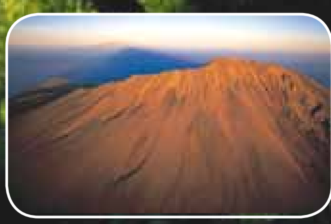
TANZANIA TOURISM SECTOR SURVEY

THE 2009 INTERNATIONAL VISITORS' EXIT SURVEY REPORT



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Dar es Salaam, May 2011

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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 Organization
JNIA	Julius Nyerere International Airport
KAS	Kasumulo
KIA	Kilimanjaro International Airport
MDGs	Millennium Development Goals
MOFAIC	Ministry of Foreign Affairs and International Cooperation
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 Authority
TBA	Tanzania Bankers Association
TCT	Tourism Confederation of Tanzania
TIC	Tanzania Investment Centre
TTB	Tanzania Tourist Board
TTSS	Tanzania Tourism Sector Survey
TUN	Tunduma
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNWTO	United Nations World Tourism Organization
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. In ensuring that information on tourism continues to be available, the multi institutional committee which consists of the Ministry of Natural Resources and Tourism, Bank of Tanzania, National Bureau of Statistics, Immigration Department and the Zanzibar Commission for Tourism conducts the International Visitors' Exit Survey annually.

The key objective of the survey is 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 the National Accounts and Balance of Payments statistics. The survey also aims at obtaining information that is used for strategic planning, tourism promotion and macroeconomic policy formulation.

In this regard, we are glad to introduce The 2009 Tanzania Tourism Sector Survey Report which provides important tourism statistics such as tourist earnings, source markets, purposes of visit and average length of stay. The report also highlights some areas for improvement notably airport facilities and roads leading to the tourist attractions.

In 2009 the number of tourist arrivals went down to 714,367 from 770,376 in 2008. As a result, tourism earnings declined by 10.0 percent from USD 1,288.7 million in 2008 to USD 1,159.8 million. The decline is partly attributed to the global financial crisis and the A (H1N1) influenza pandemic. Notwithstanding the decline, indications of quick recovery are expected to continue in 2010.

We expect the report will be a useful source of information to policy makers, investors, academicians and other stakeholders in the tourism industry.

Hon. Ezekiel Maige (MP (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 wishes to convey profound gratitude to all those who were behind the successful completion of the 2009 International Visitors' Exit Survey. Special appreciation should go to the Chief Executives 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 recognition should also go to the Immigration Department staff, particularly the Officers In-charge at the Julius Nyerere International Airport, Zanzibar Airport, Kilimanjaro International Airport, Namanga, Tunduma and Kasumulo boarder points. Likewise, our profound thanks should go to the field researchers and data entrants for making the survey a success.

The 2009 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), P. Mboya (BOT) and M. Jaffer (ZCT), while F. Shayo and R. Barongo from BOT managed data processing.

EXECUTIVE SUMMARY

Rationale

Tanzania, like other developing countries aims at accomplishing 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 such as 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 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 annual surveys[1] in 2004, 2005, 2006, 2008 and the second comprehensive survey in 2007. The survey was carried out in September, 2009 at the six major exit points, namely: the Julius Nyerere International Airport, Kilimanjaro International Airport, Zanzibar Airport, Tunduma, Kasumulo and Namanga, 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 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).

[1]Annual surveys were conducted only in one season, peak tourist season, while comprehensive surveys were conducted in both peak and low seasons

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 in the tourism industry, at global, Africa and national perspectives. The analysis of survey results is presented in chapter two, while the conclusion and recommendations are provided in chapter three. The survey methodology is included in **appendix II**.

Main Findings of the Survey

Tanzania Earned USD 1,159.8 million from Tourism Activities in 2009

Using the Tourist Expenditure model, it is estimated that Tanzania earned USD 1,159.8 million in 2009, out of which Zanzibar earned USD 104.3 million. These earnings accrued from 714,367 and 78,885 international visitor arrivals to Tanzania and Zanzibar, respectively.

Average Expenditure

The survey's results indicate that the overall average expenditure of a tourist in Tanzania is USD 241 per person per night. The results also show that the average expenditure of a tourist per night were USD 231 and USD 194 under the package and non package arrangement, respectively. In 2008, the average expenditure of a tourist per night was USD 209 for visitors who came under the package arrangement and USD 189 for the non package visitors.

Length of Stay

The survey's results indicate that the overall average length of stay for the visitors to Tanzania was 11 nights, an increase of one night from that of the previous year.

Major Source Markets of Tourists in Tanzania

The following are the top five source markets for 2007:

1. Italy
2. United Kingdom
3. United States of America

4. Germany

5. Spain

The survey's results depict the dominance of Italy, the United Kingdom and the United States of America as the 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. However, international visitor arrival statistics from the Immigration Department indicate that Kenya, the United Kingdom, the United States of America and Italy were the major four tourist source markets to Tanzania during 2009. The variation is mainly attributed to the timing of the survey and the fact that tourists' holiday seasons vary across countries. The Majority of Visitors were of '25–44' Age Group

The Majority of the Visitors Were of '25–44' Age Group

About 55.1 percent of the interviewed visitors were in the age group of 25-44. The second in prominence was the age group of 45-64, which accounted for 27.1 percent, followed by the age group of 18-24 (10.1 percent). The age group of above 65, who have ample time and adequate income for leisure accounted for about 6.9 percent of the interviewed visitors. This rate is higher than that recorded in the previous survey. However, senior citizen visitors are still few when compared to other age groups and this might be partly due to their insurance policies which do not compensate tourists who get accidents while travelling on single engine aircraft or landing/taking off from unpaved runways.

In Tanzania, most of the aircrafts that go to the tourist attractions are single -engined.

The Majority of the Visitors Came Under the Package Tour Arrangement

About 65 percent of the visitors came under the package tour arrangement, while 35 percent of the visitors came under the non-package tour. Since the inception of the International Visitors' Exit Survey in 2001, visitors who came under the package tour arrangement dominated with the exception of 2008. This was largely due to seasonality as the survey was conducted during the mini-peak tourist season which coincided with the global financial crisis that started in mid 2008.

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

The majority of the visitors (79.1 percent) came for the purpose of leisure and holidays, followed by those who came for Visiting Friends and Relatives (8.2 percent). Visitors who came for business and conference were very minimal despite the growing importance of conference tourism worldwide. In view of this, there is a need to attract investors to come and construct big convention centres for hosting international meetings. This is important as the country has proved to have the potential for hosting big international meetings such as the Sullivan Summit, African Diaspora Heritage Trail, and the World Economic Forum for Africa, which took place in 2008, 2009 and 2010, respectively. This implies that the country should capitalize on its comparative advantage on safety and political stability which most conference organizers look for.

The Majority of Visitors to Tanzania Departed through the Julius Nyerere International Airport (JNIA) and Zanzibar Airport

The 2009 International Exit Survey was conducted in six major departure points with three airports and road border posts. The survey results revealed that the majority of the visitors departed the country via JNIA (30.8 percent) and Zanzibar Airport (30.5 percent). The results further show that, Namanga was the leading road border departure point and Kasumulo recorded the smallest proportion of all departed visitors.

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

The survey's results show that most of the visitors (69.4 percent) were concerned with the state of the infrastructure and other facilities. They complained about the poor state of the road between Namanga and Arusha. Visitors also stressed the need to improve airports, particularly the handling and cooling facilities at JNIA and Zanzibar Airport. This has been a great concern for visitors, even during the previous survey.

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 the infrastructure and airport facilities such as air conditioners, signage and washrooms.
2. Enhance efforts of promoting Tanzania as a tourist destination in the emerging source markets like the Middle East as well as the regional markets.
3. There is a need of ensuring that payment methods are improved by enhancing the acceptability of credit cards, availability of ATMs and accessibility of the internet.
4. Upgrade standards in accommodation establishments, especially facilities that cater for the elderly and people with disabilities.

5. Construct a large and modern state-of-the-art conference auditorium to attract international Meetings, Conferences and Exhibitions (MICE).
6. There is a need of diversifying our tourist products from relying heavily on wildlife tourism to opting for other products like beach or marine based tourism, eco-tourism, and cultural tourism in order to prolong the length of stay and increase earnings.

