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Tourism Value Chain Analysis of Bandarban: An Alternative Socio-economic Service in Bangladesh

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Abstract

Bandarban is a hidden paradise in Bangladesh away from the hustle and bustle of city life. Though not developed for tourism activities yet, today or tomorrow it will be one of the heavens for eco-tourism. Tourism is seasonal in pattern in Bandarban. Proper management of available tourism resource can ensure poverty alleviation and economic development of the destination. From this paper it was found that Bandarban is a destination for young people as it attracts them for adventure tourism. Almost all of them visit Bandarban without taking any service from tour operator or travel agent. Most of them travel to Bandarban with their friend circle. Purpose of their visit is adventure (70%) and leisure and recreation (26%). This study highlighted the current scenario of Bandarban, identified the tourism resources as mean of economic development, enlisted the zones of tourism development in Bandarban, SWOT analysis and developed value chain mapping in order to uplift the tourism business and community of the destination. Finally, the study tried to identify the huge potentials vis-à-vis the limitations of developing tourism sector in that hilly region of Bandarban in Bangladesh.

Keywords: *Value chain, ethnic nationals, jumm farming, Bandarban*

1. Introduction

Bandarban- 'the roof of Bangladesh' is regarded as one of the most attractive travel destinations in Bangladesh. Bandarban is gifted with green serene hills, serpentine hilly roads, wonderful combination of varied ethnic cultural rituals etc. The district with existence of the highest peak of Bangladesh has somehow emerged as an unparalleled hilly destination keeping behind the neighboring hilly districts Rangamati and Khagrachhari. But no significant attempts have been made to explore and exploit this potential sector in Bandarban, except a small number of unplanned and scattered attempts. Consequently, the benefit of tourism has remained very limited for the local people.

The main motivation to visit Bandarban is seeing the serene hills and forest, enjoying the natural environment, adventure activities (mainly hill trekking, walking through Jhiripath or waterway to see waterfall in remote areas, and boating). Till now there has been no integrated development plan in tourism sector of Bandarban by the government or any other organization. The Chittagong Hill Tracts (CHT) Development Board and Chittagong Hill Tracts Regional Council are working towards the betterment of the socio-economic lives of the ethnic groups of that area. However, in their road to development planning, the most potential tourism sector has been ignored for reasons unknown. The purpose of the study was to assess the context and current status of tourism development and management in Bandarban. Further, another objective was to case-study the context and status of tourism in Bandarban to review ongoing and to identify possible further involvement of the local communities in tourism through which they can upgrade their economic status. For that purpose, the structure of the tourism industry in Bandarban including hotel, restaurant, transport, tour guides, and handicraft shops, tourist's arrival and expenditure, motivation of the tourists etc. have been studied. Along with, Tourism Value Chain Mapping, SWOT analysis, identifying appropriate short- and long-term activities to develop tourism, and scope for interventions by different organizations and agencies were assessed with proper methodology.

2. Objectives

The objectives of the study were to study the present socio-economic condition of the tribal people living in Bandarban, to gain a brief understanding of the context and current status of tourism development and management in Bandarban district of the Chittagong Hill Tracts, to develop a SWOT Analysis for tourism in Bandarban district and to construct tourism value chain analysis in order to provide leverage on tourism development in Bandarban.

3. Literature Review and Background Information

3.1. A Brief Delineation on Bandarban

Bandarban, in South-Eastern Bangladesh, is a district of the Chittagong Division under the region of Chittagong Hill Tracts (CHT). CHT is a part of Hindu Kush Himalayan region. It is the second largest district of Chittagong Hill Tracts (CHT) having an area of 4,502 sq. km. The land composition of Bandarban is presented in Figure 1.

