Tourism Industry in Tanzania: The Missing Links to Become an Attractive and Competitive Tourist Destination

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Abstract: This paper analyzes the performance of Tourism Industry in Tanzania based on the Model of Tourism Destination Competitiveness and Attractiveness (TDCA) as proposed by Vangesayi, S (2003). TDCA Model has been derived from the theory of Demand and Supply. The paper used desk research to collect and analyze data. Different information has been extracted from Tanzania Bureau of Statistics and papers from different sources to come out with results presented in this paper. The paper found that Tanzania’s Tourism Industry is not absolute attractive and competitive despite of being among world’s top seven destinations with abundant in natural resources. Poor tourist infrastructures, poor health services, poor hygienic environment, poor human resource development, less price competitiveness and poor diversification of tourist products are among the factors which constraints the performance of the tourist industry in Tanzania.

The paper suggests on diversification of tourist products from Wild Safari in Northern Circuit and pays attention to develop other products such as cultural tourism, beaches, urban tourism found in Southern Circuit. Government of Tanzania should set aside enough funds to develop tourist infrastructures such as roads and airport which seemed to be critical challenges. Promotional campaign should not only focus Europe and United States but also Middle East and Asia and Pacific region.

Key words: Tourism Industry, Tanzania, Competitive Destination, Attractive Destination.
1.0 INTRODUCTION

1.1 Background Information

Tourism has historically evolved as a leisure industry in more than 300 years ago. During medieval era and also the transition to capitalism in Europe, leisure was mostly associated with rituals, feasts, carnivals and holy days but not travel because work and leisure could not be separated from home in space. Travel was more or less part of the pursuit of opportunity for trade and also leisure for wealth class since 18th Century (MacCannel 1989). Since then tourism has become one of the industry which involve different economic classes of people across the world. By 21st Century the industry has became one of the world’s most important economic activities.

According to UNWTO (2013), the tourism industry continues to grow worldwide. International tourist arrivals grew by 3.9 percent to 1,035 million in 2012, compared to 996 million recorded in 2011 as shown by chart 1 below.

**Chart 1: International Tourist Arrival, 2000 – 2012**

**In Millions**

[Chart showing international tourist arrivals from 2000 to 2012]

*Source: UNWTO Barometer, April 2013*
Also in the year 2012, international tourism receipt hit a new record of USD 1,075 billion, which is equivalent to 3.2 percent increase from USD 1,042 in the year 2011 as indicated by chart 2 below.

**Chart 2: International Tourism Receipts, 2000 – 2012**

*In USD Billion*

In East Africa, performance of tourism industry also continued to grow despite Global Financial crises in 2008/2009. In Kenya for example tourism earnings increased by 3.1 percent to USD 1,135.8 million in 2012 from USD 1,101.2 million in 2011 and in Uganda tourism earnings also increased to USD 834.0 million in 2012 from USD 805.0 million recorded in 2011 (URT, 2014).

Although there is gradually improvement of Tourism industry in Tanzania, yet its performance has been less competitive compared to some of tourism destinations in Europe, America, Asia and Africa (URT, 2012). Although Tanzania is mentioned as one top leading destination for tourist attractions in Africa, yet its performance of tourism industry is not as good as compared to some countries with less tourist attractions (MIGA, 2000). This paper analyses the missing links of Tanzania to become attractiveness and competitiveness tourism destination based on Tourism Destination Competitiveness and Attractiveness Model (TDCA) developed by Vengesayi in 2003.
2.0 LITERATURE REVIEW

