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The 2014 International Visitors' Exit Survey Report

THE TANZANIA TOURISM SECTOR SURVEY

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THE 2014 INTERNATIONAL VISITORS' EXIT SURVEY REPORT

November 2016

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ACRONYMS

AAKIA	Abeid Amani Karume International Airport
BOT	Bank of Tanzania
DCC	Dar es Salaam City Council
HAT	Hotel Association of Tanzania
JNIA	Julius Nyerere International Airport
KAS	Kasumulo
KIA	Kilimanjaro International Airport
LGAs	Local Government Authorities
MANY	Manyovu
MFAIC	Ministry of Foreign Affairs and International Cooperation
MNRT	Ministry of Natural Resources and Tourism
MoT	Ministry of Transport
MoW	Ministry of Works
MTU	Mtukula
NAM	Namanga
NBS	National Bureau of Statistics
TAA	Tanzania Airport Authority
TANAPA	Tanzania National Parks Authority
TCT	Tourism Confederation of Tanzania
TIC	Tanzania Investment Centre
TTB	Tanzania Tourist Board
TUN	Tunduma
UNWTO	United Nations World Tourism Organization
URT	United Republic of Tanzania
VFR	Visiting Friends and Relatives
ZATI	Zanzibar Association of Tourism Investors
ZCT	Zanzibar Commission for Tourism

FOREWORD

The tourism industry which account for about 24.0 percent of Tanzania's exports of goods and services continued to grow in 2014 as indicated by the number of international tourist arrivals which increased to 1,140,156 from 1,095,884, as recorded in 2013; largely on account of the on-going macroeconomic reforms and enhanced promotional efforts. As a result of this development, tourism earnings increased by 8.4 percent to USD 2,006.3 million in 2014, from USD 1,853.3 million recorded in 2013.

In view of the foregoing, we are pleased to introduce the 2014 Tanzania Tourism Sector Survey (TTSS), Report produced by the multi-institutional committee comprising 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).

The 2014 survey's results indicate that there has been an improved performance of the tourism industry, as indicated by a significant increase in tourism earnings. Most of the visitors were impressed by Tanzania as one of the unique destinations with friendly people and wonderful scenery. However, the majority of the visitors indicated the need for further improvement in the state of roads, particularly within the national parks, traffic jams in Dar es Salaam and quality of services in some of the hotels. It is expected that this report will provide useful information to policy makers, investors, academicians and other stakeholders.

Hon. Prof. Jumanne Maghembe (MP)
Minister
Ministry of Natural Resources and Tourism

BNdulu:

Prof. Benno Ndulu
Governor
Bank of Tanzania

ACKNOWLEDGEMENT

The Steering Committee of the Tanzania Tourism Sector Survey (TTSS) Project wishes to express heartfelt thanks and appreciation to all those who were involved in the successful completion of the 2014 International Visitors' Exit Survey. Special thanks should go to the Chief Executive Officers of the participating institutions namely; the Ministry of Natural Resources and Tourism, Bank of Tanzania, National Bureau of Statistics, Immigration Department, Zanzibar Commission for Tourism and the Tourism Confederation of Tanzania, for their valuable support and guidance.

Special appreciation should also go to the Immigration Department staff, particularly the officers in-charge at the Julius Nyerere International Airport, Abeid Amani Karume International Airport, Kilimanjaro International Airport, Namanga, Tunduma, Mtukula and Manyovu boarder points. Similarly, our profound thanks should go to researchers and those who handled the data entry exercise for making the survey a success.

This report was prepared under the overall supervision of Mr. Z. A. Kimwaga (Director of Tourism – MNRT) and Dr. J. L. Masawe (Director, Economic Research and Policy-BOT). The Technical Team was led by Mr. P. Mwiru, Assistant Director of Tourism (MNRT), in collaboration with Ms. N. Moshy, Manager, International Economics and Trade Department (BOT). Other members of the team were Dr. C. Masenya (BOT), Mrs. V. W. Kejo (BOT), Mr. P. Mboya (BOT), Mr. J. Msimbano (MNRT), Mr. V. Tesha (NBS), Ms. E. Lema (NBS), Mrs. J. Rugemalila (NBS), Mr. C. Mndeme (Immigration Department) and Mr. M. Jaffer (ZCT). Special appreciations should also go to Mr. R. Barongo and R. William from BOT for managing the data processing exercise.

EXECUTIVE SUMMARY

The World Tourism Barometer (2015) shows world international tourist arrivals increased by 4.7 percent reaching 1,138 million in 2014, compared to 1,087 million recorded in 2013. Region-wise, Europe was the most visited region, recording a total of 588 million international tourist arrivals, followed by Asia and the Pacific and the Americas with 263 million and 181 million international visitors respectively. In East Africa, the number of international tourist arrivals in Kenya declined by 11.2 percent, from 1.52 million in 2013 to 1.35 million in 2014 mainly due to security concerns, negative travel advisories and fear of spread of Ebola. However, the tourism industry continued to grow in Tanzania as indicated by the number of international tourist arrivals, which increased by 4.0 percent to 1,140,156 in 2014.

This report presents the findings of the 12th international visitors' exit survey, which was conducted for a period of two weeks from 25th August 2014 to 7th September 2014.

Main findings

Source Markets

The survey's findings show that the top 15 source markets accounted for about 82.0 percent of the total visitors. The composition of source markets remained broadly the same when compared with the comprehensive survey conducted in 2013, except that Zimbabwe, Netherlands and China are new entrants into the list of top 15 sorce market, replacing Sweden, Switzerland and India. The appearance of China and Zimbabwe is mainly attributed to the increased business relations with Tanzania and promotional efforts to decrease overdependence on the traditional markets of Europe and America.

Visitors' Expenditure

Tanzania's tourism earnings increased by 8.2 percent to USD 2,006.3 million in 2014, compared with USD 1,853.3 million recorded in 2013. Meanwhile, Zanzibar earned USD 269.3 million in 2014 compared with USD 210.5 million earned in 2013. The overall average expenditure per person per night was USD 221, lower than USD 284 recorded in 2013. This implies that the growth in tourism earnings during 2014 largely emanated from increase in the number of international tourist arrivals. The results further show that visitors who came under the package tour arrangement spent an average of USD 326.9 per person per night, compared with an average of USD 147.8 for those who came independently.

Leisure and holidays continued to be the dominant purpose of visit

The survey's findings indicate that leisure and holidays continued to be the main purpose of visit for international tourists to Tanzania, followed by visiting friends and relatives; business, meetings and conferences. Only a few visitors came as volunteers and for scientific and academic purposes. The dominance of visitors who came for leisure and holidays is associated with the country's quality nature attractions i.e.: national parks, beaches, Mount Kilimanjaro etc.

Length of stay for most visitors were between 8 and 28 nights

The findings revealed that 54.1 percent of the visitors stayed between 8 to 28 nights, followed by those who stayed between 4 to 7 nights. Less than five percent of the visitors stayed more than one month. The results revealed further that the average length of stay of a visitor in the United Republic of Tanzania is 10 nights. Visitors who came under the package tour stayed longer than those under the non-package tour arrangement. Within the non-package tour arrangement, visitors from Germany, Netherlands, Italy, France and Spain stayed the longest. Visitors from Zimbabwe stayed the least with an average of three nights.

Wildlife tourism continues to be the main activity

Wildlife tourism continued to be the main tourism activity in Tanzania, accounting for 43.5 percent of all the visitors in 2014, consistent with the country's natural beauty and extraordinary wildlife endowment. Most of the visitors who came for this activity were from the United States of America, United Kingdom, France and Italy. Other prominent tourism attractions were beach and cultural activities which are more prominent in Zanzibar. Zanzibar is known for its white sandy beaches, bursting culture, history and endemic spices. Most visitors who came for beach tourism were from Italy, United Kingdom and South Africa, while for cultural tourism came from Germany, United States of America and Italy.

First-time visitors continue to dominate over repeat visitors

The survey's findings indicate that 67.3 percent of all respondents in Tanzania are first-time visitors, while the remaining are repeat visitors. The majority of first-time visitors prefer package arrangement, while most of the repeat visitors prefer non-package arrangement since they are familiar with the destinations.

Cash was a major mode of payment

The findings indicate that 86.9 percent of the visitors settled their bills in cash compared to 89.8 percent recorded in 2013. The share of visitors who paid through credit cards improved slightly to 12.8 percent from 9.3 percent in 2013. The dominance of cash as a mode of payment is attributed to unacceptability of credit cards at most tourism establishments. This has been a concern to visitors in the past surveys. Visitors are likely to stay longer if the use of the credit card facility is widely accepted.

Policy Recommendations

The findings indicated that the majority of the visitors used cash as a mode of payment, while a few used credit cards. The small number of visitors using credit cards support raised concern about the unacceptability of this facility by most tourism establishments. Therefore, the Government through the national Public-Private Partnership (PPP) policy should sensitize and encourage the business community to accept the use of credit cards.

The survey's results indicate that the overall average length of stay of visitors to the United Republic of Tanzania was 10 nights, which is similar to the number reported in 2013 and 2012. This implies that there is a need of enhancing diversification of tourism products in order to increase the number of nights spent at a destination by tourists. This will have a positive impact on tourist expenditure in the country.

Further, the survey's findings showed that wildlife tourism continued to be the leading activity in 2014, in spite of the country's endowment with a wide range of other tourist attractions such as sandy beaches, historical sites, mountains, nature and landscapes. This implies that more concerted efforts should be undertaken to promote other forms of tourist attractions to complement wildlife tourism.

The findings also indicate that more than a half of the visitors raised concern regarding the improvement of the infrastructure and other facilities, such as roads within the national parks, toilets, water supply and air conditioners at the airports and signage. The government is therefore urged to continue with its efforts to improve roads in the national parks and other facilities.

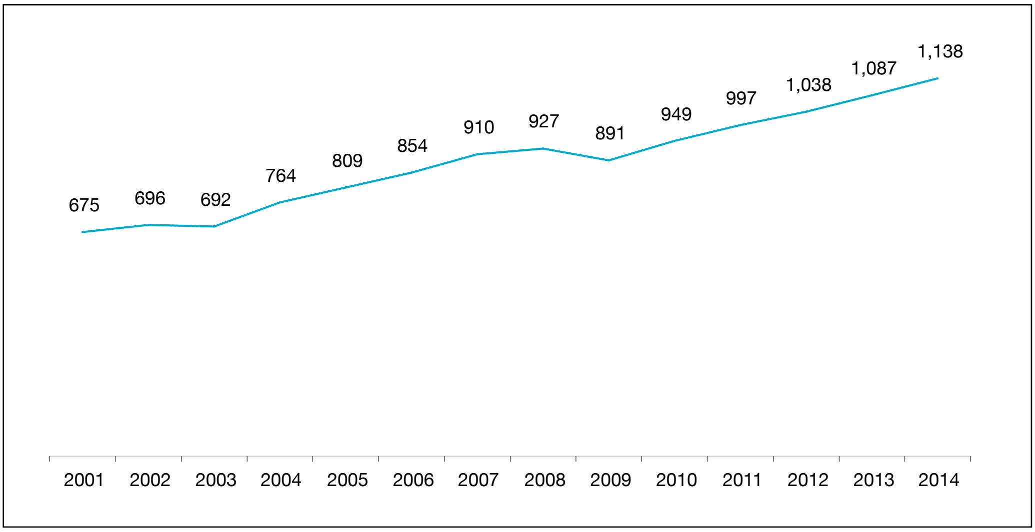
Traffic jam in Dar es Salaam region was another major concern of most tourists. The government is advised to continue with its efforts to address the infrastructural issues.

Chapter 1: Recent Developments in the Tourism Industry

1.1 Global Perspective

World international tourist arrivals increased by 4.7 percent, reaching 1,138 million in 2014, compared to 1,087 million recorded in 2013, according to the UNWTO World Tourism Organization Barometer, January 2015 (**Chart 1.1**). This is the fifth consecutive year of an increase in growth since the 2009 economic crisis.

Chart 1.1: International Tourist Arrivals, 2001-2014 In Millions



Source: UNWTO World Tourism Organization Barometer, January 2015

Region-wise, **Europe** was the most visited region with over half of the world's international tourist arrivals, reaching a total of 588 million in 2014 (**Table 1.1**). Northern and Southern Europe and Mediterranean Europe recorded the strongest growth (each 7.0 percent). The growth in international tourist arrivals was modest in Western Europe (2.0 percent), while in Central and Eastern Europe growth stagnated after three years of strong growth.

The number of international tourist arrivals in **Asia and the Pacific** increased by 13.0 million, to 263 million. The best performance was recorded in North-East Asia and South Asia (both 7.0 percent). Tourist arrivals in Oceania grew by 6.0 percent, but growth slowed down in South-East Asia (2.0 percent) compared to the previous years.

The **Americas** recorded an additional 13.0 million international tourist arrivals, reaching a total of 181 million. This performance was driven by strong growth in North America (8.0 percent), the Caribbean (7.0 percent) and Central America and South America (each 6.0 percent).

The **Middle East** showed signs of rebound with international tourist arrivals increasing by 4.4 percent to 50 million in 2014. In **Africa,** international tourist arrivals grew by 2.4 percent to 56 million. Strong growth was recorded in Sub-Saharan Africa (3.0 percent) despite the outbreak of Ebola Virus Disease in a few West African countries. North Africa recorded a weak growth of 1.0 percent.

