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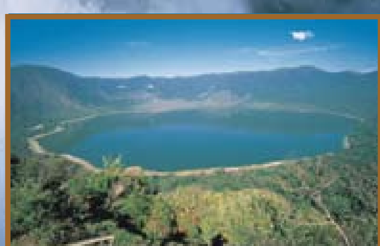
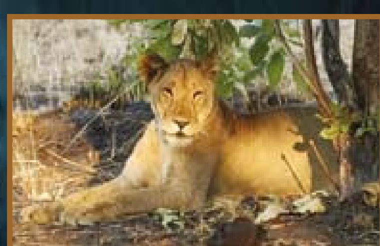
TANZANIA TOURISM SECTOR SURVEY

The 2008 International Visitors' Exit Survey Report





TANZANIA TOURISM SECTOR SURVEY

The 2008 International Visitors' Exit Survey Report

Dar es Salaam, June 2010

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ACRONYMS

ATCL	Air Tanzania Company Limited
BOP	Balance of Payments
BOT	Bank of Tanzania
FDI	Foreign Direct Investment
ILO	International Labour Organisation
JNIA	Julius Nyerere International Airport
KIA	Kilimanjaro International Airport
MDGs	Millennium Development Goals
MOFEA	Ministry of Finance and Economic Affairs
MID	Ministry of Infrastructure Development
MITM	Ministry of Industry, Trade and Marketing
MLHHSD	Ministry of Land, Housing and Human Settlements Development
MNRT	Ministry of Natural Resources and Tourism
NAM	Namanga
NBS	National Bureau of Statistics
PMO-RALG	Prime Minister's Office- Regional Administration and Local Government
TAA	Tanzania Airport Authority
TANAPA	Tanzania National Parks
TIC	Tanzania Investment Centre
TTSS	Tanzania Tourism Sector Survey
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNWTO	United Nations World Tourism Organisation
URT	United Republic of Tanzania
VFR	Visiting Friends and Relatives
WHC	World Heritage Centre
ZAA	Zanzibar Airport
ZATI	Zanzibar Association of Tourism Investors
ZCT	Zanzibar Commission for Tourism

FOREWORD

Tourism has continued to play an important role in the Tanzanian economy and is rated among the fastest growing sectors in the country. The sector has recorded improved performance in recent years as evidenced by the increasing number of tourist arrivals from 582,807 in 2004 to 770,376 in 2008. Likewise, tourism earnings rose from USD 746.0 million in 2004 to USD 1,288.7 million in 2008. The good performance is largely attributed to the macroeconomic reforms and increased promotion of Tanzania as a unique tourist destination.

In order to sustain such performance, timely availability of accurate information on tourism is important for policy formulation, planning and investment. In ensuring that information on tourism continues to be available, the multi institutional committee which consists of the Ministry of Natural Resources and Tourism (MNRT), Bank of Tanzania (BOT), National Bureau of Statistics (NBS), Immigration Department and the Zanzibar Commission for Tourism (ZCT) conducted the International Visitors' Exit Survey in 2008.

The key objective of the survey was to collect up-to-date information on tourist expenditure to be used in the "Tourist Expenditure Model" for estimation of international tourism receipts for compilation of National Accounts (NA) and Balance of Payments (BOP) statistics. The survey also aimed at obtaining information that is used for strategic planning, tourism promotion and macroeconomic policy formulation.

In this regard, we are glad to introduce the 2008 Tanzania Tourism Sector Survey (TTSS) Report which provides important tourism statistics such as, tourist earnings, source markets and purposes of visit. The report also highlights some areas for improvement like airport facilities and roads leading to the tourist attractions.

It is our expectation that this report will be a useful source of information to policy makers, investors, academicians and other stakeholders in the tourism industry.

Hon. Shamsa Mwangunga (MP)
Minister
Ministry of Natural Resources and Tourism

Prof. Benno Ndulu
Governor
Bank of Tanzania

ACKNOWLEDGEMENT

The Steering Committee of the Tanzania Tourism Sector Survey (TTSS) wishes to convey profound gratitude to all those who were behind the successful completion of the 2008 International Visitors' Exit Survey. Special appreciation should go to the Chief Executives of the participating institutions namely; the Ministry of Natural Resources and Tourism (MNRT), Bank of Tanzania (BOT), National Bureau of Statistics (NBS), Immigration Department, Zanzibar Commission for Tourism (ZCT) and the Tourism Confederation of Tanzania (TCT) for their valuable support and guidance.

Special recognition should also go to the Immigration Department staff, particularly Officers In-charge at the Julius Nyerere International Airport (JNIA) in Dar-es-salaam, Zanzibar Airport (ZAA), Kilimanjaro International Airport (KIA), Namanga and Tunduma boarder points. Likewise, our profound thanks should go to field enumerators and data entrants for making the survey a success.

The 2008 International Visitors'Exit Survey Report was prepared under the overall supervision of Ms M. Mmari (Director of Tourism – MNRT) and Dr J. L. Masawe (Director Economic Research and Policy-BOT). The Technical Team was led by I. Mussa (Assistant Director-MNRT) in collaboration with Mrs. G. Mwakibolwa (Manager, International Economics and Trade Department- BOT). Other members of the team were P. Mwiru (MNRT), V. Tesha (NBS), T. Mwisomba (NBS), R. Lyatuu (Immigration Department), Dr. C. Masenya (BOT), Mrs V. Kejo (BOT) and M. Jaffer (ZCT), while F. Shayo from BOT managed data processing.

EXECUTIVE SUMMARY

Rationale

Tanzania, like other developing countries aims at attaining a high economic growth and poverty reduction. This can be achieved by implementing sound macroeconomic reforms, which include conducive investment environment for attracting both domestic and foreign investments. So far, achievement has been recorded in sectors like tourism, where increased investments in accommodation establishments have been registered. The improved performance of the tourism industry is also attributable to the joint efforts taken by the Government and the private sector in developing the industry and marketing the country as a unique tourist destination.

The sustainability of development in the tourism industry depends on the availability of reliable tourism information for policy formulation and decision making. In view of this, five institutions namely: the Ministry of Natural Resources and Tourism, Bank of Tanzania, National Bureau of Statistics, Immigration Department and the Zanzibar Commission for Tourism (ZCT) have been jointly carrying out International Visitors' Exit Surveys. The first comprehensive survey was conducted in 2001, and it was followed by a series of short surveys in 2004, 2005, 2006 and a comprehensive survey in 2007. The survey was carried out in December, 2008 at the five major exit points, namely: the Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA), Zanzibar Airport (ZAA), Tunduma and Namanga (NAM); which are road border posts.

Objectives of the Survey

The International Visitors' Exit Survey had the following key objectives:

- To update information on tourist earnings for improving compilation of National Accounts (NA) and Balance of Payments (BOP) Statistics.
- To set benchmarks for statistics on the tourism industry.
- To gather information for tourism promotion and macroeconomic policy formulation.
- To provide a basis for construction of Tourism Satellite Account (TSA).

Survey Management

The Tanzania Tourism Sector Survey is managed and implemented by the Steering and Technical Committees, whose members are drawn from the five participating institutions namely: the Ministry of National Resources and Tourism, Bank of Tanzania, National Bureau of Statistics, Immigration Department and the Zanzibar Commission for Tourism.

Report Structure

This report is divided into three chapters. The first chapter depicts the recent developments on the Tourism Industry, both at global and national perspective. Analysis of survey results is presented in chapter two, while the conclusion and recommendations are provided in chapter three. The survey methodology is included as appendix I.

Main Findings of the Survey

Tanzania Earned USD 1,288,699,561 from Tourism Activities in 2008

Using the Tourist Expenditure model, it is estimated that Tanzania earned USD 1,288,699,561 in 2008, out of which Zanzibar earned USD 160,258,272. These earnings accrued from 770,376 and 98,677 international visitor arrivals to Tanzania and Zanzibar, respectively. Tourism earnings to Zanzibar were low in 2008 compared to the previous year, largely due to the Global Financial Crisis which led to a decline in international visitor arrivals.

Average Expenditure

The survey results show that the overall average expenditure for holiday visitors who came under package arrangement was USD 209 per person per night, while that of non package was USD 186 per person per night. The result indicates that overall the package arrangement tours are relatively more expensive than the non package trips due to convenience during travel, safety and ease of reservation through travel agents.

Length of Stay

The overall average length of stay for visitors to the United Republic of Tanzania was 10 nights. This is a lower average length of stay compared to an average of 12 nights recorded during the past three years. The decline in the average length of stay is partly due to seasonality as the survey was conducted in December (mini-peak tourist season). The average length of stay within Tanzania Mainland was nine days and Zanzibar was seven days.

Major Tourist Source Markets in Tanzania

The following are the main source markets for 2008:

1. Italy
2. United States of America
3. United Kingdom
4. South Africa
5. Kenya

The survey results depict the dominance of Italy, the United States of America and the United Kingdom as major tourist source markets to Tanzania. This is largely due to enhanced promotional efforts in those countries. Meanwhile, Italy continues to be the major tourist source market for Zanzibar, following the existence of Italian accommodation investments and direct flights from Italy. The same pattern has also been observed during the previous surveys.

The Majority of Visitors were of '25–44' Age Group

About 54 percent of the visitors who came to Tanzania were in the age group of 25-44, followed by the age group of 45-64. Very few visitors (about 4 percent) were in the age group of 65 years and above despite their potentials in the market segmentation. This group is characterized by retired people who have ample time and adequate income for leisure and holiday.