2.1 The Model of Tourism Destination Competitiveness and Attractiveness (TDCA)

This paper adopted the Demand and Supply theory which was modeled by Vengesayi. In his conceptual Model of Tourism Destination Competitiveness and Attractiveness (TDCA), he suggests combination of factors to be considered between what the destination invest in and what customers are looking for in the destination. Vengesayi (2003) developed this conceptual of TDCA by considering definition of destination as it has been defined by Buhalis and World Tourism Organization. Buhalis, (2000) defines destinations as ‘places that offer an amalgam of tourism products and services, which are consumed under a brand name of the destination’. He argues that ‘they are well defined geographical regions, understood by visitors as unique entities with a core of six main provisions, i.e. attractions, accessibility, available packages activities and ancillary services. The World Tourism Organization defined a destination as ‘a physical space in which visitors spend at least one night and is made up of tourism products such as support services and attractions, and tourism resources with physical and administrative boundaries that define its management, images/perceptions of market competitiveness’ (WTO,2003). TDCA conceptual model suggest that the theory of demand and supply can be conceptualized into tourism context by focusing on two areas, one is attractiveness of destination (demand perspective) and competitiveness destination (supply perspective). The analyses of these two concepts provide a holistic perspective of TDCA dynamics. The TDCA model proposes that destination supply factors and tourist demand factors help in creating an environment in which tourism flourish and can be consumed satisfactorily (Vengesayi,2003)
2.2 Features of the Conceptual Model of TDCA

The discussion of the silent features of the TDCA model and hypothesized relationship is presented below:

2.2.1 Attractions and Mix of Activities

This model proposed that the destination’s mix of tourist activities and attractions is related to its attractiveness and competitiveness. Researchers has categorized attractions into five main groups; cultural, natural, events, recreation and entertainment. They argued that variety of the attractions and the mix of activities offer the tourist a wide choice and ultimately they stay longer (Goeldner et al 2000, Crouch and Ritchie, 1999)
2.2.2 Supporting Facilities
Facilities such as accommodations, transport infrastructure and services provide effect on the motivation to travel. The model pointed that competitiveness of a destination is achieved when the provision of services and facilities are competitive against alternative destinations. Also the model argued that the range and level of destination supporting facilities and the management abilities of the Destination Management Organization (DMO) is associated with its attractiveness and competitiveness.

2.2.3 Experience Environment
This model has categories the experience environment into two; physical and social environment and that the major elements that shape destination environment include crowding, safety and security, human resource development, competition and cooperation. Crowding is an environmental characteristic that has a significant effect on human behavior and social interaction. It reduces the freedom of movement and goal achievement. The availability of adequately well trained and professionally staff is significant component of destinations performance. (Briguglio and Vella 1995). Having tourism physical environment is not enough but management of these resources is crucial issues. Another issue pointed by the model is that Peace, safety, and security are primary requirements for growth, attractiveness and competitiveness of tourism destinations. Without safety destinations cannot successfully compete on the generating markets as potential tourists do not want to visit a place that they perceive as unsafe, (Cavlek 2002).

2.2.4 Communication and Promotion
In communication and promotion, the model pointed three issues: branding, reputation and pricing of which each of them has the significant effect tourism performance in a particular destination. Branding of destinations is a communication device which helps
tourists to identify a destination and differentiate it from competitive offerings. To those destinations with good reputation means tourist would increase visitation and longer stay. Positive reputation is a source of competitive advantage. The model warns that tourists are price sensitive. The price competitiveness of the touristic products purchased by visitors is exchange rate determined (Dwyer et al. 2002), the weaker the destination country’s exchange rate against the source market the more competitive the destination becomes.

2.2.5 Outcomes of TDCA
The outcomes of this model are; destination image, tourist satisfaction and organization performance. TDCA model has defined tourist satisfaction as the result of the interaction between a tourist’s experience at the destination area and the expectations he had about the destination’ based on the Expectations-disconfirmation paradigm. It can be used to competitive strengths and weakness. Destination image perceptions of tourists at a destination and these correspond to the perceived contribution of the different tourism services available, and consequently the destination experience. For the overall destination performance, various statistical measures have been proposed. For example, total arrivals and the associated measures like the visitors; growth rate, average length of stay; total destination and employment created as measures of TDCA. More meaningful measures like net tourism receipts and the per capita net tourism receipts have also been proposed (Jayawardema and Ramajeesingh, 2003).