Table 1.1: International Tourist Arrivals by Region, 2006 – 2014

In Millions

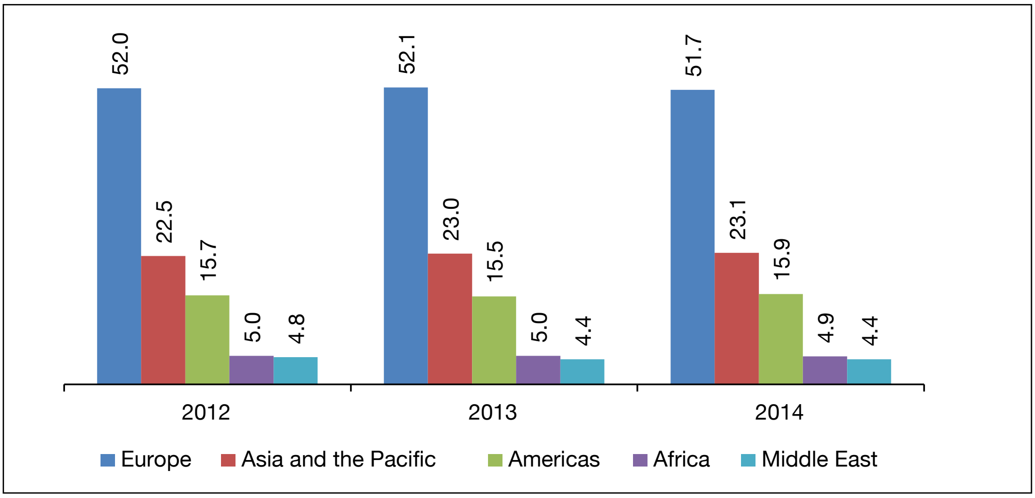
Region	2006	2007	2008	2009	2010	2011	2012	2013	2014
Europe	461	488	489	461	488	516	540	566	588
Asia and the Pacific	167	185	188	181	205	219	234	250	263
Americas	136	143	148	141	151	156	163	168	181
Africa	39	45	47	47	50	50	52	55	56
Middle East	40	48	53	52	55	55	50	48	50
Percentage Change									
Europe	5.0	5.9	0.1	-5.6	5.9	5.7	4.6	4.9	3.9
Asia and the Pacific	8.4	11.3	1.4	-3.7	13.5	6.4	7.0	6.8	5.3
Americas	1.8	5.0	3.6	-4.7	7.0	3.7	4.2	3.4	7.4
Africa	11.0	14.3	4.5	-0.4	6.4	0.0	5.0	4.8	2.4
Middle East	8.9	20.2	11.4	-1.7	5.2	0.0	-9.0	-3.2	4.4

Source: UNWTO World Tourism Organization Barometer, Various issues

In terms of global share, Europe continued to account for the largest share of international tourist arrivals, followed by Asia and the Pacific, the Americas, the Middle East and Africa, as indicated in **Chart 1.2**. The same pattern was observed in 2012 and 2013.

Chart 1.2: Market Shares of International Tourist Arrivals, 2012-2014

Percent



Source: UNWTO World Tourism Organization Barometer, Various issues

UNWTO projects that international tourist arrivals will grow by between 3.0 and 4.0 percent in 2015. The growth will be supported by the decline in oil prices that will lower transport costs and boost economic growth, which in turn will increase purchasing power and private demand particularly in oil importing economies. Region-wise, growth is expected to be stronger in Asia and the Pacific, the Americas and Europe (**Table 1.2**).

Table 1.2: Outlook for International Tourist Arrivals

Percent

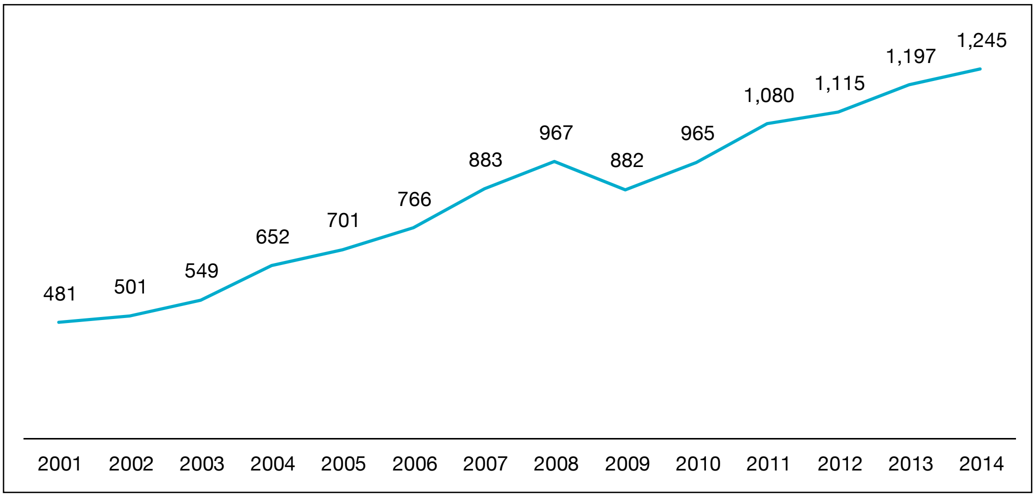
	Actual Growth		Projection
	2014	Average 2005-2014	2015
World	4.7	3.9	3.0 to 4.0
Europe	3.9	3.0	3.0 to 4.0
Asia and the Pacific	5.3	6.1	4.0 to 5.0
Americas	7.4	3.4	4.0 to 5.0
Africa	2.4	5.4	3.0 to 5.0
Middle East	4.4	4.6	2.0 to 5.0

Source: UNWTO World Tourism Organization Barometer, January 2015

According to the UNWTO World Tourism Barometer of April 2015, receipts from international tourism increased by 4.0 percent to USD 1,245 billion in 2014 (**Chart 1.3**). The development is in line with the increase in international tourist arrivals, confirming the strong correlation between these two keys indicators of international tourism. Apart from receipts at destinations, tourism also generated export earnings through international passenger transport services rendered to non-residents, which amounted to USD 221.0 billion in 2014, bringing total exports from international tourism to USD 1,466 billion.

Chart 1.3: International Tourism Receipts, 2001-2014

In USD Billions



Source: UNWTO World Tourism Organization Barometer, Various Issues

All regions recorded an increase in international tourism receipts, with high growth recorded in the Middle East, followed by Asia and the Pacific, the Americas, Europe and Africa (**Table 1.3**).

Table 1.3: International Tourism Receipts by Region, 2007-2014

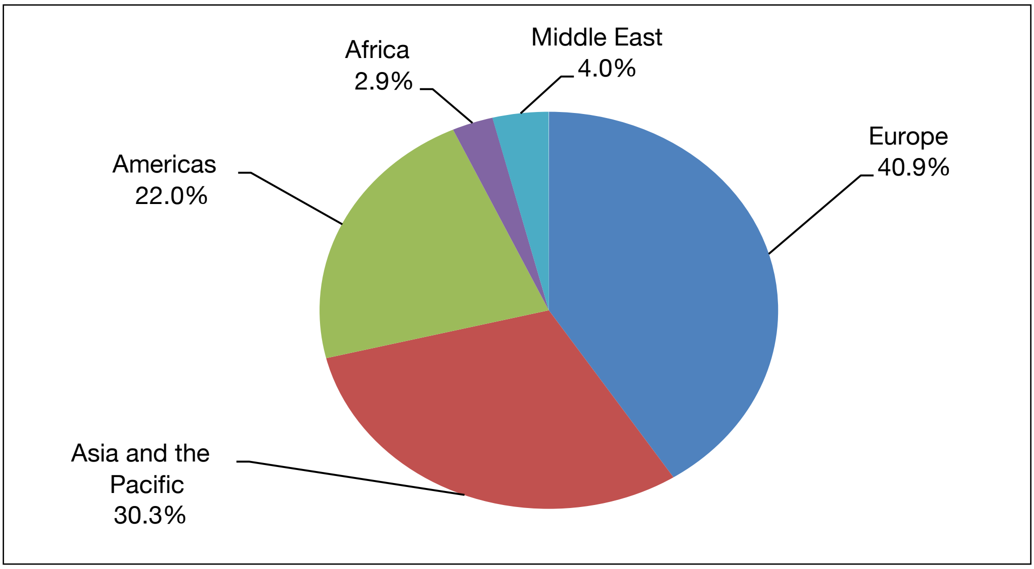
In USD Billions

Region	2007	2008	2009	2010	2011	2012	2013	2014
Europe	434.3	472.0	410.8	409.3	466.3	454.0	491.7	508.8
Asia and the Pacific	186.7	209.0	203.9	255.2	298.7	329.1	360.7	376.9
Americas	171.7	188.5	165.5	181.0	198.4	212.9	264.4	274.0
Africa	29.5	30.2	28.8	30.4	32.9	34.3	35.1	36.2
Middle East	35.0	39.7	41.2	51.7	46.2	47.5	45.1	49.2
% Change								
Europe	15.1	8.7	-13.0	-0.4	13.9	-2.6	8.3	3.5
Asia and the Pacific	19.3	11.9	-2.5	25.2	17.0	10.2	9.6	4.5
Americas	11.3	9.8	-12.2	9.4	9.6	7.3	24.2	3.6
Africa	19.4	2.4	-4.6	5.6	8.2	4.3	2.3	3.1
Middle East	17.1	13.4	3.8	25.5	-10.6	2.8	-5.1	9.1

Source: UNWTO World Tourism Organization Barometer, Various Issues

Europe continues to top the ranking by regions by accounting for about 41.0 percent of the international tourism receipts in 2014 (**Chart 1.4)**. Asia and the Pacific accounted for 30.0 percent, followed by the Americas and the Middle East, while Africa accounted for the least.

Chart 1.4: Market Share of International Tourism Receipts, 2014



Source: UNWTO World Tourism Organization Barometer, Various Issues

1.2 Tourism Development in East Africa

The number of international visitor arrivals in Kenya contracted by 11.2 percent, from 1.52 million in 2013 to 1.35 million in 2014, which resulted to the decline in tourism earnings by 9.3 percent from USD 1,092.0 million to USD 990.7 million. Factors that impacted negatively on the tourism sector are security concerns, negative travel advisories and fear of spread of Ebola. Meanwhile, international visitors to Uganda grew by 5 percent to 1,266,046 compared to 1,206,334 recorded during 2013. This development is largely explained by political stability and improved infrastructural systems.

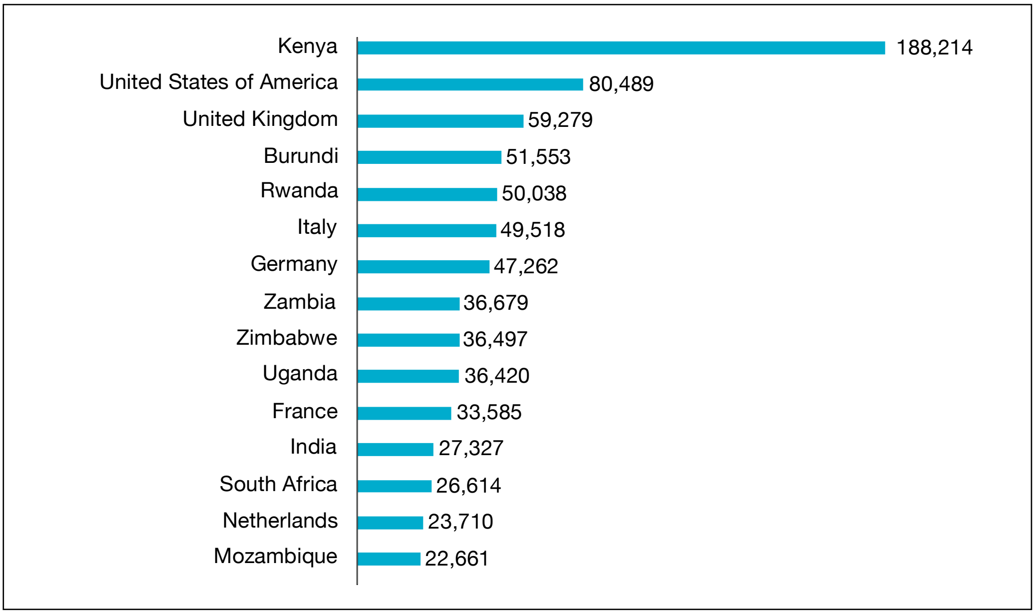
1.3 Tourism Development in Tanzania

Tanzania's tourism industry continued to grow as indicated by the number of international tourist arrivals, which increase by 4.0 percent to 1,140,156 in 2014. This increased tourism earnings by 8.2 percent to USD 2,006.3 million in 2014, from USD 1,853.3 million recorded in 2013.

1.3.1 International Tourist Arrivals

Immigration statistics show that Kenya continued to be the main source market for tourists visiting Tanzania by accounting for 16.5 percent of total international tourist arrivals, followed by the United States of America, the United Kingdom and Burundi (**Chart 1.5**). The composition of the top 15 source markets is not different from the one observed in 2013, with the exception of Mozambique that has joined the list replacing Canada. The appearance of Mozambique reflects an increase in business interactions between these two countries.

Chart 1.5: International Tourist Arrivals to Tanzania, Top 15 Source Markets, 2014



Source: Immigration Department, 2014

1.3.2 Promotion and Marketing

1.3.2.1 Tourism Marketing Strategy

In implementing the five years Marketing Strategy, Tanzania Tourists Board (TTB) managed to secure funds from UNDP for Tourism Portal development, which enable tourism small and medium enterprises (SMEs) to access to the international markets. Furthermore, TTB appointed three Tourism Goodwill ambassadors, two in USA and one in Australia to promote Tanzania as a unique tourist destination.

