

U.S. Economic Impact on American's Travel to Africa
By: Sarah Fazendin, President, The Fazendin Portfolio
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The American economy is currently facing one of the largest economic challenges since the Great Depression. At this moment the Senate and House of Representatives are working on economic "bail out" plans in Washington and the Presidential election campaign rages on. This week stocks tumbled as weak economic reports added to jitters ahead of these large government votes, jobless claims soared to a seven-year high and factory orders slumped to a two-year low. Unemployment is rising, wages continue to be stagnant, and fuel prices are still high. Understandably, Americans are watching with great interest to see how this all pans out. How is this going to impact American's travel to Africa?

The Fazendin Portfolio surveyed North American travel agents and tour operators -- who between them sell a significant percentage of the total outbound travel to Africa from the United States. Not surprisingly, 64% of respondents indicated that the current crisis on Wall Street was impacting their business to some degree. However, many did indicate that September and October is typically a slow time of year and the full impact of the Wall Street crisis has not yet been seen. As a result, many of these travel trade partners also said that their clients are taking a "wait and see" approach by not confirming anything until these immediate economic and political issues conclude.

Despite this troubling economic news and definite impact on at least the immediate long haul travel, only 50% of the travel agents and tour operators surveyed said that their clients are "looking for a deal" or "decreasing budgets" on travel to Africa. This indicates that it is not the time to slash prices on travel to Africa, but as travelers become more sensitive to economic uncertainty we may see more last-minute bookings as well as requests for more scaled back and perhaps lower dollar amount travel programs.

So what can travel agents and tour operators do to help finalize bookings now as well as to solidify business looking ahead in to 2009?

Look for destinations that provide more value for travelers. Certain destinations, like Kenya, Tanzania, Malawi, Zambia and Ethiopia offer fantastic safari, wildlife and cultural product at a great value for a variety of reasons. For example, consider destinations that can accommodate driving itineraries (vs. flying) such as Northern Tanzania. Consider planning safaris that focus on one or two close-in areas, instead of traveling wide distances across the African continent and spending precious time and money in the process.

Work with African suppliers to offer special packages in the short term. Now is the time for travel agents and tour operators to work relationships with African ground handlers and with various properties in Africa. Travel agents and tour operators can partner with African suppliers to develop programs that will be attractive to Americans in this current economy. African travel suppliers will appreciate the dialogue and will be happy to work together to successfully generate a pipeline of business to carry through into 2009.

Put knowledge to work. Now is the time to put product knowledge to good use as well. While it's easy to get stuck selling the same big-name properties, travel agents and tour operators should consider reaching out to lesser-known, but still high quality, product and incorporating that into itineraries. Consumers will appreciate a slightly less expensive safari lodge or tented camp for a few nights if it means they still get to

stay at the super luxe property at the end of the safari. Take this opportunity to explore new options, engage the African travel network, learn from your colleagues and incorporate some new, innovative products into travel proposals.

Do some marketing. Marketing doesn't have to be a scary word! In the travel business, marketing is in fact fundamentally tied to relationship building. As with the supplier relationships mentioned above, client relationship management is even more critical in an uncertain economy. By the time a traveler is ready to plan a safari to Africa, a travel agent or tour operator won't be part of that decision unless that relationship was developed well in advance. Travel agents and tour operators can take this time to organize electronic or hard copy newsletters, web sites and other marketing collateral as well as reach out to top clients and share new news and information with them. By taking this next month to reach out to top clients as well as new prospects, travel agents and tour operators will be well-positioned for a successful 2009.

And finally, James Shillinglaw, editor of ModernAgent's Travel Pulse, recently wrote "So how long will this economic downturn last? It could last as long as 18 months, so be prepared. It also may very well affect the cash cow of the travel business – namely the baby boomer market, whose savings and investments are being hurt by the downturn." An overwhelming 83% of travel agents and operators surveyed agree with this statement. However, many acknowledged that consumers with money are always going to travel, indicating this higher-end (and less volatile) segment of the market might in fact be considered the "cash cow" for the African travel industry.

While there is no doubt that this current economic crisis will have an immediate impact on travel to Africa, these are four key things travel agents and tour operators can do now to position themselves for success in 2009. It's important to understand that product knowledge and strong relationships are important at all times, but absolutely critical during difficult times. Travel agents and tour operators can take advantage of African travel supplier's North American representatives and think strategically together about how to continue pushing forward.



About Sarah Fazendin

Travel is truly a passion and a way of life for Sarah Fazendin. After a successful career in advertising, she managed all marketing and representation activity in North America for the Kenya Tourist Board. Despite significant market challenges, Sarah led Kenya to a North American market rebound with year-on-year growth at nearly 50% in 2004 and 2005. With this impressive record, she developed key relationships and great respect in the travel and tourism industry.

Since founding The Fazendin Portfolio in 2006, Sarah has worked tirelessly to generate critical, long-term relationships with top travel agents, tour operators and members of the media for the company's clients. She values efficiency and sincerity in business and strives to open as many doors as possible for her African partners while implementing cost-effective, results-oriented integrated marketing programs on their behalf.

Active in her community, Sarah is president of the Rocky Mountain Association for the Promotion of Travel to Africa (APTA) chapter and is further dedicated to her profession as a member of the Adventure Travel Trade Association (ATTA), the International EcoTourism Society (TIES) and the Public Relations Society of America (PRSA). Sarah is a guest lecturer for the Hospitality, Meeting and Travel Administration undergraduate program at Metropolitan State College of Denver and sits on their Curriculum Advisory Board.

Sarah promotes the idea that travel fosters global understanding as well as personal growth, and strives to bring the power of African travel to the American market.

About The Fazendin Portfolio

The Fazendin Portfolio provides representation services including marketing, sales and public relations consulting to African travel companies. The company currently represent a collection of classic African travel products, including Heritage Hotels (Kenya), Express Travel Group (East Africa), Alfajiri Villas and Galdessa Camp (Kenya), Dinknesh (Ethiopia), Mbali Mbali Camps and Lodges (Tanzania), Choroa Luxury Safaris (Tanzania) and Ulendo Safaris (Malawi and Zambia). These companies incorporate some of the very best, most special travel experiences one can have in Africa today. The Fazendin Portfolio strives to provide representation services that not only drive sales and stimulate bottom-line growth, but work to create a strong brand image and positive awareness in the U.S. market effectively going beyond traditional travel-industry representation services.

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