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Chapter 1

Recent Developments in the Tourism Industry

1.1 Global Perspective

In recent years, tourism has been one of the largest industries in the world and contributes significantly to the global economy. However, in 2009, the tourism industry was adversely affected by the global financial crisis and the A (H1N1) influenza pandemic. According to the United Nations World Tourism Organization (UNWTO, 2010)[2], international tourism arrivals fell by 10.0 percent, 7.0 percent and 2.0 percent in the first three quarters of 2009 respectively, in comparison with the corresponding period last year. Nevertheless, there was an increase of 2.0 percent in the fourth quarter of 2009, thus showing signs of recovery which are expected to continue in the year 2010. The UNWTO forecasts a return of consumer confidence in the tourism generating countries and expects a growth of between 3.0 percent and 4.0 percent in tourism arrivals in 2010, compared with a decline of 4.0 percent in 2009. Asia is expected to show the strongest growth while Europe and America are likely to show moderate growth and Africa will get an extra boost from the 2010 World Cup. This is largely due to various stimulus packages enforced by various countries and measures instituted to improve efficiency by the service providers.

Actions which have been taken to mitigate the effects of the mentioned crises should continue in order to foster a sustainable future in the tourism industry. As recommended by UNWTO (Roadmap for Recovery) such measures include:

- Close monitoring of the changing market trends and early reaction to maintain competitiveness.
- Boost Public and Private sector Partnership to increase productivity and focusing on job retention especially through the recognition of SMEs.
- Strengthen Regional cooperation to ease the movement of tourists between countries.
- Marketing programs should address the demand for better value and embrace the consumer preferences towards the internet and multimedia delivery.

[2]UNWTO (2010), UNWTO News, Issue 1/2010.

1.2 African Perspective

Growth in Africa's tourism industry continued to be robust despite the effect of the global financial crisis. The number of international tourist arrivals to Africa increased by 5.0 percent in 2009, compared to a growth rate of 4.0 percent recorded in 2008. The UNWTO forecasts a growth in international tourist arrivals of between 3.0 percent and 4.0 percent in 2010. Growth in Sub-Saharan Africa was also significant as the number of international tourist arrivals increased by 6.0 percent in 2009 compared with 3.0 percent recorded in 2008.

The performance of the tourism sector in the East African Community (EAC) member countries showed mixed developments. In Uganda, the number of tourist arrivals decreased by 4.4 percent to 806,658 in 2009 from the level recorded in 2008.[3] However, the stimulus package is expected to increase the growth in the tourism industry that only contributed about 3.0 percent of GDP.

Despite the combined effects of the post election violence and global financial crisis, Kenya received 1.5 million international visitors in 2009, up from 1.2 million in 2008[4]. The increase is mainly attributed to development of management training institutions, substantial funding of tourism activities and promotion of the sector through intensive marketing. According to Kenya Tourist Board, the tourism sector managers who graduated at Kenya Utalii College have been instrumental in developing the industry, whose contribution is more than 10.0 percent of GDP.

The EAC partner states have continued to strengthen their cooperation in Tourism and Wildlife sectors. The Meeting of the Sectoral Committee on Tourism and Wildlife Management of the EAC approved the establishment of the East African Tourism Wildlife Coordination Agency (EATWCA). In addition, Task Forces have been formed to develop a workplan for the study and piloting of a Single Tourist Visa, a comprehensive roadmap for developing a brand strategy to promote East Africa as a single tourist destination and a roadmap for the study on Harmonization of Policies and Laws in Tourism and Wildlife Management in the East Africa Community. Furthermore, the partner states are conducting Hotel Classification exercises using the common EAC criteria. It is important to note that the Protocol on the Establishment of The East African Community Common Market has already been signed.

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[3]Uganda Bureau of Statistics, Statistical Abstract 2010

[4]Kenya Economic Survey 2010

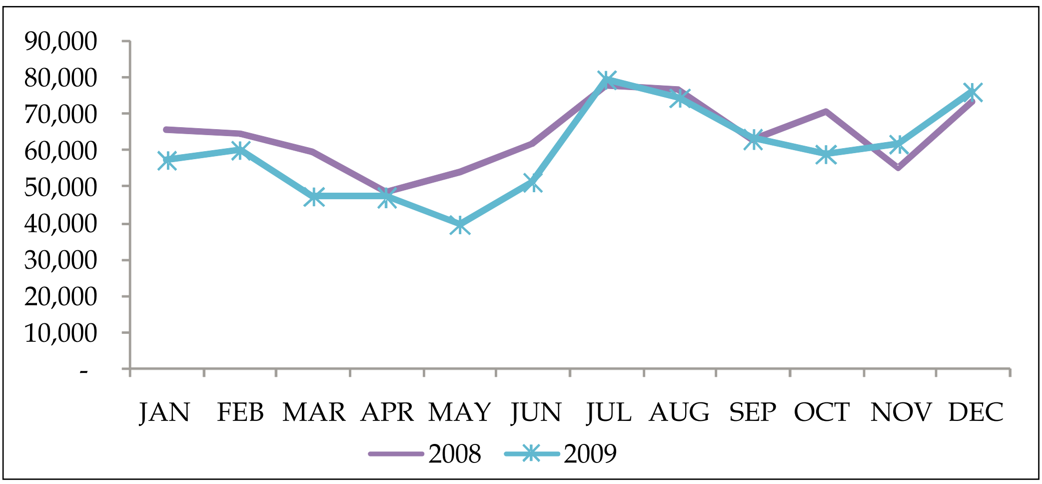
1.3 Tanzanian Perspective

1.3.1 Tourism Performance

The tourism industry is one of the main sources of foreign exchange earnings in Tanzania. However, the performance of the tourism sector in 2009 was not satisfactory mainly due to the global financial crisis. The number of tourist arrivals declined by 7.0 percent to 714,367 from 770,376 in 2008. During the first half of 2009, the number of arrivals dropped by 14.7 percent as compared to the corresponding period the year before. The situation started to improve towards the second half of the year, as the number of arrivals started to show a positive increase in November 2009 **(Chart 1.1)**. Consequently, tourist earnings declined by 10.0 percent to USD 1,159.8 million in 2009.

It is worth noting that, tourism is not a single economic activity as it cuts across different activities, namely: agriculture, trade, hotels and restaurants; transport and communication; financial and business services; public administration and other services. However, it has been difficult to quantify tourism as a single activity and measure its share in GDP in the existing system of national accounts.

Chart 1.1: International Visitor Arrivals 2008-2009



1.3.2 Events and Developments

The following are significant events related to tourism developments which took place in 2009:

1.3.2.1 Conferences

Tanzania hosted the International Conference on 'African Diaspora Heritage Trail' in Dar es Salaam from 25th to 30th October 2009. The theme of the conference was "An African Homecoming: Exploring the Origins of the African Diaspora and Transforming Cultural Heritage Assets into Tourism Destinations". The African Diaspora conferences aimed at sharing accessible expertise and technical assistance in the development of heritage tourism programs and products. The conference also provided a link to historical and cultural destinations in the African Diaspora.

African Diaspora Heritage Trail

Tanzania also hosted the International Celebration to mark the 50 years since the discovery of the existence of early human being (Zinjanthropus boisei) in the Oldupai Gorge which took place in Arusha from 13th to 17th August 2009. The hosting of these two conferences helped to showcase and promote Tanzania as a tourist destination.

1.3.2.2 Promotion and Marketing

Under the coordination of Tanzania Tourist Board (TTB), Tanzania participated in Tourism Fairs in Japan, Russia, the United Kingdom, Spain and USA. In addition, Krishna Agency of Mumbai, India and TTB agreed to cooperate in marketing Tanzania as a destination in India. This cooperation is expected to stimulate other Indian travel agencies to start selling tourism tours to Tanzania. In June 2009, the two parties successfully organized a familiarization tour in Tanzania for a group from Indian Travel Agencies, Travel Magazine Writers, News reporters and Celebrities. As a way of penetrating the Indian market, Krishna Agency has vowed to work with other stakeholders to promote Tanzania's destination in India. Therefore, Krishna Agency in partnership with Islands Holidays of Mumbai and Winglink Travel Ltd of Tanzania organized a road show in Mumbai in September 2009.

Tanzanian Team at B.I.T Milan Italy Tourism Trade Fair

1.3.2.3 Dar es Salaam City Tourism

Dar es Salaam City Council (DCC) is working towards making the city a renowned tourism destination. Dar es Salaam boasts of various attractions including historical buildings most of which date from the German colonial era. These heritages are potential tourist attractions. The DCC is planning to safeguard the cultural and natural heritage and enhance the touristic value so that the local population can enjoy the economic spin-off and the associated cultural and social advantages. To start with, the DCC has identified the tourist attractions and has published the City Tourist Guide. In addition, the Tourist Information Center at the Julius Nyerere International Airport has already been established.