Grading and Classification of Tourism Accommodation

The grading and classification of tourism accommodation establishments was undertaken in Zanzibar using the East Africa Standardization and Classification criteria. The exercise is a joint effort by the EAC partner states to improve tourism services and the hospitality sector in the region and stimulate competition in service delivery, efficiency, and responsibility among the governments and the business stakeholders in the travel and tourism sectors.

The grading and classification was done in Zanzibar for the first time in February 2014, whereby 16 accommodation establishments were awarded with Five Stars, 9 with Four Stars, 43 Three Stars and 6 with Two Stars. The exercise aimed at evaluating the quality and stock of accommodation establishments. This initiative further intends to evaluate if accommodation establishments meet international acceptable standards in order to classify them into town hotels, vacation hotels and lodges as prescribed by the approved East African Community Classification Criteria.

1.3.3 New Accommodation Establishment

Underwater Room in Pemba

Africa's first underwater hotel room was opened in Zanzibar in 2014. The underwater room floats almost 250 m (820 ft) away from the coast and is held in place by four anchoring lines leading to the ocean floor. The room is an extension of Manta Resort which is located on the tropical Pemba Island. The resort's most standout feature is the natural coral reef lying just off its beach, which attracts numerous divers and snorkelers to the islands. It is expected that the room will lead to the increase in the number of tourist arrivals, as many visitors will be attracted to experience this unique new type of accommodation.

The underwater room Manta Resort in Pemba

1.3.4 Establishment of Tanzania Wildlife Management Authority

The government of Tanzania established Tanzania Wildlife Authority (TAWA) for the purpose of increasing efficiency in conservation of wildlife resources in game reserves. The Authority will assist the government in its ongoing fight against poaching in different parts of Tanzania and thus develop Tanzania's national attractions and drawing greater revenue from tourism resources. TAWA was officially gazetted on 9th of May 2014 as the Tanzania Wildlife Management

Authority. TAWA is mandated to manage wildlife resources outside the National Parks and Ngorongoro Conservation Area.

1.3.5 Tourism Trade Fair and Exhibitions

Tourism fairs and exhibitions deliver positive messages quickly and effectively to a large audience across wide geographical areas and allow face-to-face contact as the most effective means of establishing and building client relations in a particularly time-efficient manner. They can also be used to build a strong brand image via product demonstrations, seminars, conferences and meetings. These tourism fairs mainly target the international market segments. During 2014, Tanzania attended several international tourism fairs, including World Travel Market (WTM) in London, Internationale Tourismus Borse (ITB) in Germany, Africa Top's Travel Show (INDABA) in South Africa and China Outbound Travel and Tourism Market (COTTM) in China.

Tanzania's booth at the Internationale Tourismus Borse (ITB) in Germany

Establishment of Swahili International Tourism Expo (S!TE)

Tanzania hosted Swahili International Tourism Expo (S!TE) in October 2014, the first ever International Tourism Expo, organized by Tanzania Tourist Board (TTB). The four - day event will now be held annually in October. S!TE focuses on inbound and outbound travel to Africa and draws hundreds of tourism and travel professionals from all over the world. The Expo constitutes travel and trade exhibition with a conference element focusing on topical tourism, sustainability, conservation and other market - related issues. Planning for the S!TE exhibition has taken cognizance of the continued existence of the Karibu Travel and Tourism Fair (KTTF), which has been running in Tanzania since 2000.

The Karibu Fair, which is held in the Tourist City of Arusha annually in June, focuses on the East African regional market, while the Swahili Tourism Expo exclusively focuses on international clienteles. The aim of hosting such an event is to create awareness of destination Tanzania to international travel and tour operators around the world, while giving a greater chance for Tanzanian tourism stakeholders to share experience with foreign tourism stakeholders.

Swahili International Tourism Expo at Mlimani City, Dar- es-Salaam

1.3.6 Meetings and Conferences

International Elephant Conference

The Ministry of Natural Resources and Tourism, the International Conservation Caucus Foundation (ICCF) of the United States of America and the United Nations Development Programme (UNDP), jointly organized the conference in May 2014. The conference focused on ending poaching and illegal wildlife trafficking in Tanzania.

Wildlife poaching in Tanzania has become an issue of major concern with the continuously increasing numbers of animals being poached and killed. Animals such as elephants and rhinos are being killed for ivory and meat for domestic consumption. The conference brought together national and international stakeholders in the field of wildlife conservation and tourism, who came up with recommendations and action plans to end poaching.

1.3.7 Infrastructure Development

Launching of hot springs boardwalk way and hippo pool viewpoint in Lake Manyara

Tanzania National Parks Authority (TANAPA) introduced a boardwalk way and hippo pool viewpoint projects at Manyara National Park in November 2014. The projects were initiated to counter the decrease in the number of tourists visiting the park following the flashfloods that hit the park in March 2013, damaging most of the tourist infrastructures. The boardwalk gives visitors a unique view and wonderful photo opportunities at every turn of the boardwalk trail.

Official Launching of the hot spring boardwalk way and Hippo pool viewpoint in Lake Manyara

1.3.8 Domestic and International Flights

Flydubai introduced a daily international flight between Dubai and Dar es Salaam on 16th October 2014. It also introduced two flights a week between Dubai and Kilimanjaro via Dar es Salaam on 17th October 2014, and two flights a week between Dubai and Zanzibar via Dar es Salaam on 19th October 2014. The introduction of the new flights is associated with Tanzania becoming one of the major non-oil trading partners of UAE in Africa (Dubai Chamber of Commerce). **Rwandair** introduced three international flights a week between Kigali and Mwanza in November 2014. This will be Rwandair's third destination in Tanzania, in addition to Dar es Salaam and Kilimanjaro. **Etihad Airways** introduced a daily international flight between Abu Dhabi and Dar es Salaam in December 2014. The introduction of these international flights is expected to boost the tourism sector since it will increase the number of international tourists visiting Tanzania.

Chapter 2: Analysis of the Survey's Results

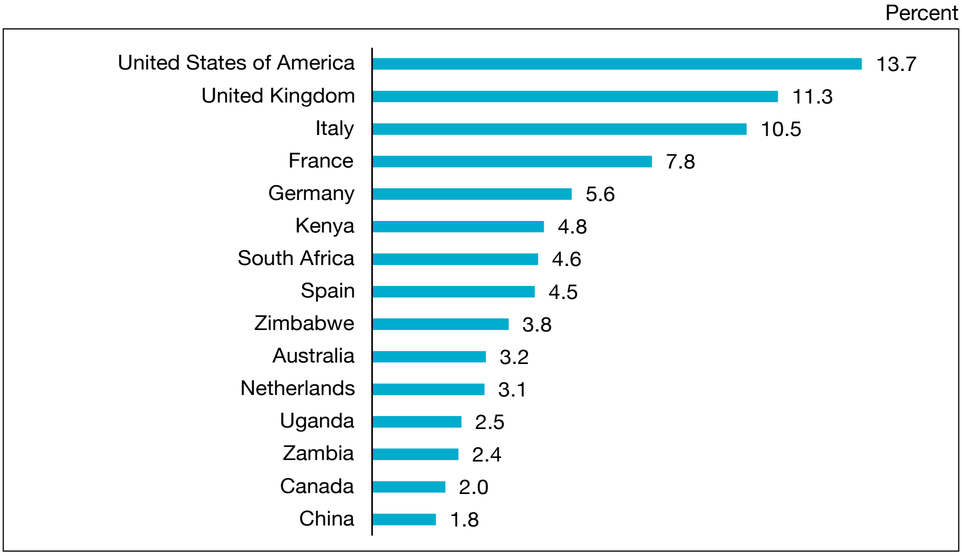
2.1 Introduction

This chapter presents the key findings of the 12th round of international visitors' exit survey, which was conducted for a period of two weeks, from 25th August 2014 to 7th September 2014. The main objectives of the survey were to obtain reliable information on tourists who visited Tanzania, particularly on their expenditure, length of stay, travel arrangement, age, gender, source markets, purpose of visit, and primary activities. It also aimed at obtaining their perception on areas that need improvements and tourism activities that impressed them. The survey's findings provide useful information to improve the compilation of Balance of Payments and National Account Statistics. The tourism information is also used for policy formulation and tourism promotion.

2.2 Source Markets

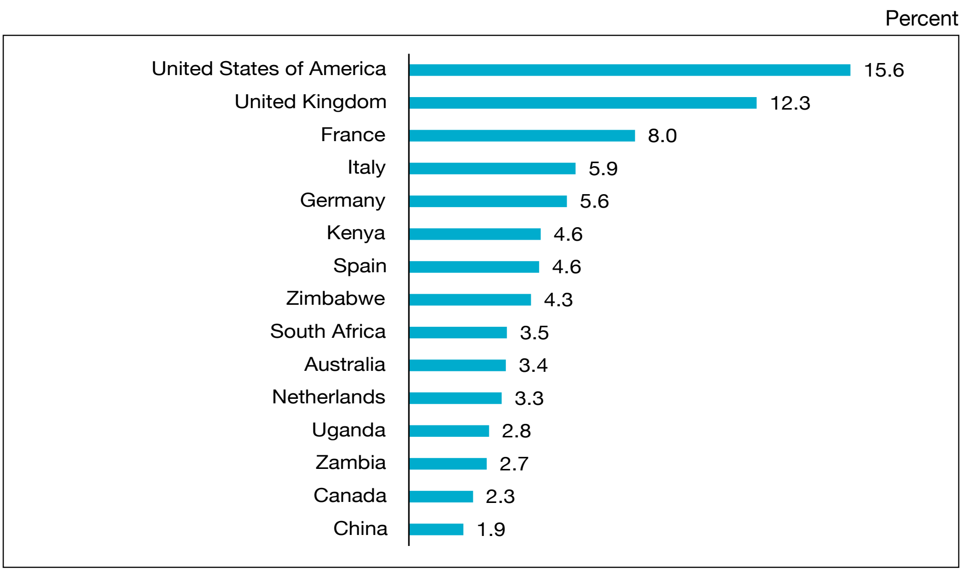
The survey's findings show that a total of 14,996 visitors to the United Republic of Tanzania were recorded from 119 source markets. The top 15 source markets accounted for about 82.0 percent of the total visitors. The United States of America recorded the highest number of visitors, which accounted for 13.7 percent of total visitors, followed by the United Kingdom and Italy, with 11.3 percent and 10.5 percent, respectively (**Chart 2.1**). When compared with the comprehensive survey conducted in 2013, all top 15 source markets remained broadly the same. However, the new entrants into the market are Zimbabwe, Netherlands and China, which replaced Sweden, Switzerland and India. The appearance of China and Zimbabwe is mainly attributed to the increased business relations between Tanzania and these countries.

Chart 2.1: Top 15 Source Markets for the United Republic of Tanzania



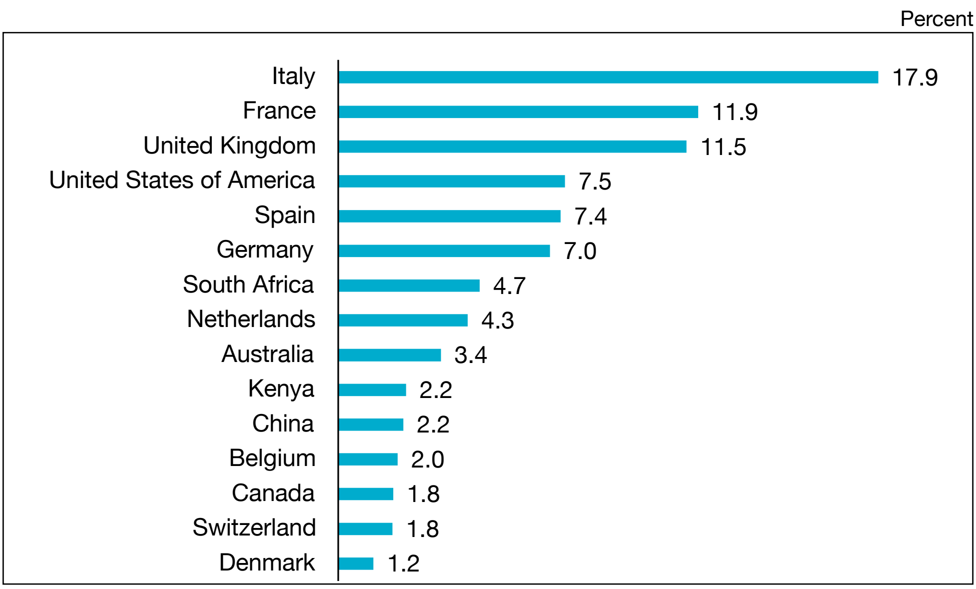
In the case of Tanzania Mainland, the top 15 source markets accounted for about 81.0 percent of 12,931 visitors recorded in the survey. The leading source markets are, the United States of America, which took the lead, followed by the United Kingdom and France **(Chart 2.2)**. Most of the top 15 source markets remained the same when compared with the findings of the survey conducted in 2013 with the exception of Spain, Netherlands and China which are new entrants replacing India, Switzerland and Norway.

