TANZANIA TOURISM SECTOR SURVEY

The 2012 International Visitors' Exit Survey Report

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APRIL, 2014

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ACRONYMS

AAKIA	Abeid Amaan Karume International Airport
BOT	Bank of Tanzania
JNIA	Julius Nyerere International Airport
KIA	Kilimanjaro International Airport
MNRT	Ministry of Natural Resources and Tourism
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

Tourism, which is one of the leading sectors in Tanzania, has recorded an improved performance in recent years. This is evidenced by the increase in the number of international tourist arrivals from 867,994 in 2011 to 1,077,058 in 2012. As a result, tourism earnings increased by 26 percent to USD 1,712.7 million during 2012. The good performance is largely attributed to the macroeconomic reforms and increased promotion of Tanzania as a unique tourist destination.

In view of the foregoing, we are glad to introduce the 2012 International Visitors' Exit Survey 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 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.

The 2012 survey's results have indicated that there has been an improved performance of the tourism industry, evidenced by a significant increase in earnings from international visitors. Most of the visitors were impressed by Tanzania as one of the unique quality destinations, with friendly people and wonderful scenery. However, a number of visitors indicated the need for further improvement of the infrastructure particularly, roads between national parks and quality of services in some of the hotels. It is expected that this report will be a useful source of information to Policy Makers, Investors, Academicians and other Stakeholders for promoting the tourism industry in Tanzania.

Hon. Lazaro Nyarandu (MP)
Minister
Ministry of Natural Resources and Tourism

Prof. Benno Ndulu
Governor
Bank of Tanzania

ACKNOWLEDGEMENT

The Steering Committee of the Tanzania Tourism Sector Survey (TTSS) wishes to convey heartfelt thanks and appreciation to all those who were behind the successful completion of the 2012 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, Abeid Amaan Karume International Airport, Kilimanjaro International Airport, Namanga, Tunduma and Kasumulo boarder points. Likewise, our profound thanks should go to the field 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. I. A. Mussa (Director of Tourism – MNRT) and Dr. J. L. Masawe (Director, Economic Research and Policy – BOT). The Technical Team was led by Mr. P. Mwiru (MNRT), in collaboration with Mrs. G. Mwakibolwa, the then Manager, International Economics and Trade Department (BOT) and Mr. J. Nyella, the new 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), Mr. T. Mwisomba (NBS), Mrs. J. Rugemalila (NBS), Mr. C. Mndeme (Immigration Department) and Mr. M. Jaffer (ZCT), while Mr. R. Barongo from BOT managed data processing.

EXECUTIVE SUMMARY

Tanzania started conducting International Visitors' Exit Survey in 2001 and since then, the survey became an annual activity. The main objectives of the surveys are to provide reliable information about visitors to Tanzania, including their number, length of stay, expenditure, travel arrangement and their demographic characteristics. The results of the survey also provide useful information for estimation of tourism expenditure, promotion of Tanzania as a holiday destination and formulation of relevant macroeconomic policies. The survey targets visitors exiting the country via the air and border points.

This report presents the findings of the 10th round of the surveys, based on face to face interviews conducted at six departure points. The survey was conducted for a period of two weeks, beginning 21st August to 3rd September 2012. This period falls under the tourist high season that happens in the third quarter of each calendar year. The survey covered 6,163 respondents.

Main findings

Visitors' Expenditure

The total tourist expenditure during 2012 is estimated at USD 1,712.7 million, an increase of about 26 percent from the amount recorded in 2011. The overall expenditure per person per night was USD 290 compared to USD 286 recorded in 2011. Visitors who came under the non-package tour arrangement spent an average of USD 230 and those under the package arrangement spent an average of USD 384 per person per night compared to an average of USD 247 and USD 355, respectively in 2011. The results indicate that both the number of visitors and the overall average expenditure per person per night were higher in 2012 than in 2011. Visitors with higher expenditure were those who came for business and holidays.

Source Markets

It is estimated that 42 percent of the tourists who visited Tanzania during 2012 came from the United States of America, Italy and the United Kingdom. These countries continue to be the top three main source markets for Tanzania. However, there is an increase in the number of visitors from other regions, particularly Asia and the Pacific and Middle East. For instance, statistics from the Immigration Department indicate that the number of visitors to Tanzania from Asia and the Pacific, and the Middle East grew by 117.2 percent and 39.7 percent, respectively. This growth is partly explained by increase in diversification of promotional efforts to regions other than the traditional source markets.

Purpose of Visit

Leisure and holiday is the major reason for visitors coming to Tanzania. The findings reveal that about 81 percent of the tourists that visited the country in 2012 came for leisure and holidays and were mostly from America and Europe. The second in prominence was visiting friends and relatives, which accounted for 8.6 percent of total visitors. A small number of visitors came for specific purposes such as business, meetings and conferences, medical, scientific and academic. Visitors from Africa came mainly for business and conference, hence reflecting the country's geographical location in terms of proximity.

Length of Stay

The results indicate that visitors to Tanzania spent an average of 10 nights in 2012, similar to last year's findings. Visitors under the non-package and package tour arrangements recorded 10 and 9 nights, respectively. Visitors from Africa stayed the least nights, which can be associated with the dominant purposes of their visits which were mainly business and conferences.

Activities and Areas Visited

The most popular activities for tourists visiting Tanzania was wildlife-based, marine-based and mountain-climbing. During 2012, wildlife-based activities attracted 44 percent of the interviewed visitors, while marine-based activities attracted 25.3 percent and mountain-climbing 10.8 percent.

First-Time and Repeat Visits

About 77 percent of the respondents were first-time visitors during 2012. First-time visitors have higher preference for package tour arrangement, while repeat visitors have higher preference for non-package arrangement. Package arrangements give the tourists more convenience and certainty about what to expect at the destination, therefore packages are more appealing to first-time visitors.

Age Groups

The findings indicate that 48 percent of the visitors who came to Tanzania in 2012 were in the age group of "25-44" while 31 percent were in the age group of "45-64". Senior visitors group which constitutes people aged 65 years and above, remained small, about 7 percent.

Policy Recommendations:

a) The findings reveal that apart from Africa, Europe and North America have continued to be the traditional tourist source markets for Tanzania. There is also an increasing number of arrivals from Asia and the Pacific; and the Middle East. This implies that there is a need to strengthen the current promotional efforts in the traditional markets and develop long-term strategies for attracting tourists from emerging markets.

b) Transparency and cumbersome visa processing at entry points was an issue of concern to most visitors. In this regard, there is a need to increase transparency and efficiency in visa processing. This could be done by making forms and information about visa application available on the internet and putting adequate signage at entry points.

c) Large number of visitors were concerned with the state of infrastructure, particularly roads in the national parks, such as the road between Manyara and Tarangire. This implies that the government should continue with the efforts of improving roads, including those leading to the national parks and other natural and man-made attractions in order to attract more visitors.

d) Visitors also complained about the quality of services rendered to them, particularly in hotels. Efforts need to be made to address these concerns. Such efforts include designing tailor-made programs, focusing on customer care services at hospitality institutions.

e) Other concerns included those of unacceptability of credit cards at most tourism establishments and unreliability of the internet access. This implies that there is a need to sensitize hotels and other tourism establishments to invest more in these facilities, i.e. credit card usage (platform) as well as the internet.

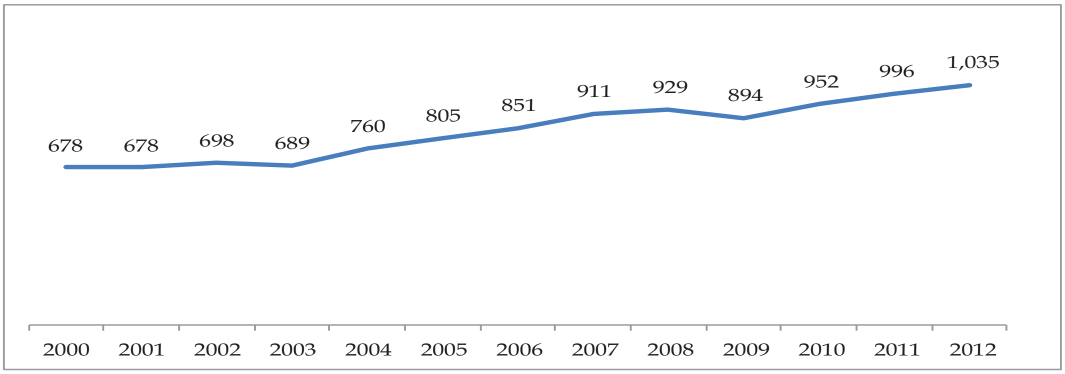
f) The length of stay has remained almost the same, at 10 nights. Thus, in order to prolong the length of stay and increase tourism earnings at the destination, efforts should be made to diversify tourist products from reliance on wildlife tourism, to other products like marine-based tourism, eco-tourism, cultural tourism and conference tourism. Moreover, urban tourism in Dar es Salaam city, Bagamoyo and other towns should be developed.

Chapter 1: Recent Developments in the Tourism Industry in 2012

1.1 Global Perspective

The tourism industry continued to grow despite the uncertainty in global economic recovery. According to the World Tourism Organization (UNWTO) Barometer of January 2013, international tourist arrivals grew by 3.9 percent to 1,035 million in 2012, compared to 996 million recorded in 2011 (**Chart 1.1**). All regions in the world recorded positive growth, with the exception of the Middle East.

Chart 1.1: International Tourist Arrivals, 2000– 2012
In Millions



Source: UNWTO Barometer, April 2013

The growth in the number of international tourist arrivals in Africa, Asia and the Pacific picked up in 2012 compared with 2011. In Africa, international tourist arrivals rose by 6.1 percent compared to 2.0 percent in 2011, while, in Asia and the Pacific tourist arrivals rose by 6.9 percent compared to 5.9 percent recorded in the preceding year. Meanwhile, growth in the number of tourist arrivals in the Americas slowed down to 3.8 percent, compared to 4.0 percent registered in the previous year. By contrast, the number of international tourist arrivals in the Middle East continued to decline (**Table 1.1**).

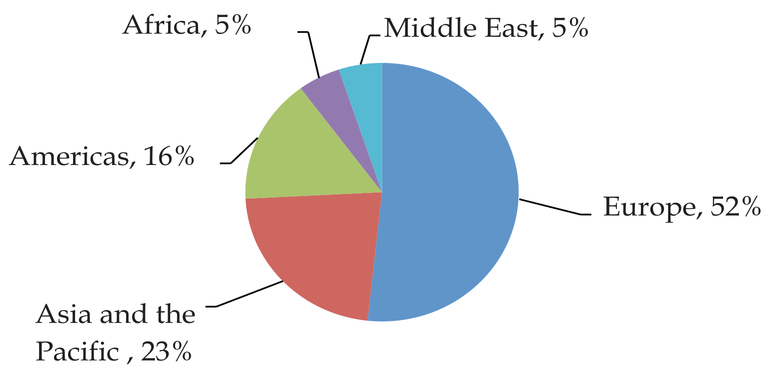
Table 1.1: International Tourist Arrivals by Regions, 2006– 2012
In Millions

Region	2006	2007	2008	2009	2010	2011	2012
Europe	461	488	489	461	474	518	535
Asia and the Pacific	167	185	188	181	205	218	233
Americas	136	143	148	141	150	156	162
Africa	39	45	47	47	50	49	52
Middle East	40	48	53	52	60	55	53
Percentage Change							
Europe	5.0	5.9	0.1	-5.6	2.8	9.3	3.3
Asia and the Pacific	8.4	11.3	1.4	-3.7	13.3	6.3	6.9
Americas	1.8	5.0	3.6	-4.7	6.6	4.0	3.8
Africa	11.0	14.3	4.5	-0.4	7.1	-2.0	6.1
Middle East	8.9	20.2	11.4	-1.7	15.4	-8.3	-3.6

Source: UNWTO Barometer, Various Issues

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 (**Chart 1.2**). The same pattern was observed in 2011.

Chart 1.2: The Market Share of International Tourist Arrivals, 2012

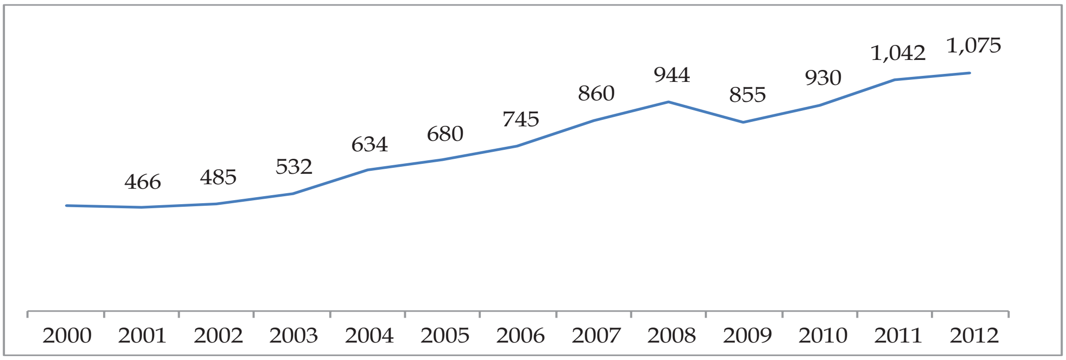


Source: UNWTO Barometer, April 2013

Despite the economic difficulties that many parts of the world faces, UNWTO has projected that international tourist arrivals will increase by between 3.0 and 4.0 percent in 2013. Region-wise, international tourist arrivals are expected to increase by between 5.0 and 6.0 percent in Asia and the Pacific, Africa (between 4.0 and 6.0 percent), the America (between 3.0 and 4.0 percent), Europe (between 2.0 and 3.0 percent) and the Middle East (between 0.0 and 5.0 percent).

According to the UNWTO World Tourism Barometer of April 2013, international tourism receipts hit a new record in 2012, reaching an estimated USD 1,075 billion worldwide, representing an increase of 3.2 percent, from USD 1,042 billion in 2011 (**Chart 1.3**). This development is consistent with the increase in international tourist arrivals.