1.3.2.4 Construction of the National College of Tourism

The Government of Tanzania is implementing a project to establish a new campus for the National College of Tourism in Dar es Salaam. The project is supported by the Government of France. The main aim of this project venture is to establish a National Training Facility that will assume the role of a centre of excellence for educating and training the workforce to be absorbed into tourism and hospitality industries in the country. The Centre shall be fully equipped with the state-of-the art training and demonstration facilities, laboratories, service and conference venues among many other things. The project is now at its final stages of civil works, pending the installation of equipment. The new date for commissioning is scheduled for the end of 2010.

Chapter 2

Analysis of the Survey's Results

2.1 Source Markets

Table 2.1 shows the number of visitors and their percentage distribution by country of residence in 2009. Like in the previous survey, the majority of visitors to Tanzania[5] came from Italy (15.8 percent), followed by those from the United Kingdom, which constituted 15.1 percent of total visitors. Visitors from the United States of America came third (12.5 percent) followed by those from Germany (7.7 percent) and Spain (5.0 percent).

Table 2.1: Top 15 Source Markets for Tanzania, 2009

S/N	Country of Residence	Number of Visitors	% of Total
1	Italy	1,467	15.8
2	United Kingdom	1,402	15.1
3	United States of America	1,162	12.5
4	Germany	716	7.7
5	Spain	460	5.0
6	France	423	4.6
7	South Africa	386	4.2
8	Netherlands	352	3.8
9	Australia	306	3.3
10	Canada	283	3.0
11	Japan	198	2.1
12	Switzerland	188	2.0
13	Kenya	167	1.8
14	Belgium	160	1.7
15	Ireland	137	1.5
16	Others	1,479	15.9
	Total	**9,286**	**100.0**

[5]Visitors to Tanzania refer to those who visited Tanzania Mainland only, Zanzibar only and those who visited both Tanzania Mainland and Zanzibar.

When compared with the results of 2008 survey, new entrants in the fifteen top markets for Tanzania are Spain, Japan, Belgium and Ireland, whereas the United Arab Emirates, Zambia, Norway and Sweden have dropped from the list. The results show further that Europe and North America remained as dominant traditional source of tourist market for Tanzania. Therefore, there is a need of diversifying our markets to the emerging countries by marketing aggressively the Tanzania's tourist products in order to increase tourist earnings.

However, statistics from the Immigration Department indicate that Kenya, the United Kingdom, United States of America and Italy were the top tourist source markets to Tanzania during 2009 (Table 2.2). This variation is largely attributed to timing of the survey and the fact that tourist holiday seasons vary across countries.

Table 2.2: Top 15 Source Markets as Recorded by the Immigration Department,

S/N	Country of Residence	Number of Visitors	% of Total
1	Kenya	172,256	24.1
2	United Kingdom	53,752	7.5
3	United States of America	47,943	6.7
4	Italy	47,804	6.7
5	Uganda	32,826	4.6
6	Zambia	26,999	3.8
7	South Africa	25,586	3.6
8	Germany	25,508	3.6
9	France	20,127	2.8
10	Malawi	19,851	2.8
11	India	17,002	2.4
12	Netherlands	16,507	2.3
13	Canada	14,642	2.0
14	Burundi	14,581	2.0
15	Rwanda	14,331	2.0
16	Others	164,652	23.0
	Total	**714,367**	**100.0**

Source: *Immigration Department*

Table 2.3 shows that most visitors to Tanzania Mainland[6] were from the United Kingdom, which accounted for 17 percent of total visitors. The United States of America comes

[6]Visitors to Tanzania Mainland are those who visited Tanzania Mainland only and those who visited both Tanzania Mainland and Zanzibar. Tourists who visited Zanzibar only are not included.

second in ranking by accounting for about 15.0 percent, followed by Germany, accounting for 8.9 percent of all the visitors.

Table 2.3: Top 15 Source Markets for Tanzania Mainland, 2009

S/N	Country of Residence	Number of Visitors	% of Total
1	United Kingdom	1,225	17.0
2	United States of America	1,107	15.3
3	Germany	642	8.9
4	Spain	411	5.7
5	France	385	5.3
6	Netherlands	339	4.7
7	Italy	331	4.6
8	Australia	285	3.9
9	Canada	280	3.9
10	Japan	183	2.5
11	Switzerland	173	2.4
12	Kenya	143	2.0
13	Belgium	135	1.9
14	Ireland	130	1.8
15	United Arab Emirates	114	1.6
16	Others	1,333	18.5
	Total	**7,216**	**100.0**

The results obtained from the survey when compared with the 2008 survey indicate that Switzerland, Ireland and the United Arab Emirates are new entrants in the fifteen top source markets, whereas South Africa, Zambia and Norway dropped out of the list. The European market continued to dominate as the most important source market to the Tanzanian Mainland. This implies that there is a need for more concerted efforts in maintaining the quality of the tourist products if this market is to be sustained. However, the dependence on single market bloc has significant adverse effects particularly during times of economic and financial crisis since travel tends to fall. In this regard, there is a need to intensify our promotional efforts in order to establish new source markets. Furthermore, given that majority of visitors to Tanzania come for wildlife tourism, it is important to diversify tourism products through aggressive promotion of other forms like cultural and eco-tourism.

A Spectacular View of Wildlife in Tanzania Mainland

Like in all the previous surveys, tourists from Italy continued to take the lead by accounting for 26.3 percent of all the tourists who visited Zanzibar **(Table 2.4)**. The existing Italian accommodation establishments in Zanzibar coupled with direct chartered flights from Italy continued to explain the dominance of Italy in the tourist source market for Zanzibar. Visitors from the United Kingdom were second in prominence, accounting for about 15.0 percent followed by visitors from Germany which accounted for 7.9 percent.

Table 2.4: Top 15 Source Markets for Zanzibar[7] , 2009

S/N	Country of Residence	Number of Visitors	% of Total
1	Italy	1,334	26.3
2	United Kingdom	763	15.0
3	Germany	399	7.9
4	South Africa	327	6.4
5	United States of America	298	5.9
6	Spain	272	5.4
7	France	270	5.3
8	Netherlands	178	3.5
9	Australia	166	3.3
10	Canada	128	2.5
11	Belgium	95	1.9
12	Switzerland	92	1.8
13	United Arab Emirates	65	1.3
14	Ireland	53	1.0
15	Norway	49	1.0
16	Others	592	11.7
	Total	**5,081**	**100.0**

Visitors Enjoying a Dhow Race in Zanzibar

[7]Visitors to Zanzibar are those who visited Zanzibar only and those who visited both Zanzibar and Tanzania Mainland. Tourists who visited Tanzania Mainland only are not included.

2.2 Age Group

There are considerable differences in motives for travel between different age groups. **Chart 2.1** reveals that the majority of interviewed visitors (55.1 percent) are in the age group of 25-44, which is relatively young and economically active. The same results were obtained in the previous surveys. Second in prominence was the age group of 45-64 which accounted for 27.1 percent, followed by the age group of 18-24 (10.1 percent). The youngsters, who are below 18, came last in the row after those in the age group of above 65 who have ample time and adequate income for leisure. The results from this survey indicate that senior citizens accounted for about 6.9 percent of the interviewed visitors, the rate which is higher than that recorded in the previous one. The government and other stakeholders should continue to improve facilities for the disabled and the elderly, such as specialized vehicles, ramps, and wheelchairs which are required by this market segment.

Chart 2.1: Number of Interviewees by Age Group

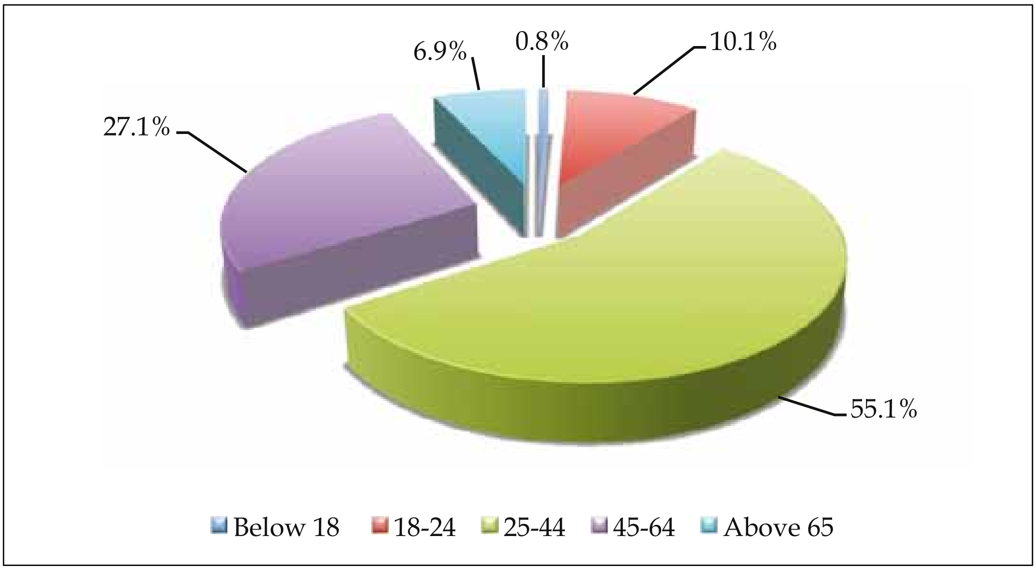


Chart 2.1 depicts that the majority of the respondents were of the age groups 25-44 and 45 - 64 accounting for a combined average of about 82.2 percent. Visitors from Italy and Spain took the lead under the age group of 25-44. Likewise, South Africa, Canada and the United States of America were dominant in bringing visitors under the age of 45-64 **(Table 2.5).** On the other hand, senior citizens (65+) continue to be insignificant, accounting for about 6.9 percent of all the respondents. The United States of America took the lead in bringing senior citizens. This trend has been observed since 2004. These findings will therefore assist tourism stakeholders to make more focused marketing strategies and attract diversified age groups in all countries.