Chart 2.2: Top 15 Source Markets for Tanzania Mainland



Similarly, the composition of top 15 source markets for Zanzibar remained mostly the same, with some countries changing positions, while Kenya and China were new entrants replacing Sweden and Norway (**Chart 2.3**). The top 15 source markets accounted for about 87.0 percent of 6,852 visitors recorded in survey. Italy, France and the United Kingdom continued to be the major source markets for tourists visiting Zanzibar. Prominence of Italian visitors is associated with the existence of Italian accommodation investments and the arrangement of direct flights from Italy to Zanzibar.

Chart 2.3: Top 15 Source Markets for Zanzibar



2.3 Age Group

Chart 2.4 reveals that 52.2 percent of the interviewed visitors were in the age group of "25-44", followed by "45-64" age group, which accounted for 28.4 percent. The dominance of the visitors of the age group of "25-44" is partly associated with the fact that this group consists of visitors who are energetic, adventurous and interested in various activities such as biking, trekking and snorkeling (**Table 2.1**). The number of visitors of the age 65 and above (senior citizens) accounted for 6.0 percent of all the interviewed visitors. It is worth noting that the number of senior citizens remained on average below 10 percent even in the past surveys implying that the challenge of attracting this age group, which has high disposable income and ample time for travelling still remains.

Chart 2.4: Age Group

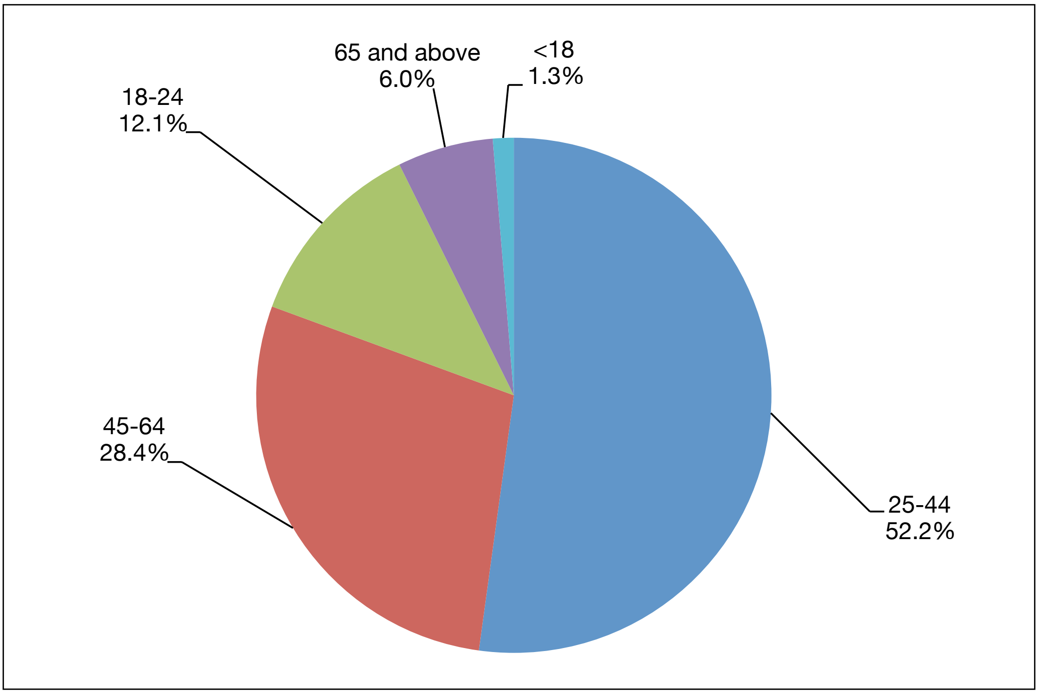


Table 2.1: Age group and Tourism Activities, United Republic of Tanzania, 2014

Percent

Age Group	Tourism Activities									
	Beach	Bird	Business	Conference and Meetings	Cultural	Diving & Sport Fishing	Hunting	Mountain Climbing	Widlife	Others
<18	0.5	0.0	6.6	0.0	2.6	2.8	0.0	1.8	1.0	0.3
18-24	13.0	12.9	13.1	2.2	28.1	22.9	0.0	16.1	9.3	5.0
25-44	61.5	54.5	47.4	61.4	43.7	53.1	50.0	54.7	43.1	68.6
45-64	23.0	25.8	30.5	32.4	21.8	18.9	27.8	25.2	35.8	24.2
65+	2.0	6.8	2.3	4.0	3.8	2.2	22.2	2.1	10.7	2.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
n= all visitors	**3,625.0**	**132.0**	**213.0**	**741.0**	**1,343.0**	**1,255.0**	**36.0**	**1,490.0**	**6,546.0**	**1,571.0**

The majority of the visitors under the age group of 25-44 came for business, leisure and holidays, which is consistent with the fact that they are economically more productive. Those at the age group of 45-64 were more prominent in holidaymaking and visiting friends and relatives. The results further reveal that most visitors belonging to the age group of 18-24 came for leisure and holidays as well as volunteering. The majority of senior citizens (65 and above) came for leisure and holidays (80.9 percent) and visiting friends and relatives (**Table 2.2**).

Table 2.2: Age Group and Purpose of Visit, United Republic of Tanzania, 2014

Percent

Age Group	Business	Leisure and Holidays	Visiting Friends and Relatives	Meetings and Conference	Volunteering	Scientific and Academic	Other
<18	0.0	62.2	11.2	0.0	15.3	7.1	4.1
18-24	6.5	55.3	16.0	1.3	13.7	5.0	2.1
25-44	18.5	53.2	14.3	7.6	1.5	1.3	3.6
45-64	10.9	65.7	12.4	7.1	0.9	0.9	1.9
65 and above	5.3	80.9	9.5	2.4	0.2	0.9	0.7
Total visitors (absolute)	**1,039**	**4,404**	**1,021**	**472**	**219**	**128**	**208**

Table 2.3 depicts close relationship between age and the choice of tour arrangement. The majority of visitors from the age of 18 up to 44 years came under the non-package tour arrangement since they are more risk takers as this type of tour arrangement has some uncertainties. On the other hand, senior citizens (65 and above) and visitors below 18 years old were more comfortable with the package tour arrangement as these groups need more attention and certainty of their travel itinerary.

Table 2.3: Age group and Tour Arrangement, United Republic of Tanzania, 2014

Percent

Age Group	Non-Package Tour	Package Tour	Total	Total Interviewees (absolute)
Below 18	34.7	65.3	100.0	98
18-24	59.7	40.3	100.0	904
25-44	61.6	38.4	100.0	3,908
45-64	42.7	57.3	100.0	2,130
65 and above	22.2	77.8	100.0	451

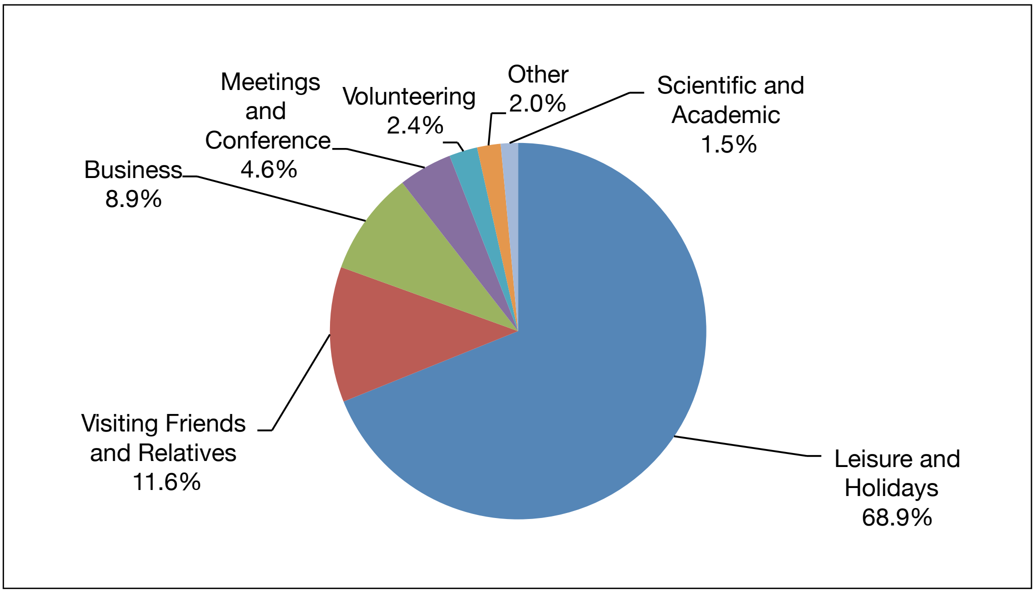
2.4 Gender

Composition of visitors in terms of gender continued to be largely balanced. During the period under review, 51.9 percent of the visitors were male, while 48.1 percent were females. Female visitors had highest preference for leisure and holidays; and visiting friends and relatives, while male visitors had highest preference for leisure and holidays and business.

2.5 Purpose of Visit

The findings indicate the dominance of visitors who came to Tanzania for leisure and holidays as in the previous surveys. They also showed that about twelve percent of the tourists came to visit friends and relatives, followed by those who came for business, meetings and conferences as well as volunteering (**Chart 2.5)**. In general, the composition of the purpose of visit is similar to what was observed in the past surveys. The dominance of visitors who came for leisure and holidays is associated with the country's quality nature attractions, i.e.: national parks, beaches, Mount Kilimanjaro, etc.

Chart 2.5: Purpose of Visit



Note: Other purposes include work, as missionaries, transit, etc.

The results from the survey depict that the United States of America led in bringing visitors who came for leisure and holidays, followed by Italy, the United Kingdom and France (**Table 2.4**). Visitors who came for business were mainly from Zimbabwe, Zambia, South Africa and Kenya. Moreover, visitors who came for scientific and academic purpose were the least and were mainly from the United States of America, Germany and the United Kingdom.

Table 2.4: Distribution of Top 15 Source Markets by Purpose of Visit

Top 15 Source Markets	Purpose of Visit (Percent)							
	Business	Leisure and Holidays	Meetings and Conference	Scientific and Academic	Visiting Friends and Relatives	Volunteering	Other	Grand Total
United States of America	3.8	15.7	10.0	33.6	9.8	14.3	0.8	13.7
United Kingdom	4.4	11.8	5.9	8.6	14.3	27.5	3.9	11.3
Italy	1.2	14.0	1.9	1.2	2.5	11.8	2.3	10.5
France	0.3	10.4	4.5	1.2	2.8	2.2	1.6	7.8
Germany	1.6	6.4	2.7	9.0	6.2	0.8	0.0	5.6
Kenya	5.1	3.2	14.1	6.6	10.0	0.3	17.1	4.8
South Africa	8.9	4.1	13.1	4.1	2.5	0.3	1.6	4.6
Spain	0.3	6.1	0.3	0.0	0.7	7.4	2.3	4.5
Zimbabwe	32.9	0.5	1.0	0.4	1.6	0.0	7.0	3.8
Australia	0.6	4.0	3.0	2.5	0.9	3.8	0.0	3.2
Netherlands	1.6	3.8	1.2	4.5	1.3	2.7	0.0	3.1
Uganda	5.3	0.3	5.5	5.7	10.4	0.5	20.2	2.5
Zambia	18.6	0.1	2.3	4.1	1.5	0.0	20.9	2.4
Canada	0.3	2.0	1.3	2.0	3.2	5.8	0.0	2.0
China	1.2	2.0	1.9	0.0	1.1	2.7	0.0	1.8
Other	14.0	15.7	31.3	16.4	31.1	19.8	22.5	18.2
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Total visitors (absolute)	**1,448**	**10,364**	**693**	**244**	**1,754**	**364**	**129**	**14,996**

The survey's findings indicate that the majority of visitors from Europe, East Asia and the Pacific and the Americas came for leisure and holidays. The prominence of leisure and holiday purpose is largely explained by the existence of quality nature of the country's tourist attractions, political stability and hospitality of the Tanzanians. The majority of visitors from Africa came for business, leisure and holidays as well as visiting friends and relatives (**Table 2.5**). The dominance of business visitors in Africa is partly explained by the ongoing regional integration initiatives and the presence of the foreign direct investments.

Table 2.5: Purpose of Visit by Regions, 2014

Regions	Purpose of Visit (Percent)								Total visitors (absolute)
	Business	Leisure and Holidays	Meetings and Conference	Scientific and Academic	Visiting Friends and Relatives	Volunteering	Other	Total	
Africa	33.5	29.4	10.3	1.8	21.5	0.2	3.2	100.0	**3,252**
Americas	2.9	79.0	3.4	3.9	8.2	2.5	0.0	100.0	**2,119**
East Asia and the Pacific	3.9	81.3	4.9	2.3	4.7	2.8	0.1	100.0	**1,075**
Europe	2.4	82.5	2.1	0.9	8.4	3.4	0.2	100.0	**8,055**
Middle East	3.9	48.6	5.3	1.1	39.8	1.1	0.4	100.0	**284**
SouthAsia	21.8	35.5	21.3	0.5	19.9	0.0	0.9	100.0	**211**
Grand Total	**9.7**	**69.1**	**4.6**	**1.6**	**11.7**	**2.4**	**0.9**	**100.0**	**14,996**

2.6 Travel Arrangement

The survey's findings indicate that about 56.0 percent of visitors to Tanzania came under the package tour arrangement, while 44.0 percent used the non-package tour arrangement (**Table 2.6**). Looking at travel arrangement by source markets, the findings indicate that France led by bringing more visitors under the package tour arrangement, followed by Australia, Spain, United States of America, Netherlands and China, mainly due to the fact that these source markets are long-haul destinations, whereby visitors prefer to use package tour arrangement due to certainty. Zimbabwe, Zambia, Uganda and Kenya led by bringing more visitors under the non-package tour arrangement, largely associated with their proximity to Tanzania.