Chart 1.3: International Tourism Receipts, 2000– 2012
In USD Billions



Source: UNWTO Barometer, April 2013

Region-wise, Asia and the Pacific, the Americas and Africa recorded an increase in international tourism receipts in 2012, although the growths were lower than those recorded in 2011 (**Table 1.2**). Only Europe recorded a negative growth in international tourism receipts in 2012.

Table 1.2: International Tourism Receipts by Region, 2006-2012

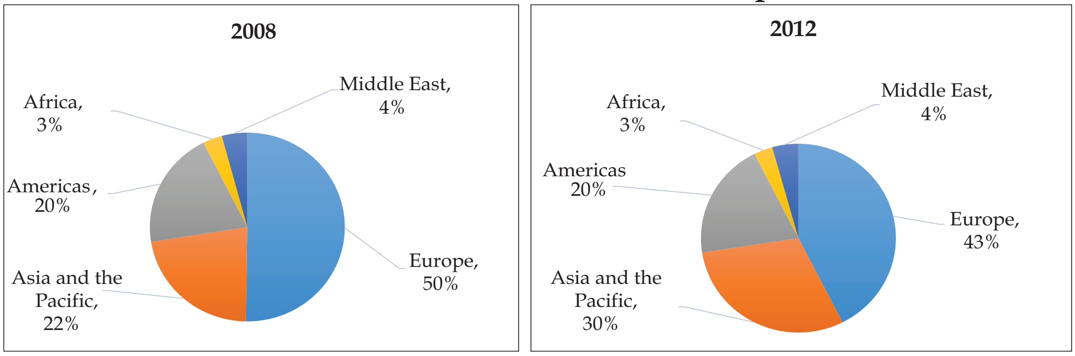
In Billions of USD

Region	2006	2007	2008	2009	2010	2011	2012
Europe	377.4	434.3	472.0	410.8	409.3	466.3	457.4
Asia and the Pacific	156.5	186.7	209.0	203.9	255.2	298.7	322.8
Americas	154.2	171.7	188.5	165.5	181.0	198.4	214.8
Africa	24.7	29.5	30.2	28.8	30.4	32.9	33.6
Middle East	29.9	35.0	39.7	41.2	51.7	46.2	46.7
Percentage Change							
Europe	8.4	15.1	8.7	-13.0	-0.4	13.9	-1.9
Asia and the Pacific	11.2	19.3	11.9	-2.5	25.2	17.0	8.1
Americas	6.6	11.3	9.8	-12.2	9.4	9.6	8.3
Africa	14.9	19.4	2.4	-4.6	5.6	8.2	2.1
Middle East	8.3	17.1	13.4	3.8	25.5	-10.6	1.1

Source: UNWTO Barometer, April 2013

Despite the decline in earnings in Europe in 2012, the region continued to dominate by accounting for 43 percent of the international tourism receipts. As indicated in **Chart 1.4**, Asia and the Pacific accounted for 30 percent, followed by the Americas with 20 percent. The share of Asia and the Pacific has been increasing over the recent past, while that of Europe has been declining. The Middle East accounted for four percent, while Africa accounted for the lowest share of international tourism receipts of three percent, ratios that have remained fairly stable over the recent past.

Chart 1.4: International Tourism Receipts, 2012



Source: UNWTO Barometer, April 2013

In addition to international tourism receipts—which is a travel item in the balance of payments—tourism generates export earnings through international passenger transport. The latter amounted to an estimated USD 219 billion in 2012, bringing total receipts generated by international tourism to USD 1,294 billion. International tourism (travel and passenger transport) accounts for about 30 percent of the world's exports of services and six percent of world's exports of goods and services. Tourism ranked fifth after fuels, chemicals, food and automotive products in world exports, while ranking first in many developing countries.

The top 10 ranking of destinations by receipts remained virtually unchanged in 2012, with the United State of America, Spain, France, China and Italy leading, followed by Germany, the United Kingdom, Hong Kong (China), Australia and Thailand (**Table 1.3**). Some of the world's top 10 earners showed remarkable growth in tourism earnings. These include Hong Kong (14.4 percent), the United States of America (10.8 percent) and Thailand (10.7 percent). Other destinations with growth rates of 10 percent or above include Japan (32.7 percent), the Republic of Korea (13.6 percent), Sweden (11.6 percent), Vietnam (17.9 percent), Egypt (13.8 percent) and Ukraine (11.6 percent).

Table 1.3: The Top 10 Ranking of Destinations by Receipts

In Billions of USD

Country	2005	2006	2007	2008	2009	2010	2011	2012	% Change
United States of America	82.2	85.7	96.7	110.4	94.2	103.5	116.1	128.6	10.8
Spain	48.0	51.1	57.8	61.6	53.2	52.5	59.9	55.9	-6.7
France	44.0	46.3	54.2	56.6	49.5	46.9	54.5	53.7	-1.5
China	29.3	33.9	37.2	40.8	39.7	45.8	48.5	50.0	3.1
Italy	35.4	38.1	42.7	45.7	40.2	38.8	43.0	41.2	-4.2
Germany	29.2	32.8	36.0	39.9	34.6	34.7	38.9	38.1	-2.1
United Kingdom	30.7	33.7	37.6	36.0	30.1	32.4	35.1	36.4	3.7
Hongkong (China)	10.3	11.6	13.8	15.3	16.4	22.2	27.7	31.7	14.4
Australia	16.8	17.8	22.3	24.7	25.4	29.1	31.5	31.5	0.0
Thailand	9.6	13.4	15.6	18.2	16.1	20.1	27.2	30.1	10.7

Source: UNWTO Barometer, Various Issues

1.2 Tourism Developments in East Africa

The number of international tourist arrivals in Kenya went down to 1.7 million in 2012 from 1.8 million recorded in 2011, largely due to slowdown in the global economy, particularly the Euro Zone, coupled with travel advisories following security concerns in Kenya. Despite the decrease in arrivals, tourism earnings increased by 3.1 percent to USD 1,135.8 million in 2012 from USD 1,101.2 million in 2011, partly due to the strengthening of the Kenyan Shilling against the US dollar.

In Uganda, the number of international tourist arrivals increased by 3.9 percent to 1,196,765 in 2012 from 1,151,356 recorded in 2011. The majority of international tourist arrivals (32.0 percent) came to visit friends and relatives. Second in prominence were visitors who came for business (17.1 percent) followed by those who came for holidays (12.4 percent). Consistent with the movement in the number of international tourist arrivals, tourism earnings also increased to USD 834.0 million in 2012 from USD 805.0 million recorded in 2011.

[1] Kenya National Bureau of Statistics, Economic Survey, 2013
[2] Uganda Bureau of Statistics, Statistical Abstract, 2013

1.3 Tourism Developments in Tanzania

Tanzania's tourism industry is prospering and continues to be among the key sectors in generating foreign exchange. The tourism industry continued to grow in 2012, after the dismal performance that followed the global financial crisis in 2009. The number of tourist arrivals increased by 24.1 percent to 1,077,058 compared to 867,994 recorded in 2011. As a result, tourism earnings increased by 26 percent to USD 1,712.7 million in 2012. This was a record increase in the recent past.

1.3.1 Promotion and Marketing

1.3.1.1 Tourism Marketing Strategy

Tanzania launched a new five-year International Tourism Marketing Strategy in November 2012. The Strategy is a joint initiative between the public sector (led by Tanzania Tourist Board) and the private sector (led by Tourism Confederation of Tanzania). The main objectives of the Strategy are:

a) to increase Tanzania's market share in all key markets that generate tourist arrivals;
b) to reposition Tanzania in the international tourist market;
c) to start focusing on Brazil, Russia, India and China in order to develop a strong future market for Tanzania;
d) to introduce a more focused and targeted market approach;
e) to use modern techniques in promoting and marketing Tanzania's tourism products; and
f) to build a wide base of ownership and partnership among key stakeholders.

1.3.1.2 Cultural Tourism Programmes

In 2012, the Tanzania Tourist Board (TTB) through its cultural tourism programmes registered six new cultural tourism enterprises countrywide, bringing the total number of registered enterprises to 47. Community-based cultural tourism has gained popularity in the recent past, with tourists getting an opportunity to engage in various traditional activities.

A traditional grain storage facility used by the Wazanaki ethnic group in Butiama.

A tourist taking part in preparation of coffee in Tengeru.

A tourist in a colourful Maasai traditional dress in Ilkiding'a.

In line with cultural tourism programmes, efforts have been made to build capacity among the local communities. For instance, a training of 30 local tour guides was conducted in Engaresero village, Arusha in June 2012 under the TTB Cultural Tourism Programmes. The training aimed at equipping the local tour guides with basic tour guiding skills and eco-tourism.

1.3.1.3 Promotion Campaigns Through Sports

The Tanzania Tourist Board (TTB) has intensified tourism promotion through sporting events. In this regard, TTB and the United States, Washington–based Seattle Soccer LLC signed an Agreement in July 2012, to display Tanzania's tourist attractions during the major league soccer events of the season. Also, TTB renewed its campaign contract with Lantech Service Limited of London to carry over the tourism promotion activity in the English Premier League, running from August 2012 through May 2013.

1.3.1.4 Tourism Trade Fairs and Exhibitions

In 2012, Tanzania participated in 12 international tourism exhibitions outside the country, with the aim of promoting itself as a quality tourist destination. The main exhibitions included the Trade Fair in Yeosu Korea, World Travel Market (WTM) in London, the International Tourism Bourse (ITB) in Berlin, INDABA in South Africa, Arab Travel Mart (ATM) in Dubai and Borse Internationalede Tourism (BIT) in Italy.

Tanzania's Pavilion at the International Trade Fair in Yeosu, Korea

1.3.2 Domestic and International Flights

In 2012, there were some improvements in air transport services through increased number of both domestic and international flights. This was due to an increase in the number of flights by both existing and new airlines, commencing services in the country.

Regarding domestic flights, in November 2012, **Fastjet** which is a new airline introduced low cost flight flying from three airports in Tanzania, covering the routes between Dar es Salaam, Mwanza and Kilimanjaro. Fastjet, which operates Airbus A319, flies twice a day from Dar es Salaam to Mwanza and Kilimanjaro. The airline offers the lowest fares in the market, in addition to pay-as-you-travel extras arrangement. This gives passengers flexibility to pay for additional baggage and refreshments rather than having to pay for them, regardless of whether they want them or not.

The introduction of these flights has increased passenger choice and made domestic travel to some of the major tourist attractions more affordable, hence contributing to the increase in the number of tourists visiting the attractions located in the northern circuit. Furthermore, the introduction of low costs fares has increased competition among the airlines flying to those destinations, leading to reduction in fares for passengers travelling between Dar es Salaam, Mwanza and Kilimanjaro.

Regarding international flights, **Ethiopian Airlines** made its inaugural flight of Boeing 787-800 Dreamliner to Kilimanjaro International Airport in August 2012. During that flight, the Dreamliner “saluted” Mountain Kilimanjaro—the highest free Standing Mountain in the world—by circling around it. Mountain Kilimanjaro was selected for this honor and recognition because Ethiopian Airlines has been operating in Tanzania for the past 40 years. The Ethiopian Airlines’ inaugural Dreamliner “flyover” carried 270 VIPs including diplomats, government officials, travel industry representatives and the media.

Meanwhile, **Qatar Airways** launched a new daily flight to Kilimanjaro, the Tanzania’s leading tourist northern circuit in July, 2012. With the introduction of this flight, Qatar Airways now makes two daily flights to Tanzania giving visitors from Europe, America and other parts of the world a wider range of options to reach Kilimanjaro. This will make it easier for tourists to access the unique tourist attractions in Kilimanjaro, Tanga, Arusha and Manyara regions.

The **Oman Air** resumed its flights to Zanzibar International Airport, which has recently been re-named as Abeid Amaan Karume International Airport (AAKIA), from Muscat, Oman three times a week. There were no direct flights between the two destinations and most passengers connected through Kenya. It is expected that this route will increase the number of tourists to Zanzibar. Emirates and KLM have also shown interest to fly to Zanzibar upon the completion of the new international passenger terminal.

1.3.3 Infrastructural Development

During 2012, Zanzibar Revolutionary Government secured a loan of over USD 70 million from the Chinese government for building of new facilities at AAKIA. These include a new passenger terminal, a small power station, and a bigger apron. The new terminal will be equipped with modern CCTV, baggage scanners and level aero-bridges for bigger aircrafts. Upon its completion, the airport will have the ability to hold three airplanes at a time and be able to serve three million passengers annually. In addition, the new terminal will attract bigger aircrafts such as Airbus 330 and Boeing 777 to land in Zanzibar.

Architectural Impression of the New Passenger Terminal at Abeid Amaan Karume International Airport

1.3.4 Meetings and Conferences

The Government of the United Republic of Tanzania, through the Ministry of Natural Resources and Tourism and the World Tourism Organization, organized the **First Pan-African Conference on Sustainable Tourism Management in National Parks and Protected Areas: Challenges and Opportunities,** in Arusha in October 2012. The conference aimed at promoting "park tourism" as one of the core components of overall national park management in Africa. It also aimed at acquiring an overview of the current challenges in terms of demand and supply chain. Furthermore, the conference focused on new partnerships and business models for park management structures, in order to maximize the economic and social benefits to the local communities. The conference attracted more than 400 delegates from 40 African countries.

Tanzania was honoured to host a four-day historic conservation and tourism conference by the UNWTO General Assembly because of her long experience in conservation matters in Africa.