Table 2.5: Percentage Distribution of Interviewees by Age group for Top 15 Source Markets, 2009

S/N	Country	Below 18	18-24	25-44	45-64	65+	Interviewees
1	Italy	1.4	8.0	72.4	15.8	2.5	812
2	United Kingdom	0.3	23.2	49.1	23.3	4.1	1,039
3	USA	0.8	6.4	33.9	36.5	22.4	861
4	Germany	1.0	9.2	45.7	31.8	12.3	488
5	Spain	1.9	3.0	72.2	22.2	0.8	266
6	Netherlands	0.4	4.3	60.9	32.0	2.4	253
7	Australia	0.4	12.4	56.6	25.5	5.2	251
8	France	0.0	6.8	60.2	25.8	7.2	221
9	South Africa	0.5	0.9	55.3	41.0	2.3	217
10	Canada	1.5	6.9	47.5	36.6	7.4	202
11	Kenya	0.7	19.9	53.2	23.4	2.8	141
12	Japan	2.5	8.3	61.2	24.0	4.1	121
13	Switzerland	0.0	1.7	56.4	34.2	7.7	117
14	Belgium	0.0	8.5	55.7	33.0	2.8	106
15	Ireland	2.9	10.0	68.6	17.1	1.4	70

The majority of the interviewees who came for leisure and holidays were of the age group 25 – 44 **(Table 2.6)**. This group was also prominent in VFR, Business and Conference. The same results were obtained during the previous surveys. This entails that the referred age group is important in the tourism industry in Tanzania. It is therefore vital for stakeholders in the tourism industry to ensure that expectations of the middle age group are fully met, and further improvement of services offered. However, the challenge of attracting elderly visitors (65+), who have high disposable income and ample time for traveling still remains. Insurance companies do not cover visitors travelling on single engined aircrafts or landing/ taking off from unpaved runways, in case of accidents. In Tanzania, most of the aircrafts going to the tourist attractions are single-engined.

Therefore, there is a need for improving the roads and runways so as to attract investments in modern and twin-engined aircrafts. This will increase the number of visitors, including senior citizen who are risk averse.

Table 2.6: Interviewees by Purpose of Visit and Age Group, 2009

Purpose of Visit	Age_Group	% of Total	Interviewees
Leisure and Holidays	<18	0.7	35
	18-24	9.2	432
	25-44	57	2,683
	45-64	25.7	1,207
	65+	7.4	348
Sub-Total		100	4,705
Visiting Friends and Relatives	<18	1.4	8
	18-24	16	91
	25-44	47.5	271
	45-64	26.5	151
	65+	8.6	49
Sub-Total		100	570
Business	<18	0	0
	18-24	3.5	18
	25-44	57.7	293
	45-64	35.2	179
	65+	3.5	18
Sub-Total		100	508
Conference	18-24	0.6	1
	25-44	49.2	88
	45-64	48	86
	65+	2.2	4
Sub-Total		100	179
Other	<18	0.7	2
	18-24	32.8	90
	25-44	35.8	98
	45-64	25.5	70
	65+	5.1	14
Sub-Total		**100**	**274**
Grand-Total			**6,236**

2.3 Visitors by Gender

The results from the survey reveal that both female and male visitors accounted for about 50 percent of the international tourists who visited Tanzania in 2009. The results from this survey differ from those obtained in the previous surveys which indicated that male visitors were generally more than female ones.

2.4 Purpose of Visit

Chart 2.2: Purpose of Visit

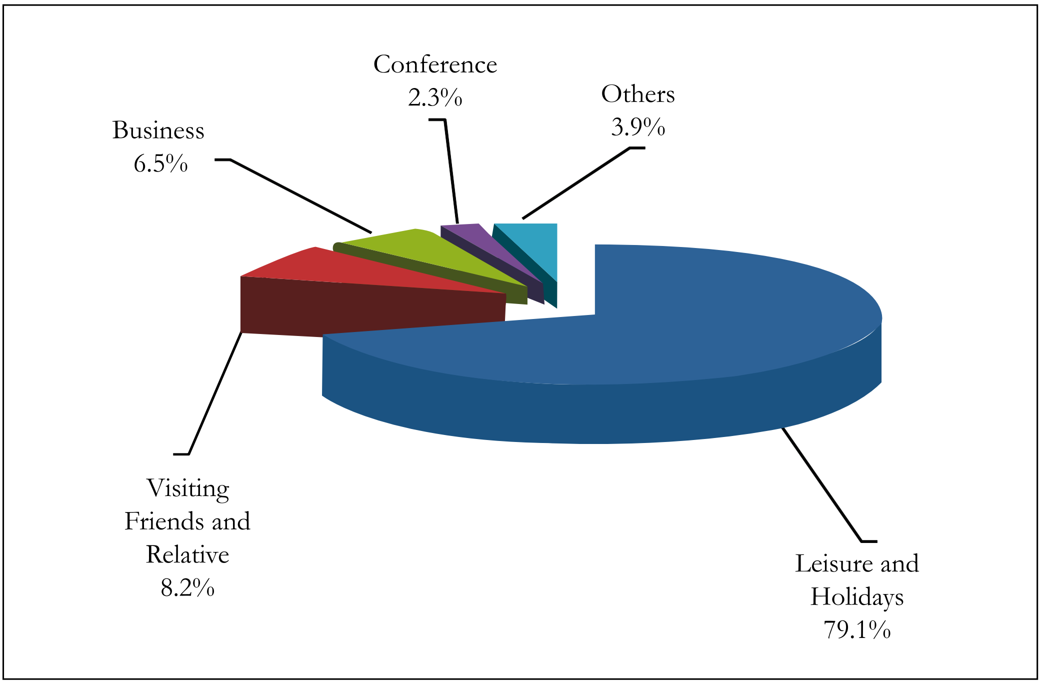


Chart 2.2 depicts that the majority of the visitors (79.1 percent) came for the purpose of leisure and holidays, followed by visitors who came for Visiting Friends and Relatives. Visitors who came for business and conference were very few. This trend has also been experienced in the previous surveys. The dominance of holiday makers continues to explain the country's quality nature attractions, which draw visitors from all over the world. However, this development poses a challenge of attracting more visitors to come for conference and business. Given the importance of conference, there is a need to attract investors to come and construct big convention centres for hosting international meetings. This is important as the country has proved to have the potential for hosting international fora such as the Sullivan Summit 2008, African Diaspora Heritage Trail 2009 and the World Economic Forum on Africa in 2010.

Tanzania Hosted the World Economic Forum on Africa in 2010

Table 2.7: Percentage Distribution of Visitors by Country of Residence and Purpose of Visit, 2009

Country/Purpose	Italy	UK	USA	Germany	Spain
Holiday	92.6	77.2	73.4	79.5	96.7
VFR	4.0	10.7	8.5	11.6	1.1
Business	1.2	5.9	9.7	4.6	0.4
Conference	0.5	1.0	1.4	1.0	0.0
Other	1.8	5.1	7.0	3.4	1.7
Total (%)	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 2.7 depicts the majority of the visitors who came to the country as holidaymakers were from Spain, followed by Italy, while on the other hand, Germany and the UK led in bringing in those who come to visit friends and relatives. The highest proportion of business visitors came from the United States of America.

2.5 Travel Arrangement

The 2009 survey results show that Tanzania received more package visitors than non -package ones. About 65 percent of the visitors came under the package tour arrangement, while about 35 percent of them came under the non-package tour arrangement **(Table 2.8)**. Since the inception of the International Visitors' Exit Survey in 2001, visitors who came under the package tour arrangement dominated, with the exception of 2008. The decline in the number of visitors who came under the package tour arrangement in 2008 was largely due to seasonality as the survey was conducted during the mini-peak tourist season (October to December). Furthermore, the global financial crisis might have also influenced the shift in the travel arrangement/pattern as it has been established that during the time of crises, independent travelers are assumed to be more resilient.

