD)
Total Annual Net Profit		2,360		16,586		20,972		26,342		32,904	**99,164**
Distribution											
Reinvestment	30%	708	30%	4,976	30%	6,292	30%	7,903	30%	9,871	**29,749**
Community fund	70%	1,652	70%	11,610	70%	14,680	70%	18,440	70%	23,033	**69,415**
Total	**100%**	**2,360**	**100%**	**16,586**	**100%**	**20,972**	**100%**	**26,342**	**100%**	**32,904**	**99,164**

11 Recommendations

Marau Sound is a unique destination with stunning natural resources and an interesting history and culture. Given its location and proximity to Honiara, and its wealth of tourism assets, including existing accommodation and transportation services, the destination has strong potential for community-based tourism development. However, there are critical community engagement and conflict resolution activities that first must be addressed before launching tourism development.

At this point, it is recommended that a strategy for tourism development in Marau Sound be developed, based on the information and recommendations in this feasibility study. The strategy would form the basis for additional resource mobilisation and donor engagement. It would be essential for the strategy to include a significant community engagement period and tribal leadership and governance training as critical first steps.

With adequate resources, a committed project manager, sufficient levels of tourism, and expertise in cultural, conservation and community engagement, Marau Sound has the potential to become a model for eco-cultural community-based tourism development the Pacific. Any tourism development project will face challenges along the way, but strong project management and open dialogue with all partners, including the community, the private sector and government, will ensure that conflicts are resolved and the project remains on track.

12 Annex 1: Marau eco-cultural tourism development findings from field visits

19–23 October 2015 and 16–23 April 2016

Marau Sound is located on the far eastern edge of Guadalcanal Islands. It has a population of around 4,700 adults comprising ten tribes. The population lives on the mainland (Guadalcanal) and seven of the 19 islands in the Sound. Tribes on the islands are of Malaitan ancestry and patrilineal. Tribes on the mainland are of Guadalcanal ancestry and matrilineal. However, people from all tribes have inter-married and settled throughout Marau.

To facilitate the turtle monitoring project a project committee was formed in Marau and the destination was divided into four environmental zones:

- Komukomu, comprised of islands in the south of the Sound;
- Maruaiapa, comprised of islands in the north of the Sound;
- Temataho, on the north side of the mainland; and
- Hatare, on the south side of the mainland.

Initial tourism scoping field visit

As part of conducting the community-based tourism feasibility study, The Pacific Community (SPC) and the Solomon Islands Department of Conservation led an eco-cultural tourism scoping visit to Marau Sound in Solomon Islands. The project team, which included Jessie McComb from SPC and Geoff Mauriasi from the Department of Conservation, travelled to Marau Sound to determine the potential for eco-cultural tourism product development. The team travelled to Marau from 19–23 October 2015 to conduct a preliminary assessment of potential tourism products and to engage with the communities. During this time, the team was joined by executive members from the community Turtle Monitoring Project Committee.

The team met with representatives from the four zones. The meetings were held in the mornings with approximately 20–30 community representatives in attendance. During the meetings, the community discussed tourism and ecotourism; benefits and negative impacts of tourism development in their communities; the different roles and actors involved in the tourism industry locally and nationally; tourists' expectations and decision-making processes; and opportunities for tourism development in each community. The sessions were facilitated in a participatory manner and most discussions were led by the communities themselves.

During these discussions the communities acknowledged the following:

- Communities felt that a main benefit of tourism was the opportunity to improve income into the communities. This would help them address issues of a growing population, counteract migration and would increase the number of jobs available to local people. The potential to increase sales of local crafts was mentioned by all communities.
- They also felt that the benefits of tourism could flow through the entire Marau community, directly and indirectly, to help raise the overall standards of living in the area. A few

communities specifically mentioned the potential for tourism to develop the communities by providing financial support for community projects.

- Through an increase of visitors, the community also saw the potential to build relationships with foreigners. Through these relationships, community members could gain exposure to the global community.
- Finally, the communities saw the opportunity for increased conservation, revival or preservation of traditional cultures, and support for education with the growth of tourism. By earning income from conservation and culture, communities would be more willing to preserve it for future generations.