Chapter 2: Analysis of the Survey's Results

2.1 Introduction

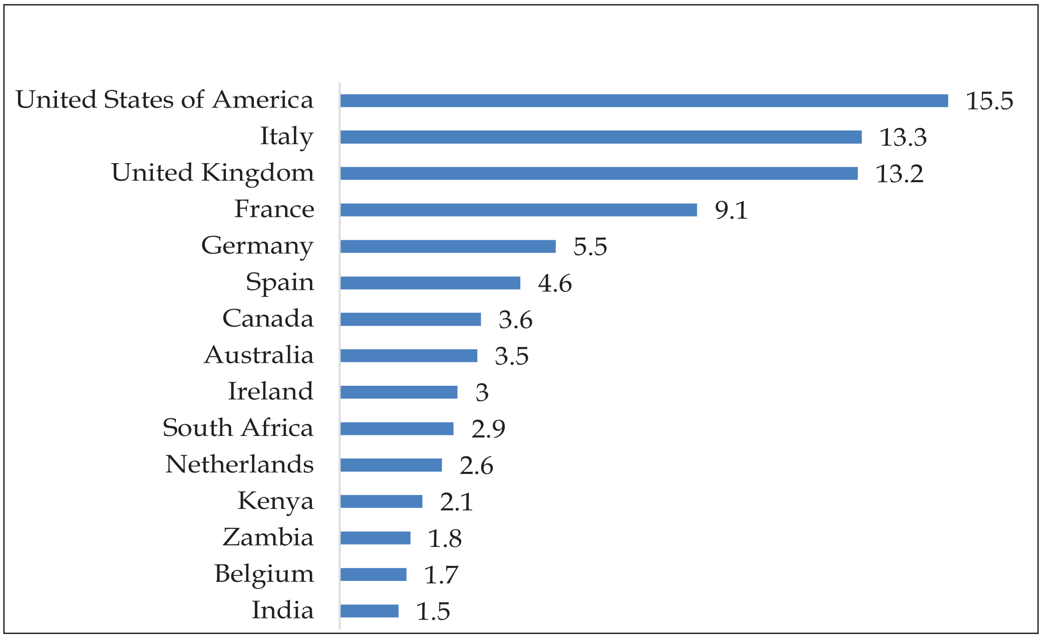
This chapter presents key findings of the survey as compiled from the questionnaires that were administered during the two weeks from 21st August to 3rd September 2012, which fall within the peak tourism season that runs from July to September. Tanzania started conducting International Visitors' Exit Survey in 2001 and since then, it became an annual activity. The main objectives of the surveys are to provide reliable information about visitors to Tanzania, including their number, length of stay, expenditure, travel arrangement and their demographic characteristics. The findings also provide important information about the visitors, such as source markets, purpose of visit, primary activities, and areas of improvement. This information is very useful for promotion and formulation of relevant macroeconomic policies.

2.2 Source Markets

The survey's findings indicated that the largest number of tourist arrivals came from the United States of America, which accounted for 15.5 percent of total visitors to the United Republic of Tanzania. The next largest source markets were Italy and the United Kingdom. While the composition of the top 15 source markets has remained broadly unchanged, a change in the ranking of the countries within this group was observed, with the United State of America moving to the first position from third position in 2011, and Italy moving from first to second position in the same period. The top 15 source markets represented about 84 percent of 13,225 total visitors recorded in the survey (**Chart 2.1**).

Chart 2.1: Top 15 Source Markets for the United Republic of Tanzania, 2012

Percent

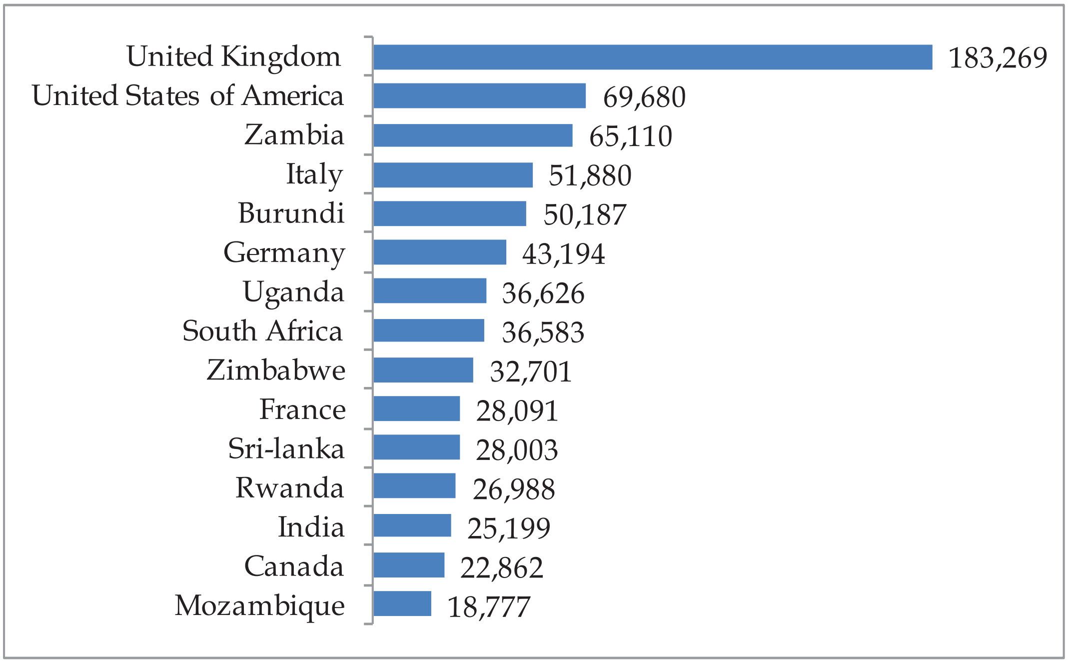


Source: *Immigration Department, 2012*

Statistics from the Immigration Department indicate that the number of tourists who visited Tanzania in 2012 increased by 24.1 percent, the highest increase in the recent past, reaching a million for the first time. This development is consistent with the increase in the number of international flights to Tanzania, coupled with improvements in data collection at border points. During the year under review, the Immigration Department intensified sensitization and follow up of data collection.

The top fifteen source markets accounted for about 67.0 percent of 1,077,058 total visitors to Tanzania (**Chart 2.2**). Compared to source markets recorded in the 2012 survey, immigration statistics show that Uganda, Burundi, and Rwanda have appeared for the first time in the list of the top 15 source markets. The appearance of these new source markets can be attributed to the on-going regional integration initiatives under the East African Community.

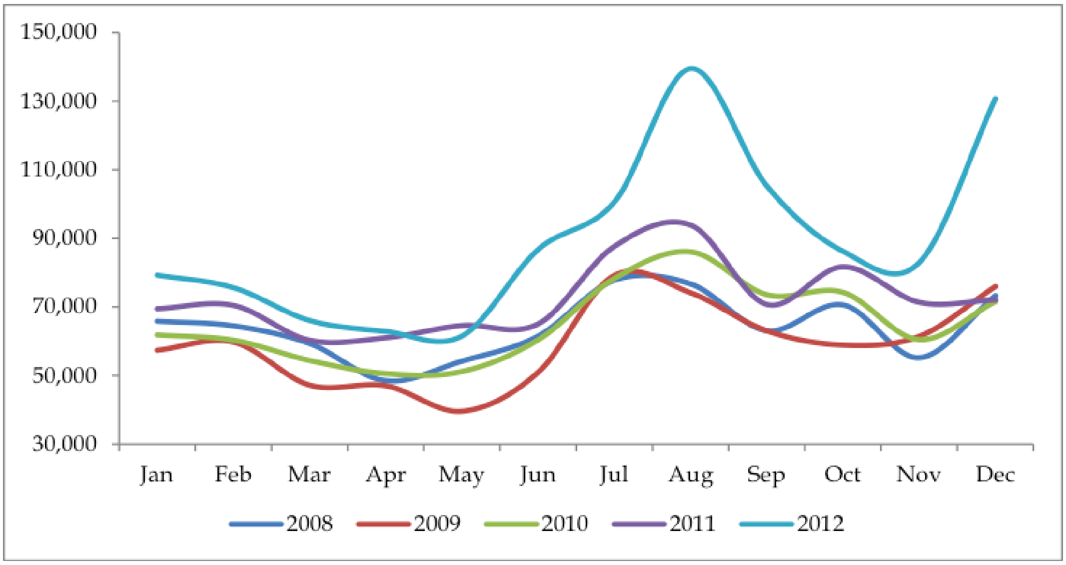
Chart 2.2: Top 15 Source Markets for the United Republic of Tanzania, Using Immigration Data, 2012



***Source**: Immigration Department, 2012*

It is worth noting that the difference in ranking of source markets between the survey and immigration data is explained by the fact that the former covers only two weeks which have high concentration of visitors from Europe and North America, while the latter data covers the whole year. In addition, the survey covers limited numbers of exit points compared to immigration data. **Chart 2.3** shows international tourist arrivals for the last five years.

Chart 2.3: International Visitors Arrivals 2008 – 2012



Source: *Immigration Department*

Region-wise, the number of tourist arrivals from all regions increased, with Asia and the Pacific taking the lead, by recording an annual growth of 117.2 percent, followed by the Middle East with 39.7 percent (**Table 2.1**). Higher growth in arrivals from these regions was largely in line with global trends and Tanzania's diversification of promotional efforts to regions other than the traditional source markets. Most of the visitors from Africa were from Kenya, Zambia, Burundi, Uganda, South Africa, Zimbabwe, Rwanda, Mozambique, Malawi and Congo, whom each brought over 10,000 tourists.

Table 2.1: International Visitor Arrivals by Regions, 2011-2012

Region	2011	2012	Growth (%)
America	95,503	103,064	7.9
Africa	445,750	488,745	9.6
Europe	249,910	330,207	32.1
Middle East	15,281	21,348	39.7
Asia and the Pacific	61,550	133,694	117.2
Total	**867,994**	**1,077,058**	**24.1**

Source: *Immigration Department*

In the same year, growth in arrivals from the Brazil, Russia, India, China and South Africa (BRICS) indicated positive growth where Brazil, Russia and China recorded growth rates of above 50 percent, except South Africa which recorded a negative growth of three percent (**Table 2.2**). It should be noted that Russia, China and India had registered declines in the preceding year.

Table 2.2: International Visitor Arrivals from BRICS, 2011-2012

Country of residency	2011	2012	Growth (%)
Brazil	1,308	2,400	83.0
Russia	2,585	4,021	56.0
India	17,731	22,862	29.0
China	9,018	13,760	53.0
South Africa	33,543	32,701	-3.0

Source: *Immigration Department*

The survey's findings showed that the top 15 source markets for Tanzania Mainland accounted for 83.2 percent of the 11,011 total visitors, with the United States of America leading, followed by the United Kingdom and France (**Chart 2.4**). Ireland and Belgium appeared in the top 15 source markets to Tanzanian Mainland in 2012, replacing Japan and Austria that appeared in 2011.

Chart 2.4: Top 15 Source Markets for Tanzania Mainland

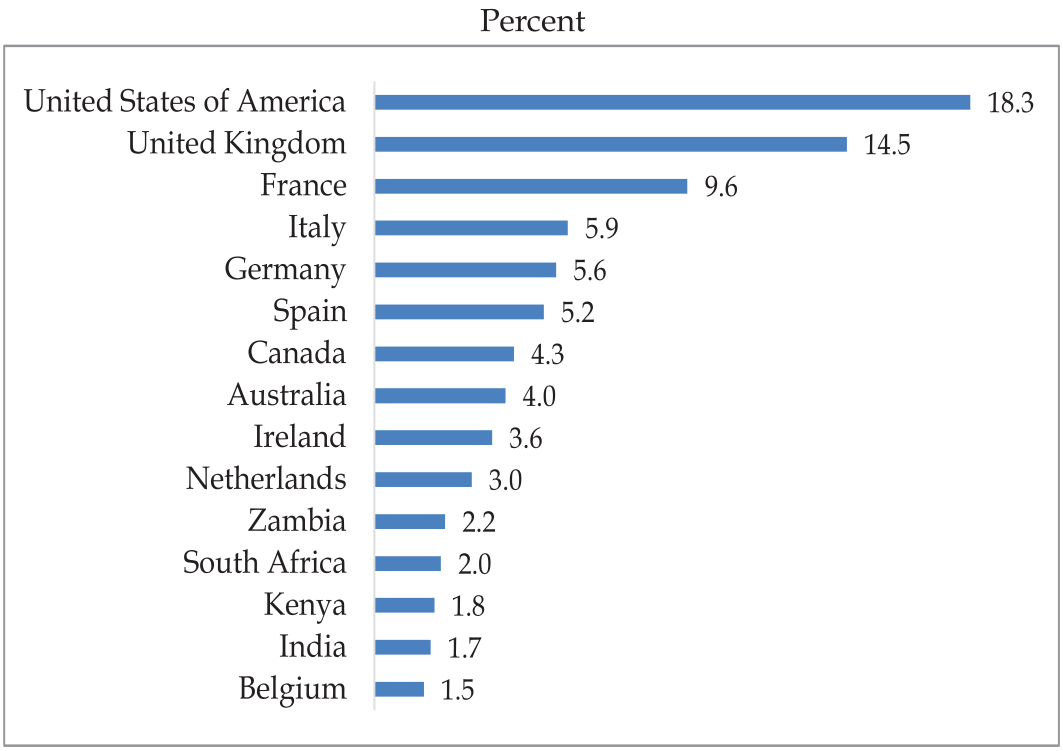
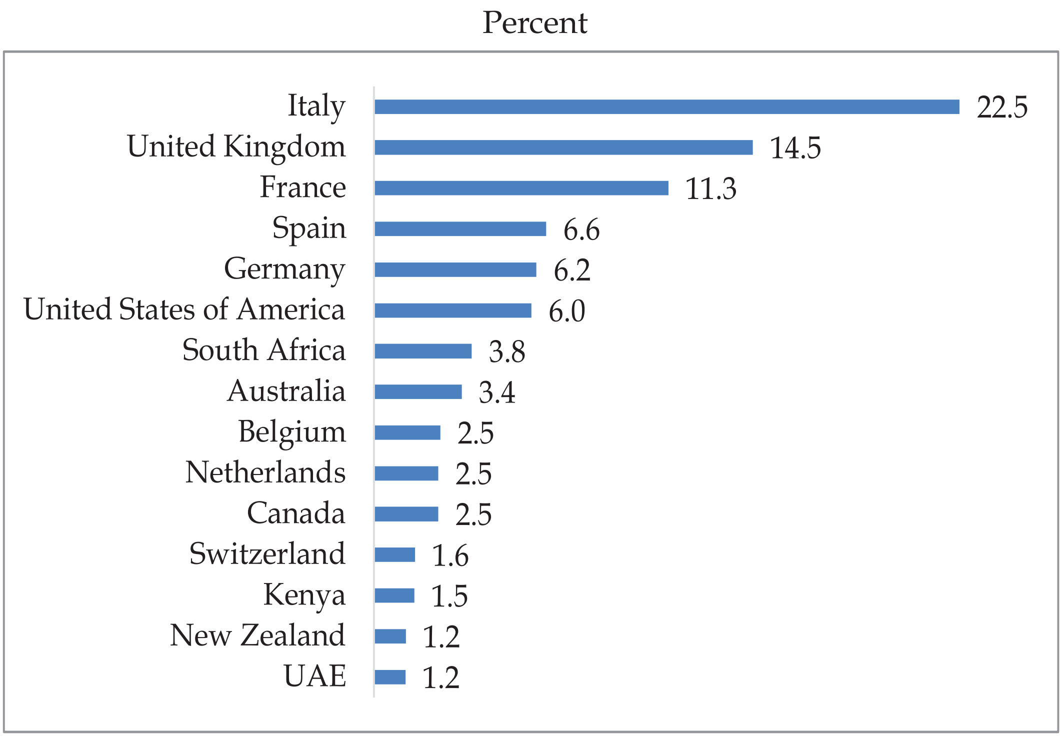


Chart 2.5 shows that the top 15 source markets accounted for 87.3 percent of 6,209 total visitors to Zanzibar. As it has been in the previous surveys, Italy took the lead, albeit by accounting for a smaller share of 22.5 percent, compared to 29.2 percent in 2011. This observation is attributable to dismal economic development in Italy in 2012.