Table 2.6: Proportion of Visitors by Travel Arrangements

Country of Residence	Travel Arrangemment (Percent)		Total
	Non-Package	Package	
United States of America	29.5	70.5	100.0
United Kingdom	40.2	59.8	100.0
Italy	20.8	79.2	100.0
France	19.2	80.8	100.0
Germany	44.8	55.2	100.0
Kenya	77.9	22.1	100.0
South Africa	43.0	57.0	100.0
Spain	26.5	73.5	100.0
Zimbabwe	97.4	2.6	100.0
Australia	25.6	74.4	100.0
Netherlands	31.0	69.0	100.0
Uganda	95.2	4.8	100.0
Zambia	96.7	3.3	100.0
Canada	43.6	56.4	100.0
China	39.7	60.3	100.0
Others	56.1	43.9	100.0
Total	**43.8**	**56.2**	**100.0**

The findings indicate that the majority of visitors who came for leisure and holidays used the package tour arrangement, while under the non-package tour arrangements most of the visitors came for business, visiting friends and relatives, meetings and conference (**Table 2.7**).

Table 2.7: Travel Arrangements by Purpose of Visit

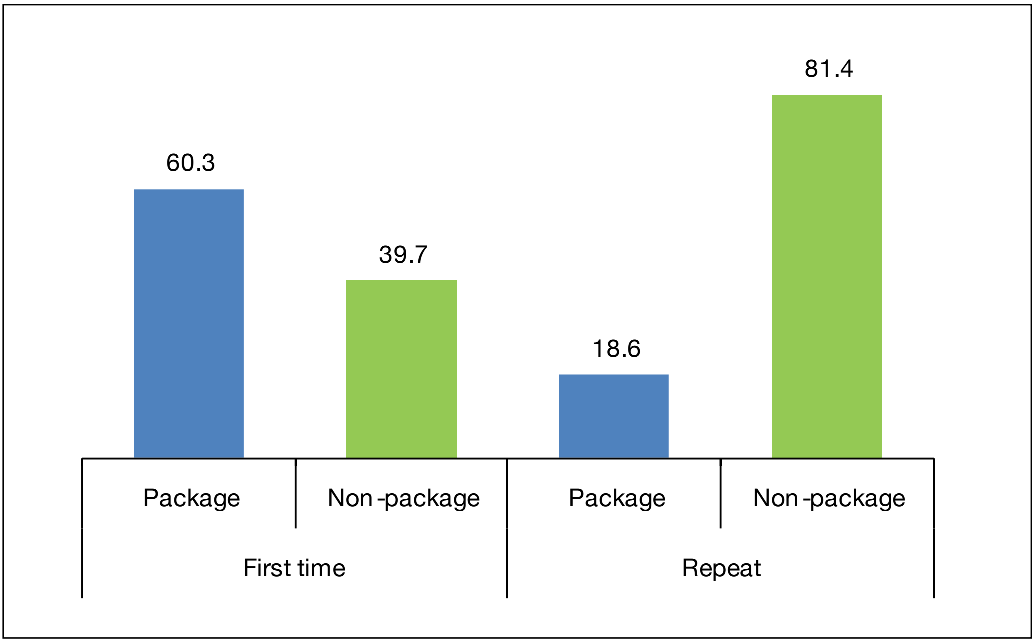
Purpose of Visit	Travel Arrangement (Percent)		Total
	Non-Package	Package	
Business	92.9	7.1	**100.0**
Leisure and Holidays	24.7	75.3	**100.0**
Meetings and Conference	79.8	20.2	**100.0**
Scientific and Academic	64.3	35.7	**100.0**
Visiting Friends and Relatives	89.4	10.6	**100.0**
Volunteering	74.2	25.8	**100.0**
Other	86.8	13.2	**100.0**

2.7 First-Time and Repeat Visits

The survey's findings indicate that 67.3 percent of the 7,491 respondents in Tanzania are first-time visitors while the remaining are repeat visitors. The majority of first-time visitors prefer package tour arrangement, while most of the repeat visitors prefer non-package tour arrangement since they are familiar with the destinations **(Chart 2.6)**.

Chart 2.6: First-Time and Repeat Visit, 2014

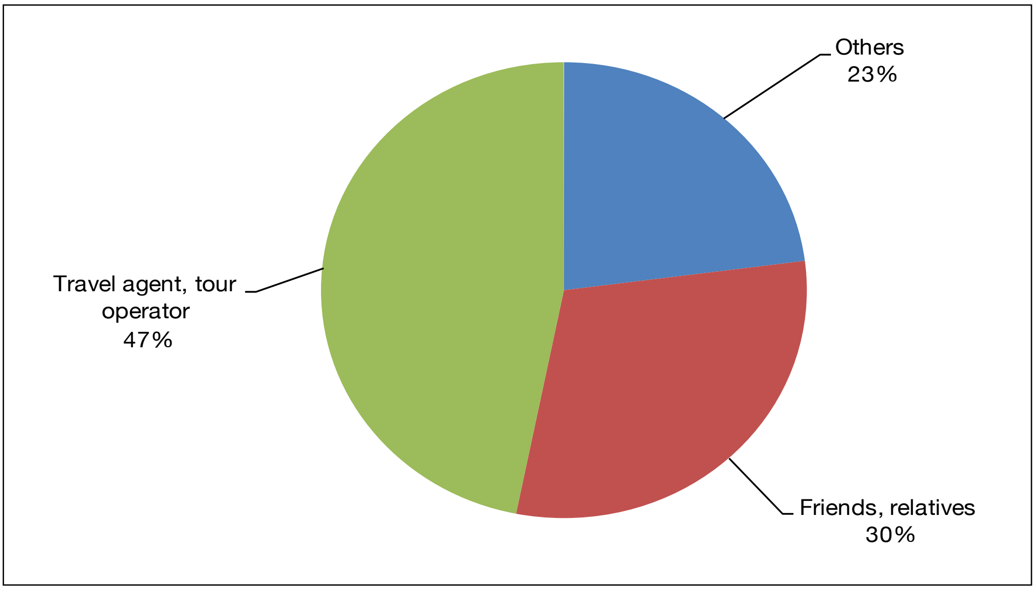
Percent



2.8 Source of Information

Chart 2.7 shows that, about 47.0 percent of visitors heard about Tanzania through travel agents and tour operators, followed by those who heard through friends and relatives. Other sources of information were newspapers, magazines, brochures, TV, Radio and Web. On the other hand, few visitors heard about Tanzania through trade fairs and Tanzania's missions abroad.

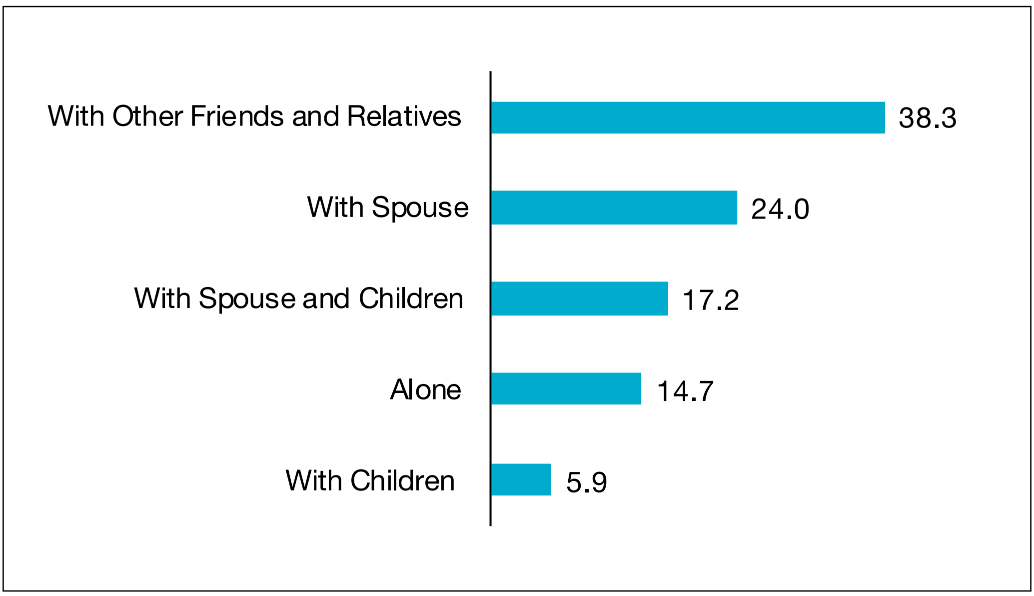
Chart 2.7: Source of Information about Destination Tanzania



2.9 Travel Party

The survey's findings show that most of the tourists were accompanied by friends and relatives (**Chart 2.8**). Second in prominence were those who travelled with their spouse, followed by those who came with their spouse and children. As in the previous surveys, those who travelled with their children were the least.

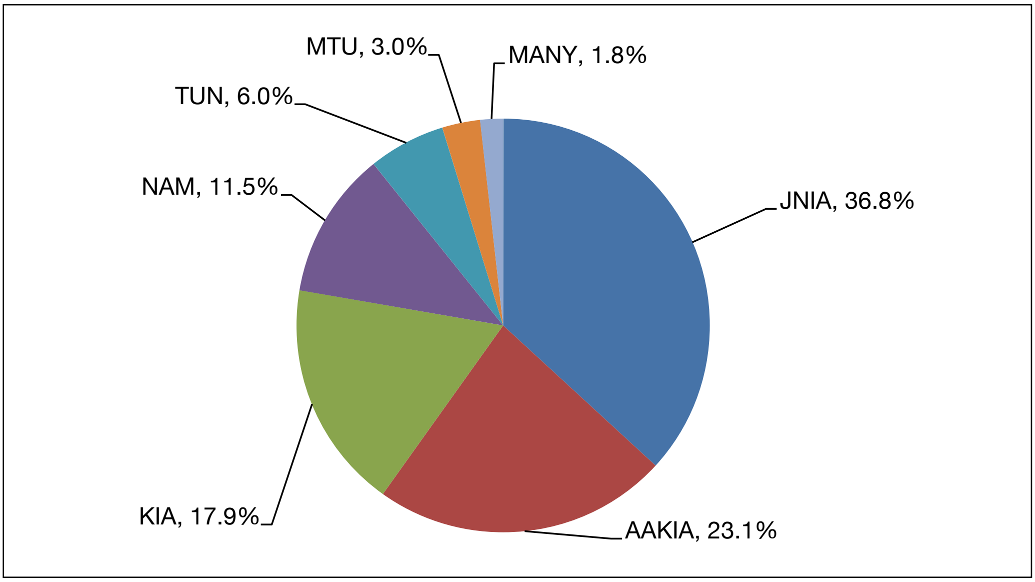
Chart 2.8: Visitors by Travel Party, 2014



2.10 Departure Points

Chart 2.9 depicts that the majority of the visitors departed through JNIA, followed by AAKIA and KIA, all accounting for 77.8 percent of all the visitors. The findings are consistent with the earlier observation that most of the visitors to Tanzania originate from the long-haul source markets. This is also consistent with the new initiatives to improve air transportation services such as the construction of Terminal Three at JNIA, the expansion of Mwanza Airport, the completion of the Songwe Airport and the construction of Terminal Two at AAKIA. However, there is a substantial amount of earnings leakage, as most of the airlines carrying tourists are owned by non-residents. If the country had its own national carrier all these earnings would accrue to the economy.

Chart 2.9: Departure Points



Most of the visitors who came for leisure and holidays departed through JNIA, AAKIA and KIA since they were from the long haul source markets (**Table 2.8**). This is largely associated with the availability and connectivity of many international airlines coming to Tanzania and the presence of a variety of tourist attractions such as sandy beaches, national parks and cultural activities. Meanwhile, the majority of business visitors left the country via JNIA and Tunduma. These results are consistent with the fact that Dar es Salaam is a commercial hub with immense economic activities. For the case of Tunduma, most traders from Zimbabwe and Zambia come to Dar es Salaam to purchase merchandise and also collect goods imported through the Dar es Salaam port.