The Majority of the Visitors Came Under Non-Package Arrangement

Visitors who travelled on the 'non-package' arrangement were the majority as they accounted for 56.2 percent, whereas the 'package' visitors accounted for 43.8 percent. These results differ from the outcome of the previous surveys, where package tour has been the most preferred travel arrangement. The change in the pattern of tour arrangement during this survey is partly explained by seasonality as the survey was conducted during the mini-peak tourist season and the Global Financial Crisis which started in the mid 2008.

Visitors to Tanzania Primarily Came for 'Leisure and Holiday' Purposes

Most of the visitors (62.4 percent) came into the country for leisure and holiday, 15.3 percent for Visiting Friends and Relatives (VFR) and 11.9 percent for business purpose. The number of visitors who came for business and conference continued to be minimal despite the growing importance of Conference Tourism worldwide. In order to address this problem, construction of large and modern state-of-the-art conference auditoriums to attract international Meetings, Incentives, Conferences and Exhibitions (MICE) is necessary.

Majority of Visitors to Tanzania Departed Through the Julius Nyerere International Airport

The Julius Nyerere International Airport (JNIA) was the main gateway of tourists departing from Tanzania, accounting for 46.3 percent of the visitors recorded during the survey. Zanzibar Airport was the second departure point (26.2 percent) followed by Kilimanjaro International Airport (12.7 percent). Meanwhile, Namanga was the leading road boarder departure point.

Visitors are Concerned About the State of the Infrastructure and Other Facilities

About 50.0 percent of total visitors called upon the improvement of the infrastructure and other facilities. They were seriously concerned with the poor condition of the roads leading to Tarangire and Serengeti as well as traffic jams to and from the Julius Nyerere International Airport. Similarly, the visitors were not satisfied with the condition of the airports and their facilities such as the air conditioners, signage and washrooms.

Recommendations

Based on the survey's results, the following recommendations are given in order to enhance the development of the tourism industry in Tanzania:

1. There is a need to improve roads, airports, and other facilities such as air conditions, signage and washrooms.

2. Improve on customer service and procedures for issuance of VISA.

3. Enhance efforts of promoting Tanzania as a tourist destination in the emerging source markets like the Middle East as well as regional markets.

4. Upgrade standards in accommodation establishments, especially facilities that cater for elderly and people with disabilities.

5. Construct a large and modern state-of-the-art conference auditorium to attract international Meetings, Incentives, Conferences and Exhibitions (MICE).

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CHAPTER 1

Recent Developments in the Tourism Industry

1.1 Global Perspective

Tourism continued to play an important role in the global economy and due to its strong economic multiplier effect; it embraces small and medium enterprises. In this regard, tourism is still one of the largest employment sectors in most countries and a fast entry vehicle into the workforce for young people and women in the urban and rural communities. Likewise, the sector has recorded good performance on international arrivals and tourist earnings. In 2008, international tourist arrivals increased to 924 million from 908 million recorded in 2007. Similarly, tourism earnings from international arrivals increased to USD 944 billion from USD 857 billion in 2007 (United Nation World Tourism Organisation - UNWTO estimates).

However, due to the Global Financial Crisis (GFC), international tourist arrivals declined by 8 percent between January and April 2009, compared to the same period in the previous year[2]. All regions, with an exception of Africa, recorded declines in arrivals from January through April. The worst hit being Europe (10 percent) and the Middle East (18 percent), as African region recorded an increase of 3 percent.

As a way to boost the growth of the tourism industry, there is a need to enhance trade promotion, simplify regulations, build infrastructure and rationalize taxes, which in turn encourage companies to invest, innovate and hence stimulate demand. This kind of public-private sector collaboration should be strongly enhanced within and between all states, as it will help to build resilience and recovery across economies. In line with this, UNWTO has recommended a *Roadmap for Recovery*, with the following elements:

- Harness the power of technology and modern communications, including the internet in order to reduce cost, operate with new efficiencies and manage risk in an environment of uncertainty and constant change.
- Boost Public/Private Partnership and identify best practice economic and operational models.
- Put Tourism and Travel at the core of Stimulus Packages because the jobs and trade flow form a strong tourism sector. Additionally, business and consumer confidence in travel can play a big part in any bounce back from recession.

[2]June 09th edition of the *UNWTO World Tourism Barometer*

1.2 Tanzanian Perspective

Tanzania's tourism industry i s thriving and is rated among the fastest growing sectors in the country and it takes a lead in bringing foreign exchange. The tourism industry continued to grow in 2008, with the number of tourist arrivals increasing by 7.4 percent to 770,376, compared to the level recorded in 2007. Similarly, earnings from tourism went up by 8 percent to USD 1,288.7 million. According to the World Travel and Tourism Council, tourism directly generated 719,000 jobs in 2008. During the first half of 2009, the tourism industry was affected by the Global Financial Crisis. Available immigration statistics indicate that during January - June, 2009, the number of international arrivals dropped by 16.5 percent to 303,819, compared to the corresponding period in the previous year. As a way of mitigating the possible effects of GFC, in June 2009 the government of Tanzania came up with a stimulus package to bail out agriculture, tourism, mining exploration, manufacturing and gemstones trade.

1.2.1 Domestic Tourism

Apart from international tourism, the government of Tanzania has recognized the importance of domestic tourism in its contribution to economic growth. Both the public and private sectors have increased efforts to promote domestic tourism. These efforts include advertisements through the media and participation in local fairs such as "Karibu Travel Fair", "Nane Nane" and "Saba Saba". As a way of encouraging residents to visit the national parks, museums' and antiquities' entrance fees have remained low, adults pay TZS 1,500 and children pay TZS 500 to visit the parks, while for museums and antiquities the entrance fees for adults and children are TZS 500 and TZS 200, respectively. The number of domestic tourists who visited such attractions has increased to 639,749 from 536,341, recorded in 2007/08 **(Table 1.1).**

Table 1.1: Domestic Visitors by Tourist Attractions

Attraction	2007/2008	2008/2009	% change
National Parks	258,039	280,537	8.7
Museums	73,520	92,787	26.2
Antiquities Sites	35,039	45,209	29.0
Ngorongoro	169,743	221,216	30.3
Total	**536,341**	**639,749**	**19.3**

Source: Ministry of Natural Resource and Tourism

1.2.2 Emerging Source Markets

Since 2006, the Tanzania Tourist Board has been stepping up promotions in new emerging markets of China, Japan, Singapore, India and Russia by participating in tourism fairs and conducting Road Shows. **Table 1.2** shows the number of tourist arrivals from emerging markets.

Table 1.2: Tourist Arrivals by Country

Country	Arrivals		
	2006	**2007**	**2008**
China	4,798	6,353	8,982
Japan	3,989	4,021	3,890
Singapore	320	384	347
India	13,020	14,042	17,530
Russia	1,415	2,091	2,224
Total	**23,542**	**26,855**	**32,973**

Source: Ministry of Natural Resource and Tourism

1.2.3 Legislation

The Tourism Act of 2008 was passed by the Parliament and became effective on 1st July 2009. Regulations for Tour Operators, Tour Guides, Accommodation Facilities, Levy and Fees; and Tourism Development Fund have been prepared. This is expected to promote tourism facilities and activities in Tanzania Mainland. In addition, the Zanzibar Tourism Policy of 2004 and the Zanzibar Promotion Act of 1989 have been reviewed and submitted to the House of Representatives for approval.

1.2.4 Tourism Developments

- The government has started the process of listing the Central Slave Trade Route by UNESCO as the World Heritage Site. The dossier was submitted to UNESCO in January 2009. This route passes through 14 districts of Tanzania Mainland. Management Plan for development of six sites namely, Bagamoyo, Mamboya, Kilimatinde, Mpwapwa, Ulyankulu and Ujiji is being prepared.

- The government is collecting information on various camps and sites which were used by the freedom fighters from South Africa, Zimbabwe, Mozambique and Angola with the aim of establishing heritage sites and promote them as tourist attractions.

- A plan to conserve the Kaole Ruins has been prepared and its implementation will be done in partnership with the USA Embassy in Tanzania. The government has also signed an agreement with the World Monument Fund of USA to restore the ruins of the Great Fort (gereza) of Kilwa Kisiwani.

Kaole Ruins

- The Aga Khan Trust for Culture completed the restoration of Forodhani Park in Zanzibar's Historic Stone Town in July 2009. The project has transformed the World Heritage Site and upgraded social and recreational amenities in the Historical Park.

The New Forodhani Park

- The expansion of the Zanzibar International Airport under the financing of the World Bank commenced in July 2009. The airport runway is expected to be extended from 2,462 meters to 3,022 meters.

CHAPTER 2

Analysis of Survey Results

2.0 Introduction

This chapter presents and analyses the results of the 2008 International Visitors' Exit Survey. This survey is the sixth in the series, after the maiden survey that was conducted in 2001, followed by the 2004, 2005, 2006 and 2007 surveys. Like in the previous years, the survey was administered at the country's main boarder points targeting departing visitors. Through the questionnaire, important information on the tourists' profiles was collected. This included tourist source markets, age, gender, purpose of visits, travel arrangements and expenditure pattern.

