PRELIMINARY DOMESTIC TOURISM SURVEY FINDINGS

PREFACE

The Manila Declaration adopted by the World Tourism Conference in 1980 puts domestic tourism as the most important economic activity capable of balancing the national wealth through income redistribution. Domestic tourism is not only an economic aspect, but also a social activity that deepens the sense of national identity and creates awareness on common interests by the nationals through socialization.

However, despite the size and the pervasive nature of the tourism industry in the national economy, tourism statistical accounting received less attention. It is for this reason that the World Tourism Organization (WTO) and United Nations Statistical Commission established statistical methodological frameworks for the world to realize the significance of the tourism economy. The most credible and comprehensive tool for tourism accounting is the Tourism Satellite Account (TSA). TSA reveals the tourism multiplier effects by capturing all the direct and indirect supply and consumption expenditures stemming from tourism activities in the economy.

For Namibia to estimate the total economic impact of travel and tourism the core components of tourism consumption i.e. inbound, domestic and outbound should be revealed through detailed comprehensive surveys in accordance with the WTO specific guidelines. In the past, Namibia only carried out the inbound tourism consumption surveys leaving out the other two components of equal (domestic and outbound) vitality. It is thus, against this background that this study was necessitated from.

Therefore, it is our pleasure to present these findings, the first of their kind in Namibia, revealing the demand characteristics associated with tourism activities by Namibians. We hope that these findings will provide some insights with respect to improved estimates on the economic contribution of Domestic Tourism and policy making for tourism development in Namibia.

THIS STUDY WAS COMMISIONED BY:

Ministry of Environment and Tourism (MET) and
Namibia Tourism Board (NTB)

MEMBERS OF TECHNICAL COMMITTEE ON TOURISM ECONOMICS

Central Bureau of Statistics (CBS)
Bank of Namibia (BoN)
Federation of Namibian Tourism Associations (FENATA)
Namibia Economic Policy Research Unit (NEPRU)

EXECUTIVE SUMMARY

This study aimed at determining the travel and spending behaviours of domestic tourists both at household and trip levels. It has been established that rural households have more tourist households when compared to urban areas. Although rural areas have more tourists' 'households' than urban areas, they only accounted for 29 per cent of the total tourism expenditure, leaving the rest to urban areas (71%). Moreover, urban areas generated more tourism 'trips' (52%) when compared to rural areas. It can thus be concluded that urban dwellers have a higher propensity to travel and spend more than those in rural areas. These results also show that the regions that contribute the highest percent of tourist households are the Khomas (20%) and Erongo (11%) regions with Caprivi contributing the least. More than 50 per cent of tourism expenditures are mainly spent by tourists from Khomas (34%) and Erongo (25%) regions with Hardap and Caprivi having the lowest expenditure. Those whose purpose of trip were visiting friends and relatives recorded the highest proportion of the total expenditure (41.3%) followed by leisure trips (26%). The category that recorded the highest share of total expenditure was transport (31%), followed by food and drinks (24%) and shopping (22%).

About 88-per cent of the total tourism trips were overnight visits. The main purpose of travelling was visiting friends and relatives (59 %), followed by business (16 %) and leisure trips (13%). The most commonly used mode of transport was public transport (56%) and own cars (23%). About 80 per cent of domestic tourists used the home of friends and relatives homes for accommodation when travelling. Those on holiday also made use of facilities such as lodges, guest houses, bed & breakfasts and campsites.

The results also showed that the age group '25-44 years' represented 37 percent of the total domestic tourists' population. The main destinations for visiting friends and relatives are Windhoek and communal areas while Swakopmund and Etosha were prime destinations for leisure related trips.

Summary of Domestic Tourism Survey			
	Urban	Rural	Total
Sample Households	593	607	1,200
Completed questionnaires	524	570	1,094
Sample Tourist Households	406	377	783
Estimated Households	155,442	209,944	365,386
Estimated Tourist Households	125,502	134,358	259,861
Estimated Number of Trips (Domestic)	193,144	177,306	370,450
Estimated Number of Tourists (Domestic)	227,298	192,694	419,992
Mean Number of Trips per Household	1.53	1.3	1.4
Mean Number of People per Trip	1.8	1.6	1.7
Average tourism	N$ 3,626	N$ 1,440	N$ 2,511

expenditure per Household (Domestic)			3
Mean expenditure per trip (Domestic)	N$ 2,315	N$ 1,021	N$ 1,703
Mean expenditure per same-day trip (Domestic)	N$ 660	N$ 314	N$ 440
Mean expenditure per overnight trip (Domestic)	N$ 2,462	N$ 1,149	N$ 1,863
Distribution of Trips by Purpose of Visit (%)Domestic			
VFR	52.1%	47.9%	58.7%
Business	44.7%	55.3%	16.4%
Leisure	77.5%	22.5%	13.2%
Health	13.8%	86.2%	3.7%
Religion	66.7%	33.3%	2.3%
Other	36.0%	64.0%	5.7%
Average Trip Expenditure by Purpose			
VFR	N$ 1,355	N$ 975	N$ 1,176
Business	N$ 5,056	N$ 1,069	N$ 2,853
Leisure	N$ 3,793	N$ 2,208	N$ 3,458
Health	N$ 1,409	N$ 492	N$ 609
Religion	N$ 926	N$ 724	N$ 863
Other	N$ 1,443	N$ 853	N$ 1,057
Average Trip Expenditure by Expenditure Category			
Accommodation	N$ 148	N$ 45	N$ 99
Food	N$ 443	N$ 235	N$ 343
Transport	N$ 569	N$ 305	N$ 443
Recreation	N$ 115	N$ 15	N$ 67
Shopping	N$ 370	N$ 255	N$ 315
Other	N$ 182	N$ 124	N$ 154

Definition of Key Terms

The Technical Manual on Collection of Domestic Tourism Statistics, 1995 from the World Tourism Organisation (WTO) was consulted and the WTO definitions were applied in all cases where applicable.

Tourism
"Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. The usual environment of a person consists of a certain area around his/her place of residence plus all other places he/she frequently visits."

Domestic tourism
"It comprises of activities of residents of Namibia travelling and staying in places inside Namibia but outside their usual environment for not more than one consecutive year for leisure, business and other purposes."

Usual Environment
It can be operationally defined in statistical terms by using various criteria. It is the area where your usual and routine activities take you. The following are applicable for the purpose of this survey:

The following are falling outside the <u>*usual environment*</u> and were excluded from domestic tourism: (urban- municipal jurisdiction; rural- constituency)

- Residents travelling to another place within Namibia with the intention of setting up their usual residence in that place;
- Persons who travel to another place to work temporarily in institutions within that place;
- Commuters travelling to regular place of work and/or study;
- Persons travelling on a routine basis to take care or daily necessities;
- Persons who travel regularly or frequently between neighbouring localities to work or study;
- <u>For domestic same-day visitors</u>, in addition to the above, persons travelling within their municipal areas.

Place of residence
Consist of the place where s/he has lived for most of the past 12 months.

Domestic expenditure
The WTO defined domestic expenditure, "as *the expenditure incurred as a direct result of visitor travelling within their country of residence. It includes travel expenses and money spent at the places visited as well as advance outlays, necessary for the preparation and undertaking of the trip and travel-related outlays made in the place of residence after the trip."*

The following purchases are excluded from domestic tourism expenditure:

- Purchases for commercial purposes, i.e. resale made by any visitors and purchase made on behalf of their employer by visitors on business trips.
- Cash given to relatives and friends during a holiday trip which does not represent payment of tourism goods or services, as well as donations made to institutions.
- Capital investments or transaction engaged in by visitors, such as land, housing, real estate, even though they may be used in future for tourist travel purposes.

Tourism expenditure can be broken down into the following main categories:
- Package travel, package holidays and package tours
- Accommodation
- Food and drinks
- Transport
- Recreation, culture and sporting activities
- Shopping
- Others

The definition refers to *'domestic visitors travelling',* which mean that both domestic tourists and domestic same-day visitors are included. However, the WTO guidelines advise countries to separate the expenditure of tourists and same-day visitors in the collection of data.

Domestic Visitor
Domestic Visitor is defined as: '*A person residing within Namibia and travels to a place outside his/her usual environment within Namibia for a period not exceeding 12 months and whose main purpose of visit is other than the exercise of an activity remunerated from within the place of visited.'*

Same-day Visitor
Same as domestic visitor, but does not stay overnight

Domestic tourist (or overnight tourist as mentioned in the report)
Same as domestic visitor, but stay overnight.

Take note that the only difference between a domestic tourist and domestic same-day visitors is that a tourist stays at a collective or private accommodation unit for at least one night. WTO also concluded that the term "tourist" should be strictly speaking reserved to overnight visitors, but at the same time they also concluded that that the term "visitor" – comprising both tourists (overnight visitors) and same-day visitors – representing the basic concept for the whole system of tourism statistics.

Outbound Tourism
It comprises the activities of residents of Namibia travelling to and staying in places outside Namibia for not more than one consecutive year for leisure, business and other purposes.

Purpose of visit
Refers to the motivation of the trip, the reason in the absence of which the trip would not have taken place or the given destination would not have been visited.

Only the following categories of *purpose of visit* were included:
- Leisure, recreation and holiday
- Visiting friends and relatives
- Business and professional
- Health treatment
- Religion

Tourist Trip

Describe tourism from the standpoint of the generating place and covers the whole period that a person travels away from home.

Tourist Household
A household in which at least one member engaged in tourism activity during the reference period.

Head of household
The head of a household usually conform to the traditional concept of head of family. As a rule, this person is also the main provider, being the one who contributes most of the household budgets.

Tourist Household: A household in which at least one member engaged in tourism activity during the a specified period

Tourism Economy refers to the gross national income that is directly or indirectly generated from the tourism industry

Tourism Satellite Account (TSA) is an economic accounting method that estimates the total contribution of tourism industry to the national economy through consumption, investments, government revenue or the balance of payments (imports/exports).

Tourist Expenditure: This includes all related expenditures on goods and services incurred before, during and after a tourism trip

INTRODUCTION

Domestic tourism forms a very important part in any tourism economy and should be maximized. In addition to the economic benefits of a strong domestic market, it also has been proven that support of the local tourism industry can result in improved service and product quality, which ultimately increase confidence levels of international tourists. Also importantly, it can reduce the exposure of fluctuations in the international demand that is very sensitive to global political and economic issues. Limited information exists about the Namibian domestic tourist market.

The WTO emphasized that "broad based statistical information is an indispensable requirement at each step of rational planning". Given the robust economic potential and the actual impacts tourism has, the sector is not receiving the attention it deserves from the public policy point of view, particularly in developing countries where major statistical gaps exists. Information gaps usually results from unavailability or unreliability of data. Although Namibia's Vision 2030 makes tourism as one of the key sectors for economic growth, the sector will not be properly sustained if reliable information does not exist for effective and efficient planning and management.

In 2001 a preliminary Tourism Satellite Account was established in the Sida-funded Environmental Economic Unit (EEU) in MET.

However, this too had major data gaps that were to be filled once the TSA has been fully launched. In 2006, the MET and NTB initiated the national project to develop a TSA that is more practical to implement in capturing all the economic phenomena associated with tourism. In this regards, a TSA working group was established comprising of the Namibia Tourism Board (NTB), Ministry of Environment and Tourism, Central Bureau of Statistics (CBS), Bank of Namibia, and the Namibian Economic Policy Research Unit (NEPRU). The World Travel and Tourism Council (WTTC) based in the Oxford in the United Kingdom (UK), with the financial assistance from the COMARK and the Embassy of Finland was contracted to carry out the TSA exercise which culminated in the establishment of economic models and training of economists and researchers from the working group institutions and organizations. Both, the preliminary and WTTC TSAs identified major data gaps due to the unavailability of domestic and outbound tourism consumption expenditures and the associated tourism expenditure ratios.

Therefore, it is against this background, that a national survey on domestic tourism was carried out by the MET, NTB, and key partners such as NPC, BoN, FENATA and NEPRU to bridge data gaps in the tourism economic analyses.