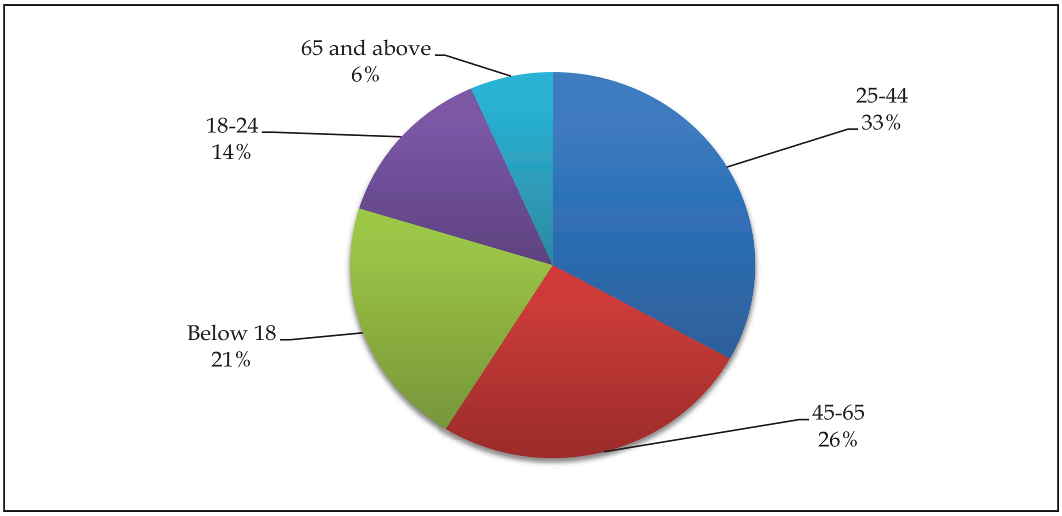
Chart 2.5: Top 15 Source Markets for Zanzibar



2.3 Age Group

The young and economically active age group of "25-44" took the lead by accounting for 48 percent of the visitors covered by the survey, followed by the age group of "45-64", which accounted for 31 percent. The same pattern was observed in the previous surveys. The senior visitors (65 years and above) accounted for six percent (**Chart 2.6**). The small number of senior visitors is partly associated with inadequate facilities to carter for their special needs. In this regard, there is a need to continue improving such facilities in order to attract this important market segment.

Chart 2.6: Visitors by Age Group



2.4 Gender

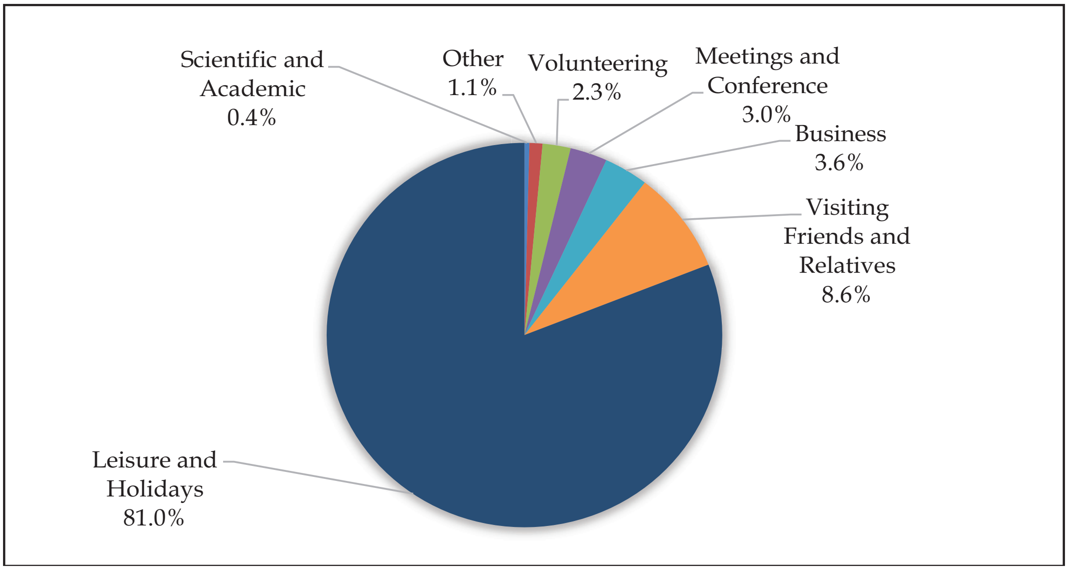
Out of the total visitors surveyed, 50.1 percent were male and 49.9 percent were female. This gender balance remained broadly unchanged over the last three years. However, if viewed in terms of purposes of visit, men were dominant in the business category (69.9 percent) as well as in meetings and conferences (61.9 percent).

2.5 Purpose of Visit

Chart 2.7 shows that the majority of visitors came to Tanzania for leisure and holidays, followed by those who came to visit friends and relatives. Meanwhile, visitors who came for business, conference and meeting accounted for the least. Similar composition was observed in the previous surveys. The dominance of leisure and holiday makers in Tanzania is consistent with the quality nature of the country’s tourist attractions, which draw visitors from all over the world.

There is a potential to increase the number of visitors coming for other purposes, particularly meeting and conferences; for instance through construction of international convention centers.

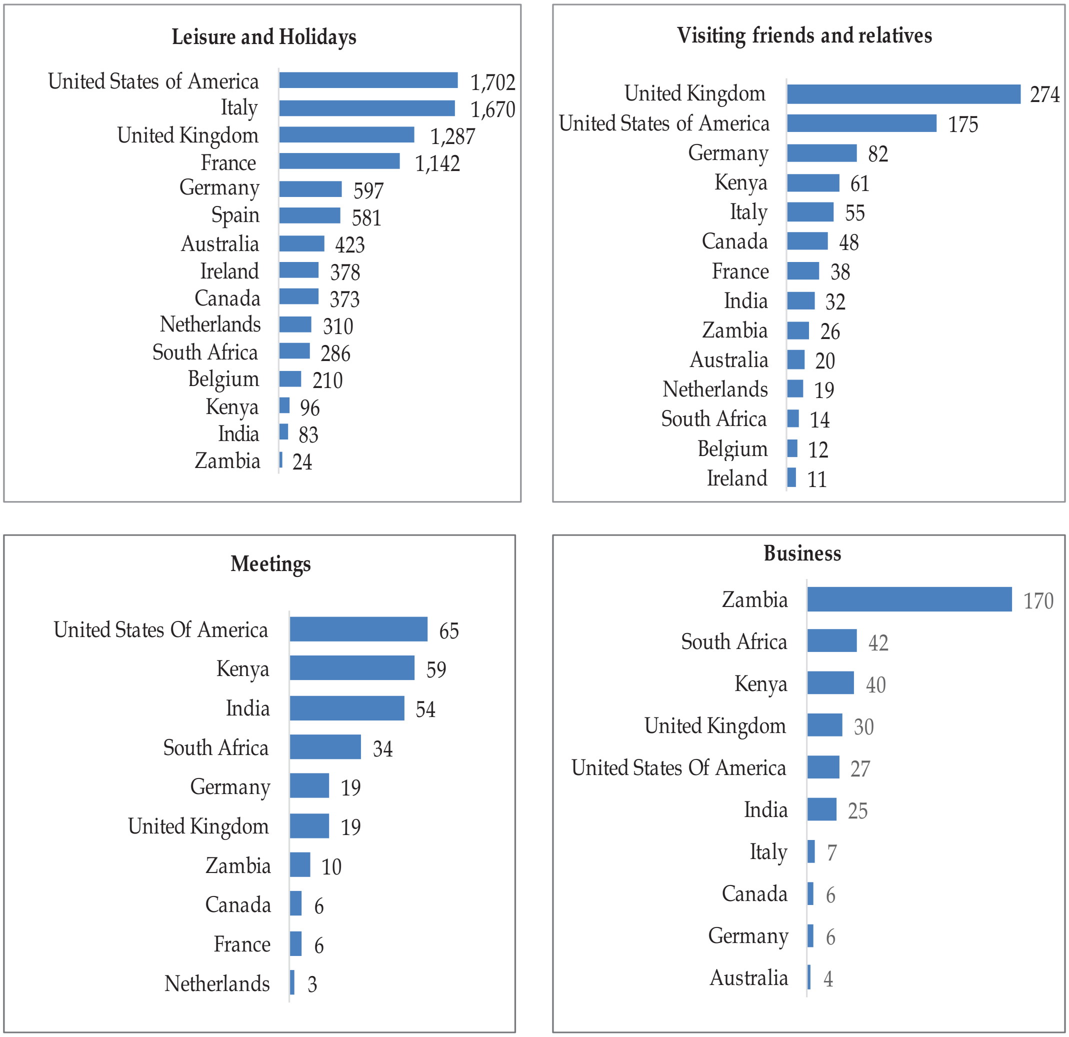
Chart 2.7: Purpose of Visit



Note: *Other purposes include education, medical, transit, sports etc.*

Chart 2.8 indicates that the United States of America, Italy, the United Kingdom and France led as source markets for leisure and holiday visitors, accounting for 5,801 visitors out of 9,162 who came for this purpose. Meanwhile, a significant number of business visitors came from Zambia, followed by South Africa and Kenya. The dominance of business visitors from Zambia is partly attributed to a number of factors, including proximity to the Dar es Salaam port.

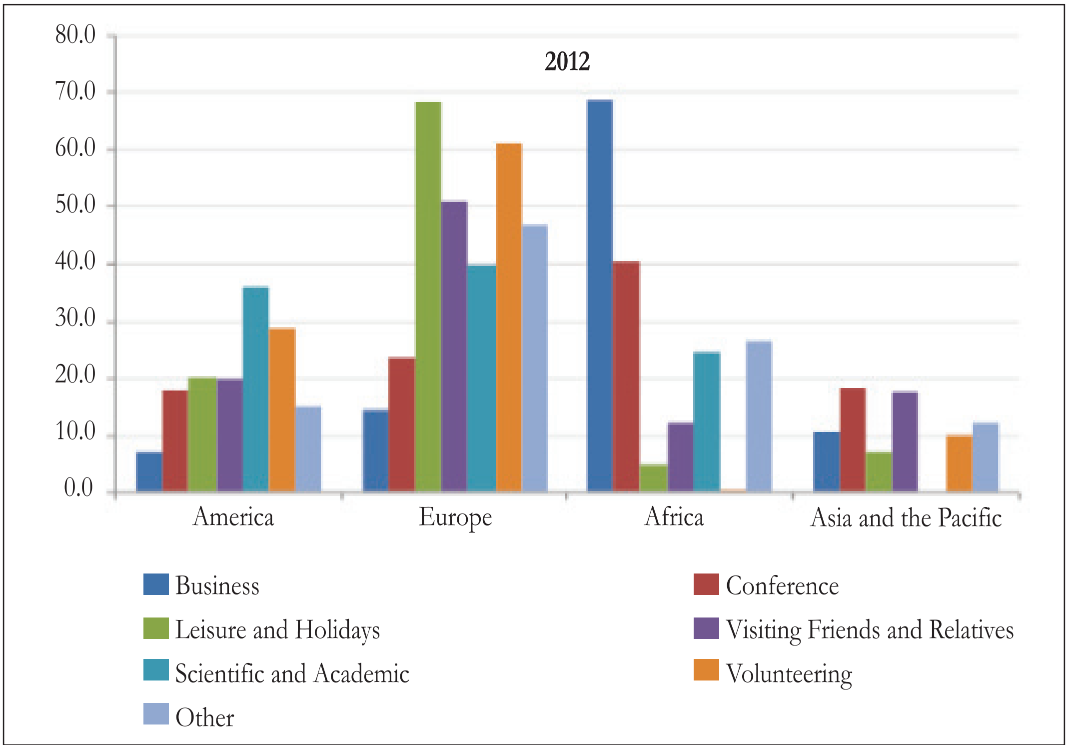
Chart 2.8: Top 15 Source Markets by Purposes



Region-wise, Europe was the leading source market for the tourists who came for holidays, visiting friends and relatives as well as volunteering, followed by America. These regions have continued to be the traditional source markets since the inception of the Survey in 2001. Africa was an important source market for visitors coming for business and conference largely due to proximity and regional integration initiatives (**Chart 2.9**).