2.1 Source Markets

Table 2.1(a): Top 15 Source Markets to Tanzania

S/N	Country of Residance	Visitors	%of Total
1	ITALY	962	15.1
2	UNITED STATES OF AMERICA	816	12.8
3	UNITED KINGDOM	601	9.4
4	SOUTH AFRICA	353	5.5
5	KENYA	315	4.9
6	GERMANY	312	4.9
7	FRANCE	234	3.7
8	CANADA	222	3.5
9	AUSTRALIA	207	3.2
10	NETHERLANDS	205	3.2
11	UNITED ARAB EMIRATES	195	3.1
12	ZAMBIA	155	2.4
13	NORWAY	147	2.3
14	SWEDEN	127	2.0
15	SWITZERLAND	127	2.0
16	OTHERS	1,410	22.1
	Total	**6,388**	**100.0**

Table 2.1(a) presents a total of 6,388 visitors who visited Tanzania from 106 countries during the two weeks survey. As shown in the Table, Italy, the United States of America and the United Kingdom took the lead, accounting for about 37 percent of all the visitors. Like in the previous surveys, Europe and North America continued to be the prominent tourist source markets. The results also point out new developments, whereby the United Arab Emirates (UAE) and Kenya were among the top fifteen source markets. The appearance of Kenya was also observed during the survey conducted in 2001. The increase in the visitors from Kenya can partly be explained by the increasing trade relations between the two countries. On the other hand, the appearance of UAE in the top 15 source markets is partly associated with the introduction of daily direct flights by Emirates and Qatar Airways to the country.

However, promotional efforts need to be enhanced in order to tap more visitors from other markets like the Middle East as well as regional markets. It has been observed that over-dependence on few traditional source markets (Europe and North America) is risky and might cause adverse effects in time of crises such as the recent Global Financial Crisis.

Table 2.1(b): Top 15 Source Markets to Zanzibar

S/N	COUNTRY OF RESIDENCE	VISITORS	% of Total
1	ITALY	871	27.1
2	UNITED STATE OF AMERICA	325	10.1
3	SOUTH AFRICA	272	8.5
4	UNITED KINGDOM	250	7.8
5	GERMANY	180	5.6
6	FRANCE	109	3.4
7	UNITED ARAB EMIRATES	108	3.4
8.	NETHERLANDS	103	3.2
9.	NORWAY	102	3.2
10.	AUSTRALIA	80	2.5
11	SWITZERLAND	78	2.4
12.	SWEDEN	76	2.4
13.	KENYA	73	2.3
14	CANADA	71	2.2
15.	DENMARK	71	2.2
16.	OTHERS	446	13.9
	Total	**3,215**	**100.0**

The major tourist attractions in Zanzibar are the sandy beaches and the historical sites. As observed in the previous surveys, Italy continued to take the lead by bringing about 27 percent of the visitors, followed by the United States of America (10 percent) and South Africa (9 percent) as shown in **Table 2.1(b)**. The significance of the Italian market is largely associated with the existing Italian hotel establishments in Zanzibar coupled with direct chartered flights from Italy. Likewise, the increase of the visitors from South Africa is largely explained by the launching of ONE TIME AIR, which flies directly from South Africa to the island three times a week. It is worth noting that, the United Arab Emirates also appeared in the top fifteen source markets partly due to the participation of Zanzibar in the Arab Travel Market (ATM), which takes place in Dubai.

2.2 Travel Arrangement

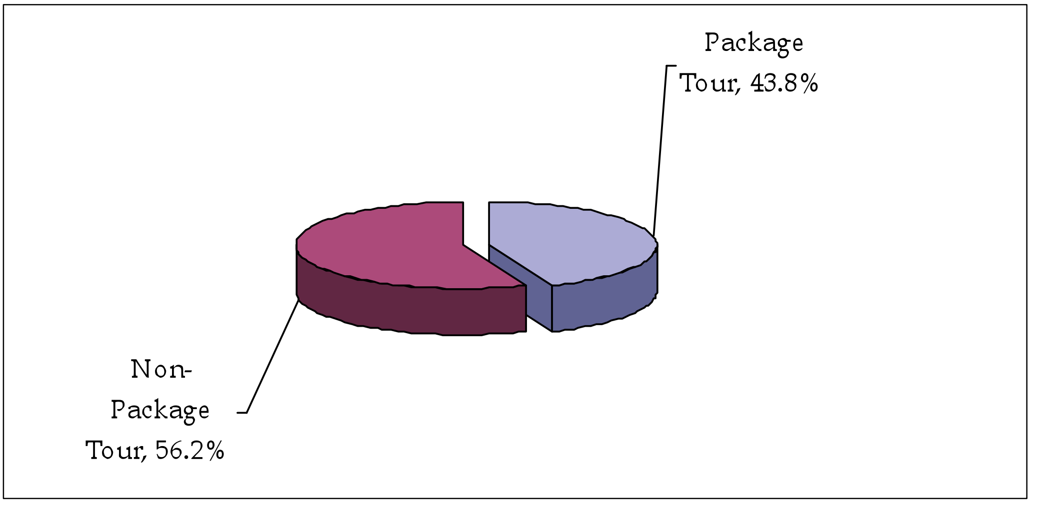


Chart 2.1: Travel Arrangement

Survey results depict that 56.2 percent of the all the visitors travelled under non-package tour and 43.8 percent came by the package tour arrangement (**Chart 2.1**). These results differ from the outcome of the previous surveys, where package tour has been the most preferred travel arrangement. The change in the pattern of tour arrangement during this survey is partly explained by seasonality as the survey was conducted during the mini-peak tourist season. It is worth mentioning that, most of the package tour visitors do not prefer to travel during the festive season (Christmas and New Year). The global financial crisis which started in the mid-2008 might have also influenced the shift in the travel arrangement/pattern as it has been established that during the time of crises, segments such as repeat visitors, special interest as well as independent travellers and visiting friends and relatives, are assumed to be more resilient[2]. This fact is evidenced by the increase in the proportion of tourists visiting friends and relatives from 5.4 percent in 2007 to 15.3 percent in 2008 Survey.

[2] *UNWTO World Tourism Barometer, Vol. 7 No.1, January 2009.*

Table 2.2(a): Proportion of Visitors by Country of Residence and Travel Arrangement

SN	COUNTRY OF RESIDENCE	Travel Arrangement		
		% of package	% of non Package	Total Visitor
1.	ITALY	13.2	1.8	962
2.	UNITED STATES OF AMERICA	4.4	8.4	816
3.	UNITED KINGDOM	3.1	6.4	601
4.	SOUTH AFRICA	3.7	1.8	353
5.	KENYA	0.8	4.1	315
6.	GERMANY	2.1	2.8	312
7.	FRANCE	2.0	1.7	234
8	CANADA	2.4	1.1	222
9.	AUSTRALIA	2.2	1.1	207
10.	NETHERLANDS	1.7	1.5	205
11.	UNITED ARAB EMIRATES	1.1	1.9	195
12.	ZAMBIA	0.1	2.3	155
13.	NORWAY	0.3	2.0	147
14.	SWEDEN	0.6	1.4	127
15.	SWITZERLAND	0.8	1.2	127
16.	OTHERS	5.4	16.7	1,410
	TOTAL	**43.8**	**56.2**	**6,388**

Table 2.2 (a) shows that the United States of America, United Kingdom, Kenya and Germany took the lead in bringing more visitors under the non package arrangement. On the other hand, Italy led by bringing more package visitors, largely due to the close working relations between the Italian tour operators and investors, particularly in Zanzibar.

Table 2.2(b): Proportion of Visitors by Travel Arrangement and Purpose of visit

	Purpose of Visit by Percentage				
Travel arrangement	Business	conference	Leasures and holiday	VFR	Others
Package Tour	6.2	19.5	65.2	5.0	13.1
Non -package Tour	93.8	80.5	34.8	95.0	86.9
%of Total Vistors	100.0	100.0	100.0	100.0	100.0

Table 2.2 (b) indicates that the majority of the visitors that came for business purposes (93.8 percent), conference (80.5 percent) and Visiting Friends and Relatives (95.0 percent) were under the non-package tour arrangement. Conversely, most of holidaymakers (65.2 percent) were under the Package tour arrangement. A similar pattern of results was also obtained from the previous surveys conducted in 2001, 2004 through 2007.

Table 2.2(c): Purpose of Visit by Country under the Package Tour Arrangement

Country	Business	Conference	Leisure and Holiday	VFR	Others
Italy	29.0	11.1	36.0	62.5	19.4
Kenya	9.7	30.6	1.5	5.0	0.0
Canada	9.7	0.0	2.7	0.0	11.1
France	3.2	0.0	5.7	0.0	2.8
Norway	0.0	0.0	0.7	0.0	13.9
Sweden	0.0	0.0	1.7	0.0	5.6
Zambia	3.2	0.0	0.1	2.5	0.0
Germany	3.2	0.0	5.7	0.0	5.6
Australia	0.0	0.0	6.2	0.0	5.6
Netherlands	9.7	0.0	4.5	0.0	13.9
Switzerland	0.0	16.7	2.0	0.0	0.0
South Africa	3.2	0.0	10.5	7.5	0.0
UnitedKingdom	12.9	25.0	7.9	10.0	5.6
United Arab Emirates	0.0	0.0	3.1	7.5	0.0
United States	16.1	16.7	11.8	5.0	16.7
TOTAL(%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 2.2 (c) shows that Italy led in bringing more visitors for business, leisure and holidays as well as VFR. Meanwhile, Kenya brought more visitors for conference under the package tour arrangement. Visitors from the United Kingdom who came for business and conference were second in prominence.