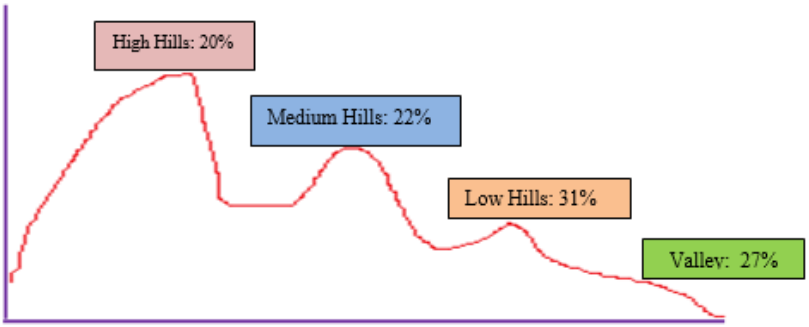


Figure 1: Land composition of Bandarban *(Source: Jamaluddin et al., 2010)*

Bandarban is unique from other districts in terms of availability of some unique resources like tourist destination, and diversified ethnicity which can be branded to promote tourism. There is scope for diversified economic activities too. When the people will get the chance to involve themselves with different types of activities, they will be able to earn more than before which will leverage the district to get out of poverty. Considering the natural beauty along with diversified ethnic lifestyle and culture, tourism can be the number one economic activity in Bandarban to alleviate their socio-economic status. There are eleven ethnic nationals living in Bandarban (BBS, 2012). They are: *Marma, Murong, Tripura, Bawm, Tanchangya, Chakma, Chak, Khyang, Khumi, Pankone (Lushei)* and the *Pankho.* Out of 11 tribal groups, *Marma*, *Murong*, and *Tripura* are the largest in number.

Bandarban (meaning the dam of monkeys), or in *Marma* or Arakanese language as "Rwa-daw Mro" is also known as *Arvumi* or the *Bohmong* Circle (of the rest of the three hill districts Rangamati is the Chakma Circle and Khagrachari is the *Mong* Circle). Bandarban town is the home town of the *Bohmong* Chief (currently King, or Raja, U Cha Truis Head of the *Marma* population). It is also the administrative headquarter of Bandarban district, which has turned into one of the most exotic tourist attractions in Bangladesh since the insurgency in Chittagong Hill Tracts has ceased more than a decade back. Bandarban is the remotest, poverty-stricken and least populated district. Across the district there is also the presence of the difference in the level of income of the people as there is a great difference in the level of infrastructural development. 37-55% population of four Sub-districts (Alikadam, Ruma, Thanchi & Lama) are living below the poverty line. At Bandarban Sadar and Rowangchori less than 25% of the total populations are living below the poverty line.

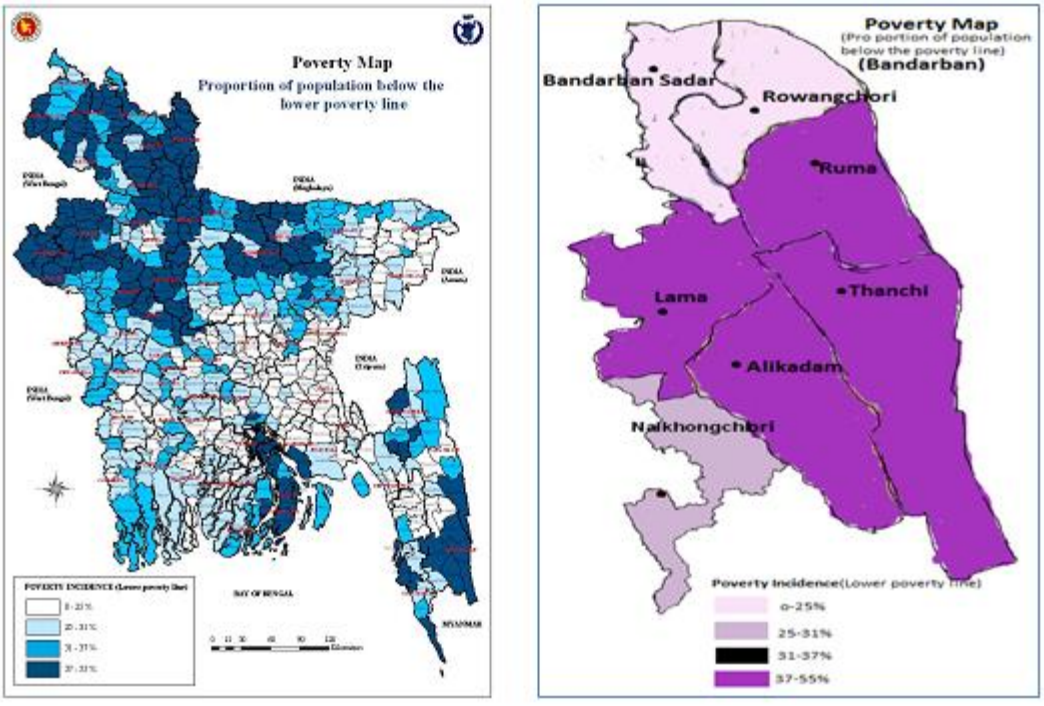


Figure 2: Poverty Maps of Bangladesh and Bandarban

(Source: District portal of Bandarban district, LGED. Local estimation of poverty and Malnutrition in Bangladesh 2004, The Bangladesh Bureau of Statistics.)

