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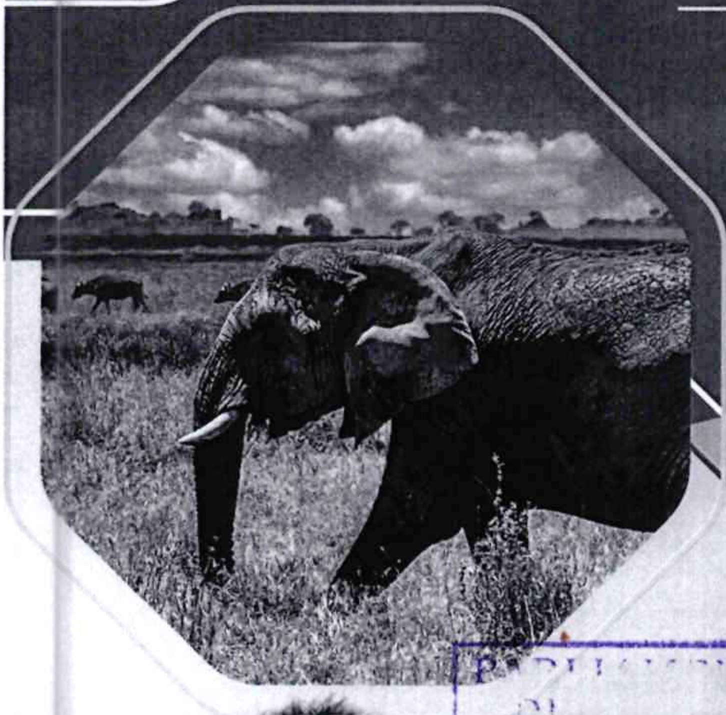
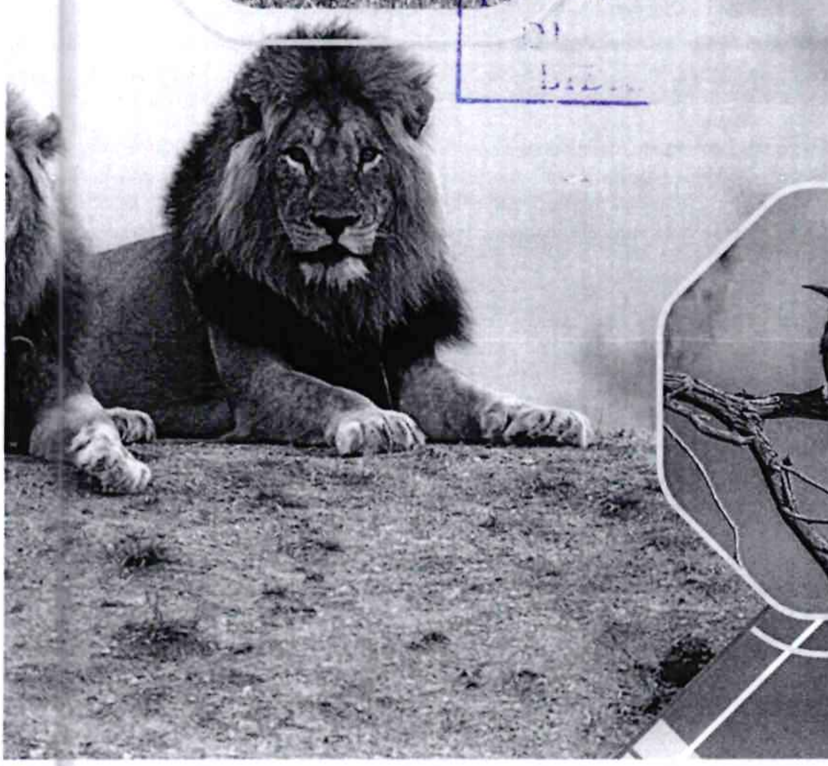
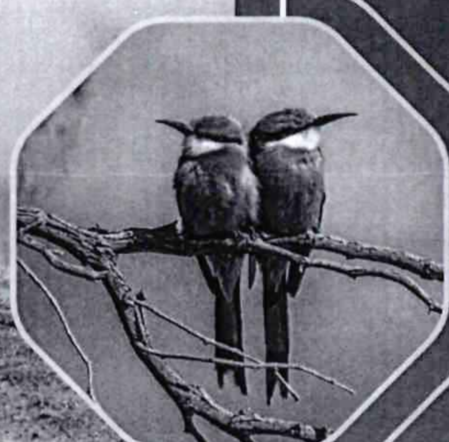
SERVICE

SUSTAINING WILDLIFE CONSERVATION IN KENYA: PRICING FOR POSTERITY







KENYA WILDLIFE

SUSTAINING WILDLIFE CONSERVATION IN KENYA: PRICING FOR POSTERITY

BY

Bora Ltd

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EXECUTIVE SUMMARY

Kenya Wildlife Service (KWS) is at a pivotal moment where sustainable wildlife conservation must be matched with financial viability and improved visitor value. With over 3.2 million visitors recorded in 2024, park entry fees remain the largest source of self-generated revenue. However, rising operational costs, infrastructure gaps, growing competition from private conservancies, and evolving visitor expectations have highlighted the urgency to review the current pricing model.

The study employed a mixed-methods approach, including quantitative surveys of 1,860 stakeholders and nine regional focus group discussions. A comprehensive benchmarking exercise compared KWS parks to over 30 local and international conservation areas, including TANAPA (Tanzania), SAN Parks (South Africa), and Kenya's private conservancies. The methodology enabled a nuanced understanding of service quality, visitor satisfaction, pricing competitiveness, and willingness to pay (WTP) across different visitor categories.

Findings reveal that domestic visitors form the majority of park users, followed by residents and non-residents. While wildlife viewing and cleanliness scored highly—77% and 71% satisfaction respectively—significant service gaps emerged in areas such as infrastructure, staff engagement, signage, and digital entry systems. Marine parks recorded the lowest levels of satisfaction, particularly due to poor facilities and limited staff presence.

Benchmarking showed that while KWS premium park fees (USD 60–80) remain competitive compared to regional peers like TANAPA (USD 70–100), they lag behind in terms of value-added services and infrastructure. In contrast, private conservancies in Kenya charge up to USD 140 but justify these rates through curated, low-density tourism and community benefit-sharing models. For citizens and residents, KWS fees are relatively high compared to SAN Parks (USD 3–7) and TANAPA (USD 1.50), with limited bundling or loyalty programs to cushion repeat or educational visitors.