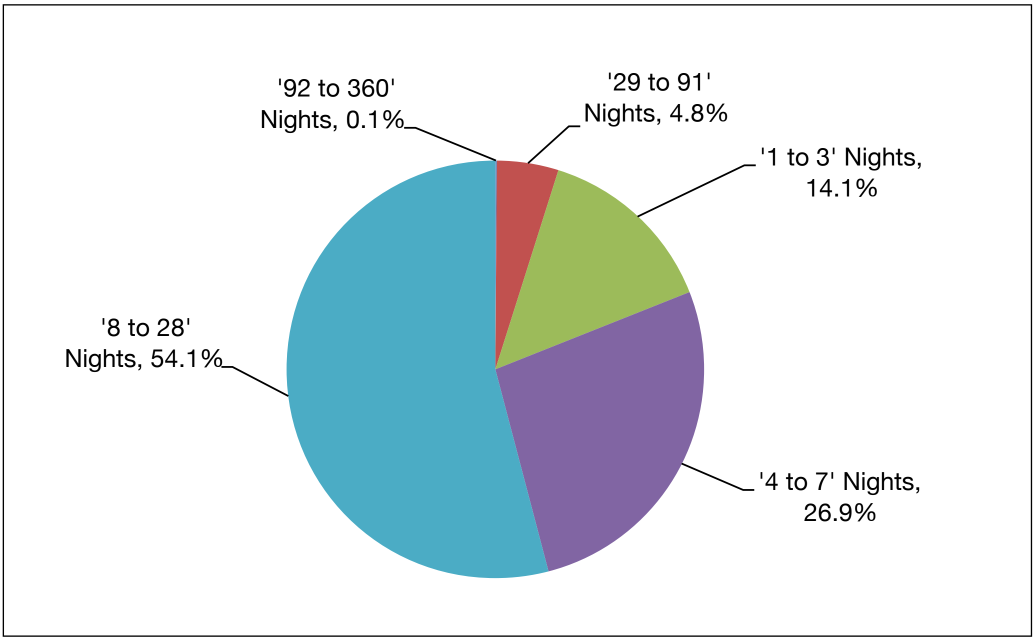
Table 2.8: Departure Points and Purposes of Visit, 2014

Departure Points	Purpose of Visit (Percent)						
	Business	Leisure and Holidays	Meetings and Conference	Scientific and Academic	Visiting Friends and Relative	Volunteering	Other
JNIA	37.3	31.2	72.4	54.1	52.1	58.5	19.5
AAKIA	1.8	31.8	5.5	2.3	4.4	4.4	2.3
KIA	2.7	22.4	9.5	26.1	6.6	18.4	5.6
NAM	1.2	13.6	3.8	10.4	11.1	14.3	4.3
TUN	48.1	0.4	2.3	0.0	3.3	0.0	48.2
MTU	6.2	0.4	5.2	6.8	11.4	2.5	20.1
MANY	2.7	0.2	1.3	0.5	11.2	1.9	0.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Total Visitors (absolute)	**1,339**	**10,331**	**693**	**222**	**1,744**	**364**	**303**

2.11 Length of Stay

Knowledge on behavior of visitors at destination, including number of nights spent is important in understanding the sectors' dynamics that can assist in tourism promotion and decision making. The findings revealed that 54.1 percent of the visitors spent between 8 to 28 nights, followed by those who stayed between 4 to 7 nights. Less than five percent of the visitors stayed more than one month (**Chart 2.10**).

Chart 2.10: Percentage Distribution of Visitors by Nights Spent



The survey's results reveal that the average length of stay of a visitor in the United Republic of Tanzania is 10 nights which lies within 8 to 28 nights. The average length of stay has remained the same for the past three consecutive years. Visitors who came under the package tour arrangement stayed longer than those under the non-package tour arrangement. Within the non-package tour arrangement, visitors from Germany, Netherlands, Italy, France and Spain stayed the longest (**Table 2.9**). Visitors from Zimbabwe stayed the least with an average of three nights.

Under the package tour arrangement, visitors from UK, Germany and Netherlands stayed the longest with an average length of stay of 13 nights each, while visitors from Kenya, Zambia and Zimbabwe stayed for an average length of four nights.

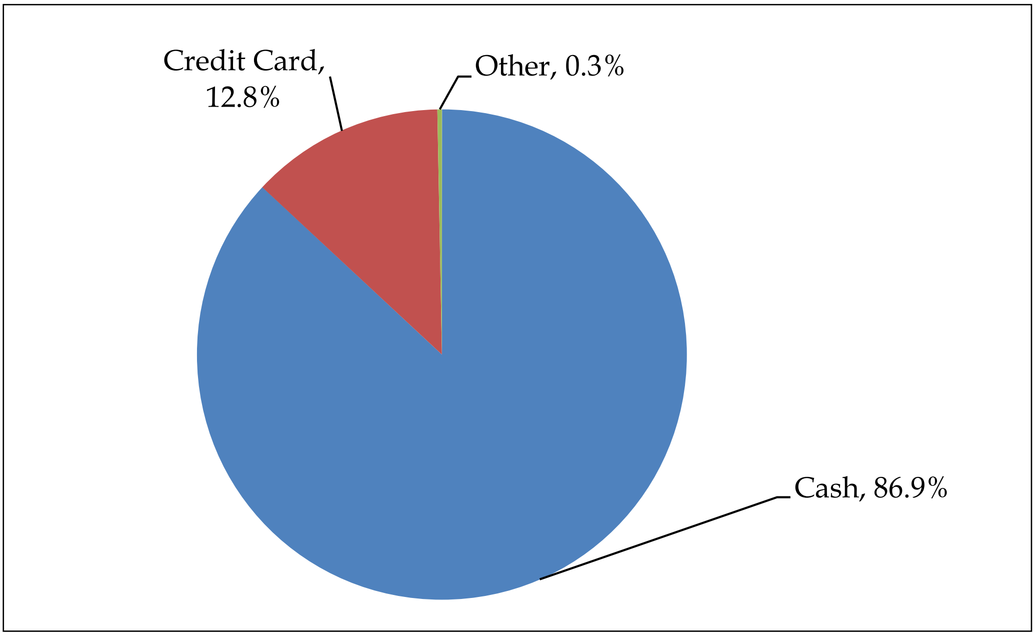
Table 2.9: Average Length of Stay of Visitors to United Republic of Tanzania

Country of Residence	Non-Package Visitors' Country Average	Package Visitors' Country Average
United States of America	11	10
United Kingdom	12	13
Italy	13	10
France	13	11
Germany	15	13
Kenya	5	4
South Africa	6	7
Spain	13	11
Zimbabwe	3	4
Australia	12	9
Netherlands	14	13
Uganda	7	7
Zambia	4	4
Canada	12	11
China	9	7
Average	**9**	**11**
Combined Average	**10**	

2.12 Mode of Payment

Chart 2.11 indicates that 86.9 percent of the visitors settled their bills in cash compared to 89.8 percent recorded in 2013. The share of visitors who paid through credit cards improved slightly to 12.8 percent from 9.3 percent in 2013. These results reveal continued reliance on settlement of bills by cash due to unacceptability of credit cards at most tourism establishments, which has been a concern to visitors in the past surveys. Visitors are likely to stay longer if the use of the credit card facility is widely accepted. In view of this, the need for owners of tourism establishments and other relevant stakeholders to take deliberate initiatives to make use of the credit card facility available cannot be overemphasized.

Chart 2.11: Mode of Payment

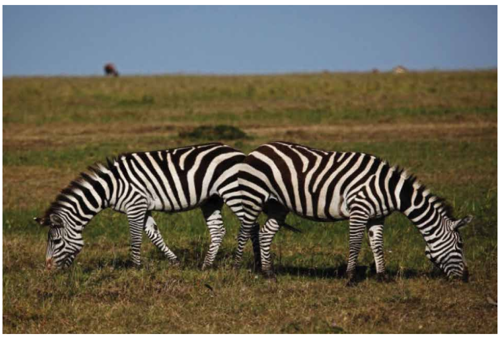


2.13 Tourism Activities

Table 2.10 shows that wildlife tourism continued to be the main tourism activity in Tanzania, accounting for 43.5 percent of all the visitors in 2014, consistent with the country's natural beauty and extraordinary wildlife endowment. A large share of visitors under this activity came from the United States of America, United Kingdom, France and Italy. Other prominent tourism activities were beach and cultural tourism that are more pronounced in Zanzibar. Zanzibar is known for its white sandy beaches, bursting culture, history and endemic spices. Most visitors who came for beach tourism were from Italy, the United Kingdom and South Africa, while for cultural tourism came from Germany, the United States of America and Italy.

Table 2.10: Primary Tourism Activities by Country of Residence, 2014

Country of Residence	Widlife Tourism	Beach Tourism	Mountain Climbing	Cultural Tourism	Diving & Sport Fishing	Conference Tourism	Business	Bird Watching	Hunting	Other
	Primary Activities									
United States of America	22.0	5.6	5.1	11.1	21.7	9.3	1.0	5.0	29.4	5.8
United Kingdom	12.1	8.7	9.1	11.7	29.5	4.4	19.8	8.3	5.9	6.8
Italy	7.3	21.5	2.3	7.4	1.1	0.8	18.8	6.7	0.0	0.9
France	9.4	4.9	1.2	5.0	7.3	0.8	7.3	1.7	5.9	0.4
Zimbabwe	0.4	7.1	14.1	1.7	0.2	7.7	1.0	10.0	0.0	19.2
Kenya	1.4	4.6	14.7	4.2	1.1	15.1	6.3	6.7	0.0	7.3
South Africa	1.6	7.6	3.4	3.2	0.4	12.3	12.5	5.0	5.9	11.1
Germany	5.6	5.6	1.6	7.4	4.4	1.4	8.3	3.3	5.9	1.4
Zambia	0.3	2.0	9.7	0.8	0.2	7.4	2.1	18.3	5.9	17.4
Australia	7.4	1.5	1.1	2.5	4.4	0.0	3.1	1.7	5.9	0.9
Spain	6.0	3.5	0.7	2.7	2.6	0.5	2.1	0.0	11.8	0.3
Uganda	0.2	3.2	10.7	5.4	0.0	6.3	0.0	5.0	0.0	8.0
Netherlands	4.5	1.4	0.4	1.8	1.8	0.3	2.1	1.7	0.0	1.5
Canada	3.1	1.9	1.2	1.8	4.6	1.6	0.0	1.7	0.0	0.8
India	1.0	1.4	1.8	0.8	0.2	7.1	2.1	6.7	0.0	3.3
Others	17.8	19.5	22.8	32.4	20.8	24.9	13.5	18.3	23.5	14.9
Total	100	100	100	100	100	100	100	100.0	100	100
n= total of Interviewees	2,719	1,583	729	596	549	365	96	60	17	777
% of the Total	36.3	21.1	9.7	8.0	7.3	4.9	1.3	0.8	0.2	10.4

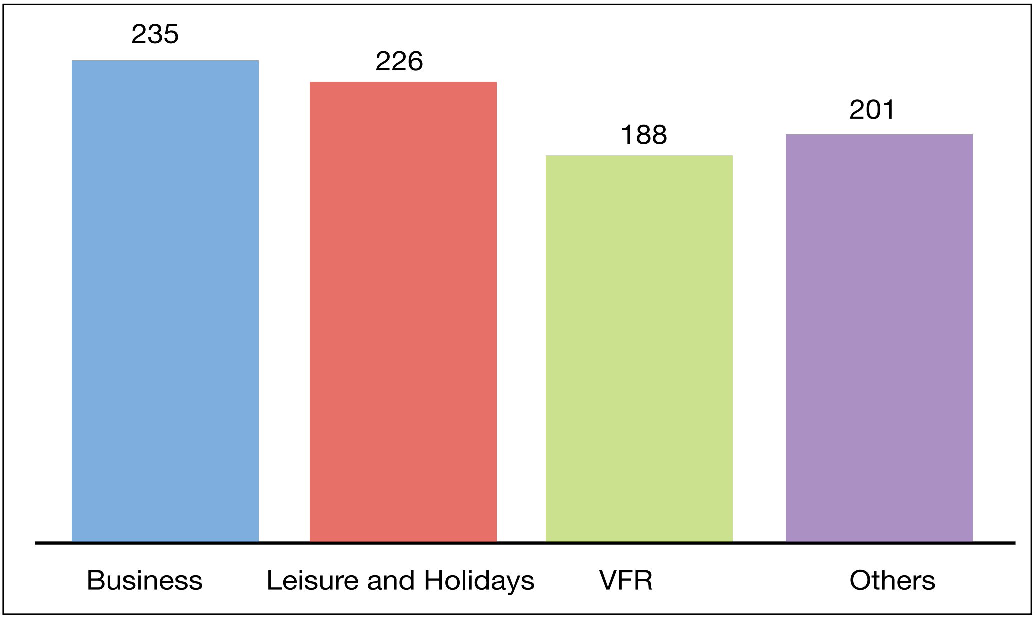


Fascinating tourist attractions

2.14 Average Expenditure

The overall average expenditure per person per night in 2014 was USD 221.0, which is 22.1 percent lower compared to an average of USD 284.0 recorded in 2013. Visitors from Seychelles and Ghana were the highest spenders with an average expenditure per person per night above USD 1,000. In terms of purpose of visits, visitors who came for business purposes spent the most, with an average of USD 235 per person per night, followed by those who came for leisure and holidays (**Chart 2.12**). The results further show that visitors who came under the package tour arrangement spent an average of USD 326.9 per person per night, compared with an average of USD 147.8 for those who came independently.

Chart 2.12: Average Expenditure Per Person Per Night by Purpose of Visit, 2014



2.15 Expenditure by Products

In an attempt to examine the contribution of the tourism industry to the economy, the survey examined the proportion of tourist expenditure by products. The analysis focuses mainly on the expenditure of non-package tourists since their payments were made directly to the suppliers of service in Tanzania. **Table 2.11** indicates that most of the expenditures were made on accommodation, transport, food and drinks. The findings point out the important role accommodation and transportation sectors play in the tourism industry. In addition, under internal transport, the most commonly used modes were air and road transport.