On the other hand, the communities also recognised the potential negative impacts of tourism including:

- Each community noted the potential for tourists to impact their traditional ways of culture, with a specific focus on exposing children and young men to female tourists in bathing suits.
- Communities were also concerned about tourists being respectful of tambu areas, especially those with restrictions or consequences of interactions.
- The island based communities also recognised the potential negative impact that increase tourism could have on limited natural resources, including increased pollution, pressures on fresh water, sanitation challenges, and others.
- Elders in the communities noted potential issues with infringement on traditional knowledge. Solomon Island communities are often sensitized to issues with infringement on traditional knowledge due to past exploitations of community cultures.
- Some communities were concerned about not being able to meet tourist expectations or demands. A few people noted that this could cause embarrassment for the community members involved (e.g. not being able to community effectively in English).
- Issues of privacy, sound pollution from loud tourists and access to land and marine resources were also noted as potential issues. The communities and team discussed the different types of tourists that could be targeted and how a focus on responsible tourism could help address these issues.

The communities discussed ways to address challenges and negative impacts of tourism with a focus on educating the communities and tourists, focusing on responsible tourist markets and setting aside specific places for tourist development.

During the scoping, community representatives broke into small groups to brainstorm potential tourism products that are unique to their communities and islands. The team urged the groups to consider what they would be willing to share with tourists and what they might not want to share. The resulting lists are included in the feasibility study. Based on the list of ideas, the scoping team visited the following sites and attractions:

- hiking trails on Marapa;
- turtle nesting areas on Kosa;
- seaweed farm on Simiruka;
- custom sites on Marauiapa;
- waterfall and village in Temataho;

- Hatare MPA; and
- Hatara market and substation area.

The team also assessed the product development needs for these sites and attractions. A full list of potential products and product development needs is included in the final feasibility study. Since the meeting in Hatare was not well attended, it is recommended that the team continues to engage the community to better understand the local context.

The key outcomes of this field visit were engaging with the community and identifying potential tourism products. Importantly, the team learned that the community does not self-identify with the four zones established for the turtle-monitoring project or with their residential villages but rather with their tribes and ethnicities. This will be a key factor in developing an overall community structure in Marau. It also highlighted the need for a deeper understanding of the tribal structures and community make-up in Marau.

During follow-up consultations with the private sector, the Ministry of Culture and Tourism, and the Solomon Islands Visitors Bureau, all stakeholders agreed that further community engagement was needed before pursuing any specific tourism development. Although all stakeholders saw the potential for tourism development based on the natural and cultural assets in Marau, they all cautioned against working with the community in Marau due to potential conflicts and tensions. Due to this feedback, the project team decided to focus on further community engagement instead of conducting the planned pre-familiarisation trip with local tour operators.

Community engagement and business planning

To further progress the feasibility study, Jessie McComb and Geoff Mauriasi conducted another site visit to Marau in April 2016. The goal of the site visit was to reconnect with the community and begin the participatory business planning process, with a focus on better understanding community dynamics. The team conducted a preliminary planning meeting with the turtle-monitoring project committee, held community engagement and participatory business planning meetings with tribal leaders, and met with the new Tivanipupu Resort Manager.

Community context

Unfortunately, the weekend before the team arrived in Marau, there was an increase in the tension between the community and the new resort at Tivanipupu. Over the course of the past six months there have been rising tensions between the resort manager and the community. The team spoke with both the community and the manager about the tensions. Both acknowledged that there were ongoing tensions that need to be addressed through conflict resolutions tactics and open dialogue. Some community members are in a difficult position, since they would like to support the resort but feel that they may be ostracised if they do so. From the community perspective, they feel that the resort is not respecting the culture, and some community members still feel a certain ownership over or right to access the resort island. This may be due to the way in which the land was acquired into foreign ownership during colonial times (i.e. in exchange for goods versus cash payment).

The team met with the resort manager to also understand the other work occurring in the destination and the potential for collaboration. The manager was positive about the potential for more tourism to be developed but is sceptical about the ability of the community to organise itself to constructively engage in tourism. It should be noted that the resort manager had to address many

issues left by the former resort manager, including delayed payments to staff and tribes and previous agreements with the community that were no longer appropriate or necessary. The new resort manager was brought on to make the resort profitable again with the main goal of ensuring the smooth running of the business.