Table 2.2(d): Purpose of Visit by Country under the Non-package Tour Arrangement

Country	Business	Conference	Leisure and Holidays	VFR	Other
Italy	2.9	2.2	5.9	4.6	2.9
Kenya	10.8	26.5	5.6	14.7	6.1
Canada	6.8	0.7	4.3	4.6	15.5
France	5.3	4.4	4.7	3.3	1.4
Norway	1.6	5.1	8.1	2.6	5.1
Sweden	1.4	10.3	3.5	2.7	4.3
Zambia	20.2	4.4	1.0	4.0	1.1
Germany	5.7	8.8	8.0	7.5	3.2
Australia	2.9	1.5	3.6	1.9	0.7
Netherlands	3.1	2.2	4.6	3.7	2.5
Switzerland	1.8	0.7	4.8	2.0	2.2
South Africa	5.5	2.2	6.3	2.6	1.4
United Kingdom	15.1	7.4	17.7	17.0	9.4
United Arab Emirates	2.5	1.5	8.0	4.2	0.4
United States	14.5	22.1	14.1	24.6	43.7
TOTAL (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Under the non-package tour arrangement, the majority of the visitors who came for business were from Zambia, while those from Kenya dominated the conference category [**Table 2.2(d)**]. The United Kingdom led in bringing more visitors for leisure and holidays followed by the United States of America. Under Visiting Friends and Relatives category, the United States took the lead.

2.3 Age Group

Table 2.3: Number of Respondents by Age Group

Age Group (Years)	Respondents	% of Total
Below 18	71	2.0
18-24	499	12.0
25-44	2,320	54.0
45-64	1,194	28.0
Total	**4,265**	**100.0**

Table 2.3 depicts the number of respondents by different age groups. About 54 percent of the visitors who came to Tanzania were in the age group of 25-44, followed by the age group of 45-64. Very few visitors (about 4 percent) were in the age group of 65 years and above despite their potential in the market segmentation.

This market segment is characterized by retired people who have ample time and an adequate income for leisure and holidays.

Just like in the previous surveys, visitors in the age group of 25-44 continued to dominate. These survey results are not surprising given the fact that this is an active age group, mostly energetic and ready to take risks in exploring other parts of the world. On the other hand, the small number of elderly visitors is partly explained by inadequate facilities to carter for their requirements. Aging is the limiting factor when it comes to travel. It is therefore important to address the challenges associated with these visitors in order to increase tourism earnings. In view of this, the state of the physical infrastructure such as the airports and roads to the attraction sites should be improved.

2.4 Gender

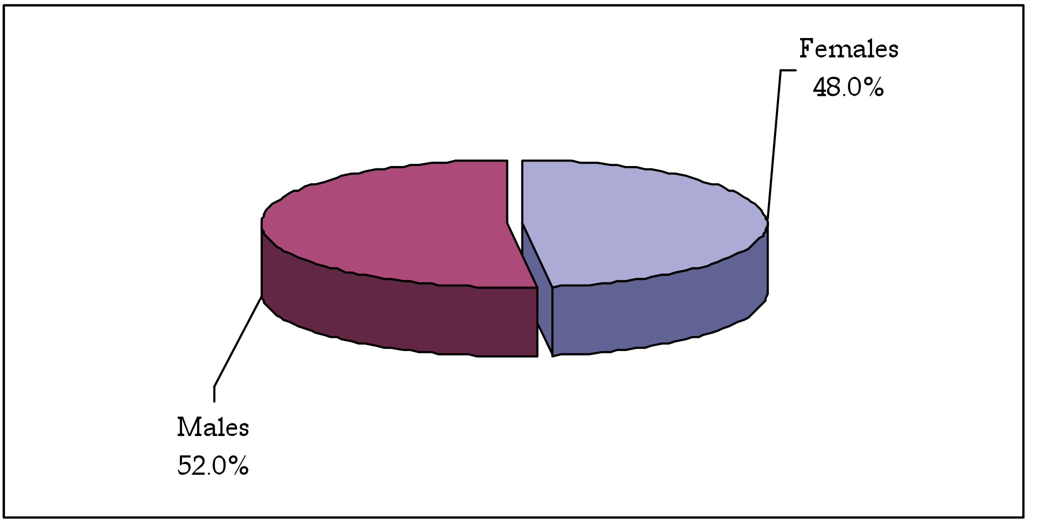


Chart 2.2: Visitors by Gender

The survey has recorded 6,388 visitors, out of which 3,328 were males accounting for 52 percent of all the visitors (**Chart 2.2**). The remaining 48 percent were female visitors. There was a fair gender balance between men and women and the trend has been consistent over the previous surveys.

2.5 Visitors by Purpose of Visit

Chart 2.3: Visitors by Purpose of Visit

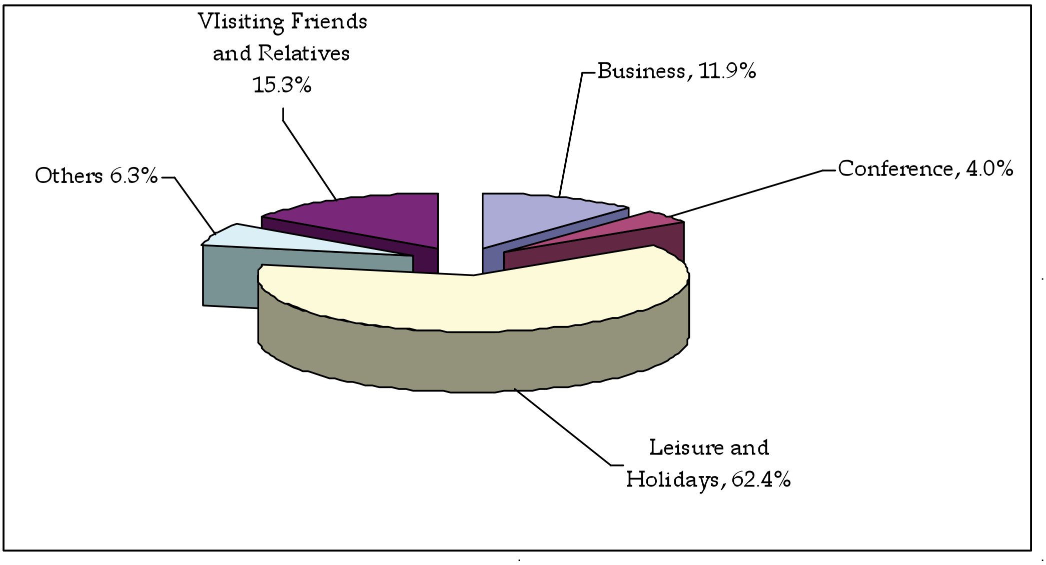


Chart 2.3 shows that about two-third of the visitors (62.4 percent) came into the country for leisure and holiday, 15.3 percent for Visiting Friends and Relatives (VFR) and 11.9 percent for business purpose. The number of visitors who came for conference was minimal.

Since the first comprehensive survey on the tourism sector which was conducted in 2001, it has been established that majority of the visitors came for leisure and holiday. The large number of holidaymakers is partly explained by the existence of unique tourist attractions; such as the National Parks, Ngorongoro Conservation area, Mt. Kilimanjaro and Zanzibar Islands.

Mt Kilimanjaro

However, the number of visitors who come for business and conference continue to be low despite the growing importance of Conference tourism worldwide. In order to address this problem, construction of a large and modern state-of-the-art conference auditorium to attract international Meetings, Incentives, Conferences and Exhibitions (MICE) is necessary.

Mnemba Island – Zanzibar

Table 2.4: Interviewees by Purpose of Visit and Age Group

Purpose of Visit	Age Group	% of Total	Intervieews
BUSINESS	<18	0.7	5
	18-24	5.2	36
	25-44	57.0	393
	45-64	34.9	241
	65+	2.2	15
	Sub Total	**100.0**	**690**
CONFERENCE	<18	2.2	5
	18-24	6.7	15
	25-44	57.0	127
	45-64	33.2	74
	65+	0.9	2
	Sub Total	**100.0**	**223**
LEISURE AND HOLIDAYS	<18	1.7	41
	18-24	10.9	259
	25-44	56.1	1,337
	45-64	26.2	625
	65+	5.1	121
	Sub Total	**100.0**	**2,383**
VISITING FRIENDS AND RELATIVES	<18	1.8	12
	18-24	12.5	84
	25-44	51.6	347
	45-64	28.7	193
	65+	5.5	37
	Sub Total	**100.0**	**673**
OTHER	<18	2.7	8
	18-24	35.5	105
	25-44	39.2	116
	45-64	20.6	61
	65+	2.0	6
	Sub Total	**100.0**	**296**

Table 2.4 indicates that the majority of the interviewees who came for leisure and holiday were of the age group 25 – 44. The same age group was prominent in VFR, business and conference. These results have been consistent with the previous surveys.

This market segment (25 – 44) is very important in terms of value and uniqueness as it focuses on the special mix of activities at destination which includes study, work, volunteer placements and adventure (UNWTO, Barometer 2009). However, the results further suggest the need for intensifying promotional efforts to tap other market segments such as senior citizens.