Table 2.8: The Number of Visitors by Travel Arrangement, 2009

Tour Arrangement	**Visitors**	**Percentages**
Non-Package Tour	3,226	34.7
Package Tour	6,060	65.3
Total	**9,286**	**65.3**

The dominance of the package tour arrangement indicates that tourists coming to Tanzania prefer traveling under the package arrangement. This preference is not unique to Tanzania, as it is common for most long-haul destinations. It is also worth noting that the dominance of the package tour arrangement in 2009 might also be attributed to the global economic recovery.

Table 2.9: Purpose of Visit Under Package Tour Arrangement Top 15 Source Markets (Percent), 2009

Country	Business	Conference	Leisure and Holidays	VFR	Other
Italy	14.0	7.1	24.7	51.1	14.9
United Kingdom	2.0	3.6	14.8	12.8	20.1
USA	72.0	3.6	12.4	8.5	14.2
Germany	0.0	7.1	8.0	8.5	3.7
Spain	0.0	0.0	7.4	4.3	1.5
France	0.0	1.8	6.4	2.1	4.5
South Africa	6.0	60.7	5.0	0.0	1.5
Netherlands	0.0	3.6	4.9	0.0	1.5
Australia	0.0	1.8	4.4	2.1	1.5
Canada	0.0	0.0	2.8	2.1	6.0
Japan	0.0	1.8	2.7	6.4	0.0
Switzerland	0.0	0.0	2.3	0.0	0.7
Kenya	6.0	8.9	0.5	2.1	12.7
Belgium	0.0	0.0	2.0	0.0	0.0
Ireland	0.0	0.0	1.6	0.0	17.2
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

The results from the survey indicate that under the package tour arrangement, the United States of America led by bringing in about 72.0 percent of the business visitors from the top fifteen countries **(Table 2.9)**. Second in prominence was Italy, which brought about 14.0 percent. South Africa brought in more visitors for conference, accounting for 60.7 percent from the top fifteen countries, followed by Italy and Germany. Visitors who came for leisure and holidays were mainly from Italy, the United Kingdom and the United States of America. The majority of tourists who came to visit friends and relatives were also from Italy (51.1 percent) and the United Kingdom (12.8 percent).

Table 2.10: Purpose of Visit Under the Non-Package Tour Arrangement Top 15 Source Markets (Percent), 2009

Country	Business	Conference	Leisure and Holidays	VFR	Other
Italy	3.0	3.8	5.9	6.9	3.6
United Kingdom	24.6	15.4	25.5	28.3	26.8
USA	23.1	17.9	16.8	18.7	36.9
Germany	9.9	3.8	12.4	15.5	11.3
Spain	0.6	0.0	4.8	0.6	3.6
France	1.8	1.3	5.0	2.2	0.6
South Africa	3.6	5.1	4.3	3.5	0.0
Netherlands	5.4	2.6	4.0	2.9	4.2
Australia	2.7	1.3	4.0	2.9	0.6
Canada	6.9	9.0	4.5	7.3	1.8
Japan	1.5	1.3	2.8	1.0	4.8
Switzerland	3.3	5.1	2.8	2.6	1.2
Kenya	9.0	30.8	2.5	4.5	4.2
Belgium	2.1	1.3	3.2	2.2	0.0
Ireland	2.4	1.3	1.5	1.0	0.6
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Under the non-package tour arrangement **(Table 2.10)**, the results indicate that the majority of tourists who came for business from the top fifteen source markets were mainly from the United Kingdom, followed by the United States of America. Kenya led by bringing in more visitors for conference, followed by the United States of America and the United Kingdom. The majority of visitors who came for leisure and holidays and those who came to visit friends and relatives were largely from the United Kingdom, the United States of America and Germany.

Table 2.11: Proportion of Visitors by Travel Arrangement and Purpose of Visit

Purpoose of Visit by Percentage					
	Business	Conference	Leisure and Holiday	VFR	Other
Package Tour	10.5	30.2	78.2	6.7	37.6
Non-Package Tour	89.5	69.8	21.8	93.3	62.4
% of Total Visitor	100.0	100.0	100.0	100.0	100.0

Survey's results in **Table 2.11** indicate that the majority of the visitors who come under leisure and holidays prefer the package tour arrangement, while the visitors under Business and VFR come under non-package tour arrangement. This is partly explained by the fact that most of these visitors have well established contacts/counterparts, who make arrangements for their stay at the destinations.

Table 2.12: Proportion of Visitors by Travel Arrangement, 2009

Country of Residence	Travel Arrangement (%)		Number of Visitors
	Package	Non Package	
Italy	14.4	1.4	1,467
United Kingdom	8.7	6.4	1,402
United States of America	7.6	4.9	1,162
Germany	4.6	3.1	716
Spain	4.2	0.8	460
France	3.7	0.9	423
South Africa	3.2	0.9	386
Netherlands	2.8	1.0	352
Australia	2.5	0.8	306
Canada	1.7	1.4	283
Japan	1.6	0.6	198
Switzerland	1.3	0.7	188
Kenya	0.6	1.2	167
Belgium	1.1	0.6	160
Ireland	1.1	0.4	137
Others	6.2	9.7	1,479
TOTAL	**65.3**	**34.7**	**9,286**

The results in **Table 2.12** show that visitors from Italy, United Kingdom, United States of America and Germany led by bringing in more visitors under the package tour arrangement. With the exception of Germany, the same countries brought in more visitors under the package arrangement in the 2005 survey. Under the non package arrangement, the United Kingdom took lead, followed by USA and Germany.

2.6 Departure Points

Table 2.13: Number of Visitors by Departure Points, 2009

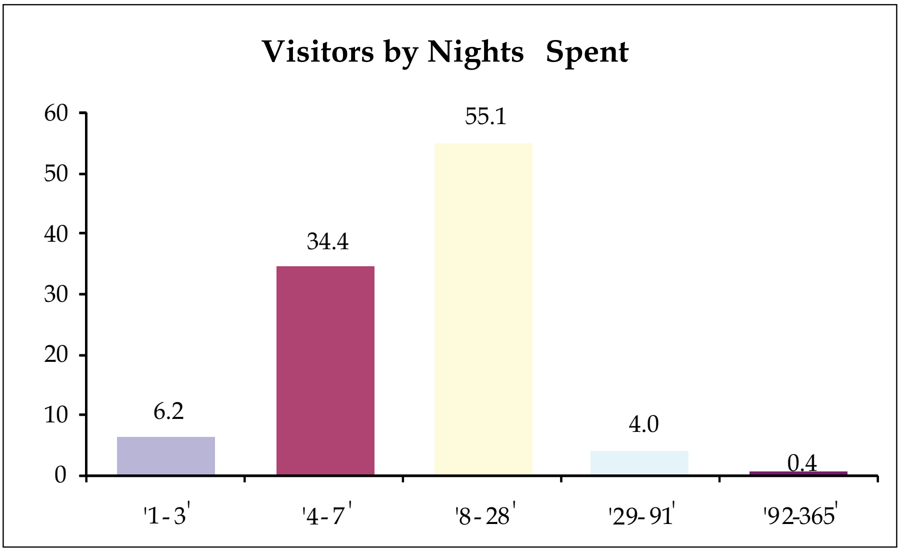
Departure Points	Visitors	Percent
JNIA	2,863	30.8
ZAA	2,833	30.5
KIA	1,705	18.4
NAM	1,462	15.7
KAS	265	2.9
TUN	158	1.7
	9,286	**100.0**

The 2009 International Exit Survey was conducted in six major departure points namely: the Julius Nyerere International Airport (JNIA), Zanzibar Airport (ZAA), Kilimanjaro International Airport (KIA), Namanga (NAM), Kasumulo (KAS) and Tunduma (TUN) borders. The survey results (Table 2.13) show that the majority of the visitors departed the country via JNIA (30.8 percent) and Zanzibar Airport (30.5 percent). The results further show that Kasumulo recorded the smallest proportion of all departed visitors during this survey.

2.7 Nights Spent

The majority of the visitors (55.1 percent) spent between eight and twenty eight-nights in the country **(Chart 2.3)**. Second in prominence were visitors who spent between four to seven nights. Those who spent more than one month accounted for 4.4 percent of the recorded visitors.