3.2. Main Economic Sectors across the District

Bandarban experiences widespread Jumm farming (slash and burn agricultural technique), but Jumm farming produces little and mostly used for self-consumption of the hill people. Fruits (banana, pineapple, jackfruit, papaya), and spices (masala) like ginger, and turmeric are also produced in Bandarban. A little bit of cashew nuts and oranges are also being produced in some parts of Bandarban. Tribal textile is one of the major exportable of the district. Clothes are mostly made of cotton, wool imported from Myanmar. All cotton is spun and woven by hand. Presently Tourism is growing fast as a source of revenue. Bamboo and tobacco grow in significant quantity. Bamboo and cane are used to make the traditional stilt houses. In recent years especially after 2000, tourism in Banndarban is emerging as one of the main economic activities. Although we could not get reliable data on tourist expenditure in Bandarban, but during the field survey it has been estimated that almost 100 crore (1 billion) Taka is pumped into this hill district from tourism sector. It is visualized that in future tourism will be the number one source of earning money by the local people.

Jamaluddin et al. (2010) in a study on "Identifying Livelihood Patterns of Ethnic Minorities and their Coping Strategies Different Vulnerabilities Situation in Chittagong Hill Tracts Region, Bangladesh" has shown main income sources of different tribal groups of Bandarban. It is revealed from the study that major part of income of the ethnic households comes from three main sources like day labour, fruit gardening, and Jumm cultivation. It has also been observed that weightage on different income sources highly varied from one ethnic group to another. Bawms, for example are more dependent on fruit gardening, whereas Chakma, Marma, Tanchanga, and Tripura tribes are mostly day labourers. The Mro people are lucky to depend more on remittance. Till today, agriculture is the most significant economic sector to the Bandarban people. However, there is an ample scope for tourism to come to surface as a dedicated source of alternative income sources.

3.3. Position of Tourism as an Economic Sector

There is no specific information on the position of tourism as an economic sector in Bandarban. But from the field observation and on the basis of field survey it seems to be the third most contributing sector in the economy after agriculture and day labor. Different Government and local authorities including the Deputy Commissioner, Bandarban Hill District Council, Superintendent of Police etc do not have any specific information on number of tourists visit in Bandarban each year. The study has tried to get an idea of the number of tourists visiting Bandarban from different data sources like BPC (Bangladesh Parjatan Corporation), MoCHTA (Ministry of Chittagong Hill Tracts Affair), Wikipedia, several blogs etc. But unfortunately, the search could not make any breakthrough. Later, the authors got some approximate estimation on the number of tourists coming to Bandarban from the Bandarban Hoteliers Association, Bangladesh Police, Bandarban, and the BGB check posts. However, Tourism is seasonal in pattern in Bandarban, and can be divided into peak and off-peak season.

Pick season (Oct – March): On average everyday 3000 tourists enter into Bandarban. This means that almost half a million tourists visit Bandarban during season.

Off season: On week-end (Friday & Saturday) almost 1500 tourists and on other week days around 500 tourists come to Bandarban. Besides, during two Eids (Muslim festivals) additional 40,000 tourists come to Bandarban.

Taking the data into consideration it can roughly say that during off-season, almost 150,000 tourists visit Bandarban making a total of almost 0.65 to 0.70 million tourists per year. If one tourist spends a minimum of Taka 1500 every day on average, total money pumped into Bandarban from tourism sector stands at Taka 210 crore (equivalent US$ 20.5 million). Day by day the total number of tourist arrival is increasing. It is hoped that it will continue, as a craze has been developed within the tourist to spend their leisure time in Bandarban. With diversified and quality services offered to the tourists, tourism can be the single most contributing sector in the economy of Bandarban. Though local farmers are busy with their winter vegetable cultivation during the peak season, they can manage time to work in the tourism industry. Moreover, a huge number of young people are unemployed, who will be happy to work in the tourism industry round the year. Tourists visiting Bandarban are mainly domestic tourists. Tourists mainly from Dhaka, Chittagong, Narayangonj and other districts come to Bandarban for adventure tourism. In 2011, 1036 foreign tourists and in 2012, 1205 foreign tourists came (Afroz & Hasanuzzaman, 2012). But they are for official or business purpose (working for foreign NGOs and UNDP). Bandarban has strong potential to develop as a flourishing tourist destination. Though a number of challenges, such as the lack of proper planning, limited quality accommodation services in the urban hub as well as in the remote destinations for trekking, absence of good transport system etc. are affecting tourism sector of Bandarban. Sustainable tourism development and institutional innovations, improved collaboration among stakeholders, and community engagement in tourism can improve the livelihood of the local community people across Bandarban.