METHODOLOGY

Face to face structured interviews were carried out in all the 13 political regions in Namibia. The reference period of the survey was the past 12 months thus from December 2007 to November 2007. A total sample of 1,200 households was drawn countrywide. The sample was divided into what is called Primary Sample Units (PSUs) from all the political regions as stipulated by the Central Bureau of Statistics (CBS). Sixty Sample

Primary Units (PSUs) were interviewed countrywide (both rural and urban areas) and the number of PSUs per region differed depending on the population size (see the Appendix). In each PSU 20 households were selected for an interview and systematic random sampling method was employed. In this regard, 1,200 questionnaires were administered. The sample data was weighted according to the total number of households per rural and urban areas and region. The estimated number of households broken down by rural/urban and region where provided by the CBS. SPSS (Statistical Package of Social Science) was used to enter and analyse data.

SHORTCOMINGS

Although the survey sample was carefully chosen, to sound as representative as much as possible, it is, however, observed that the majority of these PSUs were drawn from the very low income households predominantly in rural areas with high level of unemployment. While it is true that a high population lives in rural areas and that most households both in rural and urban areas are poor, anecdotal evidence suggests much of domestic tourism comes from wealthier households. Since the sample size was comparatively small, it is possible that it did not adequately reflect the presence of households from higher income categories. A larger survey sample might have a higher percentage of higher income households, which would have a significant impact on the mean tourist expenditure. Previous tourism studies across the globe revealed that there is a positive correlation between income and propensity to engage in tourism related activities. In this regard, it is established that high-income groups or households tend to engage in pure tourism activities than the low income ones. The argument being put forward here is that, due to the high sample population of low-income than high-income households in our survey the estimates on the contribution of domestic tourism to the Namibian economy may be underestimated.

Furthermore, the reference period, for the past 12 months, was in some cases too long for respondents to remember exactly where they travelled to and how much they spend. In this regard, some countries prescribe three months period but due to critical budget constraints and this survey being the first of its kind in Namibia, we concluded that we have learnt a lot that will serve as a clear guideline for our future surveys of this nature. Because the reference period did not include December 2007 and respondents could not remember in some cases their travel patterns from 12 months ago, the survey results showed low travel intensity during December which might not be the real situation.

In addition, in order to avoid future happenings of this nature, we also suggest that a bigger sample is required to increase the propensity to capture as many diverse households as possible or to focus more on the middle to upper income groups who have a higher propensity to travel and spend more. Since bigger samples come with a high cost, it is suggestible that data for domestic tourism consumption expenditures be captured through income and expenditure surveys.

FINDINGS

1. Tourist Households and Tourist Individuals

Rural and Urban Tourist Households

This survey established that 259,861 households or 71 per cent of all households, engaged in tourism related travel during 2007. Furthermore, approximately 134,358 rural households (64 per cent of rural households) and 125,502 urban households (81 per cent of urban households) took part in travel activities.
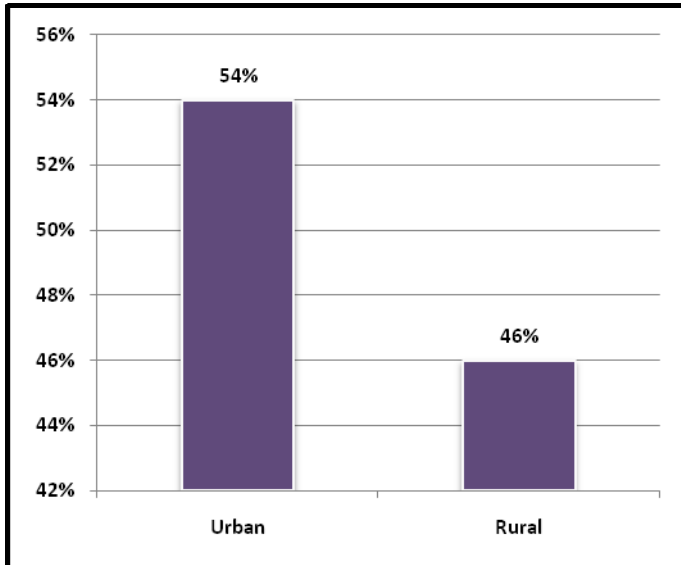
Figure 1: Total households vs Tourist households by Rural and Urban Areas
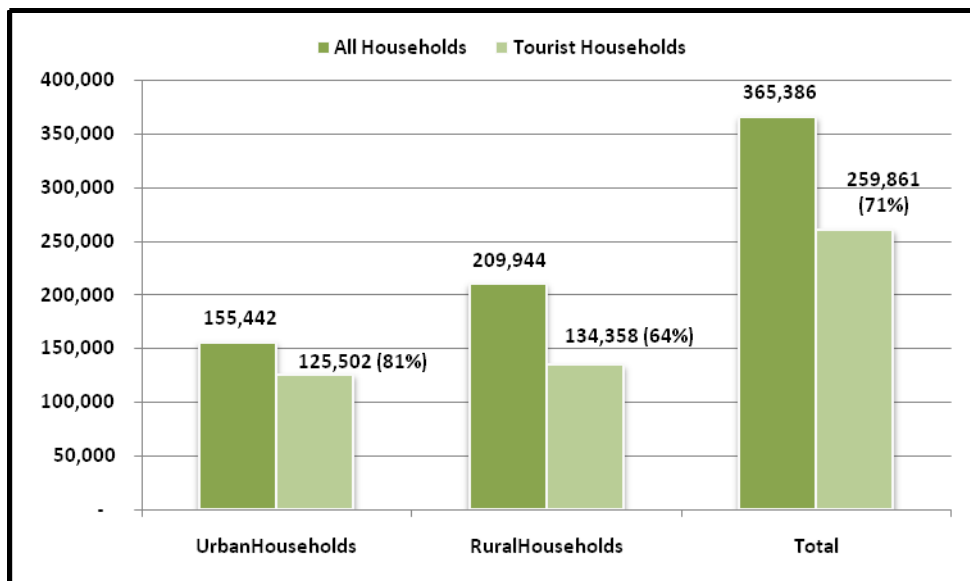
Urban and Rural Tourist Individuals

It is estimated that 419,992 Namibians engaged in tourism related trips during the reference period, of which 54 per cent were from the urban areas and 46 per cent from rural areas.

Figure 2: Domestic Tourists Trips by Urban and Rural Areas

Tourist households by Region

The Khomas region contained by far the highest number of 'tourist' households in Namibia. This is followed by the Erongo, while Oshana, Ohangwena, Omusati, Kavango and Otjozondjupa recorded similar percentages. The two southern regions of Karas and Hardap gave a slightly lower contribution to the total number of tourist trips generated with 6 and 5 per cent respectively. Caprivi region reported the lowest number of tourist households.

Figure 3: Distribution of Tourist households by Region (%)
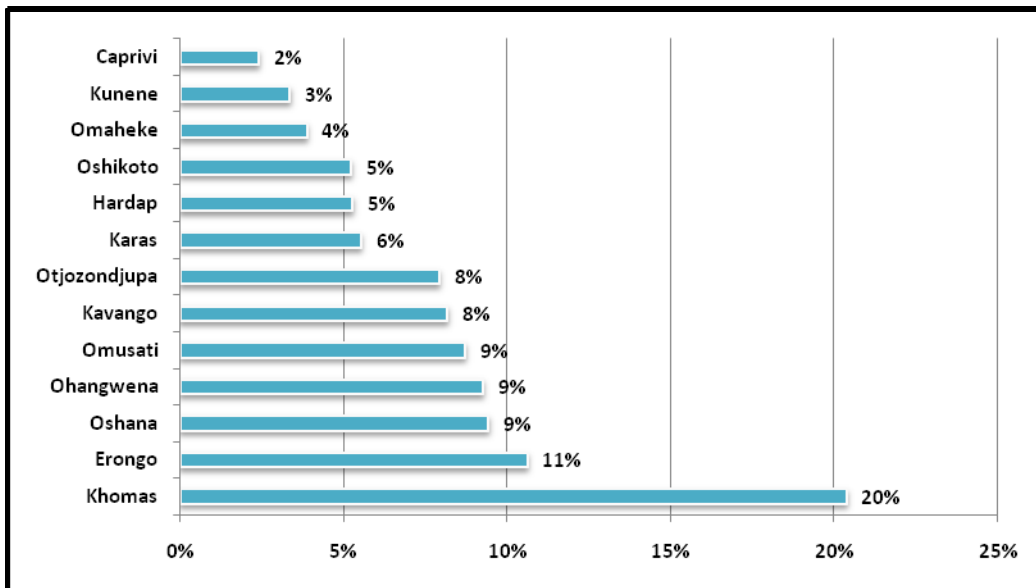
Tourist households by Occupation

The category 'other' comprised those in formal and informal business activities as well as the pensioners. Thus they represent the bigger proportion of domestic tourist household in Namibia. This is followed by the unemployed categories which came the second. This is actually of no surprise in the sense that Namibia is facing high unemployment rate which stands at approximately 37%. Moreover the aggregate of professionals, technicians and senior government officials occupies the third position in terms of domestic tourist's households. The least travelling occupations are those employed in the very low income categories such as clerk and craft industry as well as students.

Figure 4: Distribution of tourist households by occupation
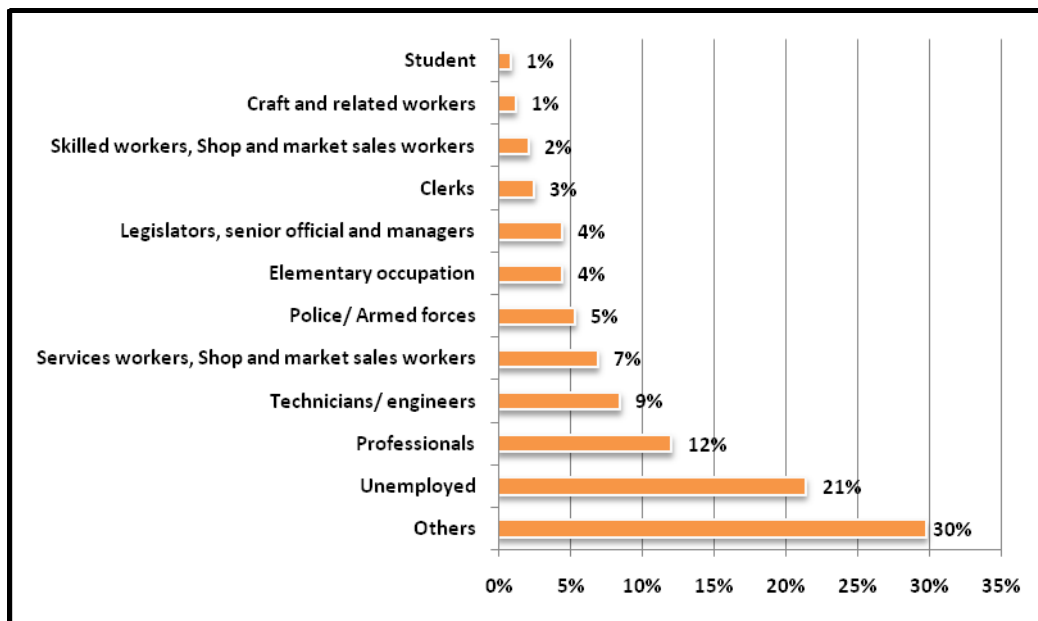
Distribution of Tourist Individuals by Income

The largest group of the domestic tourists' income falls below 25,000 per annum. This figure includes unemployed and students who rated high in terms of domestic tourists. The lower-middle income group (N$ 50,000-100,000) recoded a significant percentage of 25% followed by Middle-higher income group (N$ 100,000-200,000) who scored 20% of tourist households. Only few domestic tourists earn incomes above N$500,000 per year. This does not necessarily mean that those with high income travel less but, as indicated in the limitations of this study, may be due to few high income households in the country and hence the sample. The Namibia's Gini-Coefficient which stands at about 67% is a clear testimony that much of Namibia's wealth is concentrated amongst a wealthy elite while the many citizens still live in abject poverty.