Table 2.5: Purpose of Visit by Country (in Percentage)

COUNTRY/PURPOSE	ITALY	UNITED STATES OF AMERICA	UNITED KINGDOM	SOUTH AFRICA	KENYA	GERMANY	FRANCE	CANADA	AUSTRALIA	NETHERLANDS	UNITED ARAB EMIRATES	ZAMBIA	NORWAY	SWEDEN	SWITZERLAND
Business	2.5	9.7	13.5	8.2	18.4	9.6	12.0	17.1	7.2	9.3	6.7	67.1	5.4	5.5	7.1
Conference	0.7	4.4	3.2	0.8	14.9	3.8	2.6	0.5	1.0	1.5	1.0	3.9	4.8	11.0	5.5
Leisure and Holidays	89.3	49.1	58.4	83.9	28.3	66.3	73.5	46.8	83.6	70.7	75.4	8.4	64.6	57.5	71.7
VFR	5.9	21.2	20.3	5.9	33.0	16.7	9.8	14.4	6.3	12.7	16.4	18.7	12.2	15.0	11.0
Other	1.6	15.6	4.7	1.1	5.4	3.5	2.1	21.2	1.9	5.9	0.5	1.9	12.9	11.0	4.7
Total (%)	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Table 2.5 shows that most of the visitors to Tanzania came for Leisure and holiday. Italy took a lead in this category by accounting for 89.3 percent of the total visitors, followed by South Africa (83.9 percent) and Australia (83.6 percent). On the other hand, Kenya led in bringing tourists under VFR, followed by the United States and the United Kingdom. The prominence of Kenya under VFR is partly due to the common languages, historical background and cultural ties; thus making the environment more familiar.

Zambia recorded the highest number of visitors coming to Tanzania for business, followed by Kenya. The prominence of Zambia under the business category was largely attributed to the inclusion of Tunduma boarder in the survey.

2.6 Length of Stay

Table 2.6(a): Average Length of Stay of Visitors to Tanzania

S/N	Country	Non-Package Visitors' Country Average	Package Visitors' Country Average	Average
1	ITALY	10	8	9
2	UNITED STATES OF AMERICA	10	11	10
3	UNITED KINGDOM	11	10	10
4	SOUTH AFRICA	7	7	7
5	KENYA	6	5	5
6	GERMANY	13	13	13
7	FRANCE	10	10	10
8	CANADA	11	13	12
9	AUSTRALIA	11	9	10
10	NETHERLANDS	12	12	12
11	UNITED ARAB EMIRATES	7	9	8
12	ZAMBIA	5	7	6
13	NORWAY	12	14	13
14	SWEDEN	15	12	13
15	SWITZERLAND	12	12	12
	Average	**10**	**10**	**10**

The overall average length of stay for visitors to Tanzania was 10 nights **(Table 2.6a)**. This is the lowest average length of stay recorded since inception of the survey in 2001 largely due to seasonality as the survey was conducted in December (mini-peak tourist season). As indicated earlier, during such period most of the visitors come under the non-package arrangement and normally spend a few days at destination.

Under the non-package arrangement, the visitors from Sweden recorded the highest average length of stay of 15 nights, followed by Germany with 13 nights. Just like in the 2007 Survey, the country that stayed the least was Zambia, which recorded five nights. Regarding the package tour arrangement, Norway had the highest average length of stay of 14 nights, followed by Canada and Germany, with 13 nights. Meanwhile, visitors from Kenya recorded the lowest average length of stay of five destinations nights. Results from the previous survey also showed that visitors from long haul tended to stay longer at destination. In view of this, it is important to ensure that such markets are maintained by improving the infrastructure such as the roads and airports. On the other hand, the Tanzania Tourist Board should enhance promotion in the emerging markets like India and China in case the traditional source markets face a calamity such as an economic crisis.

Table 2.6(b): Average Length of Stay of Visitors to the Tanzania Mainland

S/N	Country	Non-Package Visitors' Country Average	Package Visitors' Country Average	Average
1	UNITED STATES OF AMERICA	10	10	10
2	UNITED KINGDOM	10	8	9
3	GERMANY	10	10	10
4	KENYA	6	5	5
5	CANADA	10	11	11
6	AUSTRALIA	10	11	11
7	NETHERLANDS	11	9	10
8	FRANCE	9	8	8
9	ZAMBIA	5	6	5
10	UNITED ARAB EMIRATES	6	7	7
11	ITALY	9	7	8
12	NORWAY	9	10	10
13	SWEDEN	13	6	9
14	SWITZERLAND	10	10	10
15	SOUTH AFRICA	6	8	7
	Average	**9**	**8**	**9**

Survey results in **Table 2.6(b)** indicate that the overall average length of stay for visitors who toured Tanzania Mainland was nine nights with Canada and Australia recording the highest average length of stay of 11 nights. As for the non-package tour arrangement, the highest average length of stay was 13 nights recorded by Sweden. Under the package tour arrangement, visitors from Canada and Australia led by recording an average length of stay of 11 nights.

Table 2.6 (c): Average Length of Stay to Zanzibar

S/N	Country of Residence	Non-Package Visitors' Country Average	Package Visitors' Country Average	Average
1	ITALY	9	8	8
2	UNITED STATES	8	5	7
3	SOUTH AFRICA	6	7	6
4	UNITED KINGDOM	6	6	6
5	GERMANY	7	8	8
6	FRANCE	6	7	6
7	UNITED ARAB EMIRATES	5	5	5
8	NETHERLANDS	5	6	5
9	NORWAY	16	5	10
10	AUSTRALIA	7	3	5
11	SWITZERLAND	9	6	8
12	SWEDEN	9	9	9
13	KENYA	4	4	4
14	CANADA	5	4	5
15	DENMARK	9	7	8
	Average	**7**	**8**	**7**

Table 2.6 (c) shows that the overall average length of stay was seven nights just like what was observed during the 2004, 2005 and 2007 surveys. The visitors from Norway recorded the highest average length of stay of 10 nights followed by Sweden, with nine nights. Consistent with survey results obtained in 2007, Kenya which is close to Zanzibar recorded the lowest overall average of five nights.

Looking at the length of stay by travel arrangement, Norway stayed long by recording 16 nights under the non-package tour arrangement. Visitors from Kenya recorded the lowest average length of stay of four nights. On the other hand, visitors from Sweden recorded the highest average length of stay of nine nights under the package tour arrangement. Visitors from Australia recorded the least average length of stay of three nights under the package tour arrangement.

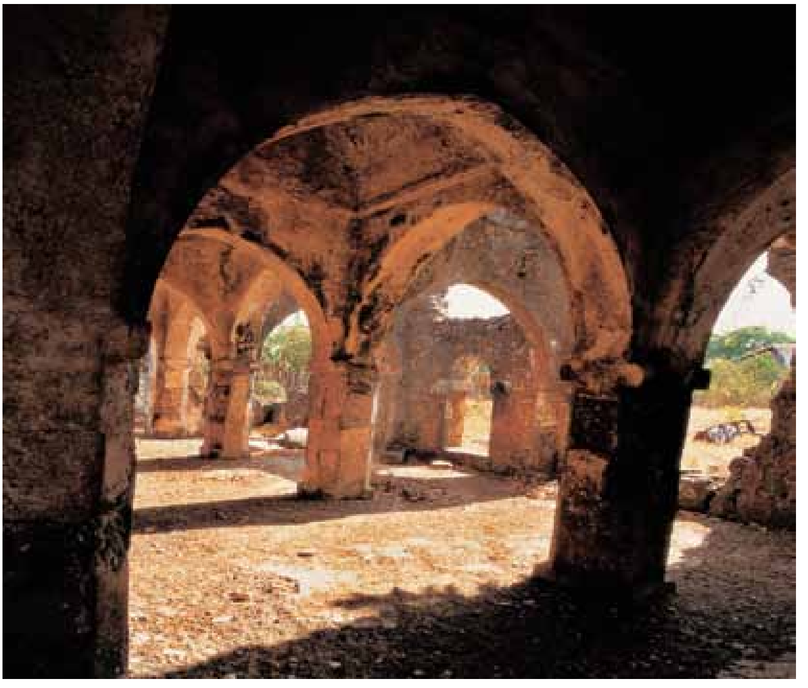
2.7 Average Length of Stay by Purpose of Visit

Table 2.7 depicts survey results on the average length of stay for top 15 source markets by purpose of visit. The results show that the average length of stay for visitors who came for leisure and holidays was 10 nights. Those who came for Visiting Friends and Relatives stayed for nine nights with Sweden taking the lead by recording 16 nights, while Zambia had the lowest average length of stay of four nights. Visitors from Canada and Sweden who came for conference recorded the highest average length of stay of 14 nights. Business visitors stayed for seven nights with Australia and Netherlands taking the lead.

Table 2.7: Average Length of Stay by Purpose of Visit for Tanzania

S/N	Country	Business	Conference	Leisure and Holidays	VFR	Other
1	AUSTRALIA	15	1	10	13	23
2	CANADA	9	14	12	13	16
3	FRANCE	7	7	11	10	10
4	GERMANY	6	10	14	12	20
5	ITALY	7	9	9	8	9
6	KENYA	5	6	5	5	8
7	NETHERLANDS	11	8	13	14	14
8	NORWAY	5	11	12	13	17
9	SOUTH AFRICA	6	11	7	6	3
10	SWEDEN	7	14	13	16	20
11	SWITZERLAND	5	8	13	10	13
12	UNITED ARAB EMIRATES	6	8	7	6	N/A
13	UNITED KINGDOM	7	6	11	8	20
14	UNITED STATES	7	9	11	10	10
15	ZAMBIA	6	8	6	4	5
	Average Total	**7**	**8**	**10**	**9**	**13**

Generally, results that have been obtained from all the surveys showed that there is no improvement in the average length of stay of the visitors. One of the challenges for tourism stakeholders is to increase the length of stay of visitors at destination. In order to increase the length of stay, there is a need to diversify tourism products by incorporating cultural entertainments, historical sight seeing, shopping, among others. In addition, the infrastructure especially roads leading to the Southern Tourism Circuit and the quality of services offered to the tourists should be improved.



