

# CONCLUSION AND THE WAY FORWARD

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The establishment survey was the first attempt to comprehensively measure and establish the capacity of the supply side of the tourism sector. The need for the survey originated from the fact that Tanzania has earmarked tourism as one of the leading sectors of the economy. It is therefore important to establish the capacity which the country has in handling the envisaged tourism growth. Equally important is to understand the limitation that the sector is experiencing and the remedies that can be made. Accordingly, it was the purpose of this survey to establish benchmarks of the available capacity and the characteristics of the tourism establishments. To some extent, the survey was a success as it jump-started the process. The summary of consolidated earnings, additional investments and employment covering all the establishments which responded is depicted in table 7.1.

**Table 7.1: Consolidated Survey Results**

Establishment	Earnings <i>(USD, 000)</i>	Additional Investments <i>(USD, 000)</i>	Employment
Accommodation	45,533	12	5,056
Tour Operators	26,794	4,228	2,231
Travel Agents	932	52	274
Air Travel	2,762	5	583
Recreation, Cultural and Entertainment	492	72	127
Curio Shops	937	49	194
Tourist Hunting	982	32	344
<b>Total</b>	<b>78,432</b>	<b>4,449</b>	<b>8,809</b>

Using the consolidated results, an attempt has been made to estimate the population parameters as reflected in table 7.2.

**Table 7.2: Estimated Population Results**

Clearly, the estimated earnings that amounted to 160 million are very different from the tourist earnings that were estimated in the Visitors' Exit survey that amounted to around 162 million. Apart from the fact that the questions on earnings were not correctly recorded, the difference between the two is partly explained by the fact that tourists are also served by other entities which were not tourist in nature, e.g. those who stayed with friends and relatives.

During the survey, a number of lessons and challenges that will improve results of future surveys were encountered.

#### **ASSESSMENT OF THE RESULTS IN RELATION TO THE OBJECTIVES**

##### ***Objective 1: To Measure Capacity of Tourism Establishments***

To some extent, the survey managed to establish the capacity of the tourism sector supply side. This refers to the number and capacity of accommodation facilities, tour operators, travel agents, etc.

##### ***Objective 2: To Establish Characteristics of Tourism Establishments such as Geographical Distribution, Ownership, Employment, etc***

To some extent, the survey managed to establish geographical distribution, ownership, new investments and employment created by service providers in the tourism industry.

<b>Establishment</b>
Accommodation
Tour Operators
Travel Agents
Air Travel
Recreation, Culture, Entertainment
Curio Shops
Tourist Hunting

***Objective 3: To Establish a Sustainable Institutional Framework for Collection of Tourism Statistics***

- A sustainable arrangement in which the NBS will continue to undertake the survey has been established.
- It has been accepted that tourism statistics be part of core statistics and the government should continue to finance the nbs to undertake establishments survey
- It has been agreed that the steering committee and the technical committee that managed this survey be permanent in order to follow up implementation of the future surveys.

***Objective 4: To Collect Information for Tourism Promotion and Policy Formulation***

To some extent, establishment profiles that can be used for promotion and policy formulation have been established. These are, information on hotel occupancy rates and geographical distribution.

***Objective 5: To Provide Basis for Construction of Tourism Satellite Accounts (TSA), an International Statistical Framework that will Allow Analysis of the Impact of Tourism in the National Economy***

The survey established a number of data sets required for establishing TSA. The results will be used in constructing TSA.

**LIMITATIONS OF STUDY**

Despite the outlined achievements, there were several limitations that were identified:

- Big players in the tour operator and tourist hunting sub-sectors were not well represented.
- Some of the provided information was questionable, for example, most establishments indicated unbelievably low capacity utilization of below 25 percent, despite the fact that they were directing new investments in new building and equipment.
- Important questions were not filled. For example, many establishments did not answer questions on earnings and number of visitors handled. As a result the estimated population parameters are doubtful.
- The questionnaire was lengthy and some questions were unclear.

**THE WAY FORWARD**

For the successful implementation of future surveys that are useful for both the public and the private sector, the following strategies are recommended:

- There is a need to enhance co-operation, sharing of information and building trust between the private and the public sector. This implies that the private sector should appreciate the importance of providing information to the public sector. On the other hand, the public sector should share the collected information with the private sector.
- To increase quality and accuracy, the survey sample size should be reduced.
- The National Bureau of Statistics (NBS) should update the Central Register of Establishments (CRE) to improve sampling and inference.
- The questionnaire should be reviewed and shortened in order to increase clarity and compliance.
- The current quarterly survey should be phased out and be replaced with an annual survey for all establishments. However, for accommodation facilities, it is also recommended that a shorter monthly questionnaire be introduced.