Figure 5: Distribution of Tourist Individuals by Income (%)
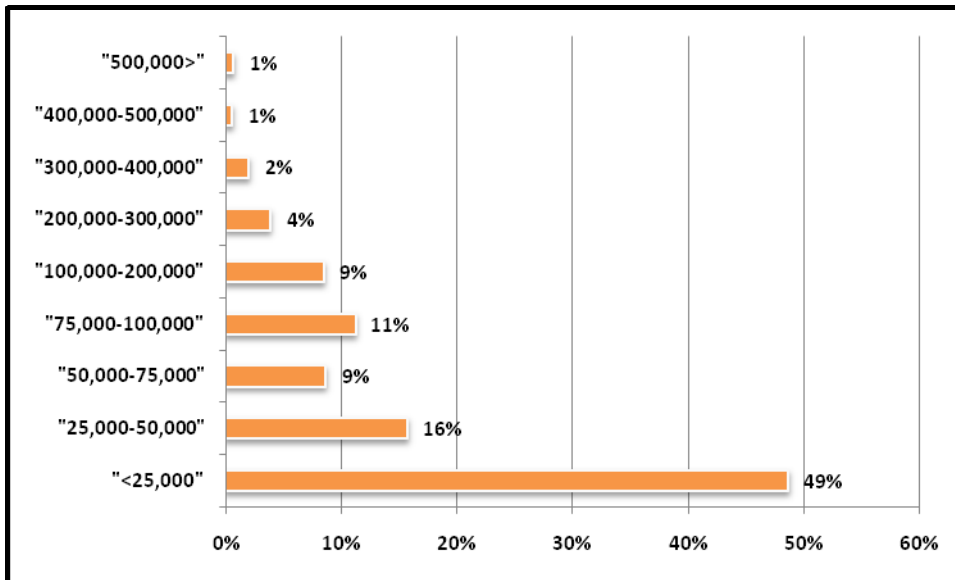
Tourist Household Expenditure

Although there are more rural than urban households, 71% of the total expenditure on tourism trips accrued to urban households. This is represented by the figure below.

Figure 6: Breakdown of Household Tourism Expenditure per Urban/Rural Area (%)
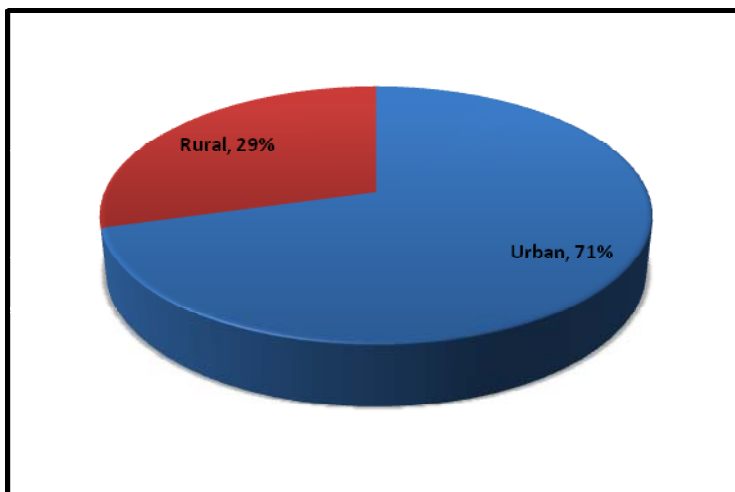
Tourist households spent a mean of N$ 2,513 per household on tourism related activities. However, 50 percent of the 'tourist' households spent N$ 860 and less. The mean spent by urban households was N$3,626 while the mean for rural household was much lower with N$1,446. However, 50 per cent of the urban households only spent N$1,600 on tourism during the reference period.

Table 1: Average Household Expenditure per Urban/Rural Area (N$)

	Mean	Median
Urban	3,626	1,600
Rural	1,440	600
Total	**2,511**	**860**

Distribution of Household Expenditure per Region

The Khomas region generated 34 per cent of the 'tourist' households' expenditure on tourism related activities, followed by the Erongo region. Omhakeke and Hardap reported very low expenditures

Figure 7: Distribution of Household Expenditure per Region (%)
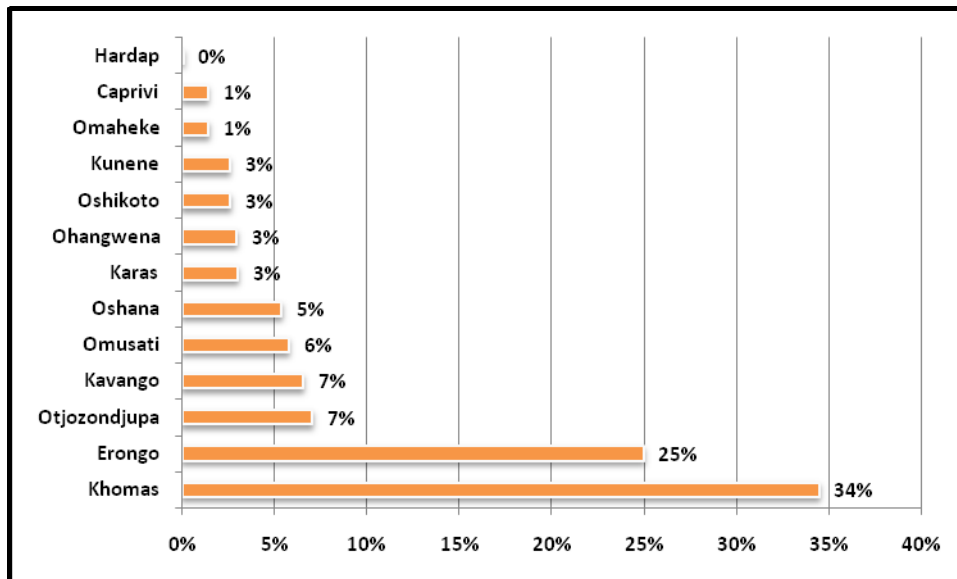
The Erongo region reported the highest mean (N$5,915) per household spent on tourism related activities. The Khomas region followed closely with a mean spent of N$ 4,104. The Ohangwena region recorded the lowest mean of only N$766 spent per 'tourist' household.

Table 2: Average Household Expenditure per Region (N$)

Region	Mean	Median
Caprivi	1,936	900
Erongo	5,915	1,800
Hardap	1,138	400
Karas	1,491	500
Kavango	1,903	680
Khomas	4,104	2,500
Kunene	1,825	1,040
Ohangwena	766	550
Omaheke	968	400
Omusati	1,688	1,100
Oshana	1,386	569
Oshikoto	1,332	820
Otjozondjupa	2,139	930
Total	**2,511**	**860**

2. Tourism Related Trips

Rural and Urban Generated Trips

The survey revealed that 370,575 tourism related trips were generated by residents during the survey reference period, of which 52 per cent came from urban areas and 48 percent from rural areas, despite a higher number of rural than urban households. This means that those in urban areas tend to travel more frequently than their rural counterparts.

Figure 8: Breakdown of Trips (%) generated by Urban/Rural Households
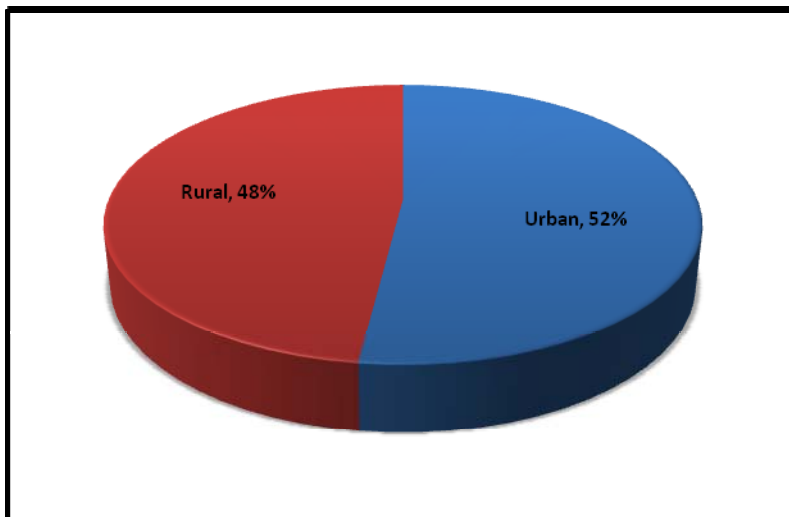
Table 3: Number of Trips Generated by Urban/Rural Households

	Frequency	Percent
Urban	193,144	52.1
Rural	177,306	47.9
Total	**370,450**	**100.0**

Trips by Region

Khomas region by far generated the highest number (24%) of tourism related trips of which 96 per cent were from the urban population. The Erongo and Oshana regions followed with 11 and 10per cent respectively. Caprivi region generated the least tourism trips with only 2 percent of total tourism related trips.

Figure 9: Distribution of Tourism Related Trips by Region (generated trips) (%)
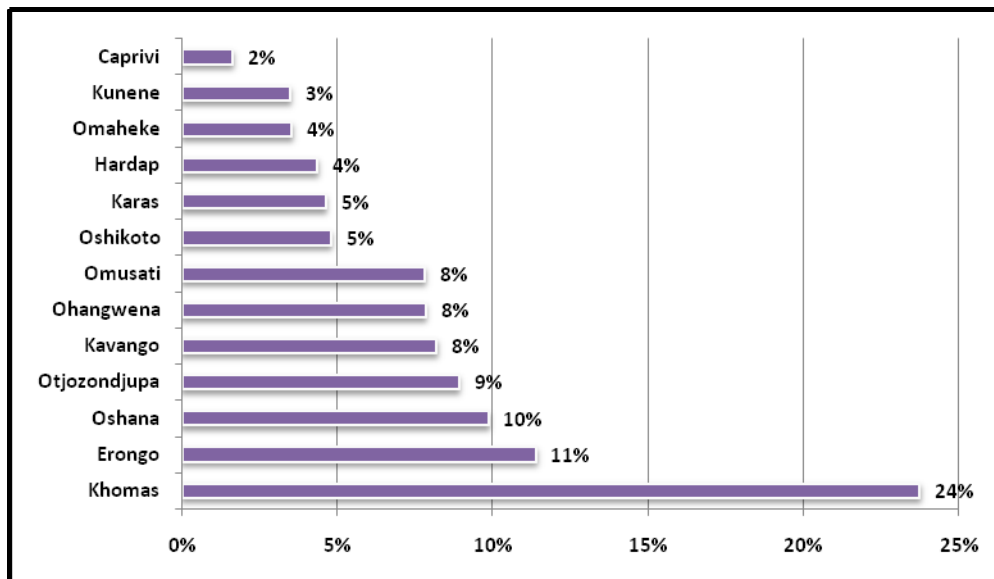
It is evident that the importance of the Khomas and Erongo's urban population relating to travel in the country cannot be underestimated.

Figure 10: Breakdown of Trips by Region and by Urban/Rural Area (%)
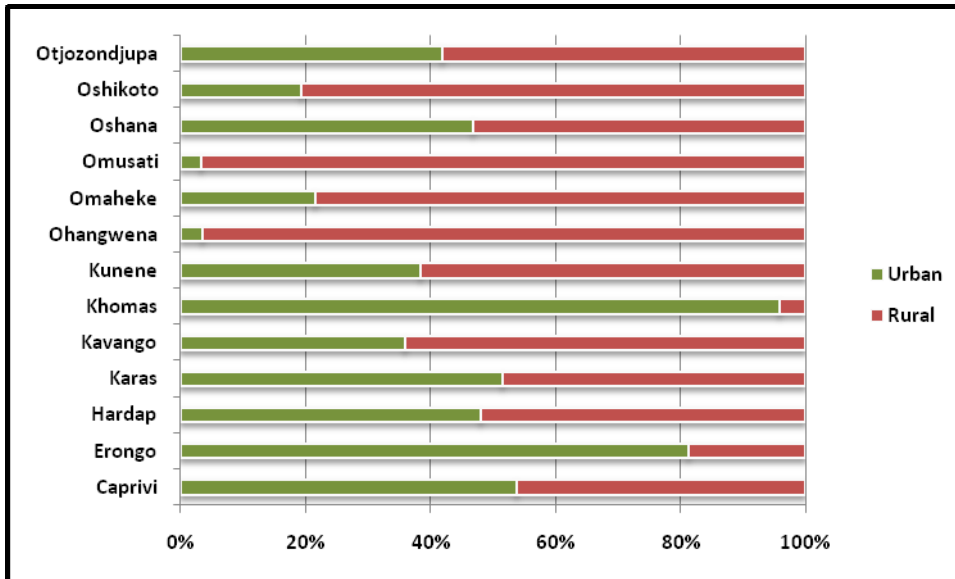
Trips by Purpose of Visit

About 59 per cent of all tourism related trips were mainly for the purpose of visiting relatives and friends (VFR); followed by business trips (16%) and leisure (holiday) (13%). Health and Religion are the least common purposes of visits by domestic tourist from both rural and urban areas.