3.4. Handicrafts - another alternative source of earning.

Handicrafts, especially wooden and woolen products made by tribal people, are very popular among the tourists. The reason behind the popularity is the uniqueness of the product, tribal design, and superior quality. Handicrafts made by the tribal people basically are of three types- woolen, wooden, and textile.

Woolen products:	Hilly Blanket, Muffler, Shawl, Bed-cover, Bag, Nokshi Katha etc.
Textile:	Thami (tribal dress for woman), Salwar-Kamij (Bengali dress for woman), Orna, Shirt, Panjabi, Fotua, Dress for children etc.
Wooden products:	Tume (tribal water pot), Throng (tribal basket for woman), Bamboo water pot, Mug, Cup, Tray, Pencil box, Key ring etc.

Source: Field Survey, 2014

All the items are hand-made without using any electric machine. Tribal women make these products at their home during their leisure time. But most of them do not have sales outlet for their own. As a result, they cannot sell their products to the tourists. They can sell their products only to those tourists who visit their village and show interest to buy these products. Basically, these village craftsmen make these handicrafts for their own use, but they are always ready to sell these if anyone offers real price for these.

Some craftsmen have their own shop in local markets. Often the shopkeepers sell their own products; but in peak season they collect handicrafts from individual craftsmen from nearby villages to meet the demand. Though there are some handicraft factories in Bandarban established and operated by some commercial enterprises (Hill KaruPonno with 13 branches) and some NGOs (Viator Bangladesh Ltd., Eengmak etc.) tribal people do not take it as their permanent profession as the demand for their products is seasonal as tourism is

seasonal in Bandarban. Local entrepreneurs are getting discouraged due to the seasonality of demand and marketing constraints.

3.5. Zones for Tourism Development

Though the entire Bandarban district is a tourist destination, some zoning for tourism can be done on the basis of more visits by the tourist and tourism development potentials. However, the main tourist attractions fall within three sub-districts namely: Bandarban, Ruma and Thanchi. The dotted area in following map shows the zones for tourism development. Figure 3 presents all the prime attractions and attractive spots in Bandarban.