The study found a high willingness to pay more for better experiences. Over 75% of respondents were open to paying up to 50% more, while 13% would tolerate increases beyond that—provided the additional revenue was visibly reinvested in park infrastructure, services, and conservation. Scenario testing confirmed that visitors would accept price increases if paired with service improvements and transparent communication.

Using elasticity modelling and marginal revenue analysis, the predictive model proposed differentiated pricing strategies. For non-residents, a price elasticity of -0.1 showed that revenue increases consistently up to a 100% price hike, with optimal returns achieved between +50% and +60%. Beyond this range, marginal gains taper off, suggesting that further increases must be justified by clear service value enhancements. For citizens and residents, with a higher price sensitivity (elasticity -0.5), revenue peaks at a 50% price increase before beginning to decline. As such, KWS is advised to cap price adjustments for domestic visitors at 50% to avoid revenue loss and maintain accessibility.

If implemented, these recommendations could see total park fee revenues grow from KSh 7.41 billion in 2024 to KSh 16.58 billion by 2028. This would significantly improve KWS's financial sustainability, reduce dependence on government and donor funding, and unlock greater investment in service delivery, conservation, and community benefit programs.

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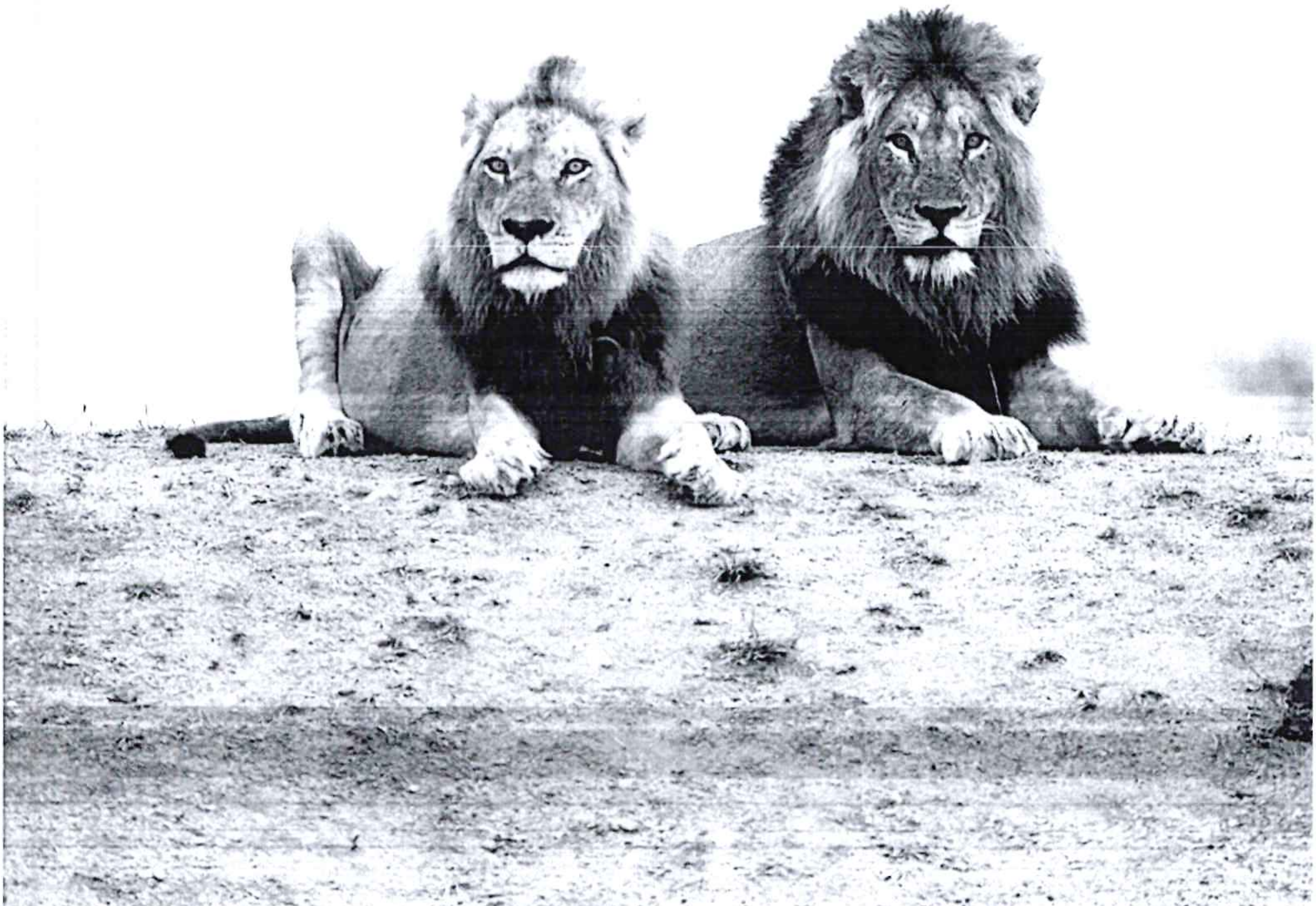
ABBREVIATIONS AND ACRONYMS

CAGR	Compound Annual Growth Rate
EAC	East African Community
FGD	Focus Group Discussion
ICT	Information and Communication Technology
IGR	Internally Generated Revenue
KES	Kenya Shilling
KII	Key Informant Interview
KWS	Kenya Wildlife Service
NGO	Non-Governmental Organization
SANParks	South African National Parks
TANAPA	Tanzania National Parks Authority
TO	Tour Operator
UNESCO	United Nations Educational, Scientific and Cultural Organization
VAT	Value Added Tax
WTP	Willingness to Pay

1.0 INTRODUCTION AND BACKGROUND



1.1 About The Kenya Wildlife Service (KWS)

The Kenya Wildlife Service (KWS) was established by an Act of Parliament, the Wildlife Conservation and Management Act (Cap 376) No. 16 of 1989, now repealed and replaced by the Wildlife Conservation and Management Act, Cap 376. KWS operates as a state corporation under the Ministry of Tourism and Wildlife.The mandate of KWS is to conserve and manage wildlife in Kenya and enforce relevant laws and regulations. The organization has sole jurisdiction over national parks and supervises other wildlife management areas, including national reserves, local and private sanctuaries, and conservancies, ensuring sustainable conservation across these areas. KWS also conducts conservation education, training, and facilitates research to support its conservation goals.This study seeks to support KWS in its conservation mandate by evaluating its pricing strategy for park entry fees and related services to ensure financial sustainability, accessibility, and effective resource mobilization for conservation initiatives.