Figure 11: Breakdown of Tourism Related Trips by Purpose of Visit
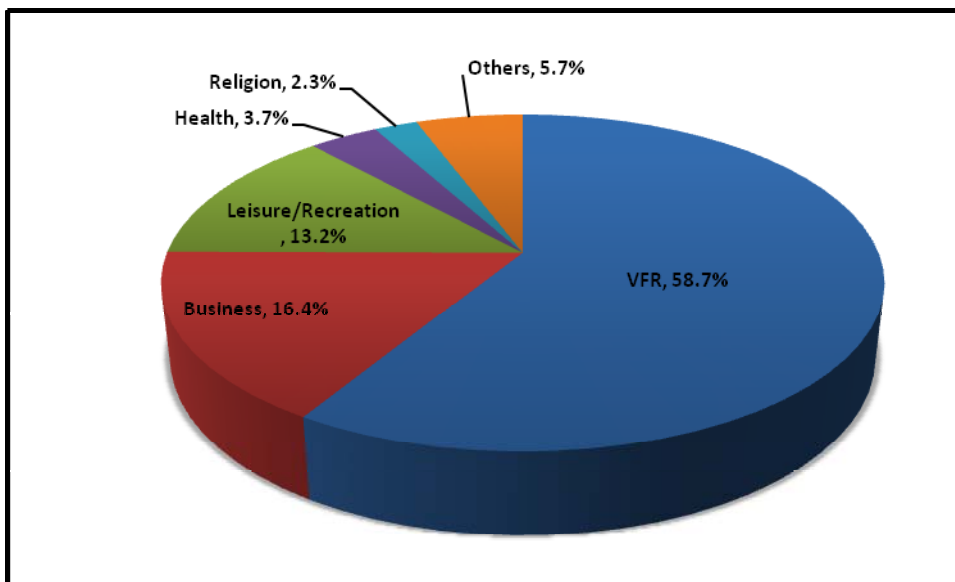
Figure 11 further illustrates the proportional division of trips by each region and by the main purpose of the trips. VFR remains the highest proportion in all the regions whilst health and religion also maintained its relatively low position across all the regions.

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Figure 12: Breakdown of Trips by Region and by the Purpose of the Trip
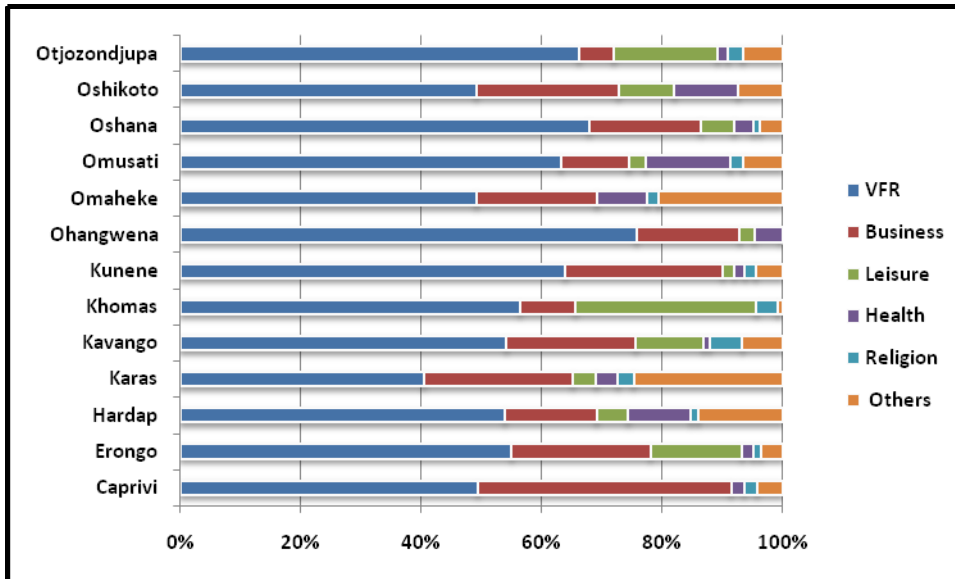
Urban/Rural (generated trips) by the Purpose of the Trip

Although VRF remains relatively equal for both rural and urban settings and across the regions, the rest of purposes of trips varied across urban and rural. In this regard, those in rural areas showed a higher propensity to undertake business related trips than their urban counterparts.

This could be associated with the purchasing of their business items from urban centres where most facilities are available. Moreover, urban areas recorded a higher portion of leisure trips than rural areas.

Figure 13: Breakdown of Urban/Rural Trips by the Purpose of the Trip
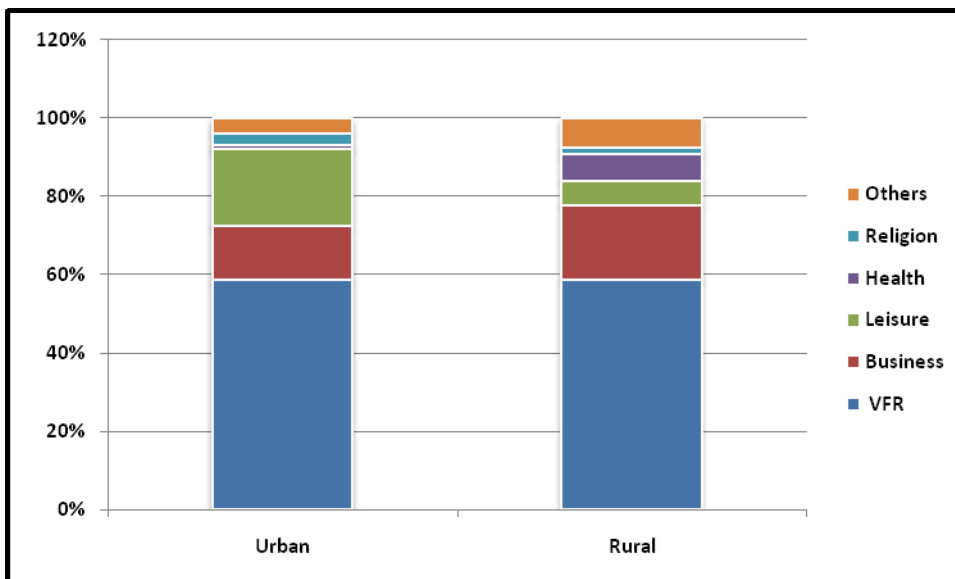
Mode of Transport

The survey reported that the majority (55%) of the tourism generated trips used public transport as the mean of transport, followed by the use of own cars (23%). Air transport is the least used mode of transport by domestic tourists.

Figure 14: Distribution of Tourism Related Trips by Mode of Travel
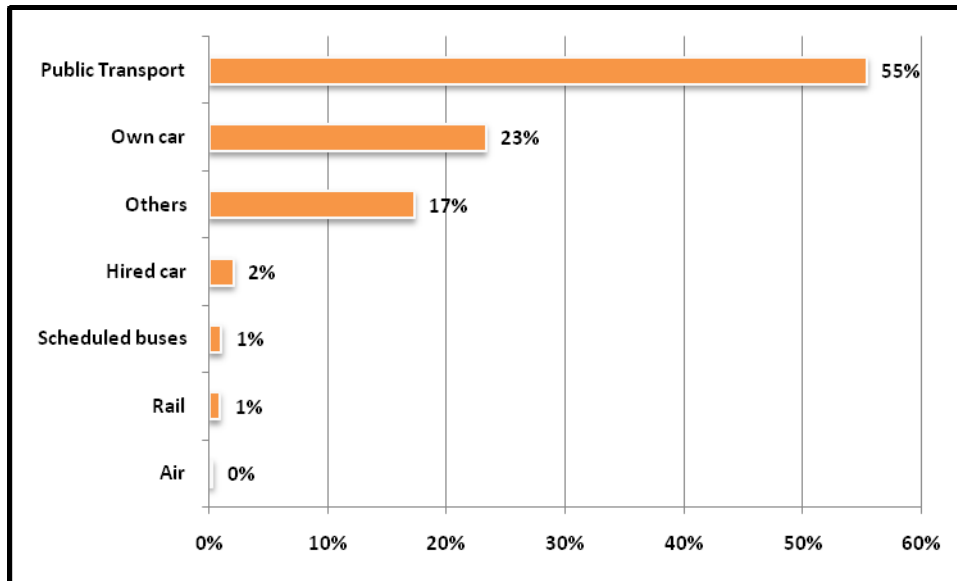
Domestic Tourism Destinations

Most trips were taken to Windhoek as the main destination, followed by trips to "communal" areas.

Figure 15: Distribution of Tourism Related Trips by Destination (top 10) (%)
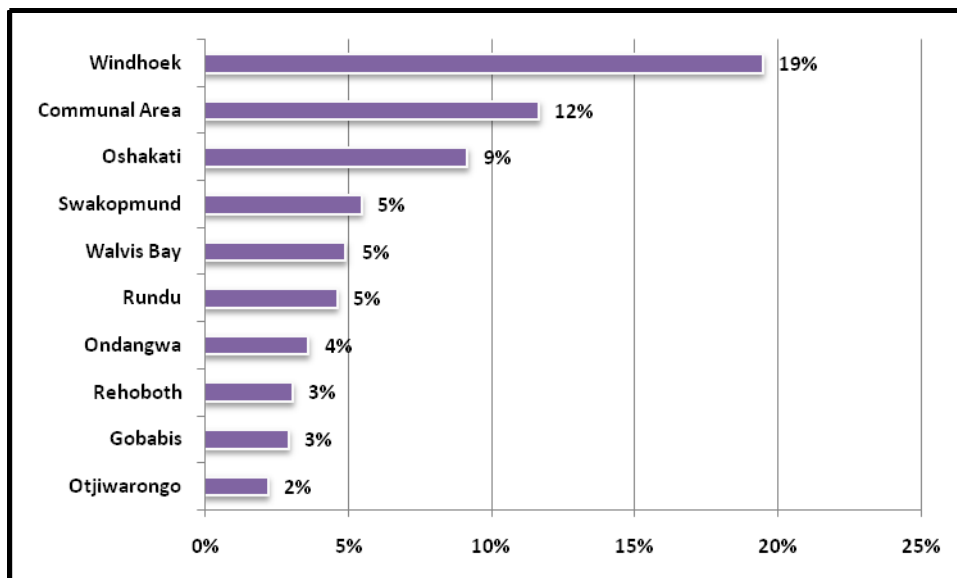
Although Windhoek is the main destination for domestic tourism trips, this picture changes when destinations are classified by the purpose of travel. It is thus established that Swakopmund emerged as the most preferred destination for leisure trips, followed by Etosha National Park which is the largest national park in Namibia.

Walvis Bay, Oshakati, Windhoek and the communal areas also received a significant portion of leisure trips. Ondangwa is the least preferred destination for leisure related trips in terms of the ten most popular destinations.