Since the manager started, there has been a dramatic increase in the number of visitors to Marau and the community has seen some increases in benefits. However, this has been complicated by the fact that the National Provident Fund, the resort owners, continued to pay the resort staff, even when the resort was closed – causing a disconnect for the community between pay and successful resort management. This is further exacerbated by an overall lack of understanding of tourism within the community and how benefits spread through the community through business transactions (e.g. payment for crafts, agricultural products, services) versus cash payments for access to land (e.g. access fees).

During the new manager's tenure, he has worked to support community involvement in and benefit from tourism. Importantly, he worked with the Taiwihana tribe to develop a turtle-based tourism product. The tribe and the resort had defined the experience and signed an agreement outlining the payment to the tribe. This agreement was created with specific members of the project committee who were originally identified as tribal leaders. However, before the product launch, other members in the tribe contacted the manager to inform him those who made the agreement did not have the proper authority. The agreement was dissolved and the product cancelled.

These situations highlight the difficulty in understanding and working with the Marau communities. It seems that even within tribes it can be challenging to identify the correct tribal leaders that have authority and respect from the tribe members. This indicates internal governance issues within some tribes, resulting in a lack of coordination, inability to make agreements that will hold, and inability to use traditional practices to maintain peace and order within and between tribes.

Community participatory business planning

To further community engagement in tourism development and better understand community structures, the project team hosted a two-day community meeting. The meeting was attended by tribal leaders from all ten tribes. There is still a need to confirm the authority of these tribal leaders, considering the issues faced by the resort manager when trying to establish a turtle tourism experience.

During the first day, the meeting focused on raising awareness with the community leaders on tourism impacts, both positive and negative. This was partly a recap on the discussions held during the previous community meetings. The group discussed the reasons and motivation for tourism development in Marau and identified the following as priorities:

- to increase job opportunities and increase income for the entire community to support things like school fees, building materials for homes, and purchase of basic amenities;
- to revive cultural practices and activities and share their culture with the world;
- to sustainably use their limited natural and land resources in the most effective way possible; and
- to build on the existing infrastructure (e.g. wharf, airport, clinic) and improve Marau as a tourism destination.

The community leaders also discussed the potential positive and negative impacts of tourism in their communities and the destination as a whole. These were similar to the impacts identified during the first round of community meetings.

Table 10. Positive and negative impacts of tourism as identified by the community

Positive impacts from tourism	Negative impacts from tourism
- Protection of environment through reduction of harmful practices - Increased education on tourism and opportunities to learn new skills - Sharing of profits and income for the community - Income through profits and benefits from friendships established with foreigners - Income for the community as a whole - Bringing the community together as one destination - Improved markets for crafts and other goods and services - Improved living standards - Improved cleanliness and appearance of the villages	- Potential negative impacts on culture from inappropriate behaviour of tourists (clothing, accessing taboo sites, bringing in drugs, etc.) - Jealousy within the community for those who earn income from tourism - Increased pollution due to improper sanitation from small accommodation - Overuse of taboo sites for monetary purposes - Land disputes between tribes and families - Tourists entering properties without permission by accident

To dig deeper into the challenges of community-based tourism development in Marau, the community leaders discussed the potential risks that a future community tourism business might face in its establishment and management. The community was very forthcoming about these potential risks including:

- conflict over land ownership and distribution of benefits from any tourism taking place on specific pieces of land (e.g. trails, attractions, accommodation) due to a lack of consultation with land owners;
- jealousy between community members and tribes if some tribes or families are involved in tourism while others are left out;
- unequal sharing wealth or benefits from tourism, creating jealousy between families and/or tribes;
- poor management of the tourism business, resulting in a lack of business or loss of profit;
- the harassment of tourists by children or young people, resulting in a loss of business since tourists will stop coming to the destination;
- destruction of natural resource assets from logging, mining or illegal poaching of marine resources that would impact the tourism viability of the destination;
- destruction of tourism assets and communication infrastructure or injury to the community or tourists from natural disasters (e.g. cyclone, tsunamis, lightening);
- loss of tourists due to changes to the air service or delays in flights; and
- lack of commitment from the community to conflict resolution processes.

The community leaders then broke into groups to discuss potential conflict resolution tactics for each of these risks. By identifying potential solutions at this early stage, the community can be

prepared to avoid or mitigate the impact of these risks. The list of risks and conflict resolution tactics is included in the final feasibility study.