Chart 2.3: Percentage Distribution of Visitors by Nights Spent in Tanzania



2.8 Length of Stay

Average length of stay or night spent at destination by tourists is an important indicator in the tourism industry. Tourism earnings are directly or indirectly linked with the number of nights spent by visitors in the country. In order to estimate the earnings accruing from the tourism sector in the country, length of stay is one of the variables used in the tourist expenditure model.

Table 2.14: Average Length of Stay of Visitors to Tanzania, 2009

S/N	Country Name	Non-Package Visitors' Country Average	Package Visitors' Country Average	Combined Average
1	Italy	11	9	10
2	United Kingdom	12	11	12
3	USA	11	10	11
4	Germany	13	12	13
5	Spain	12	10	11
6	France	11	9	10
7	South Africa	8	7	8
8	Netherlands	13	12	13
9	Australia	9	10	10
10	Canada	13	11	12
11	Japan	10	7	8
12	Switzerland	11	13	12
13	Kenya	5	5	5
14	Belgium	14	10	12
15	Ireland	13	12	13
	Average	**11**	**10**	**11**

Table 2.14 indicates that the overall average length of stay for the visitors to Tanzania was 11 nights, an increase of one night from that of the previous year. Visitors from Germany, Netherlands, and Ireland registered 13 nights average length of stay, followed by UK, Canada, Switzerland and Belgium, who recorded an average length of stay of 12 nights each. Kenya ranked lowest on average length of stay of 5 nights.

The non-package visitors stayed one extra night (11 nights) compared to package visitors (10 nights). Visitors from Belgium, Germany, Netherlands, Canada and Ireland recorded the highest average length of stay under the non package tour arrangement. The results also reveal that Switzerland, Germany, Netherlands and Ireland recorded the highest average length of stay under the package tour arrangement. Kenya remained the only country among the top fifteen countries with the lowest average length of stay of 5 nights for both package and non-package tour arrangements.

Table 2.15: Average Length of Stay of Visitors to Tanzania Mainland, 2009

S/N	Country Name	Non-Package Visitors' Country Average	Package Visitors' Country Average	Combined Average
1	Italy	9	6	8
2	United Kingdom	10	9	10
3	United States of America	10	9	10
4	Germany	11	9	10
5	Spain	10	8	9
6	France	10	7	9
7	South Africa	7	7	7
8	Netherlands	11	10	11
9	Australia	8	8	8
10	Canada	11	9	10
11	Japan	9	7	8
12	Switzerland	9	10	10
13	Kenya	4	6	5
14	Belgium	11	7	9
15	Ireland	9	10	10
	Average	**9**	**8**	**9**

The survey's results indicate that an overall average length of stay for visitors to Tanzania Mainland was nine nights for the top fifteen countries **(Table 2.15)**. Visitors who came from Netherlands recorded the highest average length of stay.

Examining the length of stay by travel arrangement, the average length of stay under the non package tour arrangement was nine nights compared to eight nights under the package tour arrangement. Visitors from Netherlands, Germany and Belgium recorded the highest average length of stay under the non-package tour arrangement, while visitors from Netherlands, Switzerland and Ireland took the lead under the package tour arrangement.

On the other hand, countries which recorded less than average length of stay of nine nights included Kenya (5 nights), South Africa (7 nights) and Japan, Australia, Italy (8 nights).

Table 2.16: Average Length of Stay of Visitors to Zanzibar, 2009

S/N	Country Name	Non-Package Visitors' Country Average	Package Visitors' Country Average	Combined Average
1	Italy	8	8	8
2	United Kingdom	7	6	7
3	United States of America	4	4	4
4	Germany	7	6	7
5	Spain	5	5	5
6	France	6	4	5
7	South Africa	7	6	7
8	Netherlands	6	6	6
9	Australia	6	4	5
10	Canada	5	4	5
11	Japan	5	2	4
12	Switzerland	7	7	7
13	Kenya	4	4	4
14	Belgium	7	7	7
15	Ireland	6	5	6
	Average	**6**	**5**	**6**

The survey's results reveal that visitors to Zanzibar spent an overall average length of stay of six nights **(Table 2.16)**. Italy recorded the highest average length of stay of eight nights for both package and non-package tour arrangement. On the other hand, the United States of America, Japan and Kenya recorded lowest average length of stay of four nights.

The trend analysis for the past three years indicated that average length of stay of visitors to Tanzania Mainland and Zanzibar has dropped by one night. An overall average length of stay of visitors to Tanzania Mainland and Zanzibar in 2008 was 10 and 7 nights, respectively, compared to 9 and 6 nights recorded in 2009. Table 2.17 shows trend in overall average length of stay for the period 2006 to 2009.

Table 2.17: Overall Average Length of Stay of Visitors from 2006 to 2009

Destination	2006	2007	2008	2009	Average
Tanzania	12	12	10	11	11
Tanzania Mainland	11	10	9	9	10
Zanzibar	8	7	8	6	7

2.9 Average length of Stay and Purpose of Visit

The survey's results show that tourists who came to visit friends and relatives (VFR) recorded the highest average length of stay followed by holidaymakers and business visitors. Visitors who came for conference recorded the lowest average length of stay of 6 nights **(Table 2.18)**. The results show further that in VFR category, Ireland had the highest average length of stay, followed by Germany, France and Netherlands. Kenya recorded the lowest average length of stay under this category.

Table 2.18: Average Length of Stay and Purpose of Visit, 2009

S/N	Country	Business	Conference	Leisure and Holidays	VFR	Other
1	Italy	6	5	9	11	10
2	UK	7	8	11	13	12
3	USA	8	8	10	10	12
4	Germany	7	9	12	16	15
5	Spain	14	n.a	10	12	10
6	France	3	6	9	14	16
7	S. Africa	6	5	7	6	7
8	Netherlands	10	11	13	14	9
9	Australia	5	5	10	11	6
10	Canada	11	11	12	10	12
11	Japan	8	5	7	9	13
12	Switzerland	7	5	13	13	12
13	Kenya	4	6	5	5	7
14	Belgium	4	n.a	12	16	n.a
15	Ireland	11	3	11	23	12
	Average Total	**7**	**7**	**10**	**12**	**11**

Under leisure and holidays category, Netherlands and Switzerland recorded the highest average length of stay, followed by Germany and Canada. Kenya recorded the lowest average length of stay under this category.

The Netherlands and Canada led by recording the highest average length of stay under the conference category while visitors from Spain recorded the highest average length of stay under the business category.

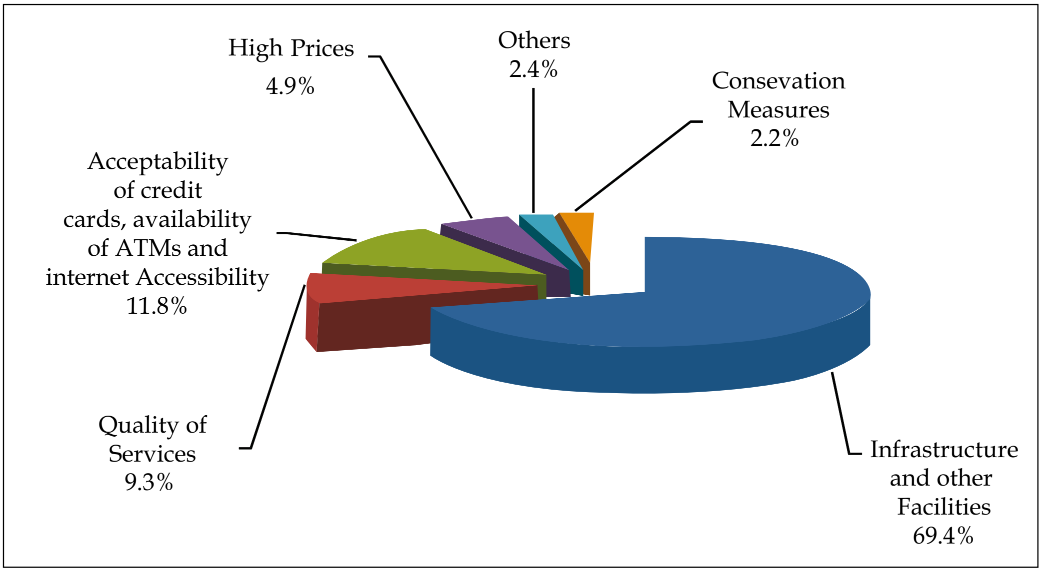
2.10 Comments by Visitors

The majority of the visitors gave comments that showed high level of satisfaction. The visitors pointed out that they were impressed by the good services rendered by various tourist establishments, the welcoming and friendliness of the Tanzanians and the beauty of the country.

