

Strategic Role of Tourism in Emerging and Consolidating Sub Sahara Africa (Ssa) Destinations

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Abstract

Recently, the African tourism sector is experiencing steady growth. Nevertheless, a lot needs to be done in terms of harnessing tourism potentials in Africa. The study focuses on the contribution of tourism to Gross Domestic Products (GDP), employment, investment, and visitor exports in nine African countries; namely Botswana, Cape Verde, Ghana, Kenya, Mauritius, Namibia, Seychelles, South Africa, and Tanzania. The authors did trend analyses of the economic contribution of tourism in nine African countries. Secondary data covering 2008-2018 collected from the World Travel and Tourism Council database was used to shed light on the economic contribution of tourism in Africa. We observed that all the economic indicators (GDP, employment, visitor exports, and investment) show a positive and upward trend. South Africa, Kenya, and Tanzania are the top performers among the sampled countries. The study identified challenges and proposed some recommendations to managers and policymakers in the tourism sectors in Africa.

Keywords: GDP, Visitor Exports, Employment, African Countries, Investment.

Introduction

Globally, the tourism industry has received attention because of its capacity to stimulate consumption, promote trade and international communication (Qian, Shen and Law, 2018). Indeed, the tourism industry contributes to job creation and foster entrepreneurship. Arguably, a well-managed tourism sector has the potential to preserve the ecosystems, cultural heritage, and empower the local communities. Tourism is considered as one of the fastest-growing industry in the twenty-first century (Shahzad, Shahbaz, Ferrer, and Kumar, 2017), that can promote economic recovery and growth. Past studies had suggested that tourism is a major contributor to economic growth and development in an emerging market (Haller, 2012; Shahzad et al., 2017). Since the 1990s, tourism has increasingly contributed to Africa's Gross Domestic Product (GDP), employment, and visitor export and investment. In 2017, Tourism contribution to Africa GDP was \$177.6bn (8.1% of GDP), visitor exports, \$48.7bn (9.7% of total export), investment, \$28.2bn (5.7% of total investment) and employment, 22.7 million (6.5% of total jobs created) (World Travel and Tourism Council, 2018).

Despite the sector's potential to develop multiple linkages with other productive sectors throughout its value chain, tourism in Africa is characterized by weak intersectoral linkages, largely due to limited domestic productive capacities across sectors. The dominance of foreign-owned airlines, tour operators, travel agencies, hotel chains, and the heavy reliance on imported inputs by tourism establishments in African countries contribute to high economic leakages in Africa's tourism sector. This study focuses on the contribution of tourism to Gross Domestic Products, employment, investment, and visitor exports in nine African countries (Botswana, Cape Verde, Ghana, Kenya, Mauritius, Namibia, Seychelles, South Africa, and Tanzania). These countries were selected using the World Bank typology of Sub Sahara Africa (SSA) destinations, which ranked the 47 SSA countries by level of tourism development. Specifically, we focused on countries categorized as emerging and consolidating. Emerging countries have robust institutions and are

Cite this Article as: Chijioke NWACHUKWU and Hieu Minh VU "Strategic Role of Tourism In Emerging and Consolidating Sub Sahara Africa (Ssa) Destinations" Proceedings of the 36th International Business Information Management Association (IBIMA), ISBN: 978-0-9998551-5-7, 4-5 November 2020, Granada, Spain.