Table 2.11: Expenditure by Products, 2014

Activity	Non-Package (USD Million)	% of Total Non-Package	Package (USD Million)	% of Total Package
Accommodation	12.0	47.9	0.6	15.4
Internal Transport	3.1	12.4	*0.3*	7.0
Air Transport	*0.5*	*17.4*	0.18	*67.1*
Road Transport	*2.1*	*68.6*	*0.1*	*24.4*
Water Transport	*0.4*	*12.4*	*0.0*	*3.5*
Rail Transport	*0.0*	*0.1*	*0.0*	*0.5*
Rentals	*0.0*	*1.5*	*0.0*	*4.5*
Food and Drinks	2.6	10.4	0.6	16.0
Sight Seeing	2.2	8.6	0.3	6.6
Shopping	2.1	8.3	1.1	27.9
Mountain Climbing	2.0	8.0	0.2	4.4
Visa Taxes	0.3	1.3	0.2	5.5
Water Sports	0.1	0.6	0.2	4.3
Hunting	0.1	0.4	0.1	1.5
Cultural Services	0.1	0.3	0.1	2.0
Gate Fee	0.1	0.2	0.0	1.2
Other	0.4	1.7	0.3	8.3
Total	**25.2**	**100**	**3.9**	**100**

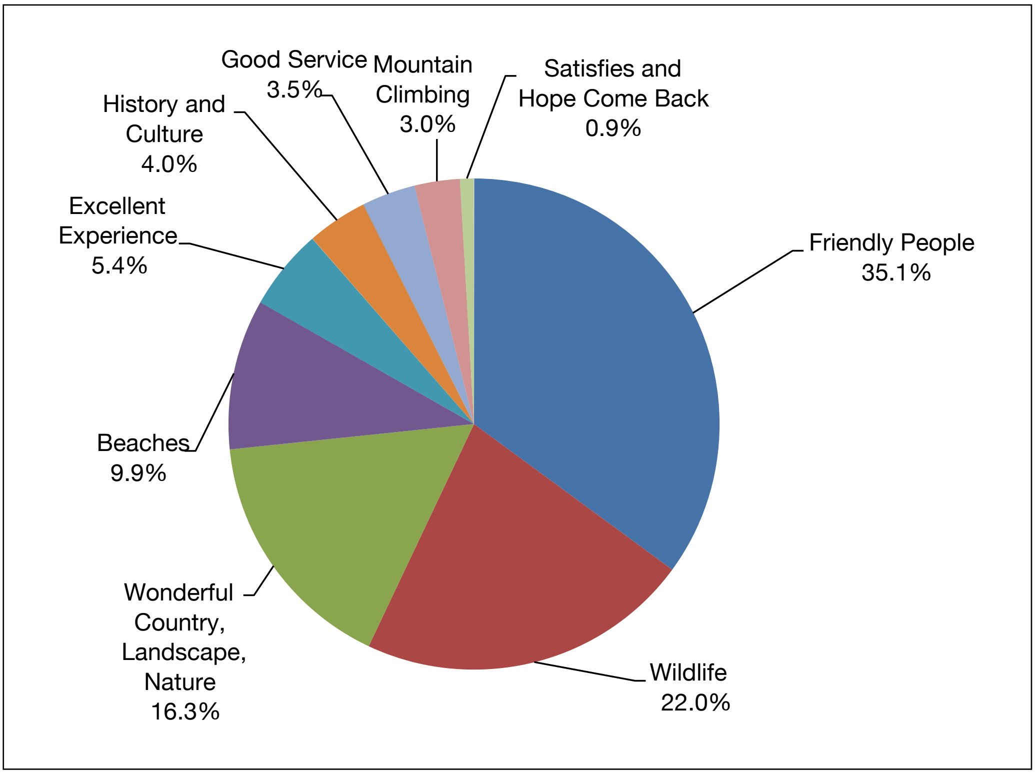
2.16 Tourism Earnings

Tanzania's tourism earnings increased by 8.4 percent to USD 2,006.3 million in 2014, from USD 1,853.3 million recorded in 2013. This development is mainly driven by an increase in the number of international tourist arrivals to 1,140,156 from 1,095,884 recorded in 2013. Similarly, Zanzibar earned USD 269.3 million in 2014, compared with USD 210.5 million earned in 2013, the development which is largely associated with an increase in the number of international tourist arrivals to 198,539 from 195,553 in 2013.

2.17 Visitors' Perception about Tanzania

A large number of visitors was impressed by the friendliness of the people (**Chart 2.13**). Tourists were also impressed by wildlife, wonderful country, nature and landscape.

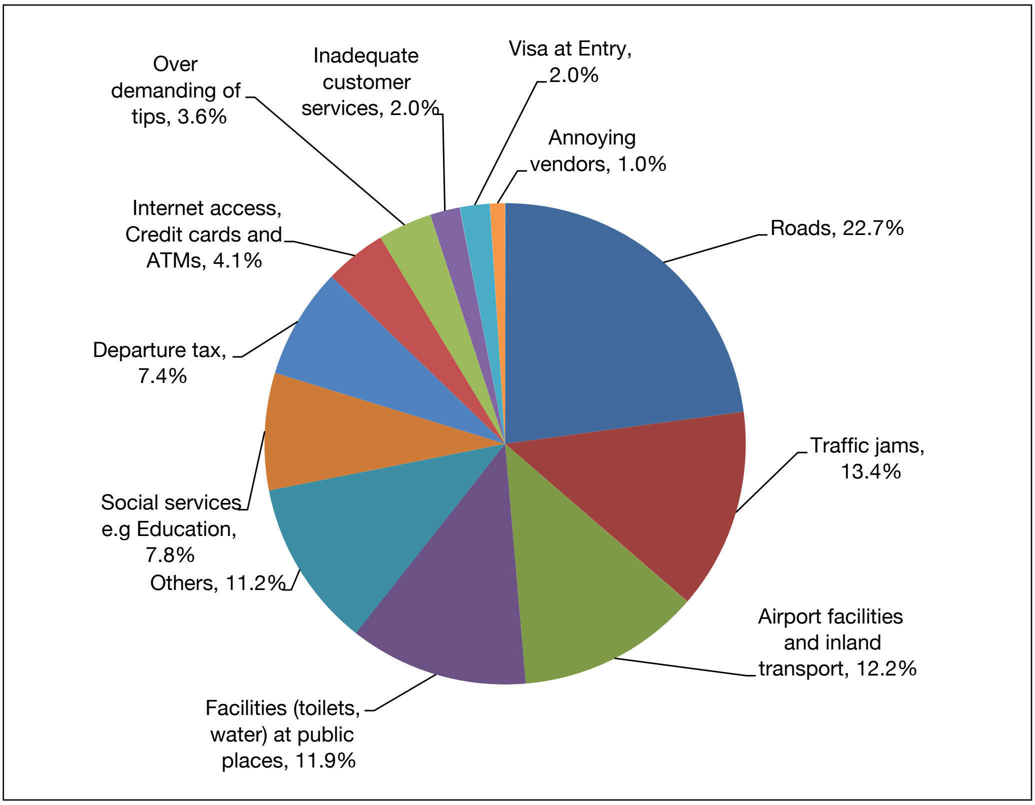
Chart 2.13: What Impressed Visitors



2.18 Areas that Need Improvement

About 23.0 percent of the visitors were concerned with the state of roads, particularly within the national parks; traffic jams particularly in Dar es Salaam. Improvement of facilities such as toilets, availability of water and electricity in public toilets along the roads and national parks was also pointed out. In Zanzibar, concerns were raised on uninformed departure tax, whereby visitors are required to pay USD 48 per person in cash when departing the Island. This has created a lot of inconvenience to visitors, since some of them may not have cash at the time of departure and credit cards facilities are not available. Visitors also complained about the harassment from vendors known as beach boys along the beaches. Other concerns were unreliability of internet access, credit cards unacceptability at tourism establishments and slow processing of visa at entry points (**Chart 2.14**).

Chart 2.14: Areas of Improvement



Chapter 3: Conclusion and Policy Recommendations

3.1 Conclusion

The tourism industry which accounts for about 24.0 percent of Tanzania's exports of goods and services continued to grow in 2014 as indicated by the number of international tourist arrivals which increased to 1,140,156 from 1,095,885 recorded in 2013, largely on account of ongoing macroeconomic reforms and enhanced promotional efforts. As a result of this development, tourism earnings increased by 8.4 percent to USD 2,006.3 million in 2014, from USD 1,853.28 million recorded in 2013.

3.2 Policy Recommendations

The findings indicated that the majority of visitors used cash as a mode of payment while a few used credit cards. The small number of visitors using credit cards supports the raised concerns about the unacceptability of this facility by most tourism establishments. Therefore, the Government through the national Public-Private Partnership (PPP) policy should sensitize and encourage the business community to accept the use of credit cards.

Responsible Institutions: MNRT, HAT, TCT, ZCT, and ZATI

The survey's results indicate that the overall average length of stay of visitors to the United Republic of Tanzania was 10 nights, which is similar to the number reported in 2013 and 2012. This implies that there is a need of enhancing diversification of tourism products in order to increase the number of nights spent at a destination by tourists. This will have a positive impact on tourist expenditure in the country.

Responsible Institutions: MNRT, TTB, LGAs, TCT, ZCT and ZATI

Further, the survey's findings showed that wildlife tourism continued to be the leading activity in 2014, in spite of the country's endowment with a wide range of other tourist attractions such as sandy beaches, historical sites, mountains, nature and landscapes. This implies that more concerted efforts should be undertaken to promote other forms of tourist attractions to complement wildlife tourism.

Responsible Institutions: MNRT, TTB, TCT, ZCT and ZATI

The findings also indicate that more than a half of the visitors raised concern regarding the improvement of the infrastructure and other facilities, such as roads within the national parks, toilets, water supply and air conditioners at the airports and signage. Therefore, the government is urged to continue with its efforts to improve roads in the national parks and other facilities.

Responsible Institutions: MoW, TAA, TCAA, TANAPA and MNRT

Traffic jams in Dar es Salaam region was another main concern of the tourists. The government is advised to continue with its efforts to address such infrastructural issues.

Responsible Institutions: MoW, MoT and DCC

Appendices

Appendix A: Survey Methodology

I. Introduction

The survey's methodology was designed to collect data that would facilitate a better understanding of the status of the tourism sector and provide an instrument that will enable an appropriate follow-up mechanism. It consists of designing a sample and sample selection; survey instruments including a questionnaire; scope and coverage; training; data collection and processing; and estimation of tourist expenditure. The main objective of the survey is to obtain reliable information about visitors to Tanzania, including their number, length of stay, expenditure, travel arrangement and their demographic characteristics.

II. Objective of the Survey

The primary objective of the survey was to collect up-to-date tourist expenditure information for use in the ''Tourist Expenditure Model" developed in 2001. The Model was developed as a tool for estimation of international tourism receipts required in the compilation of National Accounts (NA) and Balance of Payments (BOP) statistics. These statistics are used by the public and the private sector for policy formulation and strategic business planning, respectively.

III. Scope of the Survey

The respondents for the survey were 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.

IV. Sample Size

The survey was done on sample basis. It was planned to interview 10,959 departing international visitors, equivalent to one percent of the international visitors recorded in 2013. Ultimately, the survey managed to randomly interview about 7,491 respondents, who represented around 14,996 visitors in the sample. This sample was considered sufficient to meet the survey's objectives.

V. Fieldwork

The data collection exercise was undertaken for a period of two weeks during the high season. It started from 25th August 2014 to 7th September 2014. High tourist season for Tanzania normally lies between July and September, while the low season is between March and May. Seven teams; six in Mainland and one in Zanzibar collected data. Technical Committee members participated in the field supervision of the interviews to ensure questionnaires completeness, quality and consistency.

VI. Survey's Coverage

In order to obtain the required information from the international visitors, it was important to conduct the survey at entry/exit boarder points. The survey covers seven departure points, namely: Julius Nyerere International Airport, Kilimanjaro International Airport, Abeid Amani Karume International Airport, Namanga, Tunduma, Mtukula and Manyovu border points.

VII. Enumerators' Manual

The Technical Committee developed 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. In addition, the manual provided the description of the questions and data crosschecking mechanism.

VIII. Training of Enumerators

A one-day training of enumerators and supervisors was organized by the Technical Committee's members. A total of 26 enumerators and seven supervisors were trained. The purpose of the training was to guide the enumerators to understand the questionnaire and equip them with interviewing techniques. Enumerators were also trained in methods of field editing, data quality control procedures and fieldwork coordination. The Enumerators' Manual was used as a guideline document during the training.

IX. The Questionnaire

The questionnaire was designed to ensure that the questions asked were in line with user's data needs. The information collected is useful for tourism promotion and macroeconomic policy formulation. A single questionnaire was used to gather information for the 2014 International Visitors` Exit Survey. The content of the questionnaire was based on the previous years' questionnaires, with slight modifications. The questionnaire used in the survey had 22 questions and it comprised four main parts, namely: visitor profiles, travel behavior, expenditure patterns and visitor's comments (Appendix B).

Questions 1 to 9 aimed at establishing the visitor's profiles (nationality, country of residence, travel party, age group, gender, purposes of visit, type of tourism activity and source of information about Tanzania).

Questions 10 to 15 aimed at obtaining information about type of tour arrangement (package/non-package), items in the package, costs of package tour and number of nights spent.

Questions 16 to 18 were structured to establish tourists' earnings ascribed to Tanzania. In addition, the questions probed for details on the amount of money spent in Tanzania.

Question 19 and 20 asked the visitors most used mode of payment while in Tanzania and whether they were visiting Tanzania for the first time or not.

Question 21 and 22 sought information about areas that impressed the visitors and those which need improvement.

X. Data Processing

The processing of the 2014 International Visitors' Exit Survey data began after completion of fieldwork. Data processing involved manual editing, coding of open-ended questions, data entry and editing of computer-identified errors. Data entry and editing were accomplished using the ORACLE11g database and web-based application.