Figure 16: Distribution of Leisure (Holiday) Trips by Destination (top 10) (%)
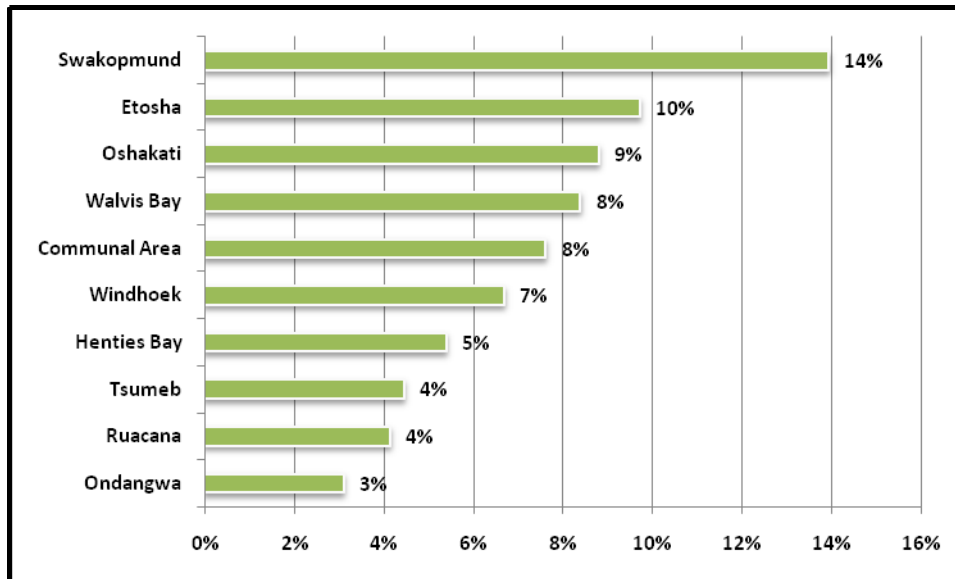
Figure 16 or figures 16 and 17 show shows that Windhoek is most frequently visited by business as well as VFR visitors. However, the trips to communal areas for VFR should not be understated. This implies that not only the political systems are centralised but commercial activities as well hence a high propensity for business related trips to the capital city, Windhoek.

Figure 17: Distribution of Business Trips by Destination (top 10) (%)
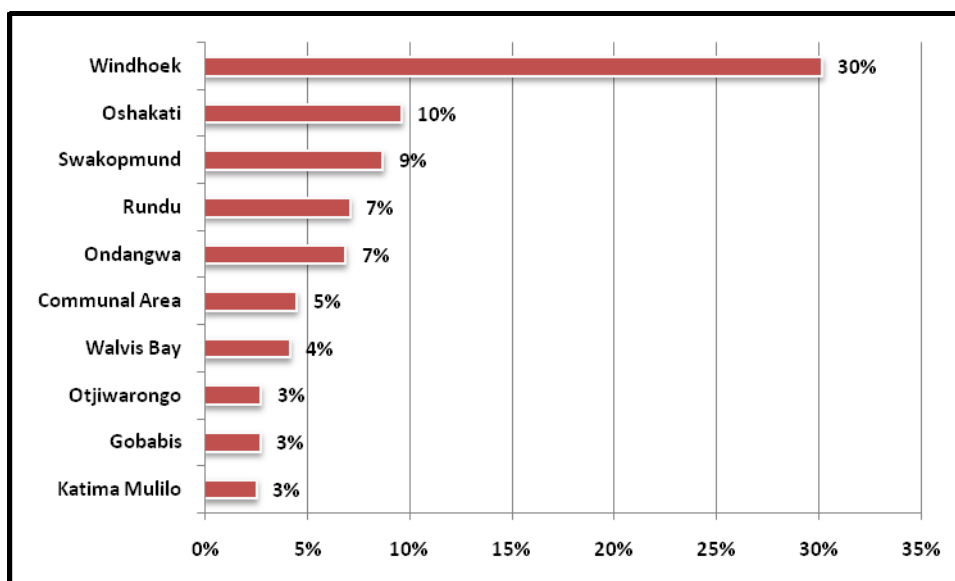
We can see clearly from figure 17 below that Windhoek and Communal areas are preferred destination for VFR.

In Namibia, some people have second homes and friends or relatives in communal areas. Most of those in urban areas are originally from communal areas in search of education and job opportunities hence the relative balancing effects of their trips.

Figure 18: Distribution of VFR Trips by Destination (top 10) (%)
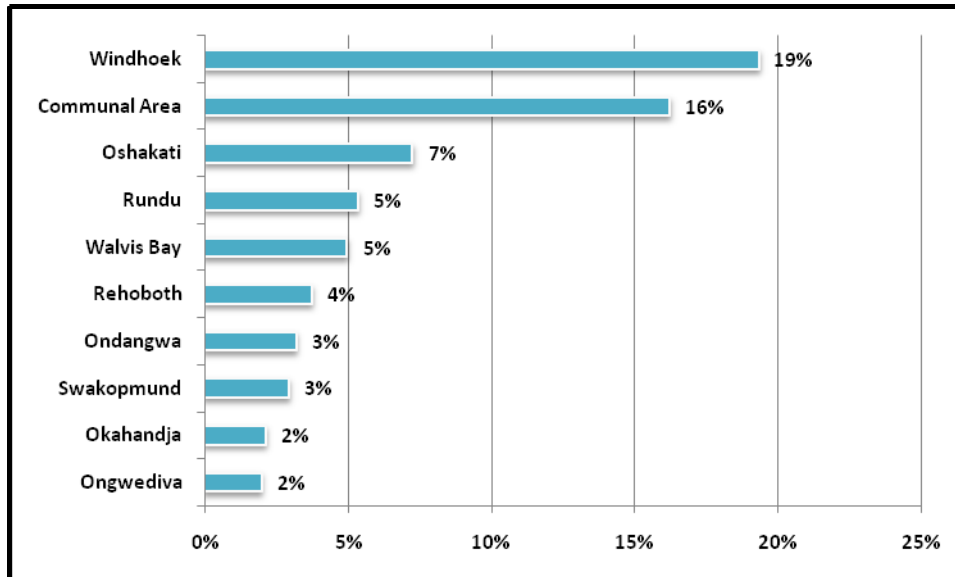
Month of Travel

It is apparent from the figures below that the seasonality patterns of this survey are different from other data sources such as the Tourist Arrival and Accommodation statistics. Although December peaks in terms of domestic tourism, as indicated by the Accommodation Statistics, it came out low because of the reference period of the survey (see under Shortcomings). In this regard, most people tended to travel mid- December of which by then this survey already came to completion.
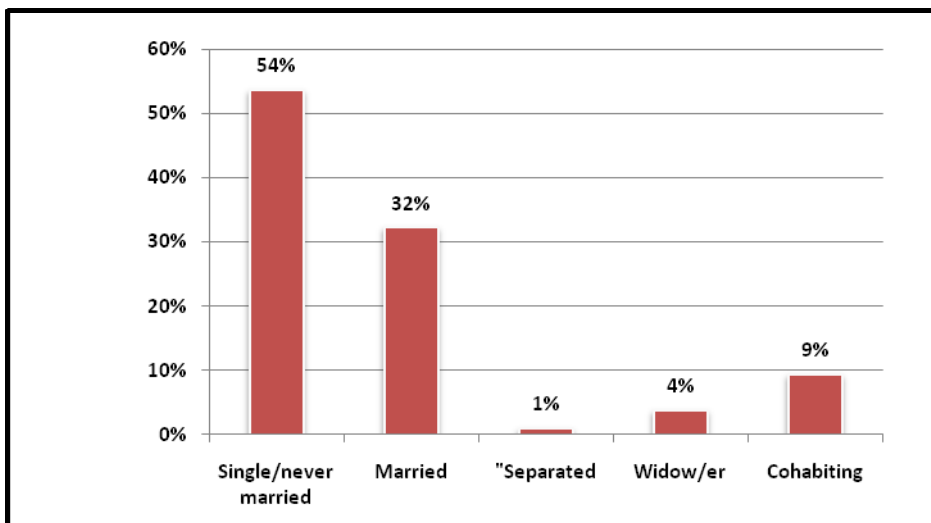
Figure 19: Purpose of Trip by Month
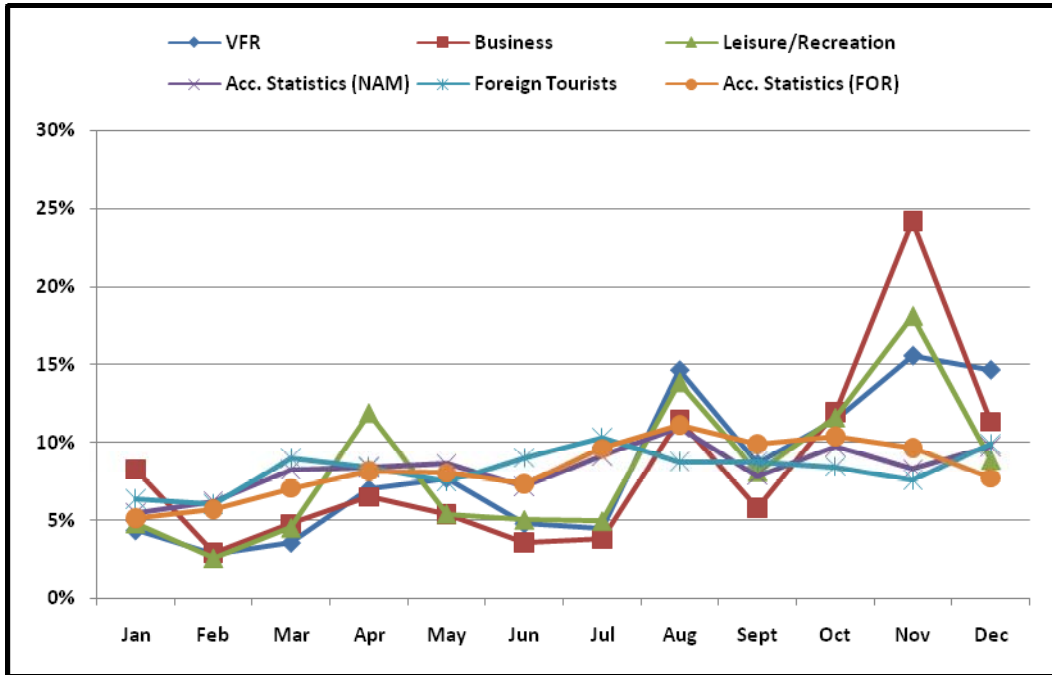
Trips by Marital Status

The survey results reported that most (54%) of the tourism related trips were undertaken by single persons followed by 'married' category (32%).
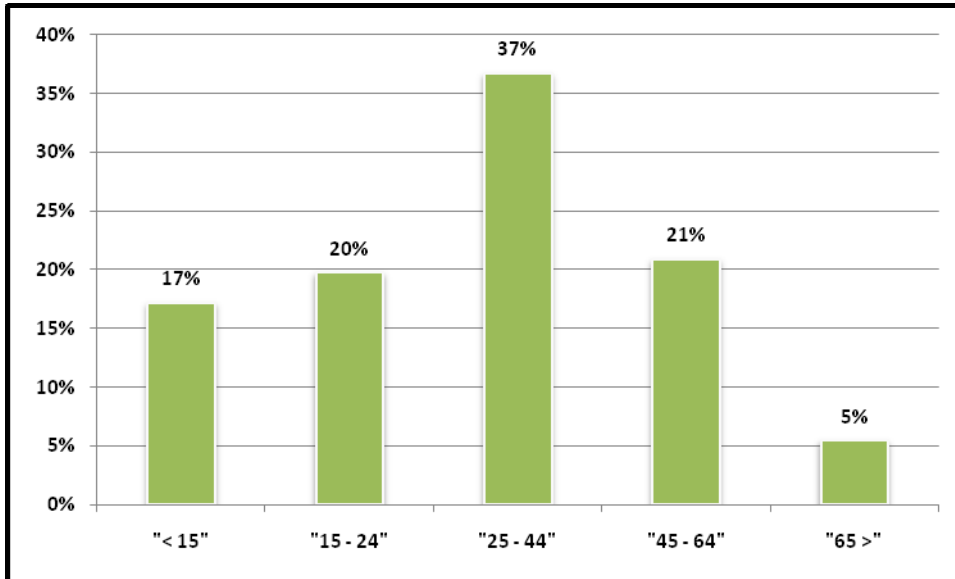
Figure 20: Marital Status of Tourist Individuals (%)

Trips by Age Group

The age group, "25-44" years made up most (37%) of all domestic trips, followed by the "45-64" age group as well as "15-24".