Chart 2.9: Purpose of Visit by Regions

Percent



2.6 Travel Arrangement

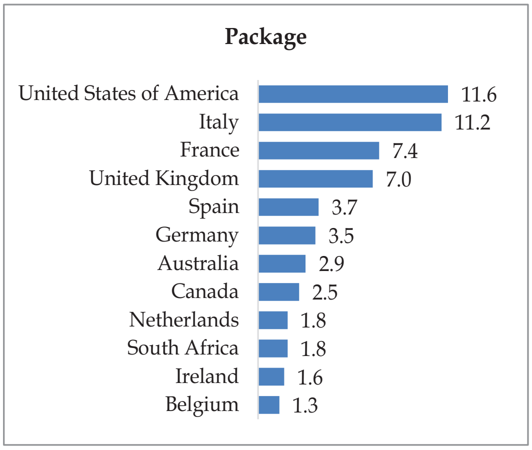
The survey's results show that the majority of the visitors (66 percent) came under the package tour arrangement, while the rest came under the non-package tour arrangement (**Table 2.3**). These findings represent a return to the pattern that was observed in most of the previous surveys. Visitors prefer to travel under the package tour because such arrangements give them more certainty about what to expect at the destination.

Table 2.3: Visitors by Travel Arrangement, 2012

Country of Residence	Tour Arrangement (Percent) Package	Non -Package	Total (%)
United States of America	11.6	3.9	15.5
Italy	11.2	2.1	13.3
United Kingdom	7.0	6.1	13.1
France	7.4	1.7	9.1
Germany	3.5	2.0	5.5
Spain	3.7	0.9	4.6
Canada	2.5	1.1	3.6
Australia	2.9	0.6	3.5
Ireland	1.6	1.4	3.0
South Africa	1.8	1.1	2.9
Netherlands	1.8	0.8	2.6
Kenya	0.4	1.6	2.0
Zambia	0.1	1.7	1.8
Belgium	1.3	0.4	1.7
India	0.7	0.8	1.5
Other s	8.3	7.9	16.2
Total	**66**	**34**	**100**

The United States of America led by bringing more visitors under the package tour arrangement, while the United Kingdom had the greatest number of visitors under the non-package tour arrangement (**Chart 2.10**).

Chart 2.10: Top 15 Source Markets by Travel Arrangement



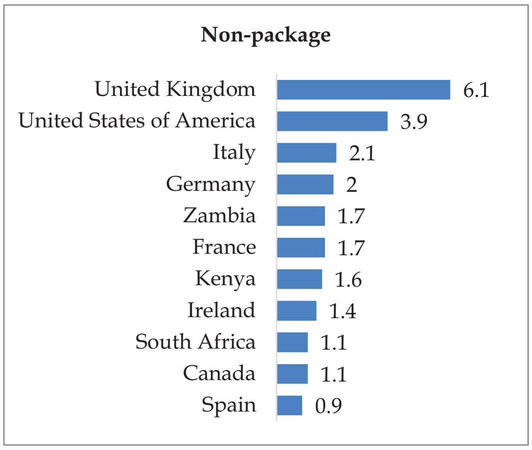


Table 2.4 shows that about 40 percent of visitors who came for leisure and holidays under the package tour arrangement were from the United States of America and Italy, while visitors from the United States of America and the United Kingdom topped the list in visiting friends and relatives' category. Visitors from South Africa, the United Kingdom, Kenya and Zambia dominated in the business category. Most of visitors who came for meetings and conferences were from India, followed by those from the United States of America, Germany and Kenya.

Table 2.4: Visitors and Purpose of Visit under the Package Tour Arrangement, 2012

Country of Residence	Purpose of Visit (Percent)						
	Business	Leisure and Holidays	Meetings and Conference	Scientific and Academic	Visiting Friends and Relatives	Volunteering	Other
United States of America	0.0	20.0	18.9	0.0	26.2	25.7	26.3
Italy	11.8	20.1	0.0	0.0	10.4	1.4	28.9
United Kingdom	17.6	11.8	1.1	37.5	25.6	18.6	28.9
France	0.0	13.3	0.0	0.0	7.3	0.0	5.3
Germany	2.9	6.0	13.3	0.0	7.9	1.4	0.0
Spain	0.0	6.6	3.3	0.0	2.4	15.7	0.0
Canada	0.0	4.1	1.1	0.0	4.9	28.6	5.3
Australia	0.0	5.2	2.2	0.0	4.3	2.9	0.0
Ireland	0.0	2.9	1.1	0.0	1.2	2.9	0.0
South Africa	26.5	3.0	5.6	0.0	1.2	0.0	0.0
Netherlands	0.0	3.3	0.0	25.0	0.0	2.9	2.6
Kenya	14.7	0.5	11.1	0.0	3.0	0.0	0.0
Zambia	14.7	0.1	3.3	37.5	0.6	0.0	0.0
Belgium	0.0	2.3	1.1	0.0	4.3	0.0	2.6
India	11.8	0.8	37.8	0.0	0.6	0.0	0.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Total visitors (absolute)	**34**	**7,228**	**90**	**8**	**164**	**70**	**38**

The survey's results reveal that, under the non-package arrangement, the majority of holidaymakers came from the United Kingdom, followed by those from the United States of America and Italy (**Table 2.5**). More than half of the business visitors came from Zambia. Visitors from Kenya, the United States of America and South Africa under this arrangement came mainly for meetings and conference. Those who came to visit friends and relatives were mainly from the United Kingdom and United States of America.

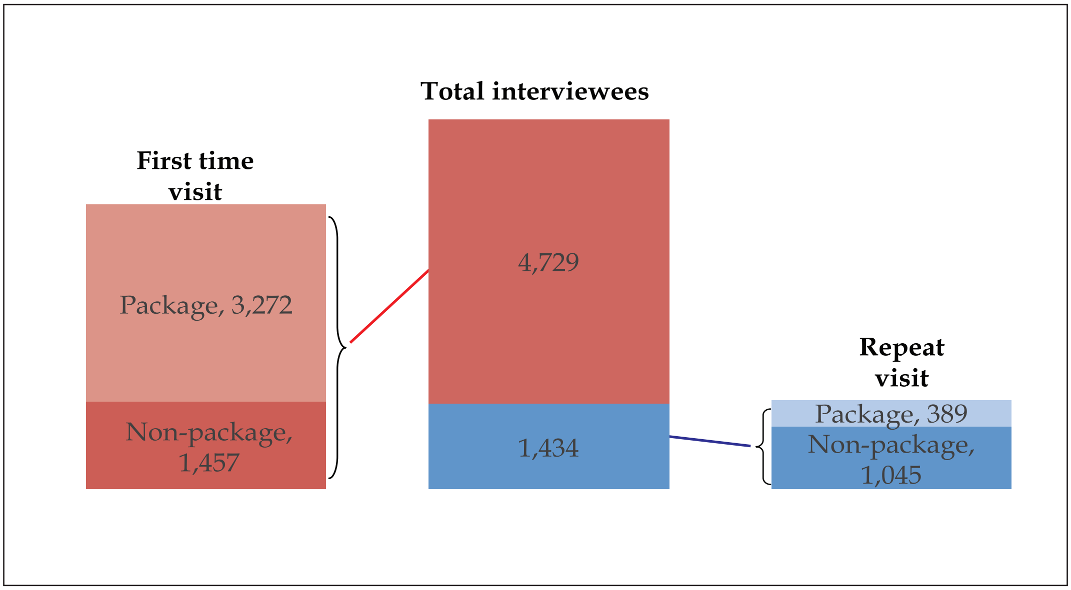
Table 2.5: Visitors and Purpose of Visit under the Non-package Tour Arrangement, 2012

Country of Residence	Business	Leisure and Holidays	Meetings and Conferences	Scientific and Academic	Visiting Friends and Relatives	Volunteering	Other
United States of America	8.2	13.4	24.5	45.9	18.5	15.9	12.9
Italy	0.9	11.2	1.5	8.1	5.3	7.1	1.4
United Kingdom	7.3	22.5	9.2	10.8	32.5	47.8	8.6
France	0.6	9.3	3.1	0.0	3.6	5.5	2.9
Germany	1.5	8.4	3.6	5.4	9.7	3.8	15.7
Spain	0.0	5.5	0.0	0.0	1.0	0.5	4.3
Canada	1.8	3.8	2.6	5.4	5.6	11.0	0.0
Australia	1.2	2.4	0.5	0.0	1.8	6.0	0.0
Ireland	0.6	8.6	0.0	2.7	1.3	1.1	4.3
South Africa	10.1	3.5	14.8	0.0	1.7	0.0	8.6
Netherlands	0.3	3.9	1.5	0.0	2.7	1.1	10.0
Kenya	10.7	2.9	25.0	18.9	7.8	0.0	17.1
Zambia	50.3	0.9	3.6	2.7	3.5	0.0	11.4
Belgium	0.0	2.3	0.0	0.0	0.7	0.0	0.0
India	6.4	1.3	10.2	0.0	4.3	0.0	2.9
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Total visitors (absolute)	**326**	**1,934**	**196**	**37**	**714**	**182**	**70**

2.7 First-Time and Repeat Visits

Chart 2.11 indicates that (about 77.0 percent) of the respondents came to Tanzania for the first time. First-time visitors have higher preference for package tour arrangement, while repeat visitors have higher preference for the non-package arrangement. This is partly because repeat visitors are more comfortable to travel independently than first-time visitors since they are more familiar with the destination.

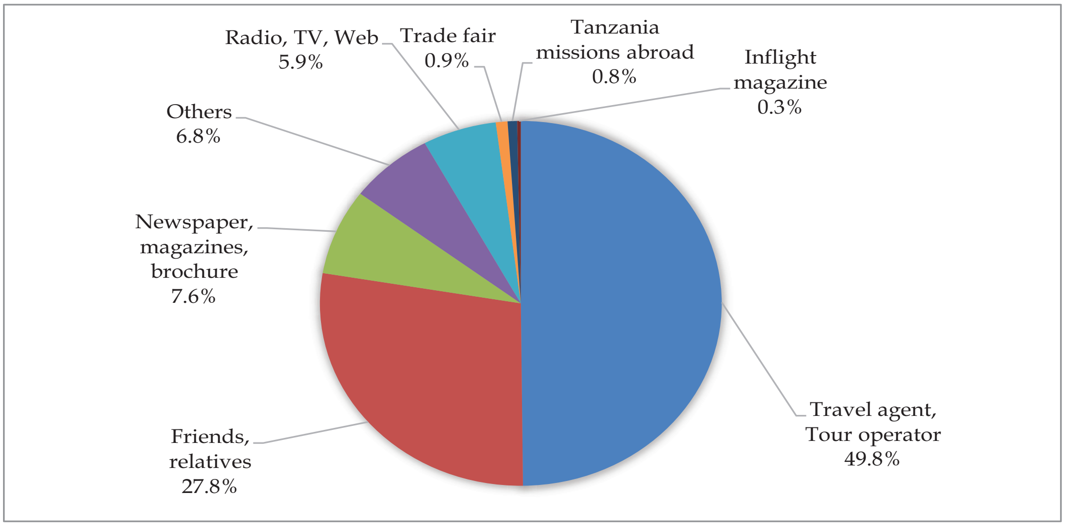
Chart 2.11: First-Time and Repeat Visit, 2012



2.8 Source of Information

About 50 percent of the interviewed visitors heard about Tanzania's tourist attractions through travel agents and tour operators, followed by those who heard through friends and relatives (**Chart 2.12**). Other sources of information were newspapers, magazines, web and media. About two percent of the interviewed visitors indicated that they heard about Tanzania through trade fairs and the Tanzanian mission abroad. This calls for a more aggressive promotion of Tanzania as a unique tourist destination, including using the modern web-based techniques.

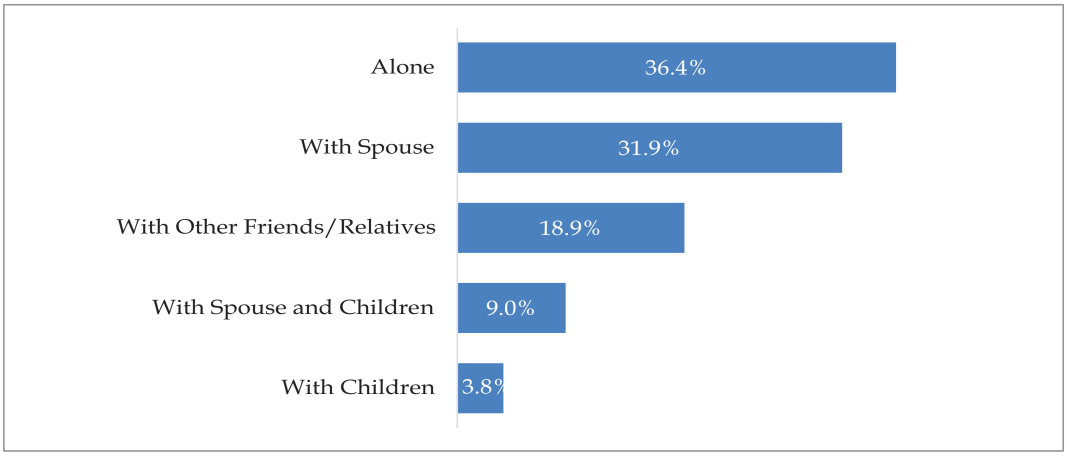
Chart 2.12: Source of Information about Destination Tanzania



2.9 Travel Party

The survey's results show that most of the visitors travelled alone. This is different from the 2011 results which indicated that those who travelled with spouse took the lead. Second in prominence were those who travelled with their spouse, followed by those who came with other friends and relatives (**Chart 2.13**). Those who travelled with children were the least.