Historical Sites

2.8 Departure Points

The Julius Nyerere International Airport (JNIA) is the main gateway of tourists to Tanzania. This is confirmed by information in Table 2.8 which indicates that majority of the visitors (46.3 percent) recorded during the survey departed through JNIA. Zanzibar Airport was the second leading departure point (26.2 percent) followed by Kilimanjaro International Airport (12.7 percent). Meanwhile, Namanga was the leading road boarder point.

Table 2.8: The Number of Visitors by Departure Points

Exit Point	Visitors	% of Total
JNIA	2,960	46.3
ZAA	1,677	26.3
KIA	810	12.7
NAM	721	11.3
TUN	220	3.4
Total	**6,388**	**100.0**

Survey results also show that visitors who came for leisure and holidays mostly departed through JNIA and Zanzibar Airport. Since the majority of these visitors were from long haul destinations, they were compelled to use air transport. The same pattern of results was obtained during the previous surveys. The prominence of air as the major means of transport which is used by Tanzanian tourists calls for proper maintenance and upgrading of the airport facilities.

2.9 Expenditure Analysis

2.9.1 Total Expenditure

One of the main objectives of this survey is to estimate the total tourist earning using the expenditure model developed in 2001. The variables used in the model include the number of international visitor arrivals from the Immigration Department, average length of stay and average expenditure of both package and non package visitor per night. Using the model, it is estimated that in 2008, Tanzania earned USD 1,288,699,561, out of which Zanzibar earned USD 160,258,272. These earnings accrued from 770,376 and 98,677 international visitor arrivals to Tanzania and Zanzibar, respectively. The tourism earnings to Zanzibar were low in 2008 compared to the previous year, largely due to the Global Financial Crisis which led to a decline in international visitor arrivals. **Chart 2.4** depicts tourism receipts in the past five years.

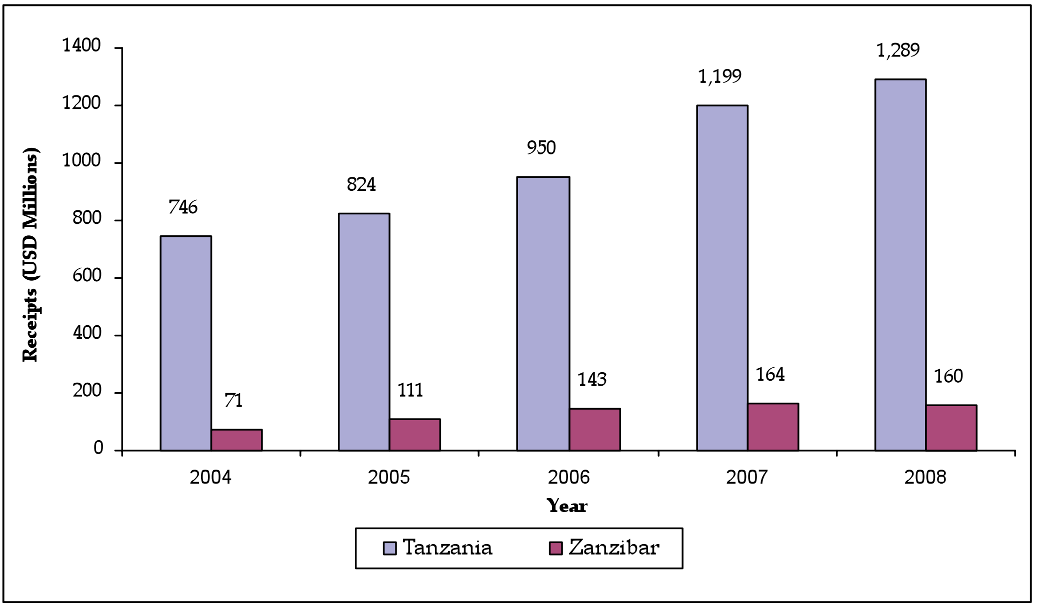


Chart 2.4: Tourism Receipts

2.9.2 Average Expenditure

The survey results show that the overall average expenditure for holiday visitors who came under the package arrangement was USD 209 per night, while that of non package was USD 186 per night **(Table 2.9)**. The result indicates that overall, the package arrangement tours are more expensive than the non package trips due to convenience during travel, safety and ease of reservation through travel agents.

Table: 2.9: Average Holiday Visitor's Expenditure per Night (Top 15 Source Markets)

S/No	Country	Average Package Expenditure (USD)	Average Non Package Expenditure (USD)
1	FRANCE	334	225
2	UNITED KINGDOM	301	184
3	UNITED ARAB EMIRATES	325	293
4	UNITED STATES OF AMERICA	270	193
5	KENYA	266	236
6	ZAMBIA	256	281
7	SOUTH AFRICA	248	252
8	SWEDEN	235	94
9	CANADA	232	151
10	NETHERLANDS	210	109
11	NORWAY	206	111
12	GERMANY	202	117
13	SWITZERLAND	185	151
14	ITALY	125	144
15	AUSTRALIA	121	153
	Average	**209**	**186**

The survey results show that the highest average package expenditure per night per person who came for holiday in Tanzania was recorded by visitors from France, followed by visitors from the United Arab Emirates. Visitors from Australia recorded the least average expenditure under the package tour arrangement.

On the other hand, non package visitors from the United Arab Emirates recorded the highest average expenditure per night per person, followed by the visitors from Zambia. Sweden recorded the least average expenditure per night per person. **Chart 2.5** shows the trends of average expenditure by travel arrangement in the last five years.

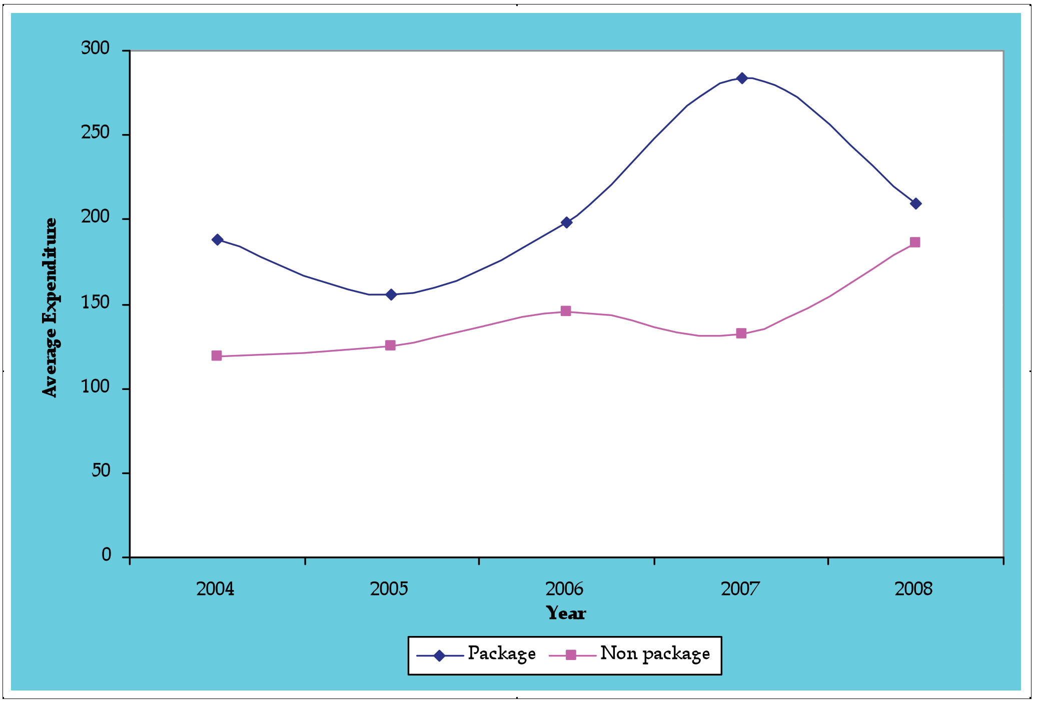


Chart 2.5: Average Expenditure per Night of Holiday Makers

2.9.3 Expenditure at Destination

In order to provide the basis for construction of Tourism Satellite Account in Tanzania, the survey attempted to collect information on tourist expenditure in accommodation, food and drinks, transport, shopping and sightseeing. The expenditure of non-package tourists was used. Given that payments were directly made by the respondents, it was relatively easier to remember the incurred expenditure. As for tourists under package travel, most of the payments were pre-paid in wholesome amount at source markets, thus rendering difficulties in desegregating the expenditures by sector.

Table 2.10: Percentage Distribution of Tourists' Expenditure by Category

Item	Accommodation	Food and Drinks	Transport	Shopping	Sight Seeing	Other	Total
Percent (%)	**28.0**	**23.0**	**11.0**	**14.0**	**11.0**	**14.0**	**100.0**

The survey results revealed that expenditure in accommodation accounted for 28 percent, while food and drinks accounted for 23 percent (**Table 2.10**). The results indicate the importance of accommodation as well as food and drinks items in the tourism sector.