Figure 21: Age Distribution of Tourist Individuals (%)


Length and Type of Trip

The business tourists reported the highest mean number of overnights (14 nights) per trip, followed by VFR with 13 nights, while leisure/holiday trips recorded a mean of 6 nights per trip. Interesting to note, is that 50 per cent of tourism related trips reported duration of 6 overnights, or in other words a weeks visit

Figure 22: Average Length of Overnight Trips by Purpose of Visit
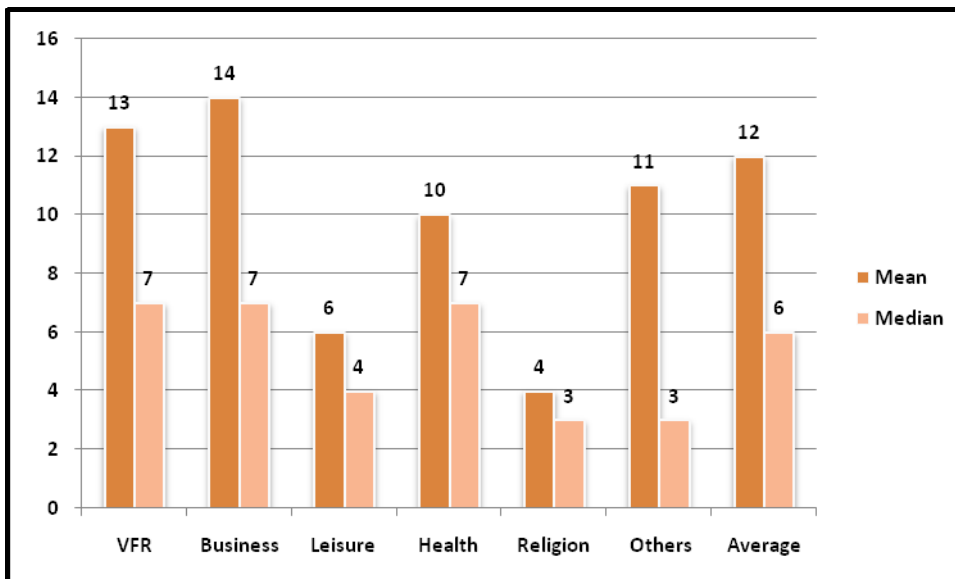
As shown in Figure 22 below, about 88 per cent of all trips were over nights and only 12 per cent day trips. This means most of the domestic tourists prefer a night over than simply spending part of a day.

Figure 23: Distribution of the Type of Trip (same-day/overnight) (%)
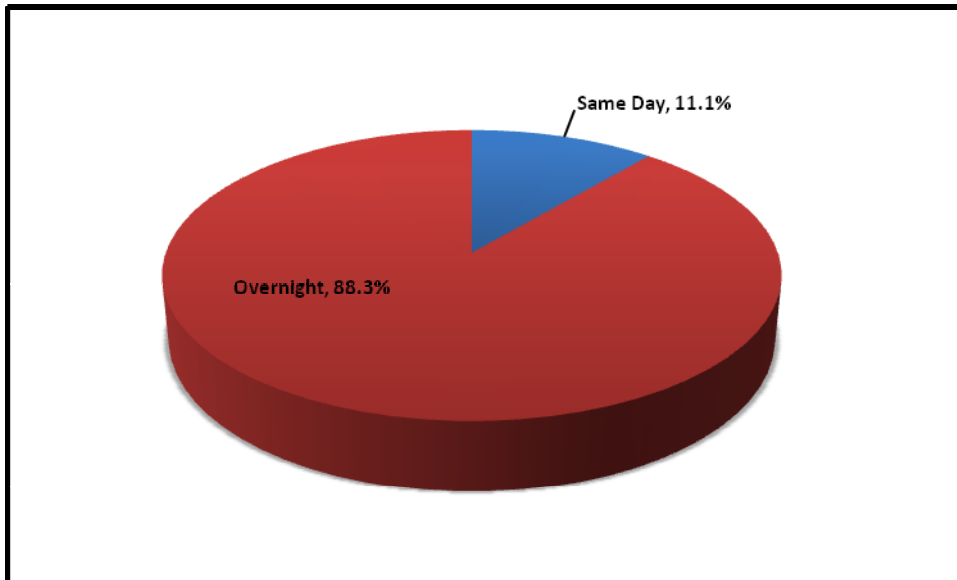
Number of people per Trip

Those travelling for leisure and religion have recorded a slight higher average number of people per trip than the rest of the categories. The low mean number of people per trip relates to the fact that it was mostly single persons who travelled.
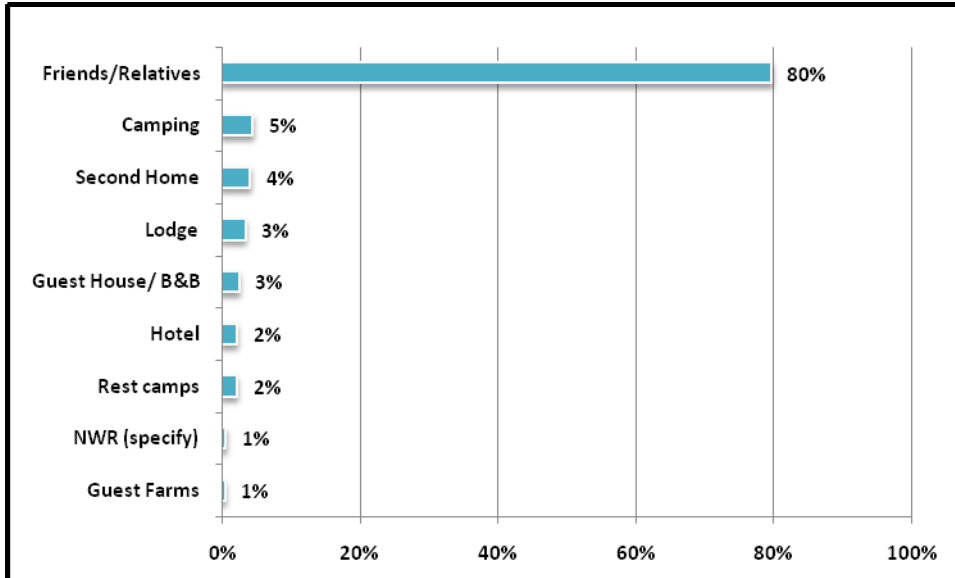
Figure 24: Mean Number of People per Trip by Purpose of Visit
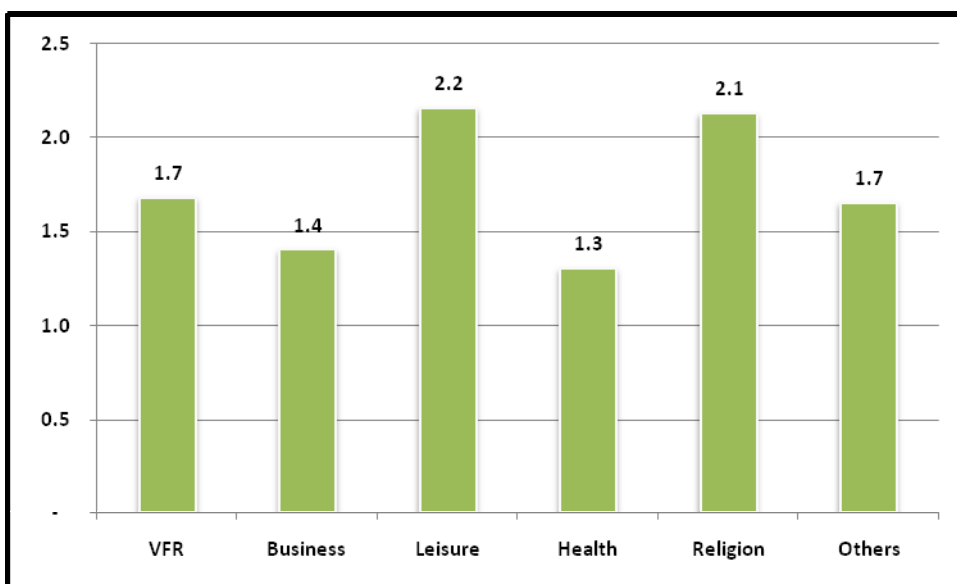
Accommodation Facilities Used

It is apparent from the survey results that most (80%) visitors made use of accommodation of friends and relatives.

Figure 25: Distribution of Accommodation Facilities used on Tourism Trips (%)

Even those travelling for leisure or holiday trips opt to use their friends and relative residences for accommodation. However, facilities such as lodges, guest houses, bed & breakfasts and camping were also popular among holiday/leisure visitors.

Figure 26: Distribution of Accommodation facilities used on leisure (holiday) trips (%)
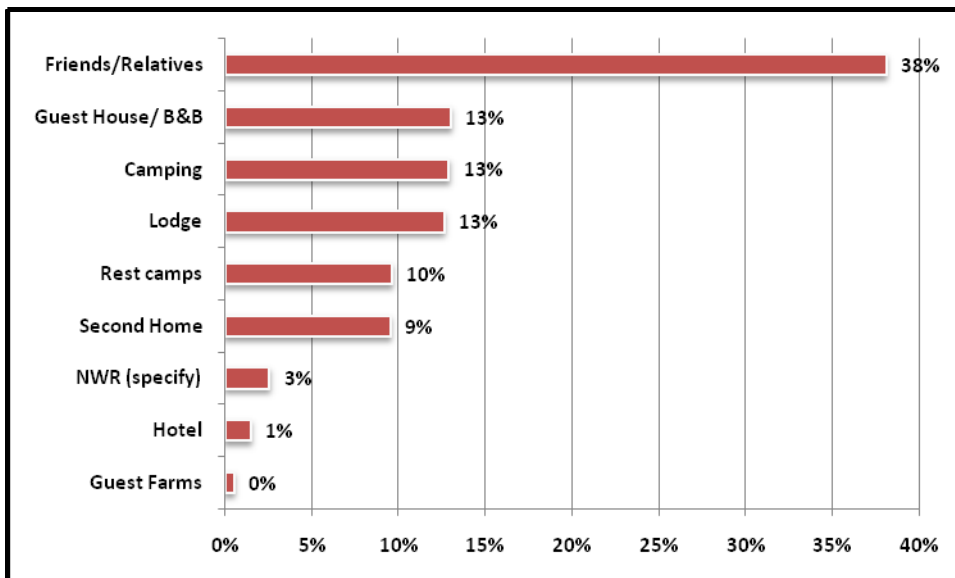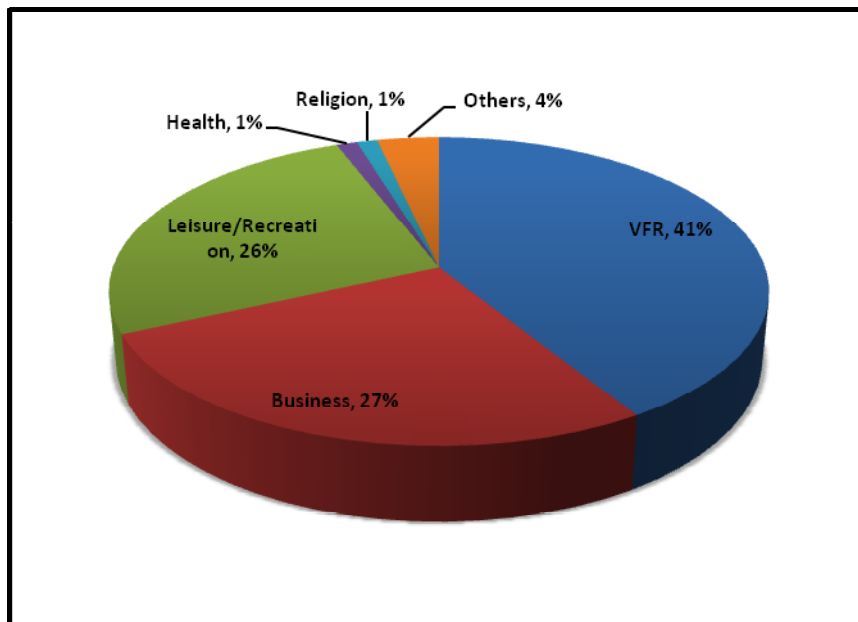
Trip Expenditure by Purpose of Visit

The largest portion (41%) of tourism related expenditure was generated by VFR tourists. The holiday/leisure trips accounted for a significant 26 per cent of total spent on domestic travel despite accounting only 13 per cent of the volume of tourism related trips.