1.2 Objectives of the Study

The primary objective of this study is to provide a detailed analysis of conservation fees and develop optimal pricing strategies.

1.3 Specific objectives include:

1. To analyze the current pricing structure for conservation fees.
2. To assess the impact of current fees on visitor numbers, revenue generation, and conservation efforts.
3. To benchmark KWS pricing against regional and international wildlife conservation organizations.
4. To identify factors influencing visitor willingness to pay.
5. To recommend sustainable pricing models that align with conservation priorities.

1.4 Scope of Work

The study covered all KWS-managed parks, reserves, and conservation areas that collect or influence conservation fees. It included a review of both terrestrial and marine parks, urban and wilderness parks, focusing on different types of visitors. The study also engaged with institutional users, learning institutions, and tourism intermediaries such as tour operators.

Surveys, focus group discussions, and interviews were conducted with visitors, KWS frontline staff, tour operators, lodge owners, local communities, and government agencies. This ensured a well-rounded analysis that incorporates service expectations, pricing perceptions, and market competitiveness. The research also examined KWS's existing pricing, conducted cost-revenue analysis, and compared KWS to over 30 regional and international conservation entities. Stakeholder engagement formed a core component of the study.

The scope was designed to provide actionable, data-driven recommendations for revising conservation fees in a way that aligns with KWS's conservation mandate, enhances visitor value, and ensures long-term institutional sustainability.

2.0 METHODOLOGY AND APPROACH

2.1 Approach

The study adopted a participatory and triangulatory approach to ensure a comprehensive and inclusive assessment of pricing structures within Kenya Wildlife Service (KWS) parks. By engaging multiple stakeholders, including visitors, tourism operators, conservation entities, government officials, and local communities, the study integrated diverse perspectives to inform data-driven decision-making. As a result of integrating multiple data sources and analytical techniques, the methodology ensured that the study results were both empirically sound and contextually relevant, facilitating well-informed policy recommendations for KWS's pricing strategy.

2.2 Phased Approach in the Methodology

The methodology for the KWS Pricing Study was structured into distinct phases, each designed to systematically guide the study from inception to the final report. This phased approach ensured a logical flow of activities, allowing for comprehensive data collection, analysis, and stakeholder engagement while maintaining efficiency in execution.

Each phase built upon the previous one, ensuring that insights gained during stakeholder consultations, benchmarking, and field data collection were effectively integrated into the analysis and recommendations. The study employed a mixed-methods approach, incorporating both quantitative and qualitative techniques, with a strong emphasis on triangulation to enhance the validity and reliability of findings.

The phases were as follows:

1. **Inception Phase** - Establishing the study framework, refining the methodology, and aligning stakeholders.
2. **Document Review Phase** - Reviewing existing pricing models, revenue structures, and benchmarking against global and regional practices.
3. **Data Collection Phase** - Gathering insights from visitors, KWS staff, conservation stakeholders, and key industry players through surveys, FGDs, and interviews.
4. **Data Analysis Phase** - Processing and interpreting quantitative and qualitative data to derive key findings.
5. **Draft Report Writing** - Structuring findings into a coherent draft report, including visual representation of data.
6. **Validation Phase** - Engaging stakeholders to review and refine the draft report.
7. **Final Report Submission & Presentation** - Delivering the final report with actionable recommendations to KWS.

2.3 Stakeholder Mapping and Engagement Strategy

A consultative meeting was held between KWS and the consultants to discuss and identify the relevant stakeholders for the pricing study. This meeting was instrumental in refining the study approach, ensuring that all critical perspectives are captured, and aligning the study with KWS's strategic goals.The stakeholder mapping and engagement strategy ensured effective data collection by identifying key stakeholder groups and selecting the most appropriate methods for engaging them. This approach helped gather diverse insights and perspectives to inform the pricing strategy.

Key Stakeholder Groups

- **Visitors (Domestic & International Tourists):** As the primary consumers of KWS parks and services, visitors provide direct feedback on pricing acceptability, affordability, and willingness to pay for conservation and park improvements.
- **KWS Staff with Direct Contact with Visitors:** Includes customer service staff, park wardens, and ticketing personnel who interact daily with visitors. Their perspectives provide valuable insights into visitor reactions to pricing changes and service expectations.
- **Operators of Lodges within Game Parks:** These businesses operate within KWS parks and depend on tourism. Their input will help assess how price changes impact visitor stays and overall business performance.
- **Boat Operators:** These stakeholders provide services in protected marine parks such as Malindi, Watamu, Chale, and Kisite. They are particularly sensitive to pricing changes and can offer insights into visitor behavior and demand elasticity.
- **Tour Guides & Porters:** These service providers play a critical role in visitor experiences, particularly in mountaineering parks. Their perspective on pricing impacts and visitor expectations is crucial for designing fair and sustainable fees.
- **Tour Operators, Travel Agents and Airline:** These stakeholders package and promote tourism experiences, including KWS parks. Their perspective is essential in assessing how pricing changes influence travel demand and competitiveness.
- **Learning Institutions:** Schools, colleges, and universities that visit KWS parks under group educational rates. Their input will highlight the impact of pricing on accessibility for students and the potential for educational tourism.
- **Local Communities & Conservation Groups:** Residents and conservation organizations near parks are directly affected by tourism policies and pricing structures. Engaging them will help assess the socio-economic impact of pricing changes and their role in conservation efforts.
- **Private Conservancies & Competitor Parks:** These stakeholders offer comparative insights into alternative pricing models and revenue strategies. Benchmarking against them will ensure competitive and sustainable pricing structures.
- **Government Agencies & Tourism Organizations:** Entities such as the Ministry of Tourism, Kenya Tourism Board (KTB), and other regulatory bodies influence tourism policies and support strategic conservation funding. Their role in policy formulation makes their perspectives invaluable.