Friendliness of the Tanzanians Extended to the Former US President Bill Clinton During One of His Visits to Tanzania

On the other hand, about 69.4 percent of the visitors indicated the need to improve the infrastructure and other facilities **(Chart 2.4)**. They were concerned with the poor state of the road between Namanga and Arusha. Visitors stressed the need to improve the airports, handling and cooling facilities at JNIA and Zanzibar Airport. This had been a great concern of the visitors even during the previous survey. Although there has been some improvement on the roads leading to some of the tourist attractions, adequate budget is required to address the problems of broad infrastructure, including power supply, safe drinking water, etc.

Chart 2.4: Areas that Need Improvement



Despite the fact that there are some improvements in the services offered by the commercial banks, following the liberalization of the financial sector, some tourists complained that most of the hotels do not have credit cards facilities. Visitors expressed the need for more ATMs at the airport and hotels as well as the internet facilities.

2.11 Tourism Earnings

One of the main objectives of conducting the International Visitors' Exit Survey is to estimate tourism earnings for improving the National Accounts and Balance of Payments statistics. The earnings are estimated using the tourism expenditure model, whose variables are international visitor arrivals from Immigration Department, average length of stay, average expenditure per person per night obtained from the survey. After updating these variables, the model estimates that Tanzania earned USD 1,159.8 million in 2009 from 714,367 tourists. Out of the total receipts, Zanzibar earned USD 104.3 million from 78, 885 tourists.

Chart 2.5: Tourism Earnings in Tanzania, 2005 -2009

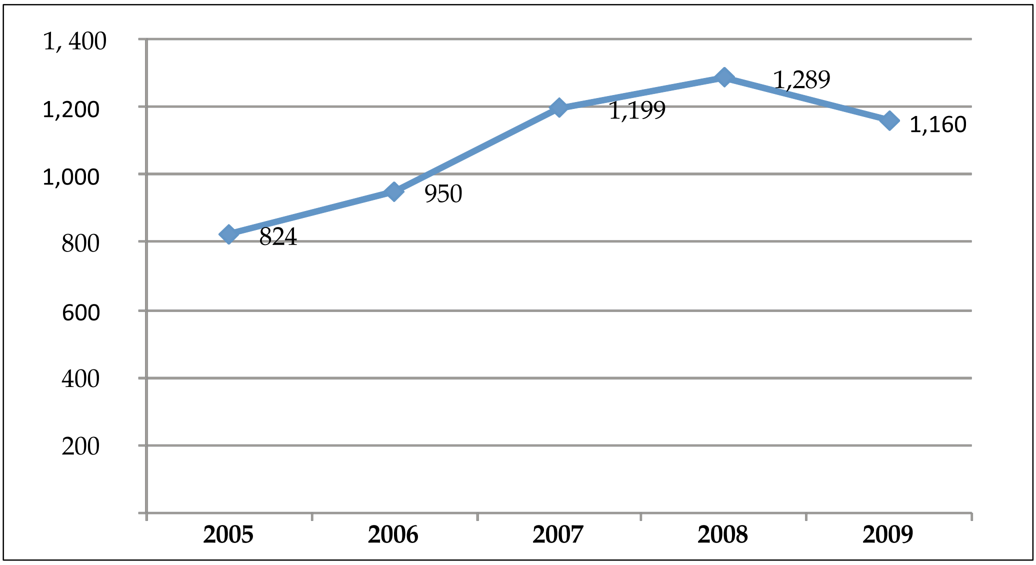
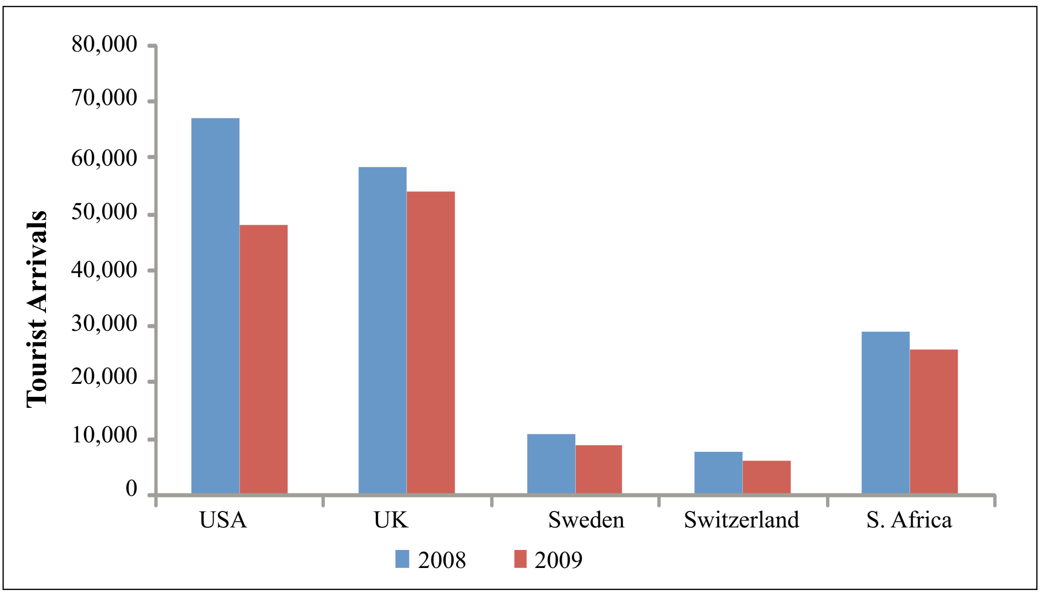


Chart 2.5 shows that tourism earnings have been increasing between 2005 and 2008. However, in 2009, tourist receipts declined by 10.0 percent. This decline is partly attributable to the drop in the number of arrivals from 770,376 in 2008 to 714,367 following the Global Financial Crisis. It is worth noting that, much of the decline emanated from the high spending countries that are traditional tourist source markets to Tanzania **(Chart 2.6).**

Chart 2.6: Tourists Arrivals from High Spending Economies



2.12 Average Expenditure

The results indicate that visitors who come to Tanzania for various purposes (leisure and holidays, business, visiting friends and relatives, etc.) spend an average of USD 241 per person per night.

Since the majority of the visitors (79 percent) came for leisure and holidays, their average expenditure has been calculated differently for policy formulation and planning purposes. As a result, the average expenditure for tourists who come for leisure and holidays is USD 231 and USD 194 per person per night under the package and non-package arrangement, respectively. These results are slightly higher than USD 209 spent by visitor who came under the package arrangement and USD 189 under non-package arrangement in 2008.

The results further show that the tourists who came from Ireland, the United States of America, France, Spain and Switzerland under the package arrangement recorded high average expenditure and those from Italy and Japan recorded low average expenditure **(Table 2.19).** Similarly, the tourists who came from Spain under the non package arrangement recorded the highest average expenditure per night, while Italy recorded the lowest average expenditure.

Table 2.19: Average Expenditure of Holiday Makers of Top 15-Source Markets, 2009

		Tour Arrangement	
SN	**Country Name**	**Package**	**Non-Package**
1	Italy	146	90
2	United Kingdom	227	141
3	United States of America	313	213
4	Germany	269	145
5	Spain	305	232
6	France	312	160
7	South Africa	286	178
8	Netherlands	224	138
9	Australia	210	193
10	Canada	260	164
11	Japan	153	159
12	Switzerland	300	166
13	Kenya	285	150
14	Belgium	250	140
15	Ireland	350	172
	Average	**231**	**194**

Chapter 3

Conclusion and Recommendations

3.1 Conclusion

The International Visitors' Exit Survey was conducted for two weeks during the tourist mini-peak season in 2009. The main objectives of the survey were:

- 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 2009 survey, the Tanzania tourist earnings for 2009 is estimated to be USD 1,159.8 million from 714,367 tourists. Out of the total receipts, Zanzibar earned USD 104.3 million from 78,885 tourists.

The following were some issues raised during the 2009 International Visitors' Exit Survey:

- The majority of the visitors who came to Tanzania were not satisfied with the state of the infrastructure and other facilities such as the poor condition of the road between Namanga and Arusha and poor handling and inadequate cooling facilities at JNIA and Zanzibar Airport.
- Visitors were concerned with the internet inaccessibility and unavailability of ATMs and credit cards facilities at most of the hotels.
- The European market continued to dominate as the most important source market to Tanzania. This will pose a great threat once this market encounters significant adverse effects, particularly during times of economic and financial crisis.
- The results from this survey indicate that the senior citizens who visited Tanzania were very few. These are people who have ample time for holidays and high disposable income.
- The survey's results indicate that visitors who came for conference were very few despite the growing importance of conference tourism.

- The survey's results indicate that the average length of stay for visitors to Tanzania was 11 nights, an increase of one night from the previous year. This length of stay is low when compared with the 2007 survey.

