Government of Kenya

Ministry of Tourism and Wildlife

Impact of Covid-19 on Tourism in Kenya: Measures Taken and Recovery Pathways

National Tourism Risk and Crisis Management Committee

June, 2020

Introduction

- There has been an extraordinary growth, and safari/drive guides). of tourism recorded in 2020 in the world (1.5 billion), Africa (71.2 million) and Kenya (2.05 million).
- The Covid-19 emerges as one of the greatest challenges facing the world today and threatening the achievements made in the travel and tourism industry.
- Among other sectors, the tourism industry is the hardest hit by Covid-19 pandemic globally, Kenya not an exception.
- This called for a research commissioned by the Ministry of Tourism and Wildlife of Kenya to investigate the impact of Covid-19 on Tourism: measures taken and recovery pathways.
- The study collected data from 10 CEOs of Tourism State Corporations, 11 CEOs' of Tourism Associations, 47 officers of County Executive Committees (CECs) and 360 key tourism stakeholders (from the accommodation sector, attractions, destination management organizations, exhibition centers, travel agents, tour operators, event organizers, restaurateurs, and airline operators.

Results of Impact of COVID-19 on Travel and Tourism Industry in Kenya

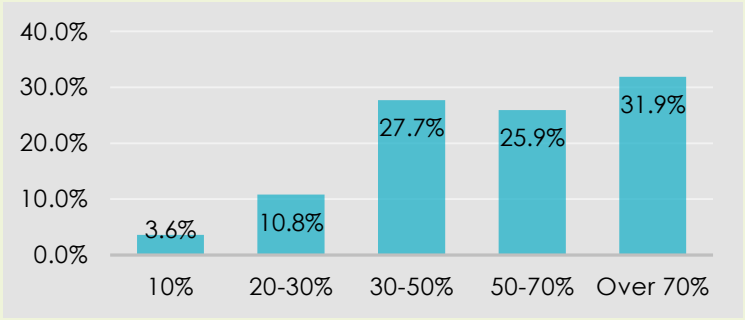
1. Impact of COVID-19 on Tourism Employment

a) Reduction of Number of Employees Engaged by Tourism Organizations

Category	F	%
Yes	157	81.3
No	22	11.4
Not applicable	14	7.3
Total	193	100

Most (81.3%) respondents indicated that their organizations had reduced the number of employees as a result of COVID-19 outbreak and 11.4% showed otherwise.

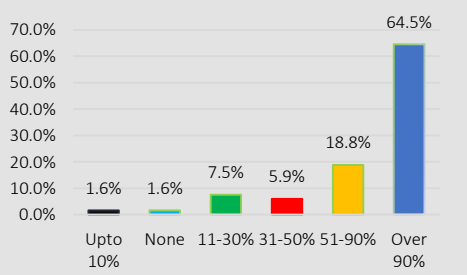
b) Percentage of Pay cut implemented by Tourism organizations



Most 31.9% respondents reported over 70% as the percentage of pay cut implemented by their organizations. The 27.7% of the respondents reported between 30% and 50%, 25.9% between 50% and 70%, and 10.8% between 20% and 30%. Only 3.6% of the total respondents reported that their organizations had implemented a 10% pay cut.

2. Impact of COVID-19 on Bookings

a) Percentage of Existing Bookings Cancelled



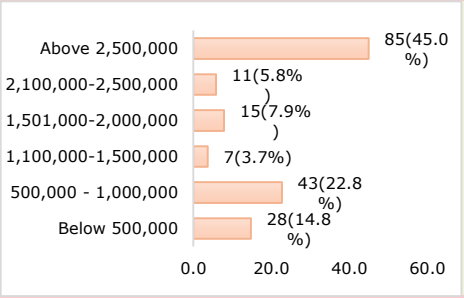
Overall, most (64.5%) of the respondents reported over 90% as the percentage of cancellations of existing bookings experienced by their organizations.

b) Tourism Market with Majority of Cancellations

Category	F	%
Domestic visitors	124	64.2%
Regional visitors	74	38.3%
International visitors	157	81.3%
Outbound	29	15.0%
Inbound visitors	2	1.0%
Outbound visitors	1	0.5%

The international tourist market was the hardest hit by the COVID-19 pandemic (81.3%), followed by the domestic (64.2%) and regional tourist markets (38.3%) respectively. There is need for Kenya to expand the domestic market to cushion the destination in times of crises.

c) Changes in Revenues as A Result of Cancellation of Bookings (For a Period from Jan-June 2020)



Notably, a majority (45%) of organizations are losing over 2.5 Million as a result of cancellations of booking for the first half of year 2020.

Other impacts

- Total business closure.
- Increased borrowings.
- Eviction from current premises due to unpaid running costs.
- Global economic recession.
- increased costs of running the businesses.
- Change in consumer behavior.

Measures taken by the Government

- Government has set aside Ksh.500 million (USD 4.7 million) to help the tourism sector recover from the COVID-19 outbreak.
- Provision of soft loans to hotels and related establishments through the Tourism Finance Corporation (TFC); Ksh.2 billion will be set aside to support renovation of facilities and the restructuring of business operations.
- Some stimulus funds will be used to support the operations of Utalii College.
- Ksh.1 billion stimulus package will engage 5,500 community scouts under the Kenya Wildlife Service
- Ksh.1 billion will support 160 community conservancies.

Other measure included

- Translate the fiscal, monetary and social measures into action
- Ministry institutional reforms and re-engineering
- Digitalization strategy
- Periodic research
- Maintaining continuous online destination visibility aligned to *Stay Home, Travel Tomorrow* messaging.

Measures taken by the private and other stakeholders

- *#TourismCares* campaign that supports affected communities

Bookings

- Special discounted rates for bookings done in March/April
- Flexible booking policy
- Waiving cancellation/amendment fees depending on seasonality
- Discounts if re-booked at certain off peak dates

Health and social protection policies:

- Increased health checks
- Private-public partnerships
- Encouraged communities' participation
- Restrictions on movement

Recommended Recovery Pathways

Recovery Strategies Suggested:

- ❖ Domestic tourism
- ❖ Regional tourism
- ❖ Product improvement and diversification
- ❖ Digitizing tourism

1. Promotion of Domestic tourism growth

a) Target Growing Middle Class - 1,020,681 (36.9%) of employed workforce
b) Propose one week national-wide holiday for all working population during August and December school holidays
c) Repackage tourism product with local market interests
d) Make domestic travel more attractive through campaigns
e) Provision of accessible information and ease of purchase
f) Holidays as non-wage benefits
g) Organized road transport to events and attractions
h) Development of circuits with specific itineraries
i) Research on domestic market preferences

2. Promotion of Regional Tourism

A total of 825,489 regional tourists from Africa and Indian Ocean visited Kenya in 2018 accounting for 40.76% of the total international tourists, which shows a huge potential for growth.

Regional tourism growth

- Harmonize timelines, procedures and requirements
- Joint packaging
- Implement Single African Air Transport Market
- Open Skies policies

3. Product Development and Diversification Strategy

Below are core tourism products in Kenya. There is need to develop and diversify tourism products by capturing experiences, interpreting the product, proper digital packaging, and price revisions.



4. Digitizing tourism in Kenya will involve

Knowledge and Experiences Capturing and Sharing for Kenya Tourism Industry
↓
Interpretation of the tourism product
↓
Geospatial presentation of Tourism resources in Kenya
↓
Digital marketing
↓
Fight against the Spread of Disinformation
↓
Creation of Integrated Destination Management System

Making Kenya a COVID-19 Tourism Resilient Zone

Digital Marketing