2.4 Development of Study Data Collection Tools

The development of data collection tools ensured that relevant and accurate information was gathered from key stakeholders to inform the pricing study. The tools were tailored to different respondent groups to capture diverse perspectives on conservation fees and pricing structures, willingness-to-pay (WTP), and satisfaction levels. Piloting and validating the tools ensured they were clear, reliable, and aligned with the study objectives. Developing these tools was critical to collecting accurate, actionable data that inform pricing strategies and recommendations.

2.5 Data Collection

The data collection phase gathered both primary and secondary data to provide a comprehensive understanding of the pricing dynamics. Primary data was collected through surveys, focus groups, and interviews, targeting visitors, park staff, and other stakeholders to explore their perceptions, preferences, and satisfaction. Secondary data, including historical reports and publications, supplemented the analysis. This ensured a representative and comprehensive dataset that reflected the needs and expectations of diverse stakeholder groups while supporting evidence-based decision-making.

2.6 Data Analysis Methods

During data analysis, the focus shifted to deriving actionable insights from the collected data. The study employed a mix of quantitative and qualitative data analysis methods to derive insights from the diverse range of stakeholders surveyed. Given the structured questionnaires and qualitative discussion guides, the analysis involved statistical techniques for numerical data and thematic analysis for textual responses.

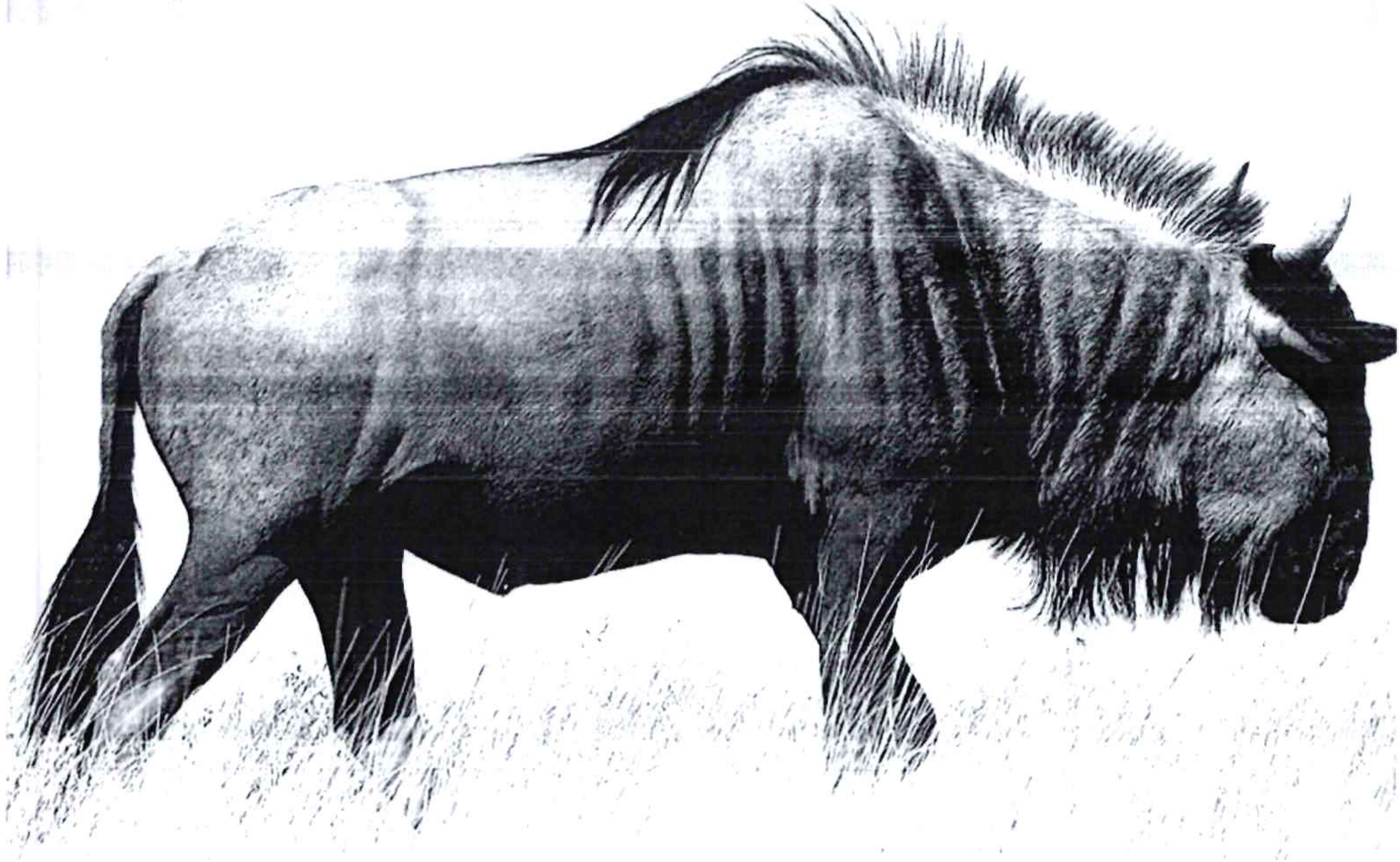
Quantitative data was analyzed to identify trends, correlations, and patterns, such as the relationship between pricing changes and visitation rates. Qualitative data from interviews and focus groups was coded and analyzed thematically to uncover stakeholder perceptions and concerns. Economic modeling was used to evaluate the potential financial and operational impacts of pricing changes. Benchmarking results were also incorporated to highlight KWS's position relative to similar organizations. The findings from this stage form the foundation for crafting well-informed recommendations.

Triangulation is a critical component of this study's methodology, ensuring that the conclusions drawn are both comprehensive and validated by integrating multiple data sources. In this study, triangulation involved comparing and cross-verifying findings from both quantitative and qualitative data to enhance the reliability and credibility of insights on KWS pricing structures.

2.7 Report Writing

The report writing stage consolidated all findings into a clear, concise, and actionable format, ensuring that the study's insights were well-structured for effective decision-making. The report was tailored to meet the needs of KWS management and presents both high-level takeaways and detailed analytical insights. A key feature of the report is the use of visual aids such as figures and tables to enhance data interpretation and support evidence-based recommendations. Additionally, the report will outline specific pricing strategies with justifications and step-by-step implementation plans, ensuring practical application of the findings.