Figure 27: Distribution of Trip Expenditure by Purpose of Visit

A mean of N$1,703 was spent per tourism related trip in Namibia by residence. However, 50 per cent of all tourism related trips, reported expenditure of N$700 and less per trip.

Average expenditure on holiday trips was the highest with a mean of N$ 3,458 per trip, followed by business and VFR trips with means of N$ 2,853 and N$ 1,176 per trip respectively. Health related trips recorded the lowest mean of N$ 609 per trip.

Table 4: Average Expenditure by Purpose of Visit (N$)

Main Purpose of Visit	% of Total Expenditure	Mean	Median
VFR	41.2	1,176	600
Business	27.0	2,853	695
Leisure/Holiday	25.9	3,458	2,500
Health	1.2	609	400
Religion	1.2	863	530
Others	3.5	1,057	500
Total	100.0	1,703	700

Trip Expenditure by Region

About 60 per cent of the total expenditure were generated by the Khomas and Erongo regions together showing the significance of those regions terms of domestic tourism. In this regard, Khomas generated the largest portion (35%) of total tourism related trip expenditures while Erongo region generated 25 per cent

Figure 28: Distribution of Trip Expenditure by Region (%)
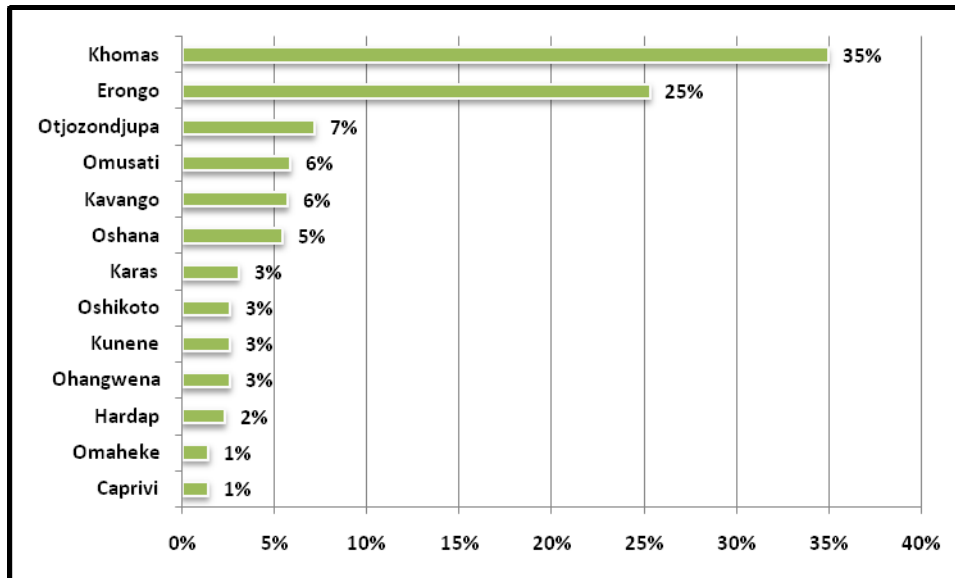
Although the Khomas region generated the largest portion of total tourism related trip expenditure, the Erongo region recorded the highest mean spent per trip (N$3,743). The lowest mean was reported by the Ohangwena region. This is illustrated by the table below.

Table 6: Average Trip Expenditure by Region (N$)

Region	% of Total Expenditure	Mean	Median
Caprivi	1.4	1,497	650
Erongo	25.3	3,743	1,000
Hardap	2.3	973	275
Karas	3.0	1,166	500
Kavango	5.7	1,141	460
Khomas	34.9	2,474	1,800
Kunene	2.6	1,206	700
Ohangwena	2.6	533	420
Omaheke	1.4	745	400
Omusati	5.8	1,239	700
Oshana	5.4	901	340
Oshikoto	2.6	1,131	820
Otjozondjupa	7.1	1,367	740
Total	100.0	1,703	700

Trip Expenditure by Urban/Rural

Tourism related trips generated by the urban population contributed 72 per cent to the total domestic tourism expenditure. Urban generated trips also had the highest mean spent (N$2,315).

Figure 29: Breakdown of Trips Expenditures by Urban/rural
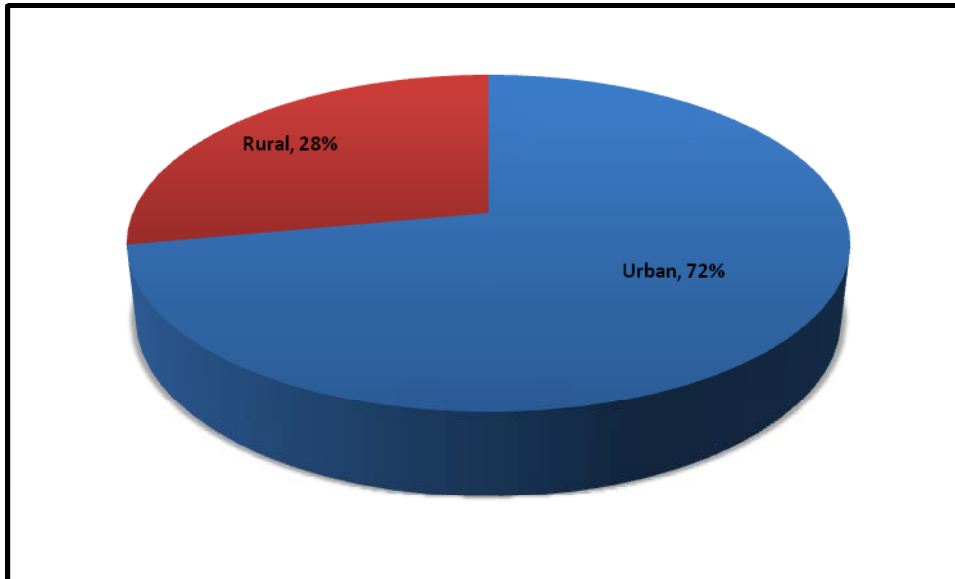
However, table 6 below shows that 50 per cent of the urban generated trips recorded spent of N$ 700 and less.
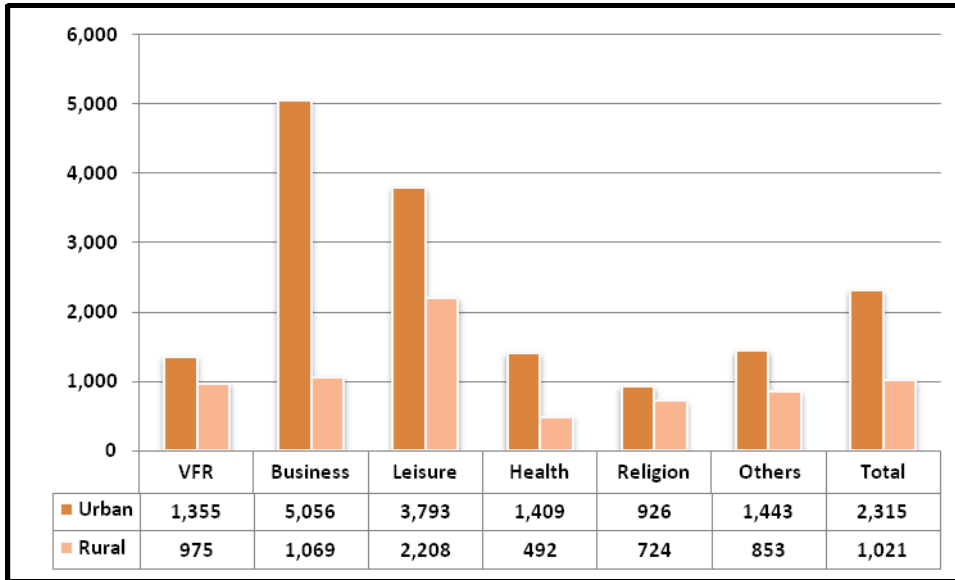
Table 7: Mean Trip Expenditure by Urban/Rural Generated Trips

	% of Total Expenditure	Mean	Median
Urban	71.7	2,315	1,000
Rural	28.3	1,021	500
Total	100.0	1,703	700

Trip Expenditure by Urban/Rural and Purpose of Visit

The highest mean spent per trips was recorded by urban business tourists while rural business tourists' expenditures were extremely low when compared to the urban counterpart. Rural expenditure remained very low for all purposes of visit. However, of a considerate note, is the fact that rural expenditure on leisure and recreation is the highest among other rural expenditures.

**Figure 30: Mean Trip Expenditure by Urban/Rural and by Purpose of Visit**

Table 8: Average Trip Expenditure by Urban/Rural and Purpose of Visit (N$)

	Main Purpose of Visit	Mean	Median
Urban	VFR	1,355	800
	Business	5,056	1,650
	Leisure/Recreation	3,793	3000
	Health	1,409	800
	Religion	926	470
	Others	1,443	500
	Total	2,315	1,000
Rural	VFR	975	500
	Business	1,069	500
	Leisure/Recreation	2,208	980
	Health	492	340
	Religion	724	580
	Others	853	500
	Total	1,021	500
Total	VFR	1,176	600
	Business	2,853	695
	Leisure/Recreation	3,458	2,500
	Health	609	400
	Religion	863	530
	Others	1,057	500
	Total	**1,703**	**700**

Trip Expenditure by Category

It is reported that the largest portion of tourism expenditure was spent on transport (31%), followed by food & drinks (24%) and shopping (22%). Spending on official accommodation only accounted for 7 per cent of the tourism expenditure

**Figure 31: Distribution of Trip Expenditure by Expenditure Category (%)**
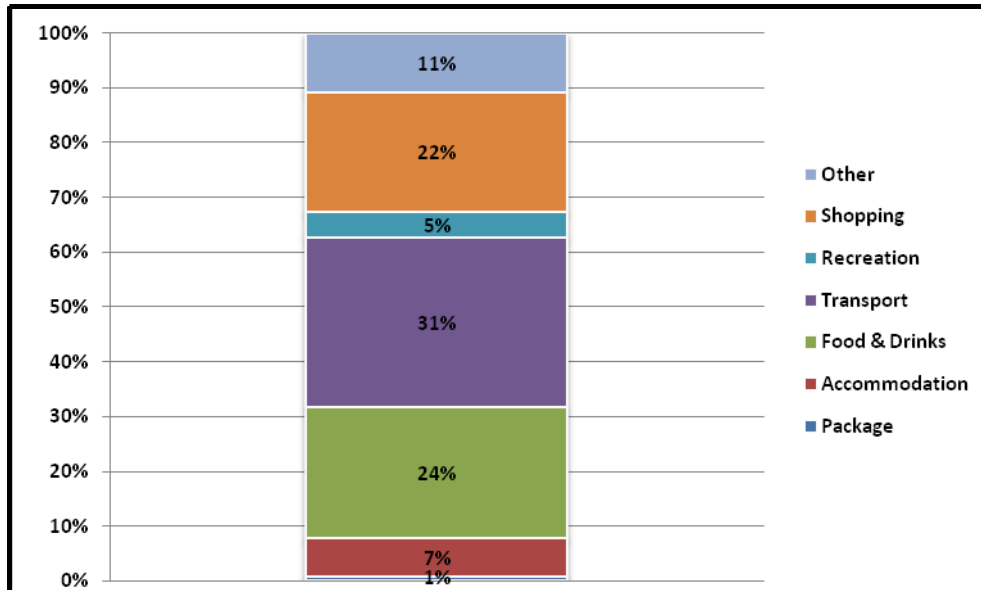
Expenditure on transport recorded the largest mean of N$ 443 per trip, followed by food & drinks (N$ 343) and shopping (N$315). A low mean of N$ 99 per trip was spent on accommodation.