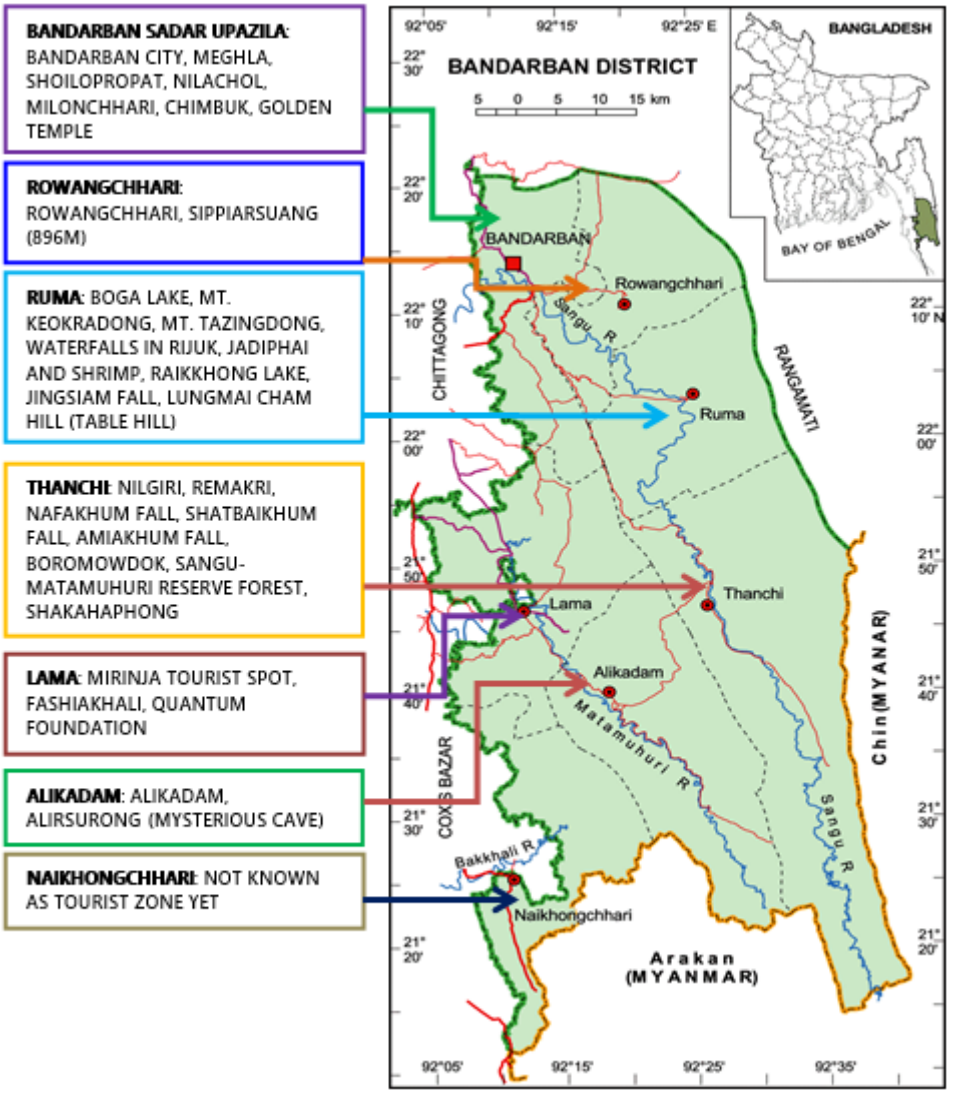


Figure 3: Zones for tourism development in Bandarban

4. Methodology

This study has used survey data as well as data from secondary sources. Information was gathered by reviewing available documents, interviewing key stakeholders, and taking opinion of the Govt. officials and local people (both ethnic and non-ethnic). Data on demographics and poverty, ethnic diversity and spread, main economic sectors, tourism legislation and regulatory practice were basically from secondary sources. Sampling was done on the basis of convenience and importance of the particular stakeholder. In Bandarban, some 54 tourists' surveys were conducted. 92.6% of them are male. Most of them (59.26%) fall into the age range between 25-34 years, followed by 33.33% into 15-24 years, and 7.41% into 45-54 years. Most of the respondents surveyed in Bandarban are full-time employees (48.15%), followed by students (40.74%) and businessmen (11.11%). Only 11 persons of them (20%) are married. The main limitation was that no exhaustive study on tourism in Bandarban was available for reference. Existing tourism information is not recorded by the different agencies. Consequently, it was difficult to collect tourism related data from secondary sources.

5. Findings and Discussion: Tourism Value Chain Analysis for Bandarban

In several research works on Bandarban as a tourist destination, it has been found that Bandarban is more popular for adventure type of tourism. Side by side Bandarban has been a good destination for the people who want to have a relaxed time amidst nature. However, whatever is the motivation for tourism, the tourists need some basic facilities and services in the destination. The concept of value chain is nearly similar with the commodity chain although it is more appropriate to identify the organizations which are related to create utility in products. (Bair, 2005).