3.0 METHODOLOGY
This study has used data from the National Bureau of Statistics (NBS) of Tanzania and Bank of Tanzania Statistics. Furthermore, the study also used information from papers, researches, articles and books available from different sources. The study has
extensively used from NBS of Tanzania because the data base consists most of the information demanded by this study.

4.0 FINDINGS AND DISCUSSION

4.1 Performance of Tourism Industry in Tanzania

Tanzania’s Tourism industry continues to grow gradually year after year, 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 in 2012 compared to 867,994 recorded in 2011. The arrivals increased by 4 percent from 1,095,884 in 2013 to 1,140,156 in 2014. Tourism earnings increased by 26 percent to USD 1,712.7 million in 2012 and the industry has employed over 500,000 people by 2014. Top three main source markets for Tanzania’s Tourism are United States of America, Italy and the United Kingdom which contribute of 42 percent of total visitors in the country. Tourists spend an average of 10 nights consistently in 2011 and 2012 (URT, 2013, URT, 2014).

Figure 2: Tanzania’s Tourist Arrivals and Earning from 1996 to 2013

Source: WEF, 2015
4.2 Tourist Attractions in Tanzania

The East Africa region comprises five countries namely, Tanzania, Uganda, Kenya, Rwanda and Burundi. Tanzania is largest countries in East Africa with 945,000 squares kilometers. It is estimated that Tanzania is three time the size of Norway or Finland and four times the size of Japan (URT, 1999). Salazar (2009) has described Tanzania as the best place for wildlife parks over all East African Countries. The third of the Tanzania’s land has been allocated for natural parks (Kweka et al., 2003).

Tanzania has 29 game reserves, 16 national parks, marine parks and 40 conservation areas. It is home of Zanzibar, one of the most tourist attractive island in the world. Also Tanzania is home of Mt. Kilimanjaro, the highest mountain in Africa and the highest free – standing mountain in the world. Tanzania was awarded by New York Times as 7 positions of the top 45 destinations to visit in the year 2012.

According to MIGA (2000), Tanzania has six World Heritage Sites. Only three countries in Africa have more; Tunisia (8) and Algeria and Ethiopia (7) and only Morocco has as many sites as Tanzania. The sites in Tanzania comprise two cultural and four natural sites; Ngorongoro Conservation Area, Ruins of Kilwa Kisiwani and Ruins of Songo Mnara, Serengeti National Park, Selous Game Reserve, Kilimanjaro National Park and Stone Town of Zanzibar. These sites are the main tourist attractions in Tanzania with dominantly depend on Wildlife Area which encompassing Lake Manyara, the Serengeti, the Ngorongoro Conservation Area and Mountain Kilimanjaro.
The recently report published by World Economic Forum on Global Travel and Tourism Competitiveness 2015, has ranked Tanzania as 7th destination globally and 1st in Africa in natural resources. According to Tanzania Tourist Board (2015), the top ten (10) tourist destinations in Tanzania are; Ngorongoro Creater, Serengeti National Park, Zanzibar, Tarangire National Park, Lake Manyara National Park, Mountain Kilimanjaro, Seleous Game Reserve, Ruhaha National Park, Mafia Island and Mountain Meru. However, in all these attractions, tourists in most cases enjoy viewing natural beauty of some natural object found in a particular destination. There are few other categories of tourist attractions in Tanzania such as event, recreation and entertainment.
It should be noted that some of world leading tourist destination such as France, UK, USA and Brazil attracts good number of tourist on event, recreation and entertainment. For instance Slob, B and Wilde, J (2006) argued that, national parks attract the largest number of visitors in Brazil, but theme and amusement parks bring in the most money. In USA man made attractions such as theme and amusement parks, casinos, zoos and aquaria, games and sports attracts more than 75% of all tourists annually (US National Park Services, 2011). There is little development some of tourist attractions in Tanzania such as theme and amusement parks as well as events and recreations

4.3 Tourism Supporting Facilities in Tanzania
Tourism supporting facilities such as roads, airport infrastructures and accommodations is major challenge facing Tanzania Tourism Industry for quite number of years. After 50 years of independence, the country remains undeveloped in terms of tourism supporting facilities. According to Tanzania Tourism Industry Survey 2012, about 67% of visitors interviewed expressed their concern about poor infrastructures particularly in the national parks. According to the Travel and Tourism Competitiveness Report 2015, Tanzania ranked 93rd out 141 countries in travel and tourism and ranked 7th in Eastern and Southern Africa behind South Africa, Seychelles, Mauritius, Namibia, Kenya and Botswana. One of the reasons which position Tanzania in lower global ranks in travel and tourism competitive destination is its poor tourism infrastructures compared to other destinations.