XI. Tourist Expenditure Estimation

Tourists' expenditure in the country was estimated using Tourist Expenditure Model that was developed during the comprehensive International Visitors' Exit Survey conducted in 2001. The model uses the following variables in estimating tourists' expenditure: average expenditure by travel arrangement by purpose of visit, proportion of international tourist arrivals by travel arrangement and average length of the stay. Data on average expenditure by travel arrangement by purpose of visit, proportion of international tourist arrivals by travel arrangement and average length of the stay were obtained from the survey, while the number of international tourist arrivals was obtained from the Immigration Department.

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 international tourist arrivals under **package** travel arrangement (The number of international tourist arrivals as recorded by the Immigration Department, adjusted into package visitors, using package tour arrangement ratio derived from the survey)

V_{NP} = Number of international tourist arrivals under **Non-package** travel arrangement (The number of international tourist arrivals as recorded by the Immigration Department, proportionately adjusted into non-package visitors using non-package tour arrangement ratio derived from the survey)

T = Average length of stay, derived from the survey

The Simplified Model

Country of Residence	Purpose of Visit	Total number of International Tourist Arrivals (sourced from Immigration Dept)	Number of International Tourist Arrivals by Travel arrangement		Average length of Stay	Average Expenditure per Visitor per Night		Total Expenditure
						Package	Non Package	
			Package (V_P)	Non-package (V_{NP})	(T)	(E_P)	(E_{NP})	(E_V)
	Business							
	Holiday							
	VFR							
	Other							

Procedure and assumptions used for the estimation of tourist expenditure for 2014:

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

- It was assumed that 10 percent of the value of the package is retained by the international tour wholesaler to meet overhead costs and commission. The assumption was based on a study on Tourism Earnings in Tanzania that was conducted in 2000.
- Immigration data on the number of international tourist 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.

- In order to be able to estimate annual tourists' expenditure, the survey's results were applied to the total number of international tourist arrivals, as recorded by the Immigration Department. It is worth mentioning that given the homogeneity nature of visitors' characteristics, the information collected during the two weeks survey is justifiable to represent the total population.

- The Immigration Department also provided the number of international tourist arrivals for Zanzibar that enabled the estimation of tourists' expenditure for Zanzibar.

- The average length of stay used was between one to twenty eight nights.

Appendix B: Questionnaire

THE 2014 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, you are kindly requested to provide information relating to your stay in Tanzania. The information will help us to improve and develop the tourism sector. The survey is jointly carried out by the Ministry of Natural Resources and Tourism, National Bureau of Statistics, Bank of Tanzania, Immigration Department and the Zanzibar Commission for Tourism.

Your Cooperation is highly appreciated

***FOR OFFICIAL USE*:**

CODE NUMBER: ______________________________

NAME OF THE RESEARCHER: ______________________________

*DATE:*______________________ *SIGNATURE:* ______________________

NAME OF THE DATA ENTRANT: ______________________________

1. Nationality____________________ Country of Residence ____________________

2. What is your age group (*tick one only*)

< 18	18-24	25-44	45 -64	65+
[ ]	[ ]	[ ]	[ ]	[ ]

3. Are you travelling alone? (Tick) Yes [ ] No [ ] *If Yes go to question no. 6*

4. With whom are you travelling? (*tick one only*)

With spouse	[ ]
With children	[ ]
With spouse and children	[ ]
With other friends and relatives	[ ]

5. What is the number of persons with whom you are travelling, whose expenditure is on one account under the following age groups?

Age group	< 18	18-24	25-44	45 -64	65+
Number of people	[ ]	[ ]	[ ]	[ ]	[ ]

6. Gender

Number of Females	
Number of Males	

7. MAIN purpose of visit to Tanzania (*tick one only*)

Meetings and Conference	[ ]	Scientific and Academic	[ ]
Business	[ ]	Volunteering	[ ]
Visiting Friends and Relatives	[ ]	Other (please specify)	[ ]
Leisure and Holidays	[ ]		[ ]

8. What was your MAIN tourism activity in Tanzania, in this trip? (*tick one only*)

Wildlife tourism	[ ]	Mountain climbing	[ ]
Beach tourism	[ ]	Hunting tourism	[ ]
Cultural tourism	[ ]	Conference tourism	[ ]
Bird watching	[ ]	Business	[ ]
Diving and Sport Fishing	[ ]	Others (please specify):	[ ]

9. What was your MAIN source of information about Tanzania (*tick one only*)

Travel agent, tour operator	[ ]	Inflight magazines	[ ]
Friends, relatives	[ ]	Tanzania Mission Abroad	[ ]
Trade fair	[ ]	Radio, TV, Web (please specify):	**[ ]**
Newspaper, magazines, brochures	[ ]	Others (please specify):	[ ]

10. Did you travel independently or booked a package tour?

(*If you travelled independently, go to question 15*)

Independent	**Package**

11. Items included in your package tour (*tick*)

International transport (Air ticket/fare)	[ ]	Sightseeing/excursion/game activities	[ ]
Accommodation	[ ]	Guided tour	[ ]
Food and Drinks	[ ]	Travel insurance	[ ]
Internal transportation in Tanzania	[ ]	Other (please specify)..............	[ ]

12. Total cost of the package tour: Currency ....

13. Is the total cost for the whole group? (*Tick*) Yes [ ] No [ ]

14. Total number of nights in the package tour (INCLUDING nights spent in other countries)

15. Number of nights spent in: Tanzania Mainland

Zanzibar Island

16. How much money did you spend (cash, travellers cheque, credit cards) in Tanzania during this trip, *Please give your best estimate in case you do not remember the exact figures.*

Currency ....

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

		Amount
Hotel	Currency..........	
Others (Lodges, Motels, Campsites etc.)	Currency..........	
Food and drinks	Currency..........	
Internal transportation		
By Air	Currency..........	
By Road	Currency..........	
By Water	Currency..........	
by Railway	Currency..........	
Rentals (Car hires, Charters, Boats, etc)	Currency..........	
Cultural Services (Museums, Historical Sites, etc.)	Currency..........	
Sports and Recreational (Diving, cycling etc)	Currency..........	
Sight Seeing and Excursion	Currency..........	
Mountain Climbing	Currency..........	
Hunting	Currency..........	
Access/entry/gate fees	Currency..........	
Visa fees and taxes	Currency..........	
Shopping (Souvenirs, precious metals, crafts, etc)	Currency..........	
Other (please specify)	Currency..........	

18. Is the above breakdown for the whole party? *(Tick)* Yes [ ] No [ ]

19. Which mode of payment did you use mostly in Tanzania?

Cash [ ] Traveller's Cheques [ ]
Credit Card [ ] Other (please specify) [ ]

20. Was this your first trip to Tanzania? *(tick)* Yes [ ] No [ ]

21. What impressed you most during your trip to Tanzania?

....

....

....

....

....

....

22 What would you consider the most important areas that need improvements?

....

....

....

....

....

....

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

Appendix C: Statistical Tables

Table C1: All Source Markets for Tanzania, 2014

Country of Residence	Number of Visitors	% of Total
Kenya	188,214	16.5
United States of America	80,489	7.1
United Kingdom	59,279	5.2
Burundi	51,553	4.5
Rwanda	50,038	4.4
Italy	49,518	4.3
Germany	47,262	4.1
Zambia	36,679	3.2
Zimbabwe	36,497	3.2
Uganda	36,420	3.2
France	33,585	2.9
India	27,327	2.4
South Africa	26,614	2.3
Netherlands	23,710	2.1
Mozambique	22,661	2.0
China	21,246	1.9
Canada	21,185	1.9
Malawi	18,200	1.6
Australia	16,527	1.4
Sweden	15,431	1.4
Switzerland	14,900	1.3
Norway	12,962	1.1
Denmark	12,499	1.1
Belgium	10,822	0.9
Congo	10,597	0.9
Somalia	9,799	0.9
Oman	9,521	0.8
Spain	8,757	0.8

Country of Residence	Number of Visitors	% of Total
Austria	7,482	0.7
South Korea	7,420	0.7
Japan	7,419	0.7
Israel	7,403	0.6
Turkey	7,356	0.6
Brazil	7,303	0.6
Finland	6,442	0.6
Russia	5,728	0.5
Poland	5,272	0.5
Nigeria	4,751	0.4
Ireland	4,620	0.4
Comoros	4,413	0.4
Belize	4,270	0.4
Czechoslovakia	4,179	0.4
South Sudan	4,038	0.4
Pakistan	3,443	0.3
Brunei	3,378	0.3
New Zealand	3,260	0.3
Portugal	3,127	0.3
Cameroon	3,074	0.3
United Arab Emirates	2,800	0.2
Egypt	2,785	0.2
Ghana	2,751	0.2
Philippines	2,700	0.2
Romania	2,572	0.2
Uzbekistan	2,530	0.2
Georgia	2,261	0.2
Ethiopia	2,210	0.2
Malaysia	1,968	0.2
Angola	1,710	0.1
Yemen	1,549	0.1

Country of Residence	Number of Visitors	% of Total
Botswana	1,535	0.1
Colombia	1,465	0.1
Myanmar	1,382	0.1
Ukraine	1,352	0.1
Cape Verde	1,335	0.1
Greece	1,269	0.1
Slovakia	1,257	0.1
Indonesia	1,246	0.1
Hungary	1,231	0.1
Argentina	1,215	0.1
Mexico	1,193	0.1
Chile	1,162	0.1
Sri Lanka	1,101	0.1
Dominican	1,063	0.1
Benin	1,027	0.1
Taiwan	1,026	0.1
Slovenia	1,002	0.1
Iran	960	0.1
Bangladesh	949	0.1
Croatia	945	0.1
Syria	919	0.1
Singapore	879	0.1
Nepal	855	0.1
Bulgaria	831	0.1
Sudan	802	0.1
Jordan	795	0.1
Burkina Faso	782	0.1
Estonia	770	0.1
Scotland	755	0.1
Algeria	741	0.1
Thailand	740	0.1

Country of Residence	Number of Visitors	% of Total
Lebanon	712	0.1
Namibia	708	0.1
Panama	707	0.1
Palestine	661	0.1
Ivory Coast	627	0.1
Bergin	597	0.1
Guinea	597	0.1
Lesotho	592	0.1
Saud Arabia	575	0.1
Swaziland	551	0.0
Gabon	522	0.0
Serbia	522	0.0
Armenia	508	0.0
Mauritius	504	0.0
Bolivia	492	0.0
Hong Kong	492	0.0
Kuwait	487	0.0
Chad	485	0.0
Iceland	459	0.0
Madagascar	455	0.0
Azerbaijan	449	0.0
Niger	438	0.0
Gambia	404	0.0
Latvia	386	0.0
Venezuela	377	0.0
Lithuania	376	0.0
Qatar	372	0.0
Cyprus	370	0.0
Malta	364	0.0
Peru	358	0.0
Mali	340	0.0

Country of Residence	Number of Visitors	% of Total
Congo Brazzaville	332	0.0
North Korea	331	0.0
Libya	328	0.0
Mauritania	319	0.0
Tunisia	319	0.0
Vietnam	310	0.0
Madagascar	303	0.0
Jamaica	299	0.0
Luxembourg	297	0.0
Sierra Leone	286	0.0
Cambodia	277	0.0
Djibouti	277	0.0
Greece	275	0.0
Cuba	269	0.0
Seychelles	266	0.0
Costa Rica	256	0.0
Senegal	255	0.0
Togo	228	0.0
Fiji	213	0.0
Eritrea	206	0.0
Ecuador	205	0.0
Kazakhstan	205	0.0
Nicaragua	202	0.0
Bahrain	200	0.0
San Moreno	191	0.0
Afghanistan	190	0.0
Morocco	177	0.0
Tajikistan	161	0.0
Haiti	159	0.0
Bosnia and Herzegovina	155	0.0
Trinidad and Tobago	151	0.0

Country of Residence	Number of Visitors	% of Total
Albania	145	0.0
Liberia	135	0.0
Belarus	107	0.0
Uruguay	106	0.0
Honduras	103	0.0
Iraq	101	0.0
Macedonia	99	0.0
Sao Tome and Principe	99	0.0
Guatemala	95	0.0
Paraguay	90	0.0
Mongolia	85	0.0
Solomon Islands	82	0.0
Cocos Islands	72	0.0
Antigua	68	0.0
Suriname	64	0.0
Moldova	50	0.0
Barbados	49	0.0
Yugoslavia	49	0.0
Central Africa	48	0.0
Kyrgyzstan	40	0.0
Salvador	37	0.0
Andorra	35	0.0
St. Laurencin	31	0.0
Guinea Bissau	23	0.0
El-Salvador	21	0.0
Bahamas	15	0.0
Liechtenstein	15	0.0
Monaco	14	0.0
Guyana	12	0.0
Stateless	10	0.0
Grenada	9	0.0

Country of Residence	Number of Visitors	% of Total
Macao China	8	0.0
Saint Lucia	7	0.0
Papua New Guinea	5	0.0
Bhutan	2	0.0
Saint Pierre	2	0.0
Bermuda	1	0.0
Equatorial Guinea	1	0.0
Laos Isles	1	0.0
Samoa	1	0.0
Total	**1,140,156**	**100.0**

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Zanzibar Commission for Tourism

www.zanzibartourism.net

National Bureau of Statistics

www.nbs.go.tz

Immigration Department

www.moha.go.tz