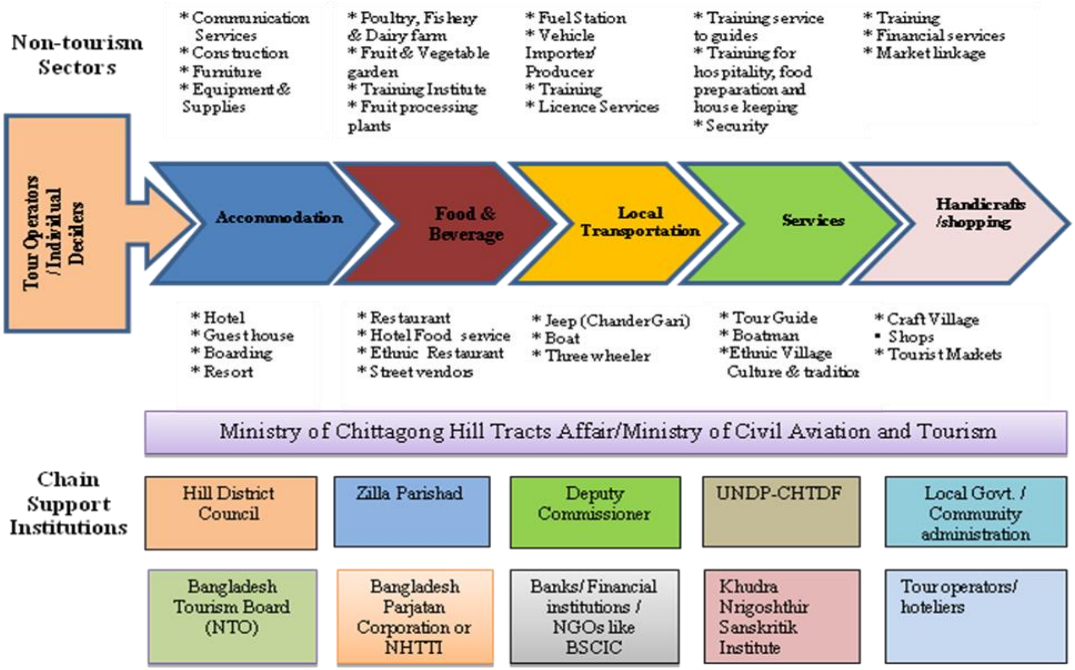


Figure 4: Overall Tourism Value Chain with Identified Actors and Activities at Bandarban
(Adapted from Begum, 2015)

According to Gereffi *et al.* (2005), a theoretical framework for the value chain analysis can describe different type value adding organizations with roles and goals. Therefore, in recent time many researchers prefer to describe the concept as "network" rather than "chain" (Coe and Hess, 2008).

However, the tourism value chain in Bandarban generally integrates five main productive activities or sectors: accommodation, restaurants, transportation, handicrafts/ shopping, and services like trekking, sightseeing etc (Begum Jahan Ara, 2015). Following figure exhibits the overall tourism value chain in Bandarban which ensures integration among five tourism product suppliers and different supportive tourism development institutes.

Unlike the plane land the CHT by virtue of its geographical configuration, inaccessibility, remote location from the main economic centers is having facilities for limited economic activities. The people have to depend on widespread Jumm farming. Agro-products are produced little and mostly used for self-consumption of the hill people. Fruits (banana, pineapple, jackfruit, papaya), and spices (masala) like ginger, and turmeric are also produced in Bandarban. Recently many farmers have tilted towards cultivating more tobacco leaves; it being the main profitable cash crop. Bandarban does not have any significantly big or medium industry where people might have job opportunity.

However, this hilly district has such an important untapped resource which could be turned into most worthy and prodigious economic bolster. This is invariably the tourism sector. According to some rough estimation, tourism has become very important industry in Bandarban fetching more than 210 crore takas yearly (S R Hasan, 2013). This will continue to grow as the domestic tourism in Bangladesh saw a big leap in recent years. Bandarban receives almost seven hundred thousand of tourists each year. If the destination can provide the tourists with better services, better access, and lengthen their stay in Bandarban, more tourist money will be retained in Bandarban which ultimately will benefit the local people. Consequently, this paper has proposed to give much importance towards the development of tourism and hospitality sectors in Bandarban.

Analysis of the behaviour (motivation) of tourists visiting Bandarban shows that almost 70% of the tourists come to this hilly district for adventure tourism, mainly trekking and track tourism (this is pathway tourism; walking or biking) following a specific circuitous route with less physical pains and exertions). 26% visit Bandarban for leisure, recreation, and holiday. These tourists could be good market segment for the 'track' tourism. They will recreate themselves, enjoy holidays and move around by walking or by cycling in the nearby areas of the resorts they stay.

Porter (1985) coined concept of value chain system which refers the relationships with upstream suppliers and downstream customers. Figure 5 portrays the value chain mapping for expedition in Bandarban.

Since most of the tourists visit Bandarban for adventure, it may be recommended that Bandarban should be branded as Adventure tourism ground. Side by side about one-fourth of the tourists visit Bandarban for rest, relax and recreation.

For this segment of market some specific activities are more important; these are good accommodation, local cultural programs, shopping facility etc.