2.10 Areas for Improvement

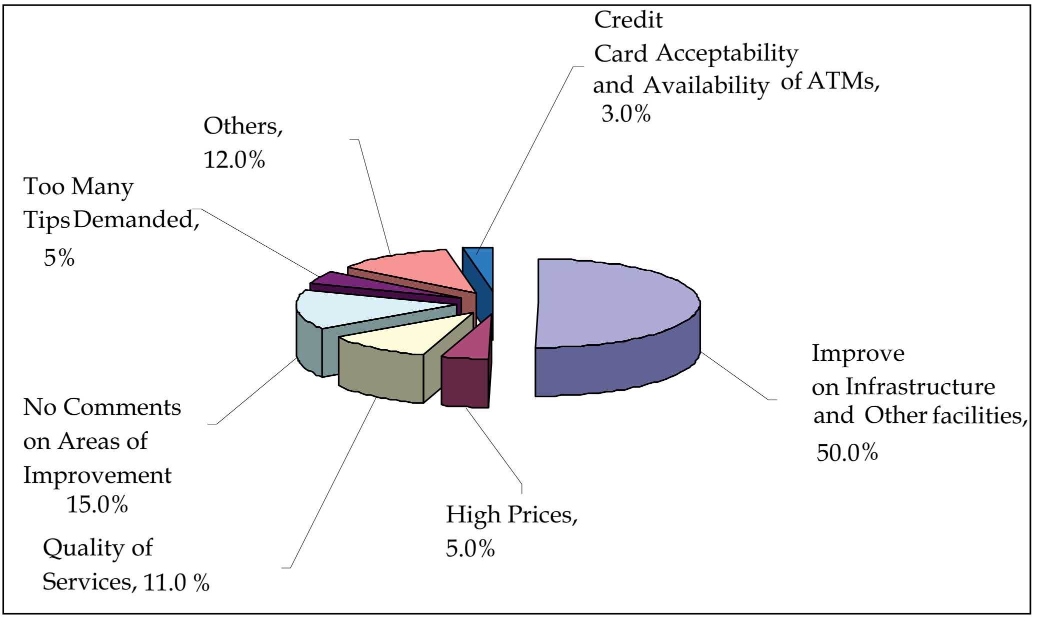


Chart 2.6: Visitors' Comments

Chart 2.6 reveals that half of the respondents called upon the improvement of the infrastructure and other facilities. They were deeply concerned with the poor condition of the roads leading to Tarangire and Serengeti as well as the traffic jams to and from the Julius Nyerere International Airport. Similarly, visitors were not satisfied with the conditions of the airports and their facilities such as air conditioners, signage and washrooms.

Some of the visitors were not satisfied with the quality of the services provided during their stay in Tanzania. Most of the visitors complained about poor and slow customer services and were dissatisfied with visa procedures.

Most of these comments were also raised during the previous surveys and some of them are being addressed. For instance, in Zanzibar, the rehabilitation of the runaway at the airport has commenced and a shade has been installed at the checking in area.

CHAPTER 3

Conclusion and Recommendations

3.1 Conclusion

This report concludes the International Visitors' Exit Survey that was conducted for two weeks during the tourist mini-peak season. The survey had the following objectives:

- To provide an up-to-date price information for estimating tourist expenditure in Tanzania in order to improve compilation of National Accounts and Balance of Payments statistics (BOP).

- To collect information for tourism promotion and macro-economic policy formulation.

The survey has been a success as it has met both objectives. Using the model that was developed in the 2001 International Visitors' Exit Survey, and updated price information obtained from the 2008 survey, it is estimated that Tanzania tourist earnings for 2008 were USD 1,288,699,561. Out of this amount, Zanzibar's earnings were estimated to be USD 160,258,272.

3.2. Recommendations

In order to enhance the development of the tourism industry in Tanzania, the following are the recommendations:

1. **Unsatisfactory State of Infrastructure and Other Facilities**
   Given that majority of the visitors who come to Tanzania use air transport; there is a need of improving airports and their facilities.

   Visitors also complained about poor conditions roads leading to Serengeti and Tarangire National Parks. Therefore, there is a need to improve airports, roads and other facilities such as air conditions, signage and washrooms.

   Responsible institutions: *The Ministry of Infrastructure Development (MID), Tanzania Airports Authority (TAA) and Immigration Department (ID).*

2. **Dominance of Visitors from Europe and North America**
The survey results continued to show the dominance of visitors from Europe and North America. In order to reduce the reliance on these two traditional blocs, efforts should be made to penetrate into emerging source markets like the Middle East as well as regional markets.
Responsible institutions: *The Ministry of Natural Resources and Tourism (MNRT), TTB, TCT, ZCT, Zanzibar Association of Tourism Investors (ZATI).*

3. **Few Elderly Visitors (65 years and above)**
The survey results continue to reveal that a proportion of elderly visitors remained minimal despite the fact that they are potential markets. As a way to attract more elderly visitors, there is a need to upgrade standards in accommodation establishments especially facilities to cater for elderly and people with disabilities.

Responsible institutions: *The Ministry of Natural Resources and Tourism (MNRT), TTB, TCT, ZCT, Zanzibar Association of Tourism Investors (ZATI).*

4. **Low Number of Business and Conference Visitors**
Despite the growing importance of the conference tourism in the world, the number of such visitors still remains low. There is a need to construct a large and modern state-of-the-art conference auditorium to attract international Meetings, Incentives, Conferences and Exhibitions (MICE).

Responsible institutions: *Responsible institutions: MoFAIC, MNRT, TTB, TCT, ZCT, ZATI.*

5. **Tourism Industry has been Negatively Impacted by the Global Financial Crisis (GFC)**
In order to mitigate the effects of the Global Financial Crisis on the tourism sector, the following are recommended:
    - There is a need to closely monitor the tourism business trend through compilation and analysis of statistical data, information and consulting with both the Public and Private Sectors,
    - Promote domestic and regional tourism. At the same time, target independent travelers who are more resilient at times of crisis. Tourism establishments should also concentrate on containment of cost and improving quality of products and services.

Responsible institutions: *MNRT, TTB, TCT, ZCT, ZATI*

~APPENDICES~

APPENDIX I

Survey Methodology

i. Introduction

This chapter describes approach and methodological aspects involved in conducting the 2008 International Visitors` Exit Survey. It covers practical issues related to the survey implementation. Mostly, it focuses on designing of the survey instruments, sampling framework and utilization of the tourists' expenditure model.

ii. Scope of the Survey

The target population for the survey was the departing international visitors. A person is considered as an international visitor if he/she travels to a country other than that of his/her usual residence, for a period not exceeding twelve months, and whose main purpose of visit is other than an activity remunerated from within the country visited. All other travellers were considered outside the scope of the survey.

iii. Sample Size

The survey sample was planned to capture about two percent of 719,031 international visitors who were recorded in 2007. This approach yields a sample size of about 14,381 international visitors. In this regard, the survey managed to randomly interview about 4,265 respondents, who represented around 6,388 visitors in the sample. In order to allow comparability across the years, the sample size has remained consistent with the ones used during 2007 International Visitors' Exit Survey. This sample was considered sufficient to meet the survey's objectives.

iv. Survey Period

The data collection exercise was undertaken during the mini-peak tourist season. The survey took two weeks, from 8th to 21st December, 2008.

v. Survey Coverage

In order to obtain the required information from the international visitors, it was important to conduct the survey at the entry/exit boarder points. The survey was conducted in five departure points, namely: Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA), Zanzibar Airport (ZAA), Namanga (NAM) and Tunduma border points. These selected departure points are mostly used by the international visitors to Tanzania.

vi. Enumerators' Manual

The Technical Committee (TC) prepared the Enumerators' Manual (EM) that was used by the enumerators as a reference document during the survey. The manual contained information and guidelines on concepts and definitions of some of the key words used in the questionnaire. Additionally, the manual provided the description of the questions and data cross-checking mechanism.

vii. Training of Enumerators

The Enumerators' Manual was used as a guideline document during the training. The purpose of the training was to guide the enumerators to understand the questionnaire and equip them with interviewing techniques. Specifically, the training which was conducted by TC members aimed at providing skills and knowledge necessary for gathering information from the respondents.

viii. The Questionnaire

The questionnaire used in the survey had 13 questions (Appendix II):
Questions 1 to 4 aimed at establishing the visitors' profiles.

Questions 5 to 8 targeted at obtaining the visitors' travel behaviour namely type of tour (package/non-package), items in the package and number of nights spent.

Questions 9 to 12 were structured to establish the tourists' earnings ascribed to Tanzania. In addition, the questions probed for details on the amount of money spent in Tanzania.

Question 13 aimed at obtaining the visitors' perception of Tanzania's tourism industry.

IX. Data Processing

The data processing exercise started with manual data editing followed by data entry. The process further involved data cleaning in order to remove outliers from the database. The data was processed using the ORACLE8i Relational Database Management System (RDMS), which was designed to cover all the major information as captured in the questionnaire. The system also provides basic reports as stipulated by the users.

x. Tourist Expenditure Estimation

Tourist expenditure in the country was estimated using the Tourist Expenditure Model that was developed during the comprehensive visitors' exit survey conducted in 2001. The model uses variables namely; average expenditure by travel arrangement by purpose of visit, proportion of visitor by travel arrangement, average length of stay and number of tourist arrivals.

