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## Stimulating tourism during uncertain times



In 2017, during a month long break, a friend and I decided that we should perhaps take a trip somewhere close by. I was living in Ethiopia at the time and one of our requirements was that it be accessible within a 4-5 hour flight, and somewhere new. For reasons unbeknownst to me, we started discussing mountain climbing, and Mt. Kilimanjaro was floated as an idea. Mind you, I am not a mountain climber, but it seemed an interesting challenge. With that in mind, I found myself agreeing to go on a "once in a life time" trip to climbing the highest mountain in Africa.

Two weeks later with some recommendations from friends that had already scaled Uhuru Peak we were in contact with a local outfit operator, and my travel companion presented me with a bill for USD 1,650 per person for the Marangu route which included 2 nights' accommodation in town and 4 nights on the mountain. Once we arrived at Kilimanjaro International Airport about a week later and I had my bearings and saw the often-low prices of basic consumables in Tanzania, I was convinced that the tour operator was making a high margin. I started adding up park fees.

Conservation fees were at USD 70 per day, hut fees at USD 60 per day, rescue fees at USD 20 per trip. This came to about USD 590 before VAT for a total of almost USD 700 just on park fees. Then there were the two nights at the hotel in town. The remaining amount would need to be split into food, 2 guides, 4 porters, and a cook. It is in situations such as this, that governments can act competitively and re-look at VAT or tourism levies to make their destinations more affordable. You can compare this to scaling Mt. Kenya which is around USD280 for 5 days in park fees. And while the argument can be made between comparing climbing the highest peak in Africa vs the 2<sup>nd</sup>, the price variances may deter leisure climbers.

Coming back from the trip we were asked about our trip by close friends. Upon sharing the price, much of the interest waned as many of our avid traveller friends, chose other locations in Africa and sometimes outside of the continent. For them, paying these prices for an expedition style vacation, just did not make sense. We would often hear, "We just came back from safari in Kenya or Zambia and it was more affordable". It may well be that Tanzania aims for premium travelers, but there may be space, as we attempt to keep tourism going in these uncertain times, to consider widening the range of travelers we encourage visiting.

For some comparisons, Serengeti park fees are USD 60 per day, Masai Mara (Kenya) USD 70 per day, Kafue (Zambia) USD 25 per day, Kruger (South Africa) USD 21. These are just park fees, however the true differentiator is the accommodation option at different budget levels. Arguably, neighboring Kenya offers more options at different price points, and because of economies of scale, has cheaper flights within and to the country; resulting in lower overall packages. The southern countries also can boast the same differentiator.

Fast forward, and we are in 2020. I now live in Tanzania and except for an odd trip to Arusha or the Southern Highlands, I still have not traveled much throughout the country. And it is not because Tanzania is not beautiful; some of the best game viewing and safari's in the world are here. It is because I like to travel with friends and family, who unfortunately are neither Tanzanians nor EAC residents. Thus the rates we get for a week-long safari within Tanzania, is often comparable to a two week trip in a neighboring country.

The beauty of Tanzania's parks is unparalleled, but with increasingly tightening consumer budgets as the impacts of COVID become more and more apparent both at home and abroad, we should be doing all we can to stay competitive in the global markets.



**Bitania Ephrem** is a Manager with Deloitte Consulting. She can be reached at bephrem@deloitte.co.tz

IATA has indicated that flight prices may increase due to reduced flights worldwide and more safety restrictions (reducing passenger numbers and sanitation). And with less travelers in 2021, countries will be battling each other for a share of a reduced tourism wallet. Now would be the time for the government to firmly position itself as a destination of choice to capitalize on the pent-up demand during lock-downs, but also compete in terms of affordability and convenience in terms of similar destinations worldwide.

As an avid traveler, I can see where reduced national park prices, immigration fees, and perhaps reducing variable taxes, even temporarily, can influence where travelers choose to spend their funds. Either way I am looking forward to the Budget Reading on 11 June to see what changes there may be for tourism so I can convince my friends and family, that 2021's vacation should be in the Serengeti.

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