**Table 9: Average (mean) Trip Expenditure by Expenditure Category (N$)**

Expenditure Category	Mean
Accommodation	99
Food & Drinks	343
Transport	443
Recreation	67
Shopping	315
Other	154

Figure 32: Breakdown of Trip Expenditure by Category and Purpose of Visit (%)
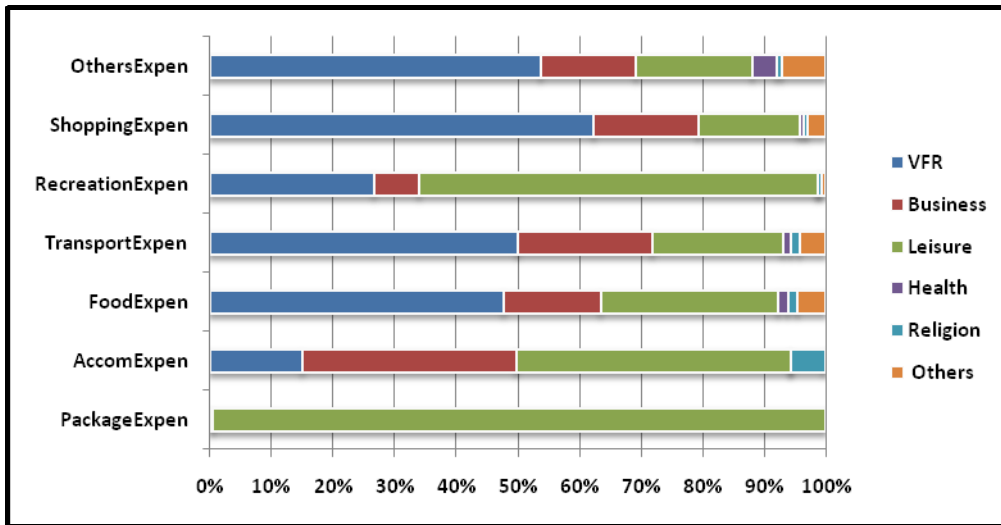
It is clear from the figure above that most of the accommodation and recreation expenditure related to holiday/leisure trips while shopping, transport and food & drinks were generated by VFR trips. Also a large portion (36%) of accommodation expenditure was generated by business trips. Clearly, all package expenditure was contributed by leisure/holiday trips.

**Figure 33: Average (mean) Expenditure per Category by Purpose of Visit**
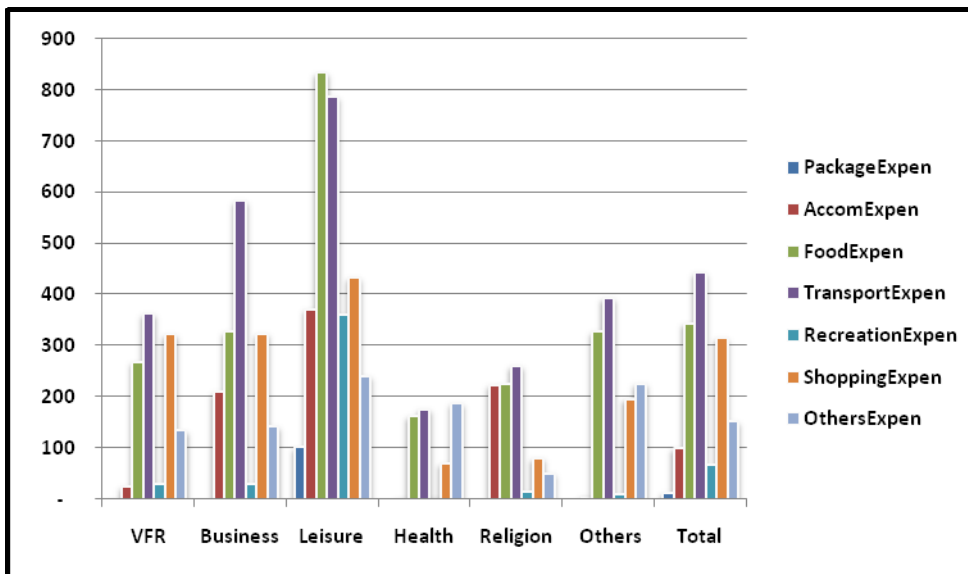
Leisure/holiday trips generated the highest means per trip for all expenditure categories. This is followed by the business related trips.

Expenditure by Leisure/holiday Trips

Leisure/holiday generated trips spent most on food & drinks (27 % of trip expenditure) with an average of N$ 834 per trip, followed by transport (25 %) with a mean of N$ 786 per trip.

**Figure 34: Breakdown of Trip Expenditure by Leisure/holiday Trips**
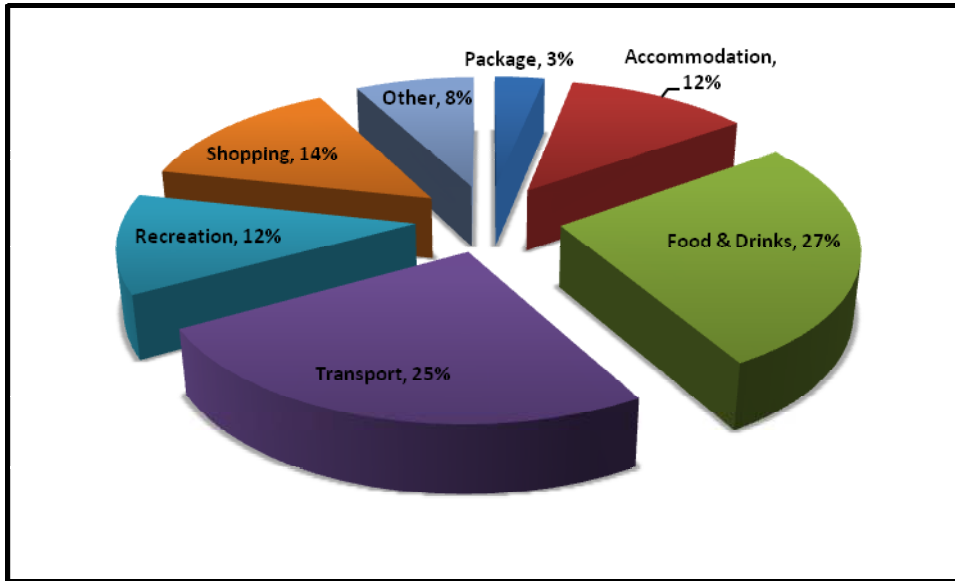
Table 10: Mean Expenditure by Leisure/holiday Trips (N$)

Expenditure Category	Mean
Accommodation	371
Food & drinks	834
Transport	786
Recreation	362
Shopping	433
Other	241

Expenditure per Category by Urban/Rural Generated trips

The highest mean was spent on transport for both rural and urban generated trips. The mean values of all expenditure categories were higher for urban than rural generated trips.

Figure 35: Trip expenditure by urban and rural areas
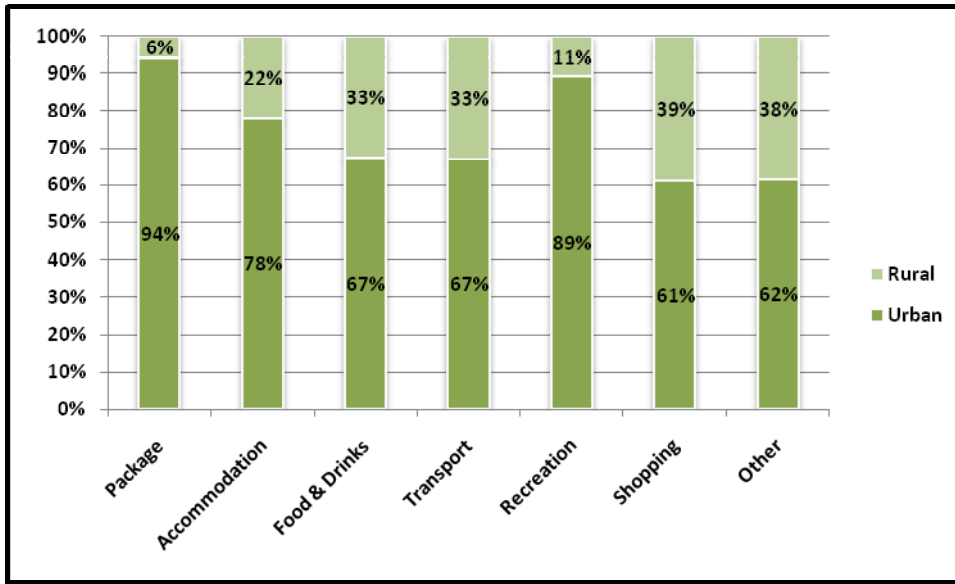
**Table 11: Mean Trip Expenditure by Urban/Rural Trips (N$)**

Expenditure Category	Urban	Rural	Total
Accommodation	148	45	99
Food	443	235	343
Transport	569	305	443
Recreation	115	15	67
Shopping	370	255	315
Other	182	124	154

Expenditure by Type of Visit

The figure below confirms that by far, the majority (97%) of the trip expenditure were generated by overnight trips compared with only 11.2 per cent contributed by same-day trips. It has been also revealed earlier that the number of overnight trips by far outstrips that of the same-day trips. This signifies how important overnight tourism is to the local and national economic status.

Figure 36: Breakdown of Trip Expenditure by Type of Trip
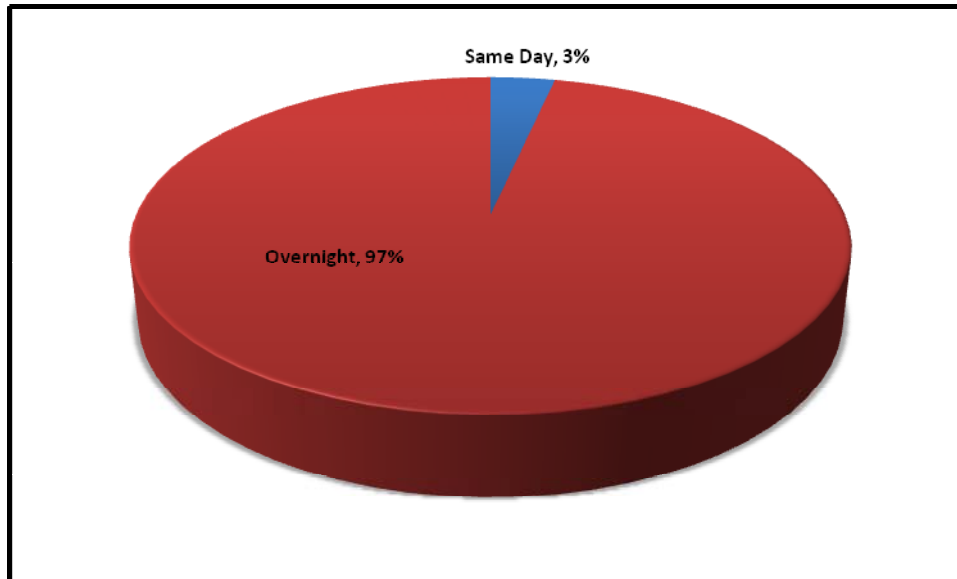
The table below reports that the mean trip expenditure for same-day trips is N$440 and N$ 1,863 per overnight trip.

Table 12: Mean Trip Expenditure by Type of Visit (N$)

Type of visit	Mean	Median
Same Day	440	200
Overnight	1,863	800
Total	1,703	700

Conclusion

Comprehensive information on the travel behaviour helps arrive at better strategic policy-decisions. More is due to be done in order to increase rural income through rural development initiatives. This would necessitate the increased spending on tourism related activities than present.

The fact that domestic tourists use public transport as their mode of movement implies the importance of transport sector to the tourism economy. In this regard soaring oil prices in the global market may have a negative impact on the tourism sector both in terms of domestic and international tourism. Hence, planning for effective and efficient transport is inevitable. The revelations that most Namibians don't use rail transport require a thorough analysis to identify constraints. This will help the government and those in the tourism industry to prioritise tourists' needs with respect to passenger transportation services.