3.0 STUDY RESPONDENTS` GENERAL INFORMATION



3.1 Introduction

This section presents the demographic and institutional characteristics of the various groups that participated in the pricing perception study. The respondents included visitors to KWS parks, tour operators, tour drivers and guides, hotel/lodge/camp operators, KWS staff, and learning institutions.

3.2 Respondent Demographics

3.2.1 Respondent Summary by Stakeholder Group

The pricing study engaged a broad cross-section of stakeholders whose operations, experiences, or interests intersect with KWS parks. A total of 1,860 respondents across various stakeholder groups were engaged through surveys, interviews, and focus group discussions.

Table 1: Pricing Study Respondents

Stakeholder Group	Number of Respondents	% of Total
Visitors	875	47.04%
Tour Operators	425	22.85%
KWS Staff	254	13.66%
Learning Institutions	123	6.61%
Tour Drivers	107	5.75%
Hotel Operators	25	1.34%
Tour Guide Leaders	25	1.34%
Benchmarking Institutions	19	1.02%
Airlines	7	0.39%
Total	**1,860**	**100.00%**

3.2.2 Nationality of Respondents

Respondents were asked to indicate their nationality. The categories included Kenyan nationals, East African Community (EAC) citizens, residents, and non-residents. The visitor profile from the survey shows that the majority of the respondents were Kenyans, accounting for 64% of the respondents. This is followed by Residents (non-citizens living in Kenya) at 19%, Non-Residents (international tourists) at 16%, and East African Community (EAC) members at just 1%. The data highlights that domestic tourism dominates park visitation, with a smaller yet notable share from foreign and regional visitors. This composition reflects the important role of local visitors in sustaining park attendance and suggests varying expectations and experiences among the different categories of park users.

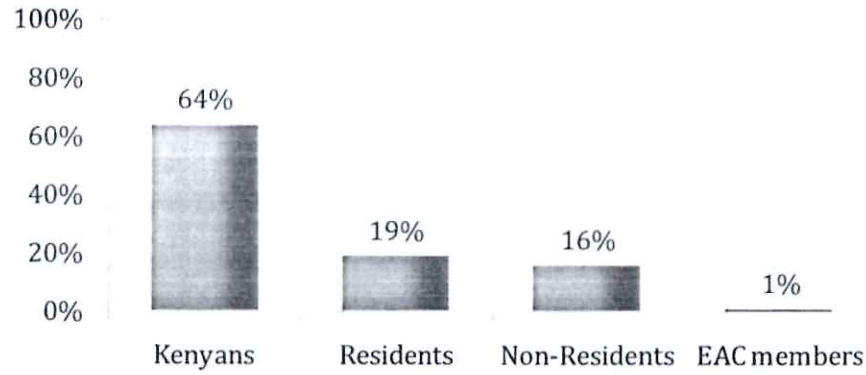


Figure 1: Visitors Nationality

3.2.3 Stakeholder Engagement Through Focus Group Discussions (FGDs)

As part of the broader pricing study, a total of 9 regional FGDs were conducted across diverse conservation landscapes in Kenya. The FGDs were designed to gather in-depth, qualitative feedback from stakeholders with direct or indirect interaction with Kenya Wildlife Service (KWS) parks. These discussions enriched the quantitative survey findings by providing context-specific insights, lived experiences, and pricing-related concerns.

FGD Participants were drawn from a wide range of stakeholder groups, including:

- Business stakeholders (e.g., hoteliers, traders, tour operators)
- Community stakeholders (e.g., local leaders, beach operators, boat owners)
- KWS staff (across departments and parks)
- Tour guides and porters (especially in mountaineering regions)
- Marine-based operators (dhow / boat owners, water sports providers)
- Conservation NGOs and policy advocates
- Airlines operators

This diversity ensured that the social, economic, and operational implications of pricing adjustments were viewed from multiple lenses—ranging from tourism businesses and conservation actors to grassroots community members.

Table 2: Regional Spread for Focus Group Discussions (FGDs) Participants

Region	Key Parks Locations	Stakeholder Focus
Western Kenya	Kisumu Impala	Community and business stakeholders focused on affordability and access
Central Rift	Lake Nakuru, Hells Gate	Tour operators and hoteliers raised concerns about pricing vs. value
Mountain Region	Mount Kenya	Porters and guides highlighted the impact of pricing on repeat business
Eastern Kenya	Meru National Park	Community conservationists discussed local benefits and inclusivity
Coast	Watamu, Kisite	Marine operators focused on fee changes and seasonal price dynamics
Southern Kenya	Amboseli, Nairobi	Tour guides and conservationists discussed urban accessibility and tie ring

3.2.4 FGD Participation by Region and Park

Focus Group Discussions (FGDs) were held in 9 park locations across 6 regions, engaging a total of 423 participants. The distribution of participants by region and park reflects both geographical diversity and the strategic importance of the selected sites.

- Western Region had the highest number of participants (75 respondents), all from the Kisumu Impala Sanctuary area. This region included a diverse group of community members, KWS staff, and local tourism stakeholders, emphasizing issues of affordability, local business impacts, and visitor experiences in urban park settings.
- Central Rift Region engaged a combined total of 85 participants from Lake Nakuru and Hells Gate National Parks. Discussions here reflected the critical role of KWS parks in the central tourism circuit, with strong representation from hotel owners, traders, and park stakeholders (e.g., KenGen at Hells Gate).
- The Mountain Region recorded 54 participants, all at Mount Kenya, primarily involving tour guides and porters, as well as KWS staff. The group provided targeted feedback on mountaineering fee structures, seasonal visitation, and the importance of safety and conservation in attracting climbers.
- Eastern Region hosted its FGD in Meru National Park, attracting 40 participants. These included hotel owners, KWS staff, and community representatives. The discussions focused on infrastructure challenges, low visitor numbers, and the need for marketing to boost visibility.
- The Southern Region featured two sites:
    - Amboseli with 18 participants, primarily hotel operators, porters, and KWS staff.
    - Nairobi, with 24 participants, including Friends of Nairobi National Park and tourism actors. This region highlighted urban park dynamics, short-stay visitor behavior, and proposed reforms to bundled pricing.
- The Coastal Region had the highest total participation at 127 respondents, spread across Watamu (77) and Kisite (50). These sessions included boat operators, beach guides, KWS personnel, and eco-tourism business owners. Marine park stakeholders raised strong concerns about proposed fee increases, seasonality, and the importance of aligning pricing with services and community benefits.