The Travel and Tourism Competitiveness Index 2015 has divided infrastructure index into three categories; air transport infrastructure, ground and port infrastructure and tourist service infrastructure.
The table above indicates that Tanzania has poorest infrastructures for Travel and Tourism in comparison with top five countries in Eastern and Southern Africa. Tanzania ranked 116th out of 141 destinations in air transport infrastructure while Seychelles ranked the best (24th) in the region. Tanzania ranked 120th in ground and port infrastructure while Mauritius has the best (27th) ground and port infrastructure in the region. Tanzania has poorest (115th) tourist services infrastructures but Seychelles has the best in the region. Air transport infrastructure, ground and port infrastructures as well as tourist service infrastructure are the key factors which attracts good number of tourists. Tanzania has best tourist natural resources in the region but due to its poor infrastructures it become less competitive compared mentioned top five destinations in the region.

4.4 Tourism Enabling Environment in Tanzania

In enabling environment this paper focus on Government prioritization of tourism industry, Health and Hygiene, Human resource development and environmental sustainability.
4.4.1 Government Prioritization on Tourism Industry in Tanzania.

The extent to which the government prioritizes Tourism industry has an important impact on Tourism competitiveness. By making clear that the industry is of primary concern, the government can channel funds to essential development projects and coordinate the actors and resources necessary to develop the industry (WEF, 2015). In Tanzania Tourism Policy 1999, the Government of Tanzania determined to maintain tourist resources based on adequate manner as it forms part of public resources, improve existence tourism infrastructure, and to develop it further so as to accrue higher revenues from the industry (URT, 1999). However despite the good mission stated in the policy, yet the amount of fund set aside by the government each financial year may explain tourism is less priority industry in Tanzania. For instance during fiscal year 2013/2014 the government set aside Tanzania Shillings 14,198,216,000 for development projects in Tourism Industry, in fiscal year 2014/2015 the government set aside Tanzania Shillings 7,709,150,000 for development projects. This means the government has cut down its expenditure on tourism development projects almost a half between fiscal year 2013/2014 and 2014/2015. In Kenya, the government has set aside Kenya Shillings 5,200,000,000 (equivalent to Tanzania Shillings 93,600,000) for tourism project development in fiscal year 2015/2016. Therefore few allocation of fund reflects less priority.

4.4.2 Health and Hygiene in Tourism Industry in Tanzania

According to TDCA Model and T&T Competitiveness Index 2015, Health and hygiene is also important factor for Tourism competitiveness for any destination. Tourists are attracted to a destination where they are assured of clean and health drinks and food; and access of quality physicians and hospitals in case tourist fall sick in the destination. In Tanzania the general status of health and hygiene is not good. In some cities like Dar es Salaam and Mwanza there are recently eruption of some diseases like Cholera
epidemic which signifies lack of hygiene. Tanzania Doctor Patient ratio is one Doctor for 75,000 Patients while international standard is one Doctor for 7,000 Patients. This implies that Tourists has little chance of getting good medical services in Tanzania if he/she fall sick. T&T Competitiveness Index 2015 ranked Tanzania 136th out 141 countries in health and hygiene status while Kenya ranked 121th, South Africa ranked 114th and top ranked destination in Eastern and Southern Africa is Seychelles (60th) (WEF, 2015)

Table 2: T&T Competitiveness ranks on Health and Hygiene index of Tanzania in Comparison with top 5 Destinations in Eastern and Southern Africa