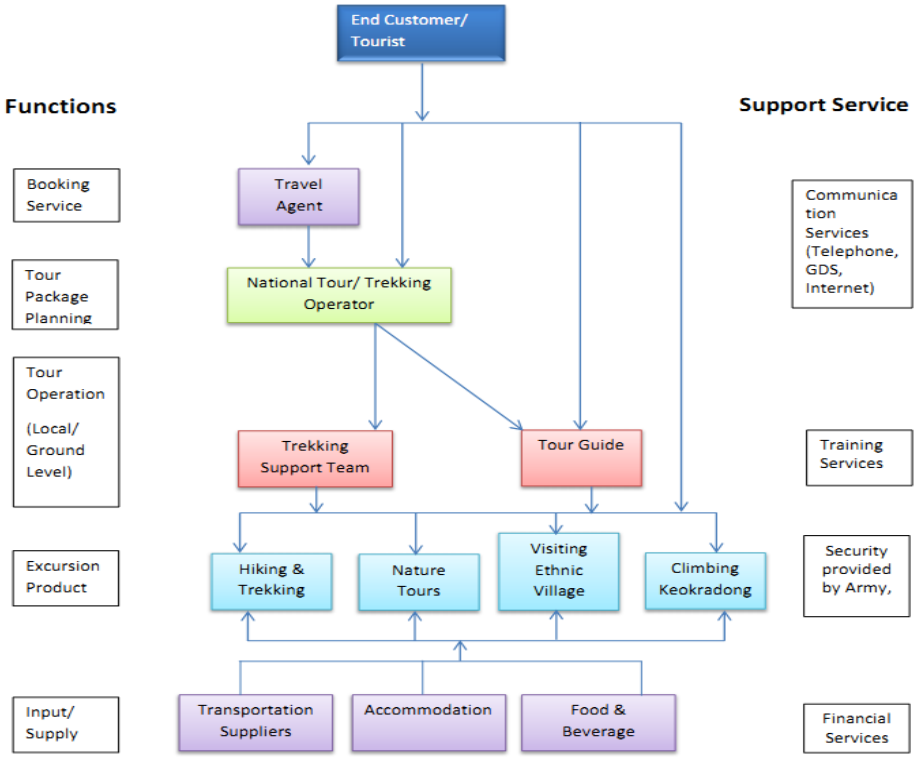


Figure 5: Value Chain Mapping for Expedition for Bandarban

6. Conclusion

Bandarban is an exclusive destination for the domestic travelers. It has been estimated that around 0.7 million tourists visit Bandarban each year who spend almost 210 crore BDT, or equivalent to 20.5 million USD. The main objectives of the visit were relax & recreation, and adventure. Nonetheless, Bandarban is more popular for adventure tourism which mainly comprise of trekking. Bandarban experiences widespread Jumm farming (slash and burn agricultural technique), but Jumm farming produces little and mostly used for self-consumption of the hill people. Fruits (banana, pineapple, jackfruit, papaya), and spices (masala) like ginger, and turmeric are also produced in Bandarban. A little bit of cashew nuts and oranges are also being produced in some parts of Bandarban. Tribal textile is one of the major exportable of the district. Clothes are mostly made of cotton, wool imported from Myanmar. All cotton is spun and woven by hand. Presently Tourism is growing fast as a source of revenue. In recent years especially after 2000, tourism in Banndarban has emerged as one of the main economic activities. Bamboo and tobacco grow in significant quantity. Bamboo and cane are used to make the traditional stilt houses.

At present very few numbers of basic tourism-based infrastructure and superstructure have been developed by any agency including the government. Road communication is undeveloped and unpleasant. Only a few numbers of hotels and hill-side resorts have been developed by the private entrepreneurs. The tourism value chain in Bandarban generally

integrates five main productive activities or sectors: accommodation, restaurants, transportation, handicrafts/ shopping, and services like trekking, sightseeing etc. In non-tourism sector, there is ample scope for intervention from the government and non-government sectors. Hill District Council of Bandarban, district parishad, Deputy Commissioner, Bandarban police, Foreign donors, BSCIC, BPC and local NGOs could add value to the productive activities., The local tribal people try to provide the accommodation and other facilities for the tourists. However, the tribal people are not trained in hospitality. They do not have access to capital for establishing ecology- friendly cottages and other facilities for the tourists. Consequently, intervention is needed from outside in the fields of formulating tourism planning, creating eco-friendly infrastructure and superstructure, training the people in hospitality, making them innovative in exploring and exploiting varied income generating tourism and tourism related activities. A highly developed professional plan along with concerted efforts by the intervening agencies, in association with the local people's involvement, may turn Bandarban into one of the most attractive tourism destinations and thus contributing to the socio-economic upliftment of the local community of that area.

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