Table 3: FGD Participants by Region and Park

Region	Region Total	% of Total (Region)	Park	Total Participants	% of Total (Park)
Western	75	17.73%	Kisumu Impala	75	17.73%
Central Rift	85	20.09%	Lake Nakuru	47	11.11%
			Hells Gate	38	8.98%
Mountain	54	12.77%	Mount Kenya	54	12.77%
Eastern	40	9.46%	Meru	40	9.46%
Southern	42	9.93%	Amboseli	18	4.25%
			Nairobi	24	5.67%
Coast	127	30.02%	Watamu	77	18.21%
			Kisite	50	11.82%
Total	**423**	**100.00%**		**423**	**100.00%**

3.2.5 Hotel/Lodge/Camp Facilities Response Rate

Out of the 38 hotel, lodge, and camp facilities that were invited to participate in the study through an emailed questionnaire, a total of 25 facilities responded, yielding a response rate of approximately 66%. This is considered a strong response for an email-based survey targeting private sector stakeholders, particularly in the tourism and hospitality sector where operational demands may limit participation in research activities.

The relatively high response rate indicates a significant level of interest and engagement from accommodation facilities located within or near KWS-managed parks. It also reflects their willingness to contribute insights on the impacts of park pricing, visitor preferences, and business operations.

These responses provide a robust basis for analysis, ensuring that the findings reflect the views of a diverse cross-section of hospitality establishments across key tourism destinations. The input from these facilities is vital for assessing the implications of KWS pricing strategies on tourism flow, occupancy rates, and partnership opportunities with the private sector.

3.2.6 Learning Institutions and Educational Engagement with KWS Parks

The figure below illustrates the distribution of learning institutions that participated in the KWS pricing survey. Secondary schools made up the largest proportion of respondents at 44%, followed by primary schools at 37%. Colleges and universities accounted for 14%, while Junior Secondary Schools (JSS) made up 5%.

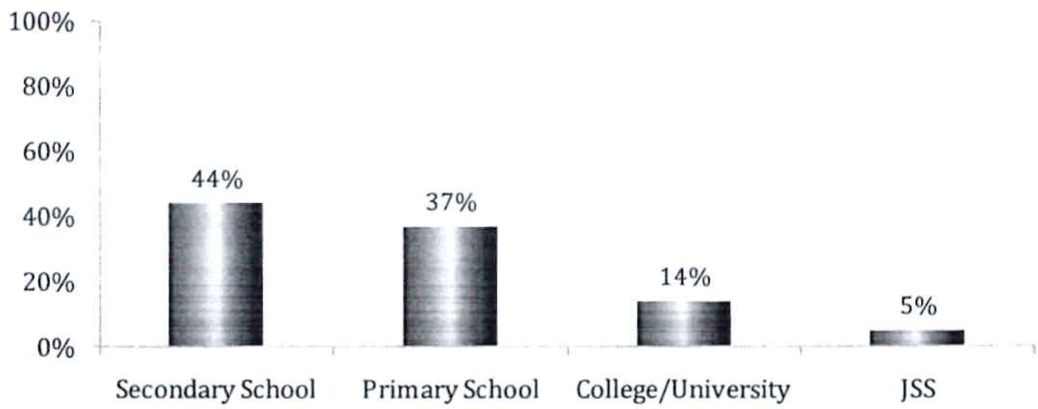
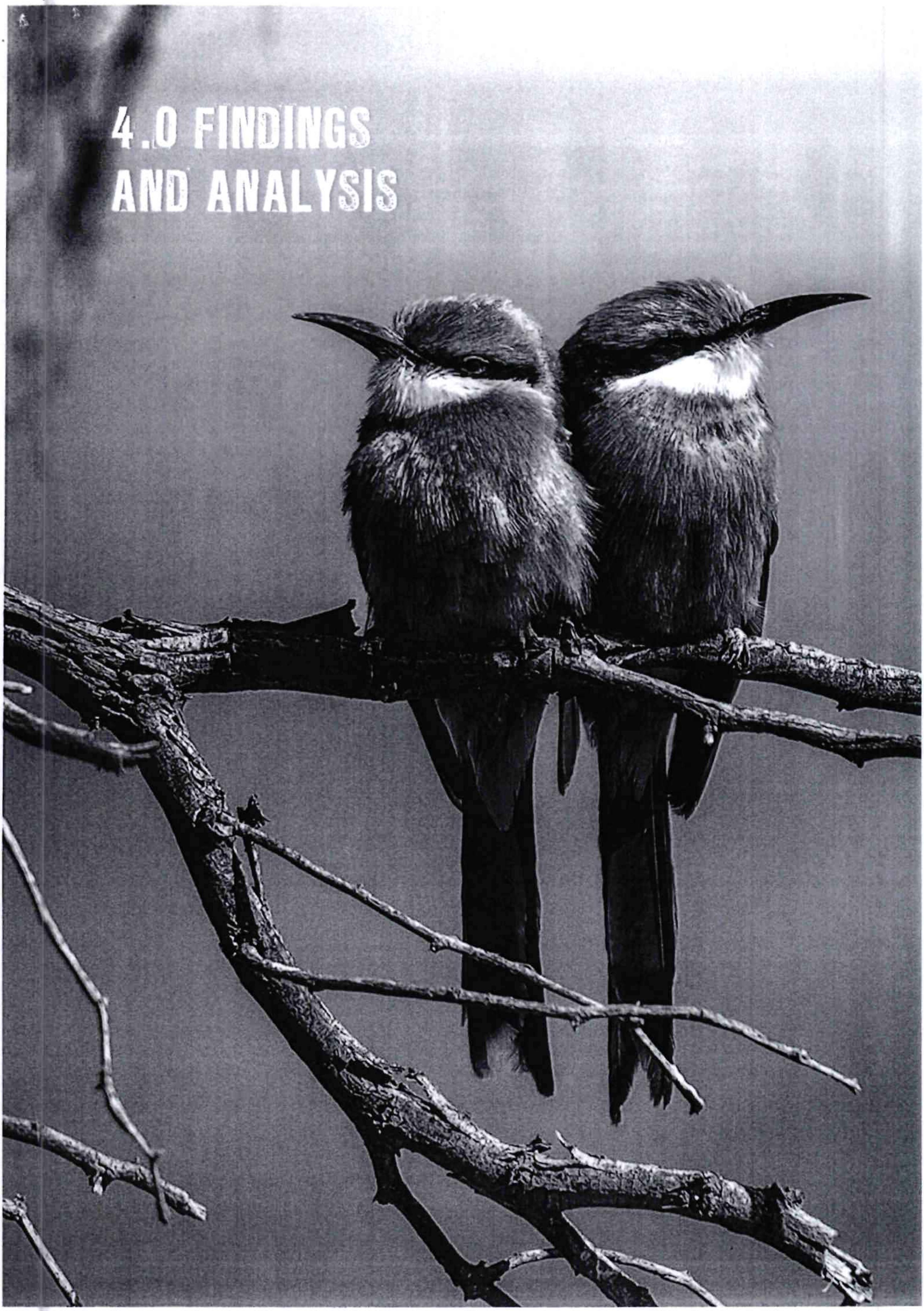