<table>
<thead>
<tr>
<th>T&amp;T Competitiveness Index</th>
<th>South Africa Ranks</th>
<th>Seychelles Ranks</th>
<th>Mauritius Ranks</th>
<th>Namibia Ranks</th>
<th>Kenya Ranks</th>
<th>Tanzania Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and Hygiene</td>
<td>114</td>
<td>60</td>
<td>67</td>
<td>117</td>
<td>121</td>
<td>136</td>
</tr>
</tbody>
</table>


4.4.3 Human Development in Tourism Industry

Quality human resource in tourism industry plays vital roles particularly during service delivery to the tourists. If a destination has trained well human resources, it can ensure effective, efficiency, quality services and satisfactions to tourists. Some of the tourism surveys identify that the staff who involved in provision of tourism services in Tanzania are friendly and helpful but they general lack of training and therefore are less professional (URT, 2002). Poor training of staff results of different factors such few academic institutions dedicated for training people and lack of fund to some individuals who wish to gains skills from academic institutions.
4.4.4 Environmental Sustainability in Tourism Industry in Tanzania

Relationship between environment and development of sustainable tourism is so close in such a way the two cannot be separated. The importance of the natural environment for providing an attractive location for tourism cannot be overstated, so policies and factors enhancing environmental sustainability are an important competitive advantage in ensuring a country’s future attractiveness as a destination (WEF, 2015).

One of the indicators for poor tourism environmental protections in Tanzania is illegal poaching of Elephants and Rhinos in the National Parks of Tanzania. A recent study indicates that Tanzania is “the largest source of poached ivory in the world.” Between 2009 and 2011, “Tanzania was the country of export for 37% of large ivory seizures. Domestically, the country seized nearly 20 tons of ivory between 2010 and 2013.6 A single elephant can generate USD1.6 million in tourism revenue if left to live out its normal lifespan, while its ivory is only worth an estimated USD2,800 to a local trader and even less to a poacher (WILDAID, 2015).

4.5 Communication and Promotion

In TDCA Model, Communication and Promotion is categorized into three areas; branding, reputation and pricing of which each of them has the significant effect tourism performance in a particular destination.

4.5.1 Branding and Reputation of Tourism in Tanzania

Branding of destinations is a communication device which helps tourists to identify a destination and differentiate it from competitive offerings. Tanzania is not so good in branding its tourist attractions as compared to other destinations like Kenya and South Africa. For instance Kenya has long time advertise its tourist attractions including Mount Kilimanjaro of Tanzania. Due to weak branding of tourist attraction which is the true owner of Mountain Kilimanjaro, some of tourists believed that Mountain
Kilimanjaro is found in Kenya. Also, Tanzania is well known for its northern circuit attractions which involves Serengeti National Parks, Lake Manyara and Tarangire National Parks and the Ngorongoro Conservation Area (including Olduvai Gorge, an archaeological site of great importance) Kilimanjaro National Park and Arusha National Park, Usambaras Mountains, Mkomazi Game Reserve and the coastal area including Tanga, the Amboni Caves (near Tanga), Pangani and the Pemba Channel. This group of attractions has been the backbone of Tanzanian tourism over many years (URT, 2002).

However, Northern Circuit is crowded between July to September particularly in Ngorongoro and Serengeti. Tanzania has done less in advertising its Southern Circuit which comprises of Bagamoyo beaches, Mafia Island, Selous Game Reserve, Ruhaha National Park, Mikumi National Park, Udzungwa National Park and Rungwa Game Reserve which forms major wildlife areas. The Southern Circuit has the capacity, like the Northern Circuit, to offer spectacular wildlife viewing. This can be achieved by developing and promoting the Southern Circuit as the ultimate wildlife experience. Kenya is well established in tourism due to fact that the country uses big effort to promote all types of tourist products it has (URT, 2002).

Tanzania receives few tourists from Middle East region compared those from Europe, America, Asia and the Pacific, and Africa. The table below indicates that Middle East recorded low number of visitors (15,281) in 2011 and 21,348 in 2012.