Chart 2.13: Visitors by Travel Party, 2012



2.10 Departure Points

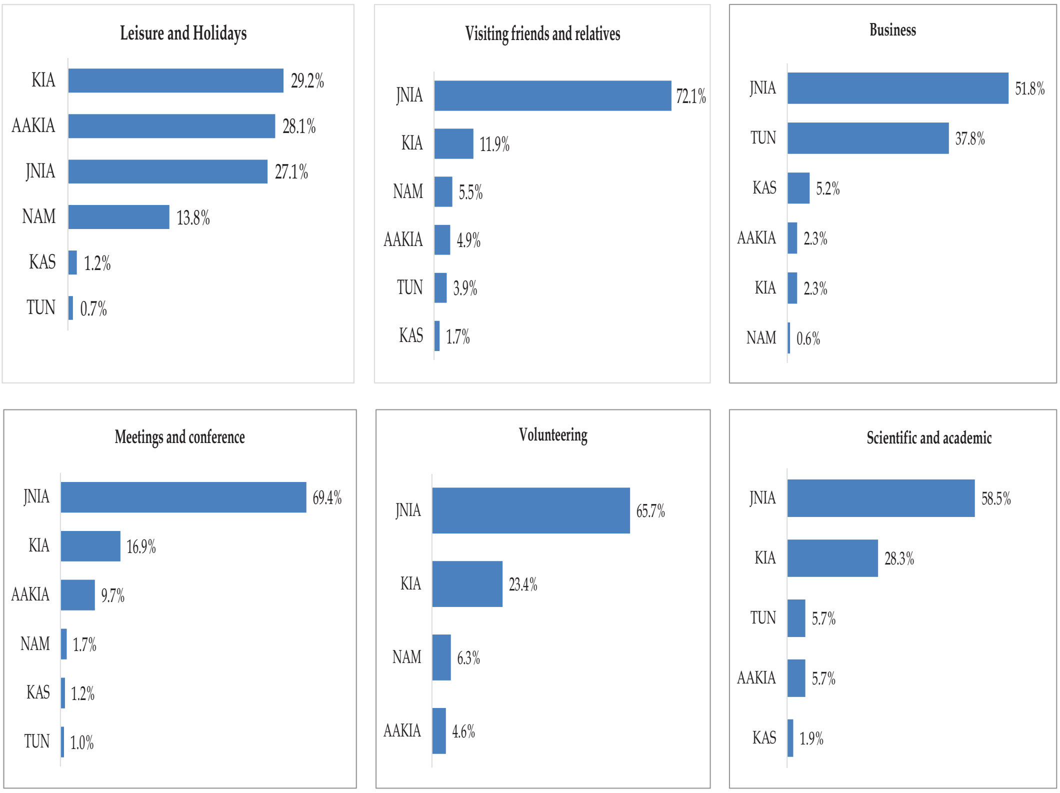
The 2012 International Visitors' Exit Survey was conducted at six departure points—three airports and three border posts. The results show that, 84.3 percent of visitors departed through the airports and 15.7 percent through land border posts (**Table 2.6**). The share of land border posts decreased from 20.9 percent, while that of airports increased from 79.1 percent in 2011. The share of KIA increased to 26.1 percent from 16.3 percent in 2011, consistent with the increase in the number of international flights serving this airport.

Table 2.6: Distribution of Visitors by Departure Points

Departure Points	Visitors	Percent
JNIA	4,536	34.3
KIA	3,449	26.1
AAKIA	3,157	23.9
NAM	1,576	11.9
TUN	317	2.4
KAS	190	1.4
Total	**13,225**	**100.0**

The results further show that the majority of visitors who came for leisure and holidays departed through KIA followed by AAKIA, JNIA and Namanga points. JNIA was the major departure point for visitors who came for all purposes with the exception of leisure and holiday (**Chart 2.14**). Most of visitors from the United States of America departed through KIA, while most of those from Italy departed through AAKIA. Those from the United Kingdom departed through JNIA. This conforms to the observation in the purpose of visit by nationality, where most Americans came for leisure and holidays, while most Italians came for beach tourism. The departure of most visitors from the United Kingdom through JNIA is consistent with the direct flight from that airport.

Chart 2.14: Distribution of Visitors by Purpose and Departure Points



2.11 Length of Stay

Table 2.7 shows that the overall average length of stay of visitors to URT was 10 nights. Visitors under the non-package and package tour arrangements recorded 10 and 9 nights, respectively. In 2011, the survey recorded almost the same number of nights spent for package and non-package visitors.

Table 2.7: Average Length of Stay of Visitors to Tanzania, 2012

S/N	Country of Residence	Non-Package Visitors' Country Average	Package Visitors' Country Average	Combined Average
1	United States of America	11	10	11
2	Italy	12	9	11
3	United Kingdom	13	11	12
4	France	13	11	12
5	Germany	17	12	15
6	Spain	12	10	11
7	Canada	13	11	12
8	Australia	13	10	12
9	Ireland	11	11	11
10	South Africa	7	7	7
11	Netherlands	13	12	13
12	Kenya	6	5	6
13	Zambia	5	5	5
14	Belgium	12	11	12
15	India	8	5	7
	Average	**10**	**9**	**10**

Results further show that visitors from Germany stayed the longest, followed by visitors from Netherlands. With the exception of Zambia and South Africa which had the same nights for both package and non-package tour, visitors from the other top 15 source countries had longer average length of stay under the non-package than the package tour arrangements.

The survey recorded an average length of stay of eight nights and six nights for Tanzania Mainland and Zanzibar, respectively. The average length of stay for Zanzibar remained the same as it was in 2011 survey, while for Tanzania Mainland it was nine nights. In general, results that have been obtained from all the previous surveys have showed dismal improvement in the average length of stay of the visitors. One of the challenges for tourism stakeholders is to increase the length of stay of visitors at destination.

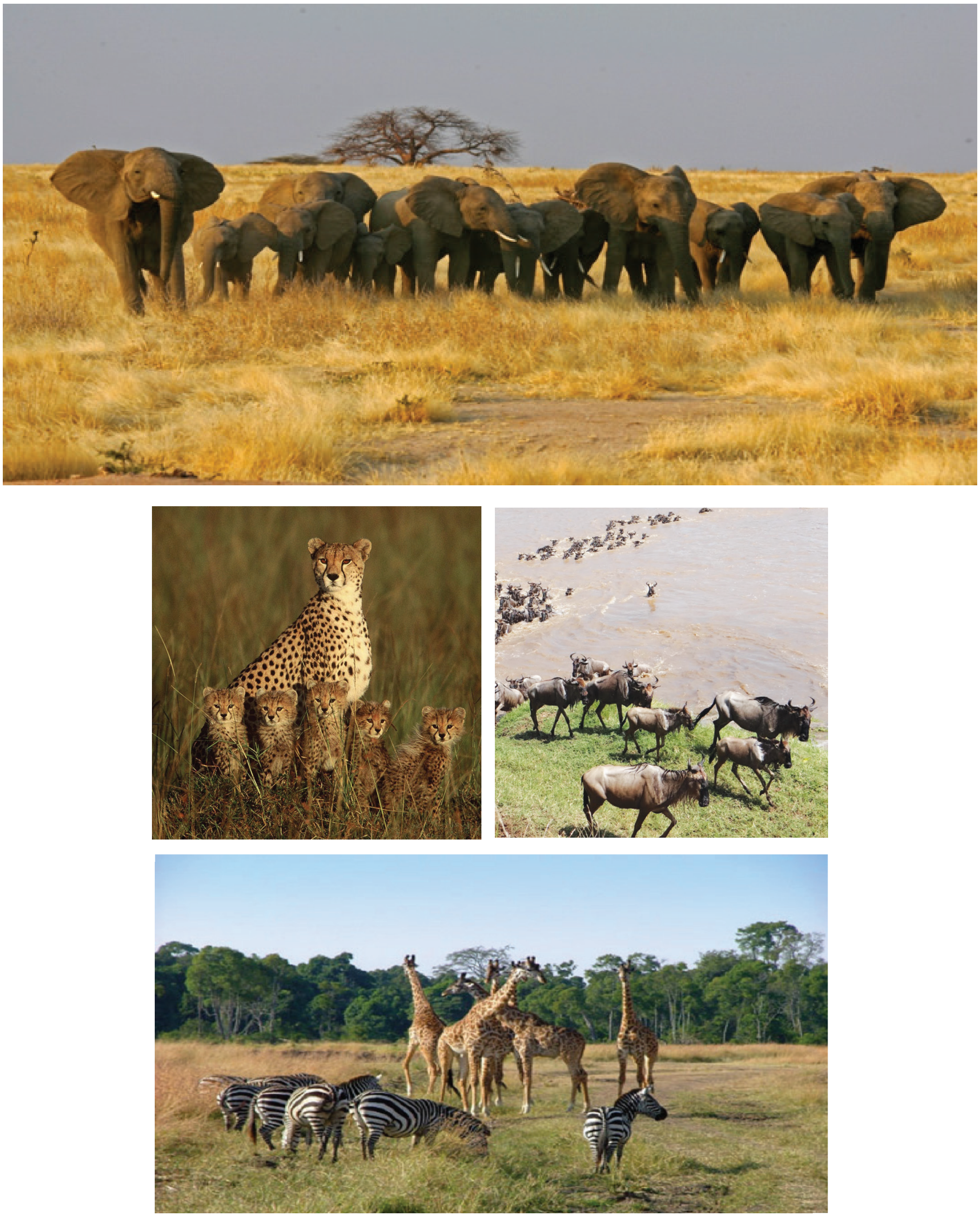
2.12 Tourism Activities in Tanzania

Tanzania is endowed with a wide range of tourist attractions which include wildlife, sandy beaches, historical sites, mountains, nature and landscapes. It is a home for the Ngorongoro Crater which is the largest intact volcanic caldera and home to strong populations of lions, leopards and hyenas along with good herds of wildebeests, buffaloes and zebras. Others include the Serengeti that hosts the world's largest terrestrial mammal migration; the Kilimanjaro; Selous which is one of the largest faunal reserves of the world; and several other world class attractions. These attractions are visited by tourists from all over the world. Consistent with these attractions, the survey's results showed that wildlife tourism continued to be the leading tourism activity in 2012. The majority of tourists who visited wildlife attractions came from the United States of America, United Kingdom and France (**Table 2.8**).

Table 2.8: Primary Tourism Activities by Country of Residence, 2012

Country of Residence	Beach Tourism	Bird Tourism	Conference Tourism	Cultural Tourism	Diving and Sport Fishing	Hunting	Mountain Climbing	Wildlife Tourism	Others
	Tourism Activities (Percent)								
USA	3.6	14.3	10.1	23.4	18.3	18.2	10.5	24.5	1.4
Italy	33.9	7.1	0.0	7.4	2.7	9.1	4.3	7.6	14.1
UK	12.0	16.7	3.6	11.0	18.9	9.1	11.8	10.7	8.5
France	6.1	11.9	0.6	4.5	8.1	9.1	1.6	9.2	11.3
Germany	4.7	4.8	1.8	7.6	3.8	0.0	3.9	6.1	9.9
Australia	1.2	0.0	1.2	2.9	6.0	0.0	1.6	6.3	1.4
Spain	3.0	7.1	0.0	3.8	2.1	0.0	0.2	5.9	0.0
Canada	1.6	2.4	2.4	2.9	6.8	0.0	3.3	4.4	1.4
Zambia	2.9	2.4	8.3	1.0	0.2	9.1	17.4	1.1	8.5
South Africa	5.2	2.4	8.9	2.9	0.5	0.0	6.2	1.4	11.3
Kenya	3.6	2.4	19.0	4.8	0.8	0.0	8.9	0.6	2.8
Netherlands	1.4	2.4	1.2	1.7	2.4	0.0	1.7	2.9	1.4
India	2.1	0.0	8.9	1.0	0.8	0.0	3.3	1.6	0.0
Ireland	0.5	4.8	0.6	0.5	9.0	0.0	0.4	0.8	0.0
Belgium	2.0	0.0	0.6	1.4	1.1	0.0	0.8	1.5	2.8
Other	16.1	21.4	32.7	23.4	18.6	45.5	24.2	15.2	25.4
n=	1,562	42	168	419	665	11	516	2,709	71

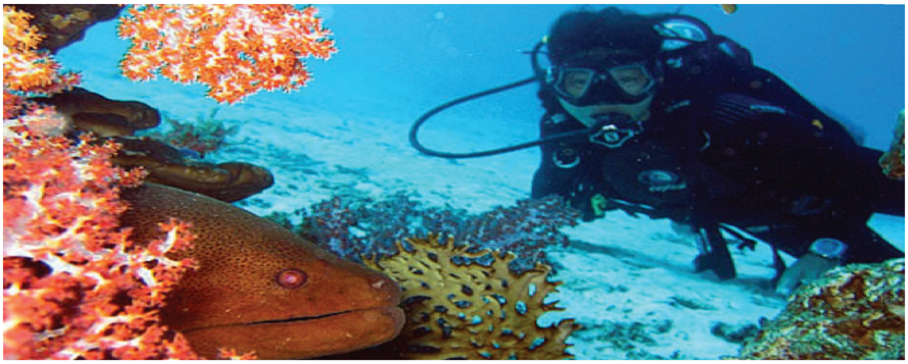
Migration of Animals in Mara



Beautiful Wildlife

Beach tourism was the second most dominant tourist activity attracting more visitors from Italy, the United Kingdom and France. This is consistent with the results indicated in **Chart 2.5**, which shows that these countries are the leading tourist source markets to Zanzibar. This beautiful island is known for calm and clear water; natural lagoons, mangrove swamps, beautiful coconut palm and fringed sandy beaches. Diving and sport fishing activities mainly attracted visitors from the United Kingdom, United States of America and Ireland.

The Beautiful Beaches of Zanzibar



Diving

Mountain climbing was the fourth most preferred activity, attracting the majority of visitors from Zambia, the United Kingdom and the United States of America. Meanwhile, cultural tourism was another activity which attracted visitors mostly from the United States of America, United Kingdom, Germany and Italy.

Traditional Homestead Housing a Cultural Museum of the Wa-Meru Ethnic Group

2.13 Tourism Expenditure in Tanzania

In a bid to analyse the contribution of the tourism industry to the economy, the survey attempted to examine the proportion of tourist expenditure by activity. The expenditure of non-package tourists was used, given that payments were made directly by the respondents to the suppliers of service in Tanzania. Thus, it was relatively easier to remember the expenditure incurred. For tourists who came under the package tour, most of the payments were pre-paid in lump sum amount at source markets, hence rendering it difficult to disaggregate the expenditure by activity.