Figure 2: Type of Learning Institution

4.0 FINDINGS AND ANALYSIS



4.1 Introduction

This chapter presents the key findings from the pricing study, derived from comprehensive data collection exercises targeting multiple stakeholder groups. The analysis integrates both quantitative and qualitative data gathered through structured surveys, interviews, and focus group discussions with key actors including tour operators, tourists, hotel and lodge owners, learning institutions, KWS staff, and other conservation stakeholders.

4.2 Current KWS Pricing Models

KWS uses a tiered pricing structure based on park type, visitor category, activity, and vehicle type. The pricing model distinguishes between Citizen, Resident, and Non-Resident visitors and is designed to generate revenue while promoting accessibility and conservation.

4.2.1 Park Segmentation and Categories

To ensure pricing reflects both conservation value and visitor experience, KWS has adopted a segmentation model that categorizes parks based on ecological importance, tourism demand, and infrastructure development. KWS has classified parks into distinct categories that reflect visitor demand, conservation importance, and level of infrastructure. These categories determine baseline entry pricing:

1. Premium Parks (e.g., Amboseli, Lake Nakuru)
2. Wilderness Parks A & B (e.g., Tsavo East/West, Meru, Aberdare, Mt. Kenya)
3. Urban Safari (e.g., Nairobi National Park)
4. Sanctuaries & Special Interest Parks (e.g., Nairobi Safari Walk, Kisumu Impala)
5. Marine Parks (e.g., KisiteMpunguti, Malindi, Watamu)
6. Mountain Climbing Packages (e.g., Mt. Kenya: Day to 6-Day packages)

Each category has a price point tailored to perceived value, demand, and maintenance costs.

4.2.2 Visitor Segmentation

To enhance accessibility and equity in park access, KWS employs a visitor segmentation strategy that differentiates pricing based on nationality and residency status. This approach allows for tiered fees that reflect differing capacities to pay while promoting inclusivity for local populations. The segmentation includes Kenyan citizens, foreign residents, international tourists (non-residents), and children or students who often benefit from substantial discounts.KWS applies differentiated pricing for:

- Citizens (Kenyan nationals)
- Residents (Foreign nationals with legal Kenyan residence)
- Non-Residents (International tourists)
- Children/Students (often discounted at 50% or more)

This segmentation ensures affordability for local visitors while capturing more revenue from international tourism.

4.2.3 Activity-Based Pricing

In addition to general park entry fees, KWS has implemented an activity-based pricing model to monetize specialized experiences within its parks. This structure enables visitors to pay for value-added activities such as camping, guided tours, and adventure sports, offering more personalized and immersive wildlife encounters. These activities not only enhance the overall visitor experience but also serve as strategic revenue diversification tools, allowing KWS to cater to a wider range of visitor preferences and budgets while maximizing the economic potential of its natural assets. Special activities attract separate fees including:

- Camping (Public/Special Campsites)
- Mountain Climbing Packages
- Boat Rides and Lake Excursions
- Night Game Drives
- Security/Guided Tours (Hourly based)
- River Rafting, Fishing, Horse Riding, Biking

4.2.4 Vehicle, Aircraft, and Boat Fees

To manage access and generate additional revenue from park use, KWS imposes fees on vehicles, aircraft, and boats entering or operating within its parks. These charges are structured based on factors such as vehicle seating capacity or tonnage, aircraft seating, and the nature of boat use (commercial vs. private). This pricing framework ensures that transportation-related usage contributes fairly to park maintenance and infrastructure, especially in high-traffic conservation areas. It also supports regulation of commercial operations and minimizes potential environmental impact from transport activities.

- Charges apply per vehicle (based on seating/tonnage)
- Aircraft landings are charged based on seat capacity
- Boats are charged daily or via annual licenses (different for commercial vs. private)

4.2.5 Annual Passes & Commercial Access

KWS has developed a range of annual pass options and commercial access permits to cater to frequent park users and business partners. These include individual annual passes for adults and children, corporate passes for organizations, and special permits for tour drivers and vehicles stationed within the parks. Additionally, marine park operators are required to obtain commercial licenses. These provisions not only offer convenience and cost savings for regular users but also help KWS build long-term partnerships with the tourism industry, while ensuring a steady revenue stream to support conservation and park operations.

- Adult/Child annual passes
- Corporate passes
- Tour driver annual pass
- Marine park commercial licenses
- Tour vehicles stationed in the park (annual fees)

4.2.6 Discounts and Group Incentives

To encourage bulk visitation and support group-based tourism, KWS offers structured discounts for organized groups such as schools, conferences, and corporate outings. These discounts typically range between 5% and 30%, depending on the size of the group. This approach enhances affordability, especially for educational and community-based programs, and incentivizes higher visitor volumes during both peak and off-peak seasons.

4.3 Perception of Services Provided

4.3.1 Rating of Key Service Attributes by Visitors

The respondents were asked to rate their perception of services provided. The survey data shows that visitors hold a generally positive perception of services provided in KWS-managed parks.