The model is depicted in the following equation:

$$E_V = (E_P \times V_P \times T) + (E_{NP} \times V_{NP} \times T)$$

Whereby:

E_v = Total tourist expenditure in Tanzania;

E_P = Average package tour expenditure per visitor per night, derived from the survey;

E_{NP} = Average non-package tour expenditure per visitor per night, derived from the survey;

V_P = Number of arrivals under the package travel arrangement (The arrivals as captured by the Immigration Department, adjusted into package visitors by purpose using survey results);

V_{NP} = Number of arrivals under the Non-package travel arrangement (The arrivals as captured by the Immigration Department, proportionately adjusted into non-package visitors using survey patterns);

T = Average length of stay as computed from the survey.

The Simplified Model

Country of Residence	Purpose of Visit	Total Visitors (sourced from Immigration Dept)	Visitors by travel arrangement		Avg. length of stay	Avg. expenditure per visitor per night		Total expenditure (E_V)
						Package	Non Package	
			Package (V_P)	Non-package (V_{NP})	(T)	(E_P)	(E_{NP})	(E_V)
	Business							
	Holiday							
	VFR							

Procedure and Assumptions Used for the Estimation of Tourist Expenditure for 2008;

- Calculation of average package tour expenditure involved deduction of estimated cost for international fare to Tanzania and commission accruing to a tour wholesaler. Information on the cost of international transport from the source markets was updated using the current information gathered from international carriers that bring visitors to Tanzania.

- The average expenditure was computed after removing outliers from the database. The cut-off points were USD 10 and USD 1,500.

- About 10 percent of the value of the package is retained by the wholesaler to meet overhead costs and commission.

- Immigration data on arrivals by purpose of visit were distributed according to the package and non-package arrangements, using the travel arrangement ratios as established in the survey.

- The survey results and total number of arrivals from Immigration Department were used in the model in order to estimate annual tourists' expenditure in the country. Given the homogeneity nature of the visitors' characteristic, the information collected during the survey is justifiable to represent the total population.

- The Immigration department provides a separate number of tourist arrivals for Zanzibar that enabled the estimation of tourist expenditure for Zanzibar.

APPENDIX II

THE 2008 INTERNATIONAL VISITORS' EXIT SURVEY

Please read the instructions carefully before filling the form

INTRODUCTION:

We hope that your stay in Tanzania was a pleasant one and a rewarding experience. Before you leave, we kindly ask you to complete this questionnaire as accurately as you can. The information you give will help us improve and develop our tourism sector. The Ministry of Natural Resources and Tourism, National Bureau of Statistics, Bank of Tanzania, Immigration Department and the Zanzibar Commission for Tourism are jointly carrying out this survey.

FOR OFFICIAL USE:

CODE NUMBER:____

NAME OF ENUMERATOR:__________________________________

DATE:__________________ SIGNATURE:______________________

NAME OF THE DATA ENTRANT:_____________________________

1. **Nationality ……………………… Country of usual residence ……………..….**

	<18	18-24	25-44	45-64	65+
2. **Age group (tick one only)**	[ ]	[ ]	[ ]	[ ]	[ ]

3. **Number of people with whom you are travelling, including children and yourself, whose Expenditure is on one account**

Females	
Males	

4. **Main purpose of visit to Tanzania *(tick one only)***
   Conference [ ] Leisure and Holidays [ ]
   Business [ ] ***Other (please specify)***……………
   Visiting Friends and Relatives [ ]

5. **Visit arrangements before coming to Tanzania (tick one)**
   Package tour (at least international transport and accommodation bought in one price) [ ]
   Independent/Non-package tour [ ]
   If "independent", tick and go to question 10

6. **Items included in your package tour (tick)**
   International transport [ ] Sightseeing/excursion/game activities [ ]
   Accommodation [ ] Guided tour [ ]
   Food and Drinks [ ] Travel insurance [ ]
   Internal transportation in Tanzania [ ] Other (please specify)………....

7. **Please tick below the main reasons for choosing package tour as your mode of travel**
   [ ] Ease of reservation through the travel agent
   [ ] Convenience during travel
   [ ] Saving money [ ] Other (please specify)……
   [ ] Safety

8. **Total number of nights in the package tour INCLUDING nights spent in other countries** [ ]

9. **Total cost of the package tour:Currency ....…..…….…** [ ]

10. **Number of nights spent in:**

Tanzania Mainland	
Zanzibar Islands	

11. **How much money did you spend in Tanzania during this trip, including cash, travellers cheque, and credit cards? (please give your best estimate in case you do not remember the exact figures)**
Currency…….............……….............

12. **Please give a breakdown of your expenditure in Tanzania on the following;**

Accommodation alone	Currency ….………	
Food and drinks	Currency ….………	
Mountain Climbing	Currency ….………	
Diving	Currency …..………	
Access/entry/gate fees	Currency …..……..	
Visa fees and taxes	Currency …..……..	
Shopping	Currency …..….….	
Others (please specify): ………..….	Currency …..…….....	

13. **What would you consider the most important areas that need improvement?**

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Thank you for your co-operation and for choosing Tanzania as your destination. Have a pleasant journey

REFERENCES

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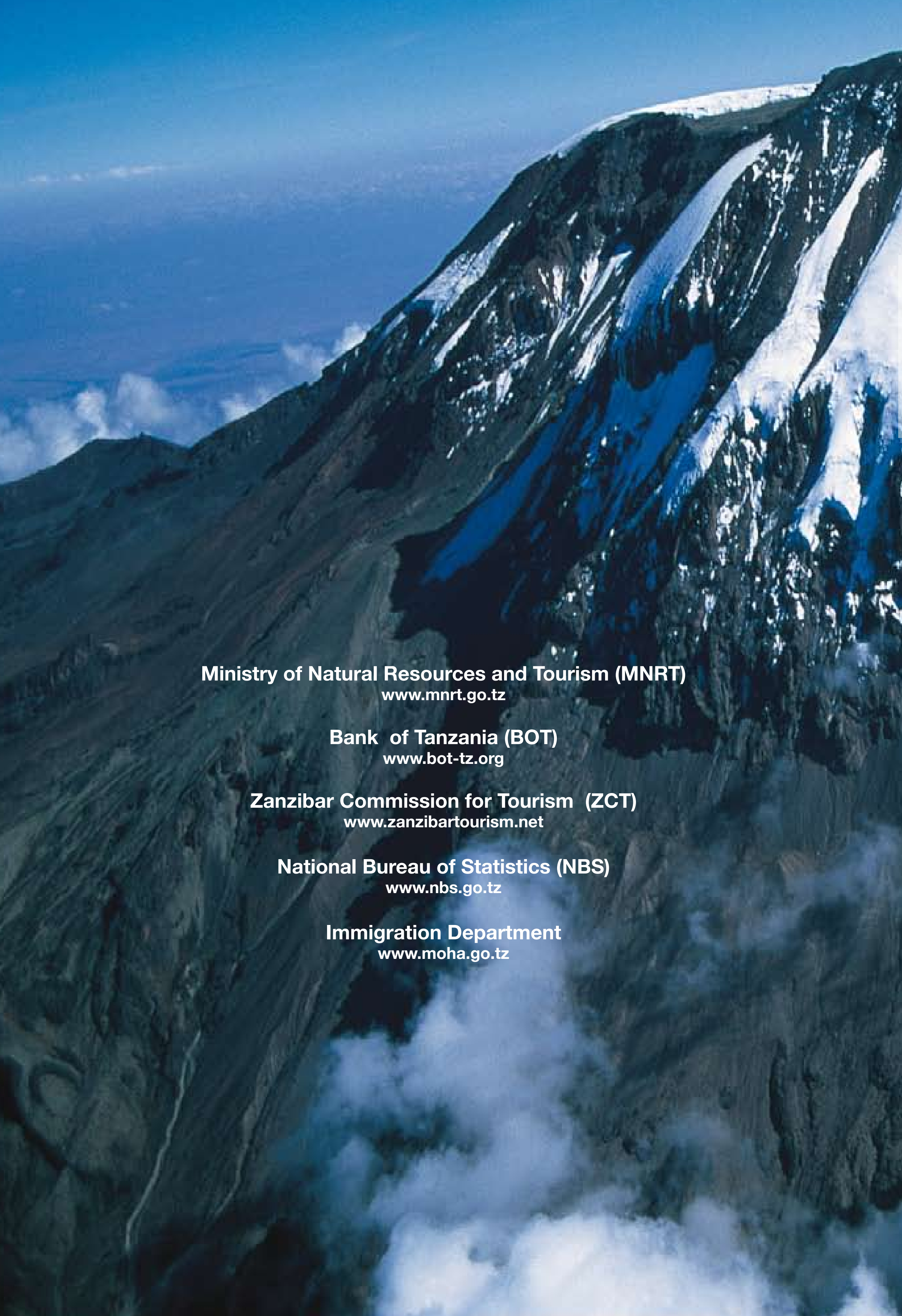

Ministry of Natural Resources and Tourism (MNRT)
www.mnrt.go.tz

Bank of Tanzania (BOT)
www.bot-tz.org

Zanzibar Commission for Tourism (ZCT)
www.zanzibartourism.net

National Bureau of Statistics (NBS)
www.nbs.go.tz

Immigration Department
www.moha.go.tz