Community tourism business structure

To determine the potential structure of the community tourism business, the project team presented the options for legal registration in Solomon Islands, laying out the benefits and disadvantages of each option. The options included:

- charitable trust;
- co-operative;
- community company; and
- limited liability company.

The community leaders discussed among themselves and determined that the best option for a community tourism business in Marau would be the community company model. This is a new type of company, which can earn profits, but the profits must be used to benefit the community and the individuals. The process of registration is simple and done with Company Haus for free. Within the community company model, the business must abide by the following regulations:

- Follow the rules under the Companies Act 2009;
- Describe in the constitution the community interest of the company (i.e. how the community will benefit from the company);
- Community companies cannot make loans to directors or shareholders;
- Assets owned by the company cannot be sold without community approval; and
- Directors must prepare a report on the activities of a community company each financial year.

Under this legal structure, the company must, by law, benefit the entire community. The model provides voting rights for community members who are part of the company to ensure community consultation occurs. As a company, a community company can make profits and receive grants and donations from local and international donors. The director of the company must report regularly on the activities and finances of the company and keep financial accounts. Community company directors and shareholders are protected by limited liability and there are regulations for protecting community assets. The project team will follow up with Company Haus for more information on this model and the exact process for registration.

All community companies must be overseen by a board of directors. The community leaders discussed different models for the make-up of the board including: i) a board of directors made up of tribal leaders; and ii) a board of directors made up of community members already engaged in tourism. The first option would provide a board of directors that could resolve conflicts between tribes and that would have leadership and authority to make decisions. The second option would provide a board of directors with knowledge about tourism and able to make good decisions on behalf of the business. Together, the community decided to incorporate both options into a structure that has links to tribal leaders and to community members actively involved in the tourism industry.

The structure will be led by a board of directors that links to tribal committees and to tourism service provider groups/associations activity engaged in the tourism industry and the community company. Each tribe will have a tribal committee to oversee tourism development in their area in coordination and with approval from the Board of Directors. The tribal committees will be comprised of at least ten people, including tribal leaders, elders, representatives from youth and women groups in the tribes, and those involved in tourism activities (e.g. tour guides, boat owners). The tourism groups will be comprised of those actively involved in providing tourism services, such as tour guides, boat owners and drivers, transportation providers, and food and beverage providers. The board of directors will be comprised of at least 10 seats, one seat per tribe. The board of directors, tribal committees, and the tourism service provider groups will all have the responsibility for three-way reporting to ensure regular communication.

The tribal committees will each elect a person to sit on the board of directors, ensuring that they meet a set of minimum criteria. The criteria will be developed in collaboration with all tribal committees but will include the following:

- the representative must have some knowledge and experience in tourism;
- the representative must be in good standing in the community and trustworthy; and
- the representative must be respected by the tribe.

The community leaders also agreed that there should be a group of external tourism advisors who work with the board of directors to support their decision making process. The advisors will not have authority over the company but will play an advisory role. The advisors could include people from the Tivanipupu Resort, the Solomon Islands Visitors Bureau, SPC and other organisations.

Community benefit model

To ensure that the community benefits from tourism, the community leaders also discussed benefits and profit distribution methods. They acknowledged that some community members will benefit directly from the tourism company through jobs and provision of services (e.g. tour guides, crafters, boat drivers). However, they also wanted to ensure that the wider community would also see some benefits from tourism.

The project team discussed the realities of tourism development, explaining that not everyone will be able to earn a direct income from tourism. Some people will earn income indirectly (through the provision of goods and services to those that have earned income from tourism) and others will not earn any direct or indirect income from tourism. So in order to ensure that the wider communities benefit as a whole, the community decided that some profits should be set aside for the community. However, the community also recognised that dividing the profits equally among community members and distributing cash would not be a good outcome. Since there is a large population in Marau (approximately 4,700 adults), dividing profits as cash payment would result in each person only receiving about one or two SBD each year. In order to ensure a significant impact, the community decided that the profits should be used for community development projects instead.