3.2 Recommendations

Based on the survey's results, the following recommendations are made in order to enhance the development of the tourist industry in Tanzania.

- There is a need of improving the road between Namanga and Arusha as well as the facilities at the JNIA and Zanzibar Airport. This implies that adequate budget is required to address these problems.

  Responsible Institutions: The Ministry of Infrastructure Development and Tanzania Airport Authority.

- There is also a need for enhancing the internet accessibility and improving payment methods by ensuring that credit cards are accepted in most of the tourism establishments and provide sufficient ATMs countrywide.

  Responsible Institutions: BOT, TCT, ZATI, TBA and MNRT.

- There is a need for intensifying our promotional efforts in order to establish new source markets in Eastern Asia, Middle East and Eastern Europe. This should go in tandem with diversification of the tourist products in order to encourage repeated visits.

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

- The government and other stakeholders in the tourism industry should continue to improve the infrastructure particularly the roads and the airport runways in order to attract modern and twin-engined aircrafts. This will increase the number of visitors including senior citizens who are more risk averse. There is also a need for improving the facilities for the disabled and the elderly; for instance specialized vehicles, ramps and wheelchairs which are essential for this market segment.

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

- The government should intensify efforts to attract new investments in the convention centres for hosting international meetings. This will increase the number of visitors who come for conferences.

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

- There is a need for diversifying our tourist products from relying heavily on wildlife tourism to opting for other products such as eco-tourism, cultural tourism and beach or marine-based tourism in order to prolong the length of stay and increase tourism earnings.

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

Appendices

Appendix I: Action Matrix for the Survey's Recommendations

Issue	Description	Recommendations	Responsible Institutions
1.Unsatisfactory State of the Infrastructure and Other Facilities	• Majority of the visitors complained about poor handling and cooling facilities at JNIA and Zanzibar Airports. • Visitors complained about poor condition of the road between Namanga and Arusha.	• Improve on handling and cooling facilities at the JNIA and Zanzibar Airports. • There is a need to improve the road between Namanga and Arusha.	MID and TAA
2. Dominance of visitors from the European Market	Visitors from the European countries continued to be the major tourist source markets to Tanzania.	Efforts should be made to penetrate into the emerging source markets like Eastern Asia, Middle East, and Eastern Europe as well as the regional markets.	MNRT, TTB, TCT, ZCT, ZATI.

3. Few elderly visitors (65 years and above)	The proportion of elderly visitors remained minimal despite the fact that they are a potential market segment. These people have ample time for leisure and high disposable income.	• Improve the infrastructure particularly the roads and airport runways in order to attract modern and double-engined aircrafts. .• Improve facilities for the disabled and the elderly, such as specialized vehicles, ramps and wheelchairs which are required by this market segment.	The MNRT, TTB, TCT, ZCT, and ZATI
4. Low number of conference visitors	Despite the growing importance of conference tourism, the number of visitors still remained low.	The government should continue to put in place an environment which will attract investors to come and construct convention centres for hosting international meeting.	MOFAIC, MNRT, TTB, TCT, ZCT, and ZATI.
5. The average length of Stay of visitors to Tanzania is still low	The average length of stay for the visitors to Tanzania was 11 nights.	• Diversify and promote other tourism products such as eco-tourism, cultural tourism and beach or marine-based tourism. • Promote domestic tourism.	The MNRT, TTB, TCT, ZCT, and ZATI.

Appendix II: Survey Methodology

I. Introduction

This section describes the approach and methodological aspects involved in conducting the 2009 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's sample was planned to capture about two percent of 770,376 international visitors who were recorded in 2008. This approach yields a sample size of about 15,408 international visitors. In this regard, the survey managed to randomly interview about 6,236 respondents, who represented around 9,286 visitors in the sample. In order to allow comparability across the years, the sample size has remained consistent with the ones used during the 2008 International Visitors' Exit Survey. This sample was considered sufficient to meet the survey objectives.

IV. Survey Period

The data collection exercise was undertaken during the mini-peak tourist season. The survey took two weeks, from 16th to 29th September, 2009.

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 six departure points, namely: Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA), Zanzibar Airport (ZAA), Namanga (NAM) Kasumulo 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 behavior 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 the following variables; 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:

$$\mathbf{E_v = (E_P \quad V_P \quad T) + (E_{NP} \quad V_{NP} \quad T)}$$

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 2009:

- o Calculation of average package tour expenditure involved deduction of estimated cost for international fare to Tanzania and the 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 the international carriers that bring visitors to Tanzania.

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

- o About 10 percent of the value of the package is retained by the wholesaler to meet the overhead costs and commission. The assumption was based on a study on Tourism Earnings in Tanzania that was conducted in 2000.

- o The 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.

- o The survey's results and total number of arrivals from the 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.

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

Appendix III: Questionnaire

THE 2009 INTERNATIONAL VISITORS' EXIT SURVEY

Please read the instructions carefully before filling the form

INTRODUCTION:

We hope that your stay in Tanzania was a pleasant and rewarding experience. Before you leave, we ask you to kindly 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:____________________

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 the 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

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...............	
Access/entry/gate fees	Currency...............	
Visa fees and taxes	Currency...............	
Shopping (Souvenirs, precious metals, crafts, etc)	Currency...............	
Others (please specify): ………..…	Currency...............	

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

……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………….............

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

Appendix IV: All Source Markets for Tanzania

S/N	Country of Residence	Number of Visitors	% of Total
1	Italy	1,467	15.8
2	United Kingdom	1,402	15.1
3	United States of America	1,162	12.5
4	Germany	716	7.7
5	Spain	460	5.0
6	France	423	4.6
7	South Africa	386	4.2
8	Netherlands	352	3.8
9	Australia	306	3.3
10	Canada	283	3.0
11	Japan	198	2.1
12	Switzerland	188	2.0
13	Kenya	167	1.8
14	Belgium	160	1.7
15	Ireland	137	1.5
16	United Arab Emirates	128	1.4
17	Zambia	99	1.1
18	Denmark	97	1.0
19	Norway	92	1.0
20	Austria	87	0.9
21	India	83	0.9
22	Sweden	81	0.9
23	Uganda	76	0.8
24	Poland	62	0.7
25	China	48	0.5
26	Czech Republic	48	0.5
27	New Zealand	47	0.5
28	Turkey	38	0.4
29	Israel	32	0.3
30	Zimbabwe	30	0.3
31	Oman	27	0.3
32	Finland	25	0.3

33	Iran	25	0.3
34	Ethiopia	20	0.2
35	Korea	16	0.2
36	Portugal	16	0.2
37	Swaziland	15	0.2
38	Brazil	13	0.1
39	Lebanon	13	0.1
40	Nigeria	13	0.1
41	Russia	13	0.1
42	Malawi	11	0.1
43	Tunisia	11	0.1
44	Singapore	10	0.1
45	Slovenia	10	0.1
46	Egypt	9	0.1
47	Mexico	9	0.1
48	Sudan	9	0.1
49	Burundi	8	0.1
50	Malt	8	0.1
51	Thailand	8	0.1
52	Bahrain	7	0.1
53	Comoro	7	0.1
54	Luxembourg	7	0.1
55	Rwanda	7	0.1
56	Chile	6	0.1
57	Congo	6	0.1
58	Malaysia	6	0.1
59	Mozambique	6	0.1
60	Namibia	6	0.1
61	Qatar	6	0.1
62	Gambia	5	0.1
63	Greece	5	0.1
64	Iceland	5	0.1
65	Saud Arabia	5	0.1
66	Colombia	4	0.0
67	Romania	4	0.0
68	Argentina	3	0.0
69	Ivory Coast	3	0.0

70	Scotland	3	0.0
71	Slovakia	3	0.0
72	Uruguay	3	0.0
73	Barbados	2	0.0
74	Botswana	2	0.0
75	Cambodia	2	0.0
76	Croatia	2	0.0
77	Jamaica	2	0.0
78	Kuwait	2	0.0
79	Philippines	2	0.0
80	Ukraine	2	0.0
81	Bangladesh	1	0.0
82	Central African Republic	1	0.0
83	Chad	1	0.0
84	Costa Rica	1	0.0
85	Cyprus	1	0.0
86	Dominica	1	0.0
87	DRC	1	0.0
88	Estonia	1	0.0
89	Ghana	1	0.0
90	Indonesia	1	0.0
91	Jordan	1	0.0
92	Liberia	1	0.0
93	Libya	1	0.0
94	Nepal	1	0.0
95	Pakistan	1	0.0
96	Reunion Island	1	0.0
97	Serbia	1	0.0
98	Sri Lanka	1	0.0
99	Vietnam	1	0.0
	Total	**9,286**	**100**

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