Table 3: International Visitors Arrivals by Regions, 2011 - 2012

<table>
<thead>
<tr>
<th>Region</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>America</td>
<td>95,503</td>
<td>103,064</td>
</tr>
<tr>
<td>Africa</td>
<td>445,750</td>
<td>488,745</td>
</tr>
<tr>
<td>Europe</td>
<td>249,910</td>
<td>330,207</td>
</tr>
<tr>
<td>Middle East</td>
<td>15,281</td>
<td>21,348</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td>61,550</td>
<td>133,694</td>
</tr>
<tr>
<td>Total</td>
<td>867,994</td>
<td>1,077,058</td>
</tr>
</tbody>
</table>

Source: URT, 2013
The reason behind this is focus of promotional campaign. In most cases Tanzania promote its attractions in United States of America, Europe and do little on part of Middle East, and Asia and Pacific regions (URT, 2013). On July 1, 2015, Tanzania launched new promotional campaign via BBC and CNN (URT, 2015). However, this new market promotional campaign focuses only Europe and United States markets and ignores Middle East and Asia and the Pacific region.

4.5.2 Pricing of Tourist Products in Tanzania

Lower costs related to tourism in a destination increase its attractiveness for many tourists as well as for investing in the industry (WEF, 2015). One of the findings shows that Kenya is more popular destination than Tanzania due to fact that the country has low price of its tourist products compared to Tanzania. Some 70% of European and 30% of US tour operators feel that prices in Tanzania are worse (i.e. higher) than in competing destinations – due to high prices of internal transport, visa charges and entrance fees to national parks (URT, 2002).

Tanzania Tourism Value Chain Study (2006) reveled that, Tanzania was tourist less price competitive in comparison with other destinations in Eastern and Southern Africa. Tanzania room rates were highest while Kenya’s room rates were lowest (more competitive) in the region. Also Tanzania’s National Parks fees were 25% expensive than Kenya’s National Parks Fees (SBA, 2006). The travel and Tourism Competitiveness Report 2015 has ranked Burundi (39th) first tourist competitive destination in East Africa (WEP, 2015).

5.0 CONCLUSION

Tanzania is one of few countries in the world with abundant of natural resources. Despite of having all natural resources, the tourism industry in the country has not
shine up to bring expected benefits. The country received less than one million tourists in past five years with average income of 1,223.625 million US dollars. According to TDCA Model, the country is not yet attractive and competitive. Tanzania’s tourist attractions are mainly on Wildlife Safari in Northern Circuit. There are few other categories of tourist attractions in Tanzania such as event, recreation, entertainment and Urban Tourism. There is a lot to improve to make tourism industry more beneficial. Government should improve tourist infrastructures, set more promotion strategies and diversify tourist products to attract more tourists from different angles of the world. Also there should set strategies to improve human resource development in tourism industry as well as setting good policies to make tourism industry more attractive and competitive worldwide.

6.0 RECOMMENDATIONS

In order to improve the Tourism in Tanzania, this paper suggests the following ways:

a) Since there is low number of visitors, the government through TTB, TANAPA and Ministry of Natural Resource and Tourism should put more effort in advertising tourist attractions domestically and internationally so as to increase domestic and international tourists and diversify tourist products to attract more tourists from different angles of the world particularly in Middle East, and Asia and Pacific regions.

b) Tanzania should diversify the tourist products from wildlife products to other products such as eco – tourism, urban tourism in cities of Dar es Salaam and Mwanza, cultural tourism and marine tourism, Bagamoyo beaches, Zanzibar and Bagamoyo Cultural and Heritage Sites.

c) There is need to improve infrastructures facilities such as constructions of more International Airport to attract modern and double engine aircrafts, improve roads in the national parks
d) Health and Hygiene Environment, Price Competitiveness, easy Visa processing as well as development of human resource in tourism industry in the country should be given maximum developmental priority by the government and other stakeholders so as to set conducive environment for the tourism industry to become more attractive and competitive worldwide.


References