Through discussions, the community leaders identified the following breakdown for profit (income minus direct and operational expenses) distributions:

- 30% of profits will be set aside for reinvestment back into the tourism business for things such as infrastructure redevelopment, purchasing new uniforms, product development expansions; and
- 70% of profits will be used for community development projects that benefit the wider population in Marau, to be decided by the board of directors on the advice of the tribal committee.

The community leaders also agreed that some profits could be set aside for cash benefits for the disabled and elderly.

Company name, vision and mission statement

After discussing the business model and structure, the community reflected on defining the name and mission statement for the tourism community company. This was kept until later so that the community could consider all of the previous discussions and decisions.

The community leaders broke into two groups and each proposed a name, vision and mission statement. The name options included

- Marau Hidden Paradise Ecotours
- Marau Conservation and Tourism Development Company

Through a discussion, the community leaders came to a consensus to select the name "Marau Hidden Paradise Community Tourism Company". They selected this name since it conveys; i) that the business is community based; ii) that it is a tourism business offering tours and services; and iii) that it is for all of Marau. By including the words "hidden paradise", the community leaders also wanted to convey a little bit about the destination itself, enticing visitors to select Marau as their holiday destination.

Both groups had very similar vision statements and decided on the following:

Enhance the rural life of Marau people in a challenging cultural, social and economic environment

Each group also developed a mission statement by trying to answer four questions:

- What does the business do?
- Why does the business exist?
- So that it can achieve what?
- For whom does the business exist?

The two suggested mission statements were:

- Marua Hidden Paradise Ecotours will provide ecotourism experiences to obtain income to address poverty and improve living standards for now and beyond for the Marau people.
- To bring people together to participate in tourism development through sustainable utilization of their natural resources and culture for sustainable future of the Marau population

Through a discussion, the community leaders decided to merge the mission statements together to achieve the following mission statement:

The Marau Hidden Paradise Community Tourism Company will provide ecotourism and cultural experiences through the sustainable utilization of their natural and cultural resources in order to address poverty, enhance living standards and create a sustainable future for the Marau people.

Community development needs

Based on the conversation with the community leaders and the resort manager and the recent tensions with the resort, it is clear that the community required further engagement before launching any tourism development activities. There is a critical need for a deeper understanding of the tribal structures and relationships, and for tribal leadership and governance strengthening, as suggested by the community leaders themselves. This should be done in coordination with a wider awareness raising and education programme on tourism so that the community better understands how the tourism industry functions and what impact it might have on their community. The community needs to completely understand the impact that violence, damage to infrastructure and harassment of tourists will have on their destinations.

In addition to this community-wide education and tribal governance strengthening, other training will be necessary to ensure a destination managed by professionals. The community leaders identified the following training activities and topics as important for destination development in Marau:

- experience-sharing visit with competitors;
- safety and first aid training;
- guide training, including specialist guide training for bird-watching and fish identification;
- management and operations training;
- youth awareness training;
- food and beverage training for cooks and caterers;
- health, hygiene and sanitation training and upgrading;
- accommodation quality and hospitality training; and
- conservation training.

The community also identified potential infrastructure development and equipment needs for the professional management of a tourism company. Although some infrastructure development and equipment will be necessary, other items were recommended as a "wish-list". The full list is included in the final feasibility study.

The community also requested support in obtaining grants from the government or loans from microfinance organisations for the upgrading of accommodation owned by families and private business owners.

Since tourism is a cross-sectoral industry and requires the coordination of all stakeholders, the community brainstormed potential partners for the development and management of tourism in Marau. The list is included in the feasibility study.

Next steps

Given the current situation in Marau and the need for further understanding of the tribal and community structures, it is recommended that the project host another meeting with community leaders to set project expectations and conditions. It is recommended that Geoff visit Marau as soon

as possible to meet with same community leaders and update them on the conditions that must be in place before the project can proceed. Given the tensions, the community must understand that tourism development cannot proceed until the tension between the resort and the communities is resolved.

Further, any tourism development project will need to spend a significant amount of time at the beginning of the project engaging with the community and learning more about the community structures. The first year of the project may have to be spent on tribal governance strengthening and widespread tourism education and awareness raising, specifically with the youth. Until the wider community understands the need for destination cohesion and unity, tourism will not be successful.

In addition to an immediate meeting with the community leaders, the project team will finalise the tourism feasibility study to provide an understanding of the potential demand for tourism in Marau.