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Innovative Approaches to Expanding Marketing Opportunities for Africa.

Your Excellencies, Ladies and Gentlemen,

In my short comments I will restrict myself to the Sub-Saharan Africa – home to over 42 countries and some 800 million people. While there are a number of different approaches, I will mainly focus on new and available technology.

But first...This region has a rich flora and fauna, a nature covering great sights – the deserts, the lakes, the Indian Ocean and the Atlantic, the Victoria Falls, the mountain gorilla treasures.

It also has an old history – albeit different – but interesting. Here we have perhaps the cradle of civilization – the birthplace of the human race in countries like Ethiopia and Tanzania. This together with old Kingdoms and empires Axum, Zulu, Great Zimbabwe, Wagadu etc mixed with Slave Routes, cultural mix and colonial history to today's modern tourism facilities like Sun City.

Africa has the ingredients for a different kind of tourism, tourism with a purpose. Africa has a product that fits the Internet.

Traditionally travel and tourism to Africa was either done by individual adventurers or with the arrival of mass tourism through organized groups or even charter flights – sold through tour operators and travel agents. This has had some success, but has also given reason for concern. It was operated by non-African entities and sometimes took a negative form in not developing the market to the advantage of the receiving countries and their populations.

Modern technology has and is constantly changing this scenario to the advantage of the African market helping it to become less dependant on foreign influence. To stand on its own feet's.

There is still a way to go, but Africa has to embrace new technology - both the official and the private sector.

INTERNET is opening new possibilities to reach out to the consumers either directly or though internet based intermediaries. Africa has a golden opportunity to cater for the tourism of tomorrow. The young generation now spending their time on PCs will be the travel consumers - tourists - of tomorrow and we all have to be able to serve them in their own environment , the cyberspace.

The lack of fixed-line communication has hampered the development and made the continent depending on third party technology. State controlled tele-operators have given limited or poor access to new technology. A country like Kenya having only some 280.000 fixed lines - many of them shared does not help the industry, but I understand that there will now be some new competition to bring the connectivity forward in Kenya.

Uganda has been much more progressive with expanding telecommunications and the new backbone cable laid before the Commonwealth conference in November will highly increase capacity. MTN will also bring fiber optics to the main cities and buildings - so there are positive activities.

A good thing with new IT technology is, that it creates jobs for young people because their easy adaptability to internet and Mobil technology.

One drawback in many African countries - also here in Uganda- is power failure or shortage, which in particular hampers systems depending on electricity supply. President Museveni in his opening speech emphasised on the service industry - toursim - as compared to the coffee industry. But the service industry which is depending on connectivity requires a solid power supply. When our societies are moving toward a global market the governments have to make sure that basic infrastructure is in place to sustain this development.

The wireless has slightly changed the situation and some researchers even believe that Internet soon will be controlled by Mobil operators. I do not share that view, as I hope that this evolution is also driving governments and tele companies to liberalize and improve the fixed-line nets, so that we actually get a double development pushing in favor of reliable direct communication.Accessibility and connectivity has to be competitive and non-restricted.

The Internet situation;

- <u>consumers</u> of tomorrow will independently look for their destinations on the Internet. Here we have to make a distinction between Search and Buy. There are 7 million tourism related web-sites on the Internet and this makes mastering search important. Searching does no necessarily end in buying as this involves money transfer and security plus also other elements which can not be handled on the net e.g. Visa , health, legal issues etc
- sales intermediaries are moving their products to Internet

based technology. I can here mention our own organization UFTAA. We have just launched an Internet-based SearchEngine and a Reservation system opening a direct access between our clients and the supplier- cutting out legacy CRS's and other middlemen. The system in directly in touch with the inventory of the suppliers e.g. today some 90.000 hotels and we are expanding it to Car-hire, Cruises, low-cost airlines. There are other systems which facilitate the use of the Internet both for customers and professional, but ours is probably today the most advanced and cost-efficient. The philosophy behind the development was to make a system created by the travel industry for the travel industry to lessen the dependence on third party technology.

- The third element is the <u>supplier</u> who previously sold with brochures, trade fairs and other traditional methods they now move their offer to the Internet in an attractive, easy to use and honest way.
- For this you need connectivity either fixed or Mobil and, as mentioned earlier, it is up to the governments to provide or facilitate. Even the official country sites have to be made more attractive and business-like to attract attention.

The travel and tourism industry has developed its own domain <u>dot.travel</u>, in order to raise the responsibility and transparency level within the trade. It took us 5 years to obtain the rights to have an own domain for travel, now we have to make use of it.

All governments have through UNWTO been invited to join in and some are already moving to this new platform - Canada, Egypt, China etc. You heard a presentation by my friend Tanya Abrahamse who represents Tralliance and dot.travel in Africa. Behind the initiative is some 140 travel and tourism associations in a corporation called TTPC, which I chair. Our members are organizations like IATA, PATA, WTTC etc but also your own TUGATA here in Uganda is a member. With the dot.travel initiative we can stamp out nonprofessionals as they will not have access to the domain unless they are recognized and verifyed.Only in Uganda there are probably close to 200 entities calling themselves "travel agents", but less than half have a licence.

INTERNET is giving AFRICA a direct link to the global market and to the consumers. Well managed even small entities can compete with the big operators provided they embrace the new technology. The opportunity is there for the industry but you have to grab it!

You should join together a few governments to take up www.africa.travel and build on that - keeping it open for any African government to join when they want.

This leads me shortly to another aspect of importance - **EDUCATION.**

I believe Zambia's former president Kenneth Kuanda once said that what African needs is <u>"education, education, education"</u> and Kwame Nkrumah in Ghana has also through his integrated school system laid the ground for peaceful development. Education combined with good governance and technology will push Africa forward in all fields including tourism.

The average consumer has little knowledge of Africa – most media coverage in unfortunately negative focusing on inter-ethnic conflicts, corruption, violence and political strife. Internet can bring in another picture through well planned positive and honest information. I mention honest as you can misinform only once on the net – the information between consumer groups on the net is very active and can prove dangerous. The offer has to be transparent and responsible in order to cater for a sustainable development. The offer has to conform to international standards and consumer protection guidelines – I mention here e.g. the European Package Directive. Even if you are not an EU country – the product sold via a European intermediary has to meet the standards otherwise it will not be sold. This is realism even if I do not like to have other countries imposing rules on you or on anybody else.

People working in the travel and tourism have to get Internet training – it is a totally new media - fast, profitable, but also vulnerable and demanding. It is not enough to just be able to use Internet; it has to be used professionally. Every enterprise, suppliers or intermediary, should have at least one person who is conversant with IT technology and can use it to the best benefit of the company.

We offered for free to make a web-site for all our over 20 member associations in Africa, but only a few came back and we then found out that most people did not really know how it works and what to do. It is not enough to just make a site - it has to be active not static, up-dated, selling...

There are usually no shortcuts to success and prosperity but Internet technology, well used, offers Africa a new gateway to a complete global presence on equal foot with other regions of the world.

The African tourism has to stand proud - do not trust others to make Africa you product. Sell Africa through your channels and by your people. You have a lot to offer and technology is now on your side.

Thank you!