Table 2.9 indicates that most of the expenditure under the non-package tour arrangements was made on accommodation (28.1 percent), food and drinks (18.8 percent) and transport (16.6 percent).

Table 2.9: Expenditure in Tanzania
USD Million

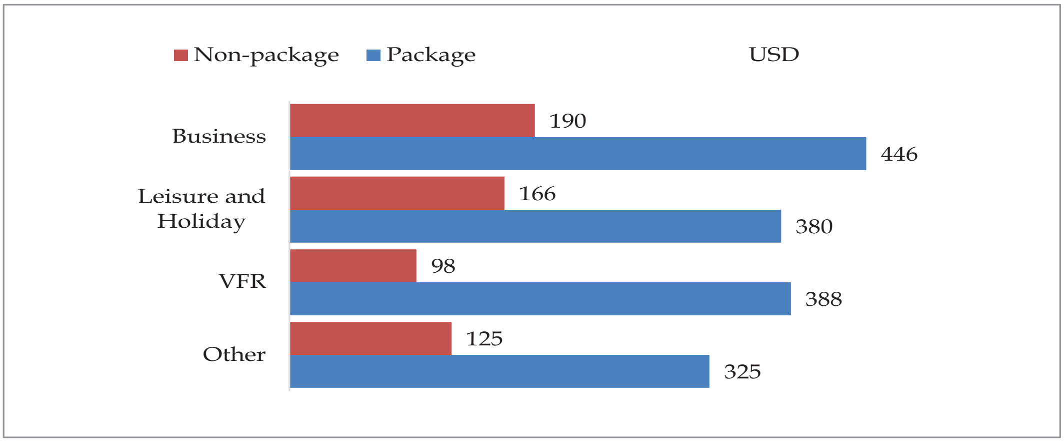
Items	Package Tour	% of Package to Total	Non-Package Tour	% of Non-Package to Total	Total Expenditure
Accommodation	3.0	**9.3**	109.9	**28.1**	112.9
Food and drink	7.8	**24.3**	73.5	**18.8**	81.3
Shopping	10.3	**32.2**	60.2	**15.4**	70.5
Transport	3.9	**12.2**	65.1	**16.6**	69.0
Air	1.9	**5.9**	36.4	**9.3**	38.3
Road	1.2	**3.8**	18.8	**4.8**	20.0
Water	0.1	**0.4**	2.7	**0.7**	2.9
Rail	0.6	**1.7**	1.1	**0.3**	1.6
Rental	0.1	**0.4**	6.1	**1.6**	6.3
Sightseeing	1.3	**4.0**	23.0	**5.9**	24.3
Gate fee	0.2	**0.6**	2.6	**0.7**	2.8
Cultural service	0.7	**2.3**	4.5	**1.1**	5.2
Sports	1.2	**3.9**	5.6	**1.4**	6.8
Mountain climbing	0.3	**0.9**	7.0	**1.8**	7.3
Hunting	0.3	**1.1**	2.8	**0.7**	3.1
Visa taxes	1.3	**4.2**	20.2	**5.2**	21.6
Other	1.7	**5.2**	16.7	**4.3**	18.3
Total	**32.1**	**100.0**	**391.1**	**100.0**	**423.2**

2.14 Average Expenditure

In 2012, the overall average expenditure of a visitor to Tanzania was USD 290 per person per night compared to USD 286 recorded in 2011. The results further show that visitors who came independently spent an average of USD 230 and those under the package tour arrangement spent an average of USD 384 per person per night compared to an average of USD 247 and USD 355, respectively in 2011.

Chart 2.15 shows that visitors who came for leisure and holidays under the package tour arrangement spent an average of USD 380 per person per night compared to USD 384 recorded in the 2011 survey. By contrast, the average expenditure for holidaymakers under the non-package tour arrangement rose to USD 166 per person per night from USD 156 recorded in the previous survey. Under the package tour arrangement, business visitors recorded the highest average expenditures of USD 446 per person per night.

Chart 2.15: Average Expenditure by Purpose of Visit, 2012



2.15 Tourism Earnings

As in the previous surveys, the main objective of conducting this survey is to estimate tourism earnings for improving the National Accounts and Balance of Payments statistics. Tourism earnings were estimated using the expenditure model whose variables are average expenditure per person per night, proportion of visitors under the package and non-package tour arrangements, average length of stay from the survey, as well as international visitor arrivals from the Immigration Department. The model estimates that Tanzania earned USD 1,712.7 million in 2012, which is an increase of about 26 percent from USD 1,353.2 million recorded in 2011 (**Chart 2.16**).

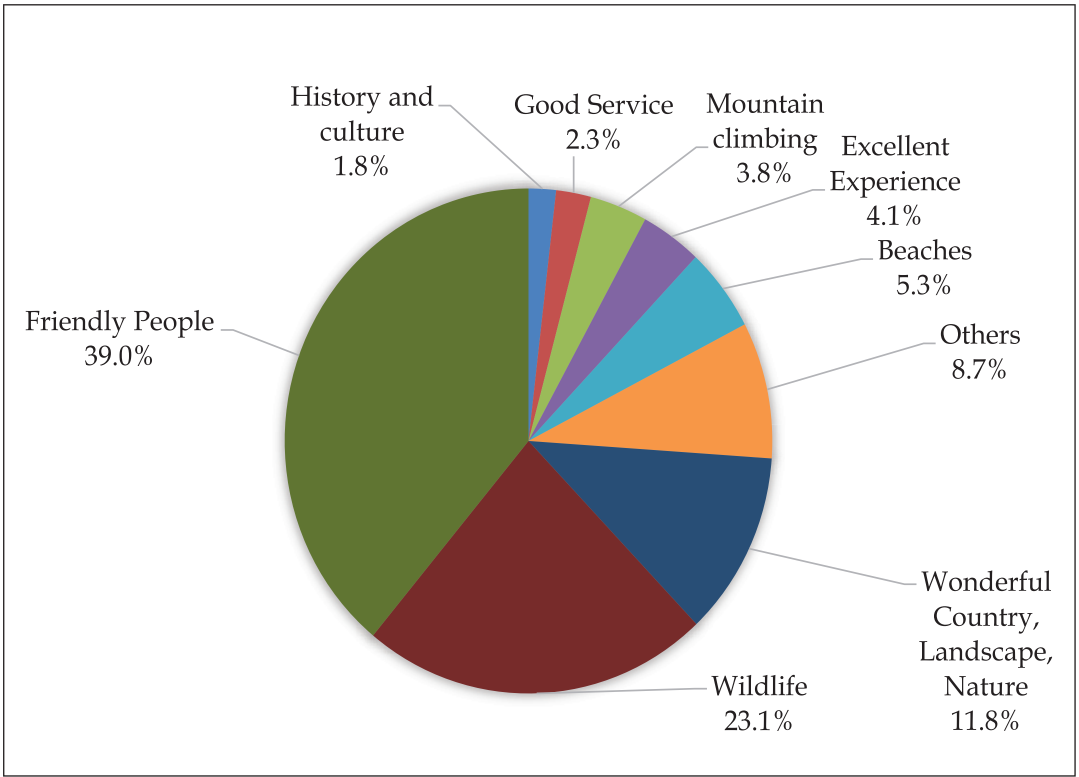
This development was mainly driven by an increase in the number of international tourist arrivals and average expenditure per person per night. Similarly, the model estimates that Zanzibar earned USD 175.4 million in 2012 compared with USD 157.1 million earned in 2011, the development which is largely associated with an increase in the number of international tourist arrivals by 35.0 percent to 149,586 in 2012.

Chart 2.16: Tourism Earnings and International Arrivals

2.16 Visitors' Impression

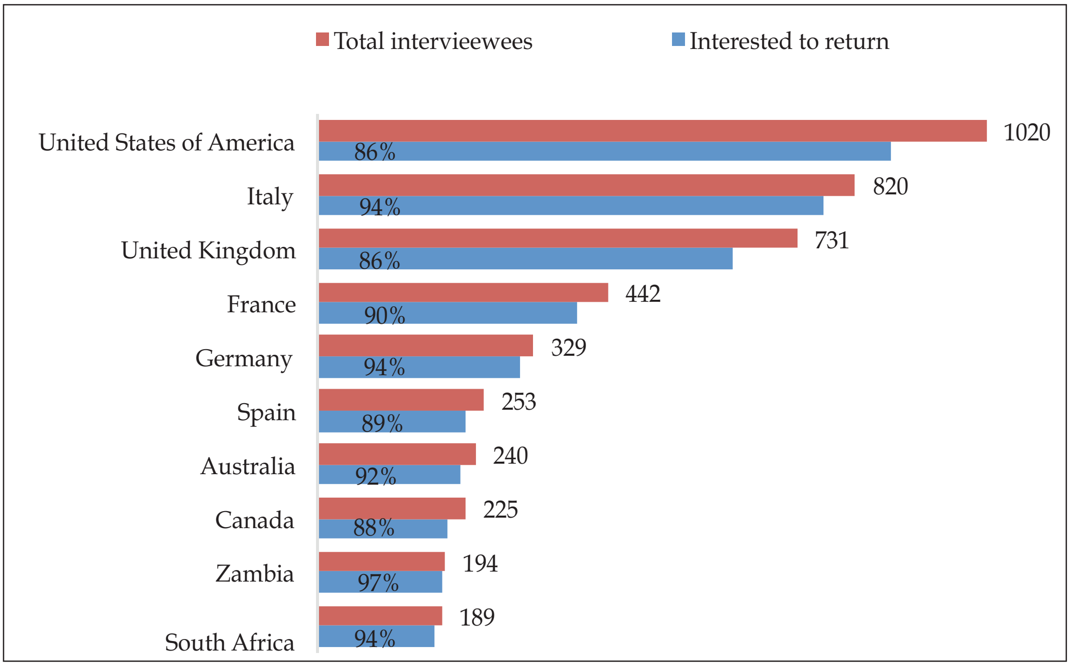
Chart 2.17 revealed that about 39 percent of the visitors were impressed by the friendliness of the people, who are well known for their hospitality to foreigners. The visitors were also impressed by the wildlife, wonderful country, nature and the landscape. These results are consistent with the visitors' response on their intention to come back.

Chart 2.17: What Impressed Visitors



The survey's results showed that out of 6,163 interviewees, 90.4 percent were interested to come back to Tanzania after their current trip. **Chart 2.18** shows that out of the total interviewees who showed interest of coming back to Tanzania among the Top 15 Source markets, most of them were from the United States of America, Italy and the United Kingdom.

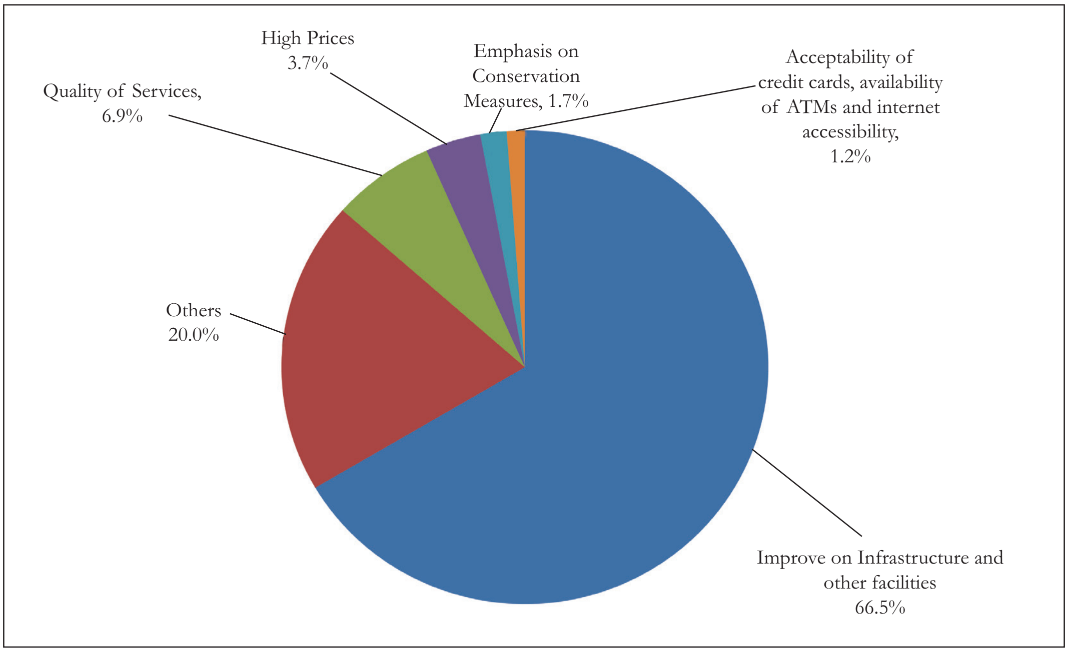
Chart 2.18: Interviewees Interested in Returning to Tanzania, by Top 15 Source Countries



2.17 Areas that Need Improvement

Infrastructure and other facilities continued to be the most crucial areas that need improvement. About 67 percent of the interviewed visitors expressed their concerns about the state of roads in national parks particularly the road between Manyara and Tarangire. They also expressed their concerns on the traffic jams, state of airports and their facilities such as washrooms, air conditioning and signage, and availability and cleanliness of public washrooms. The quality of service was another concern particularly in most tourist attractions. In line with services delivery, some visitors were not pleased with visa processing at entry points, as most of them found it somehow slow and not adequately transparent. The visitors were also concerned with the state of maintenance of historical buildings, particularly in the Stone Town, in Zanzibar. Other concerns were unacceptability of credit cards at most tourism establishments, unreliability of the internet access and insufficient automated teller machines (**Chart 2.19**).

Chart 2.19: Areas that Need Improvement



Chapter 3: Conclusion and Policy Recommendations

3.1 Conclusion

This chapter presents the main conclusion from the findings of the 10^{th} round of the International Visitors' Exit Survey, conducted for two weeks from 21^{st} August to 3^{rd} September 2012, covering 6,163 respondents. The survey aimed at obtaining reliable information on tourists visiting Tanzania including, the length of stay, expenditure, visitors' behaviour and their demographic characteristics. The results of the survey provide a useful source of information for estimation of tourist expenditure, promotion of Tanzania as a holiday destination and formulating relevant macroeconomic policies.

The survey's findings show that total tourist expenditure during 2012 was USD 1,712.7 million, which is an increase of about 26 percent from the amount recorded in 2011. The increase was mainly due to the rise in the number of international tourist arrivals and the overall average expenditure per person per night. The number of tourist arrivals increased by 24.1 percent to 1,077,058, while the overall average expenditure per person per night was USD 290 compared to USD 286 recorded in 2011. The rise in the number of international tourist arrivals is consistent with the increase in the number of international flights, coupled with improvements in data collection at border points. Similarly, tourism earnings for Zanzibar increased to USD 175.4 million in 2012 from USD 157.1 million recorded in 2011, largely associated with the number of international tourist arrivals which increased by 35.0 percent to 149,586 in 2012.

Europe and North America continued to be the main source of tourists for Tanzania, accounting for about 40 percent of total visitors. However, higher growth of tourist arrivals was also recorded in Asia and the Pacific; and the Middle East during 2012, reflecting increased promotional efforts to new source markets.

3.2 Policy Recommendations

a) The findings reveal that apart from Africa, Europe and North America have continued to be the traditional tourist source markets for Tanzania. There is also an increasing number of arrivals from Asia and the Pacific and the Middle East. This implies that there is a need to deepen the current promotional efforts in the traditional markets, and develop long-term strategies for attracting tourists from emerging markets.

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

b) Transparency and cumbersome visa processing at entry points was an issue of concern to most visitors. In this regard, there is a need to increase transparency and efficiency in visa processing. This could be done by making information about visa application available on the internet and putting adequate signage at the entry points.

Responsible Institutions: Immigration Department, TAA and ZAA

c) Large number of visitors were concerned with the state of infrastructure, particularly roads in the national parks, such as the road between Manyara and Tarangire. This implies that the government should continue with the efforts of improving roads, including those leading to the national parks and other natural and man-made attractions in order to attract more visitors.

Responsible Institutions: Immigration Department, MoW

d) Visitors also complained about the quality of services rendered to them particularly in the hotels. Efforts need to be made to address these concerns. Such efforts include designing tailor-made programs, focusing on customer care services at the hospitality institutions and entry points.

Responsible Institutions: MNRT, TTB, NCAA, TANAPA, TCT, ZCT, ZATI, TAA and Immigration Department

e) Other concerns were unacceptability of credit cards at most tourism establishments and unreliability of the internet access. There is a need to sensitize hotels and other tourist establishments to invest more in these facilities.

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

f) The length of stay has remained almost the same at 10 nights. Thus, in order to prolong the length of stay and increase tourism earnings at the destination, efforts should be made to diversify tourist products from reliance on wildlife tourism, to other products like eco-tourism, cultural and conference. Moreover, urban tourism in Dar es Salaam City and Bagamoyo should be developed.

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

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 provide reliable information about visitors to Tanzania including their number, length of stay, expenditure, travel arrangement and their demographic characteristics.

II. 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.

III. Sample Size

The survey was done on sample basis. It was planned to interview 8,680 departing international visitors, equivalent to one percent of the international visitors recorded in 2011. Ultimately, the survey managed to randomly interview about 6,163 respondents, who represented around 13,225 visitors in the sample. This sample was considered sufficient to meet survey objectives.

IV. Fieldwork

The data collection exercise was undertaken during the tourist peak season, which normally runs from July through September. It began on 21^{st} August to 3^{rd} September 2012 for two weeks period. Data were collected by six teams, five in Mainland and one in Zanzibar. Technical Committee members participated in the field supervision of the interviews to ensure questionnaires completeness, quality and consistency.

V. Survey's Coverage

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

VI. Enumerators' Manual

The Technical Committee developed the Enumerators' Manual (EM) that was used by 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.

VII. Training of Enumerators

A one day training of enumerators and supervisors was organized by the Technical Committee 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.

VIII. 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 2012 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 comments **(Appendix B).**

Questions 1 to 9 aimed at establishing visitor profiles (nationality, country of residence, age group, 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 and number of nights spent.

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

Question 19 and 20 asked visitors whether it was their first visit to Tanzania and the likelihood of coming back.

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

IX. Data Processing

The processing of the 2012 International Visitors` Exit Survey data began shortly 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.

X. 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:

$$\mathbf{Ev = (EP \times VP \times T) + (ENP \times VNP \times T)}$$

Whereby:

Ev = Total tourist expenditure in Tanzania
EP= Average package tour expenditure per visitor per night, derived from the survey
ENP = Average Non-package tour expenditure per visitor per night, derived from the survey
VP = Number of international tourist arrivals under package travel arrangement (The number of international tourist arrivals as captured by the Immigration Department, adjusted into **package** visitors by purpose using package tour arrangement ratio derived from the survey)
VNP = Number of international tourist arrivals under Non-package travel arrangement (The number of international tourist arrivals as captured 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 2012;

i. 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.

ii. 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.

iii. Immigration data on 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.

iv. 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.

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

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

Appendix B: Questionnaire

THE 2012 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/partner	[ ]
With children	[ ]
With spouse and children	[ ]
With other friends and relatives	[ ]

5. What are ages of the people with whom you are travelling whose expenditure is on one account, including children?

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

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	[ ]	Others (please specify): ……………….	[ ]
Diving and Sport Fishing	[ ]		[ ]

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): …………...……	[ ]
Travel agent, tour operator	[ ]		[ ]

10) Did you travel independently or booked a package tour? Tick one

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

Independent	Package

11) 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)……….….	[ ]
International transport	[ ]		

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

Currency……………………………. [ ]

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

		Package	Independently
Accommodation alone	Currency….		
Hotel	Currency….		
Others (Lodges, Motels, Campsites etc.)	Currency….		
Food and drinks	Currency….		
Internal transportation	Currency….		
By Air	Currency….		
By Road	Currency….		
By Water	Currency….		
by Railway	Currency….		
By Air	Currency….		
Rentals (Carhires, 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	Currency….		
Other (Please Specify)	Currency….		

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

19) Was this your first trip to Tanzania? (Tick) Yes [ ] No [ ]

20) Are you likely to return for a visit 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 trip

Appendix C: Survey Result Tables

Table C1: Departure Points and Purpose of Visit

	Purposes of Visit						
Exit Point	Business	Leisure and Holidays	Visiting Friends and Relatives	Meetings and Conference	Volunteering	Scientific and Academic	Other
JNIA	248	2,895	821	279	199	31	61
KIA	11	3,128	136	68	71	15	19
AAKIA	11	3,007	56	39	14	3	26
NAM	3	1,472	63	7	19	-	11
TUN	181	71	44	4	-	3	13
KAS	25	128	19	5	-	1	11
Grand Total	**479**	**10,708**	**1,139**	**402**	**303**	**53**	**141**

Table C2: Average Length of Stay of Visitors to the Tanzania Mainland, 2012

Country of Residence	Non-Package Tour	Package Tour	Combined Average
United State of America	10	9	10
Italy	10	8	9
United Kingdom	11	9	10
France	10	8	9
Germany	15	10	13
Spain	10	8	9
Canada	12	10	11
Australia	12	8	10
Ireland	11	11	11
South Africa	6	7	7
Netherlands	13	10	12
Kenya	6	5	6
Zambia	5	5	5
Belgium	9	10	10
India	8	5	7
Average	**10**	**8**	**9**

Table C3: Average Length of Stay of Visitors to Zanzibar, 2012

Country of Residence	Non-Package Tour	Package Tour	Combined Average
United State of America	4	4	4
Italy	8	8	8
United Kingdom	7	6	7
France	8	6	7
Germany	8	8	8
Spain	5	4	5
Canada	5	4	5
Australia	6	4	5
Ireland	5	3	4
South Africa	4	5	5
Netherlands	7	6	7
Kenya	5	5	5
Zambia	3		3
Belgium	6	7	7
India	2	5	4
Average	**6**	**5**	**5**

Table C4: Average Length of Stay by Purpose of Visit

	Purpose of Visit						
Country of Residence	Business	Leisure and Holidays	Meetings and Conference	Scientific and Academic	Visiting Friends and Relatives	Volunteering	Other
United States of America	10	10	9	16	11	13	6
Italy	6	9	5	5	10	23	3
United Kingdom	7	12	7	13	14	15	16
France	13	12	5	-	10	17	7
Germany	4	14	13	12	16	21	13
Spain	-	10	3	-	12	25	5
Canada	8	11	5	-	11	18	10
Australia	9	10	4	-	13	16	0
Ireland	2	11	8	3	20	10	20
South Africa	6	7	5	-	6	-	4
Netherlands	7	12	10	-	20	-	2
Kenya	5	6	5	15	7	-	3
Zambia	5	7	5	8	3	-	3
Belgium		11	5	-	15	-	4
India	10	6	5	-	10	-	1
Average	**7**	**10**	**6**	**10**	**12**	**17**	**6**

Table C5: Average Expenditure per Person per Night for the Top 15 Source Market, 2012

Top 15 Source Markets	Package (USD)					Non-Package (USD)				
	Business	Meetings and Conference	Leisure and Holidays	VFR	Other	Business	Meetings and Conference	Leisure and Holidays	VFR	Other
United States of America	-	259	408	199	276	193	121	163	104	68
Italy	560	-	183	136	203	217	477	111	118	105
United Kingdom	345	484	290	139	136	154	104	98	61	71
France	-	-	255	76	238	189	72	113	56	52
Germany	-	158	280	203	77	215	101	105	56	65
Spain	-	1,037	364	377	389	-	-	122	35	43
Canada	-	666	404	290	111	128	469	117	65	55
Australia	-	782	415	385	246	146	217	209	176	29
Ireland	-	295	196	280	288	250	-	112	62	69
South Africa	323	741	208	433	-	141	181	103	374	64
Netherlands	-	-	282	-	370	171	88	103	37	41
Kenya	371	233	228	193	-	110	159	105	106	91
Zambia	349	-	228	142	36	155	99	171	122	72
Belgium	-	911	252	85	633	-	-	121	65	-
India	202	258	556	683	-	169	164	150	105	200
Overall Average	**358**	**529**	**303**	**259**	**250**	**172**	**188**	**127**	**103**	**73**

Table C6: All Source Markets for Tanzania

Country of Residence	Number of Visitors	% of Total
UNITED STATES OF AMERICA	2,052	15.5
ITALY	1,764	13.3
UNITED KINGDOM	1,734	13.1
FRANCE	1,202	9.1
GERMANY	725	5.5
SPAIN	610	4.6
CANADA	477	3.6
AUSTRALIA	463	3.5
IRELAND	400	3.0
SOUTH AFRICA	382	2.9
NETHERLANDS	347	2.6
KENYA	275	2.1
ZAMBIA	242	1.8
BELGIUM	224	1.7
INDIA	196	1.5
SWITZERLAND	175	1.3
UAE	144	1.1
AUSTRIA	143	1.1
CHINA	123	0.9
NEW ZEALAND	113	0.9
JAPAN	109	0.8
DENMARK	93	0.7
ISRAEL	90	0.6
MALAYSIA	77	0.6
NORWAY	69	0.5
POLAND	63	0.5
SWEDEN	59	0.4
OMAN	55	0.4
ZIMBABWE	52	0.4
UGANDA	51	0.4
BRAZIL	44	0.3
SAUD ARABIA	40	0.3
KOREA	28	0.2
RWANDA	28	0.2
SLOVENIA	28	0.2
RUSSIA	27	0.2
SINGAPORE	26	0.2

Country of Residence	Number of Visitors	% of Total
CONGO	26	0.2
QATAR	25	0.2
MALAWI	21	0.2
CZECH REPUBLIC	20	0.2
SERBIA	20	0.2
FINLAND	20	0.2
LEBANON	19	0.1
PORTUGAL	18	0.14
SCOTLAND	16	0.12
SUDAN	15	0.11
ROMANIA	14	0.11
ETHIOPIA	14	0.11
NIGERIA	14	0.11
DRC	13	0.10
BURUNDI	13	0.10
MEXICO	13	0.10
GREECE	12	0.09
TURKEY	12	0.09
BAHRAIN	10	0.08
MALT	9	0.07
ARGENTINA	9	0.07
VIETNAM	9	0.07
PAKISTAN	8	0.06
LUXEMBOURG	8	0.06
MOZAMBIQUE	7	0.05
UKRAIN	7	0.05
SEYCHELLES	6	0.05
HUNGARY	6	0.05
NAMIBIA	5	0.04
COMORO	5	0.04
TRINIDAD TOBACCO	5	0.04
EQUADOR	5	0.04
CHILE	5	0.04
THAILAND	5	0.04
ALGERIA	5	0.04
UNITED ARAB EMIRATES	5	0.04
SWAZILAND	5	0.04
COLOMBIA	5	0.04
BOTSWANA	4	0.03
SENEGAL	4	0.03
GAMBIA	4	0.03
TAIWAN	4	0.03

Country of Residence	Number of Visitors	% of Total
LITHUANIA	3	0.02
SOMALI	3	0.02
LATVIA	3	0.02
PHILIPINES	3	0.02
GHANA	3	0.02
CAMBODIA	3	0.02
ESTONIA	3	0.02
INDONESIA	2	0.02
BANGLADESH	2	0.02
ANGOLA	2	0.02
ICELAND	2	0.02
SRI LANKA	2	0.02
CHAD	2	0.02
CAMEROON	2	0.02
KUWAIT	2	0.02
BERMUDA	1	0.01
TUNISIA	1	0.01
BOSNIA	1	0.01
MONECASQUE	1	0.01
JAMAICA	1	0.01
MADAGASCAR	1	0.01
VENEZUELA	1	0.01
CROATIA	1	0.01
	13,225	**100**

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