Visitors to KWS-managed parks generally reported positive experiences across key service attributes, according to survey findings. Cleanliness was rated highly, with 46% of respondents marking it as "Good" and another 25% as "Average," while only a small proportion rated it as "Poor" or "Very Poor." Safety and security were also well-regarded, with 44% rating them "Good" and 24% "Excellent," indicating a strong sense of safety across the parks. Similarly, the availability of park staff received mostly favorable ratings, with 40% describing it as "Good" and 27% as "Average," and only a minority expressing dissatisfaction.

However, there were areas that signaled a need for improvement. The quality of park facilities drew mixed reactions—while 36% rated them "Good," 26% average, a combined 27% rated them as either "Poor" or "Very Poor," and only 12% rated them "Excellent." This suggests infrastructure and amenity upgrades are necessary to match visitor expectations. On a more positive note, the wildlife viewing experience emerged as the strongest attribute, with 77% of visitors rating it either "Excellent" (28%) or "Good" (49%). These insights affirm the parks' core strength in delivering quality wildlife encounters, while pointing to the need for targeted investments in facilities and service enhancements to improve overall visitor satisfaction.

Figure 3: Visitor Perception on Service Quality

4.3.2 Areas Identified for Improvement in Parks

The visitors were requested to identify key areas of improvements within the parks. Six core areas of improvement were identified by park visitors, with the most pressing concerns revolving around infrastructure and facilities, accounting for 76% of the responses. Visitors specifically cited the need for better roads, signage, toilets, and upgraded picnic and camping amenities. Service delivery and operational efficiency emerged as the second most significant category (19%), pointing to issues such as outdated payment methods, delayed park entry processes, and a need for better customer service and staffing. Cleanliness and park maintenance (9%) and security and safety (6%) were also noted as important, while wildlife experience quality and digital access/affordability collectively garnered 13%. This distribution reflects a demand for both improved physical infrastructure and enhanced service systems, indicating that a well-rounded investment strategy by KWS can significantly elevate overall visitor satisfaction and park competitiveness.

Table 4: Key Improvement Areas in KWS Parks

Element	**Specific Issues Included**	**Percent**
Infrastructure and Facilities	Roads and signage, Toilets, Park infrastructure, Picnic areas, Camping sites, Viewpoints	**76%**
Service Delivery and Operations	Payment methods, Park entrance efficiency, Customer service, Additional staff, Rule enforcement	**19%**
Cleanliness and Maintenance	Cleanliness, Park maintenance	**9%**
Wildlife and Experience Quality	Increase in animal variety, Water points, Park activities	**5%**
Security and Safety	Security, Crowding management	**6%**
Digital Access and Affordability	Internet connectivity, Reduce park fees	**8%**

4.3.3 Visitor Compliments to KWS Parks

The table on common visitor compliments highlights several areas where Kenya Wildlife Service (KWS) parks are performing exceptionally well in the eyes of visitors. The most frequently cited compliment—by a significant 75% of respondents—is the beautiful landscape and wildlife, reaffirming that Kenya's natural endowments remain the core attraction for both local and international tourists. This underscores the importance of continued investment in wildlife protection and habitat preservation as key pillars of park attractiveness.

Conservation efforts were acknowledged by 40% of visitors, reflecting public awareness and appreciation for KWS's role in safeguarding biodiversity. This is a valuable asset in positioning KWS parks as sustainable tourism destinations, especially for environmentally conscious travelers.Ease of park accessibility and cleanliness/security, each mentioned by 25% of respondents, are also notable strengths. These factors contribute to positive visitor experiences, and their recognition suggests that logistical and operational aspects of park management—like road networks, gate operations, and ranger presence—are meeting expectations in many areas.

Overall, the feedback reflects strong visitor satisfaction in areas that are central to the value proposition of national parks: natural beauty, conservation leadership, and visitor comfort. These compliments not only strengthen KWS's brand but also offer a foundation for marketing and public relations messaging. However, they should also be viewed as standards to be maintained and improved upon, especially as visitor expectations continue to evolve.

Table 5: Common Visitor Compliments to KWS Parks

Compliment	Percentage (%)
Beautiful landscape and wildlife	75%
Conservation efforts	40%
Easy park accessibility	25%
Cleanliness and security	25%

4.4 Visitor Perceptions on Pricing

This section presents an in-depth analysis of visitor feedback on their experiences within Kenya Wildlife Service (KWS) parks. Drawing from survey responses, the section explores three key dimensions: overall satisfaction with park services pricing, willingness to pay for improved experiences, and perceived value for money. These insights are essential for understanding how visitors evaluate their interactions with the parks, what they value most, and how pricing aligns with their expectations. The findings serve as a vital input for informing pricing strategies, service improvements, and visitor engagement initiatives.

4.4.1 Perceived Affordability of Park Entry Fees

The table below present the perception of the current park entry fees from three key respondent groups—visitors, tour drivers/guides, and tour operators. A majority across all groups view the pricing as "Affordable," with Visitors at 37%, Tour Drivers at 45%, and Tour Operators at 43%, reflecting general acceptance of the existing fee structure. However, there are notable concerns: approximately 22-24% of visitors and tour drivers consider the fees "Expensive," while 19% of tour operators feel the same. A smaller percentage views the pricing as either "Very Affordable" (7–8%) or "Very Expensive" (7–10%), indicating polarised perceptions among niche respondents. The "Neutral" stance is held by 23–24% across the three categories, suggesting some uncertainty or mixed experiences in value perception. Overall, while the pricing structure appears broadly acceptable, the significant minority indicating the fees are "Expensive" signals a potential sensitivity, especially if service quality does not match expectations or if further increases are introduced without corresponding improvements.

Table 6: Perception of Park Entry Fee

Perception of Park Entry Fee	Visitors (%)	Tour Drivers/Guides (%)	Tour Operators (%)
Very Affordable	8	–	7
Affordable	37	45	43
Neutral	23	23	24
Expensive	22	24	19
Very Expensive	10	8	7
Total	**100**	**100**	**100**

4.4.2 Value for Money Pricing - Visitor Perspective

The visitors were asked to indicate whether the services provided was value for their money. Findings show a mixed perception of whether the current pricing reflects the value of services offered in KWS parks. While 45% of respondents agree that the pricing aligns with the value received, a notable 40% believe it does not, and 15% are uncertain. The 45% affirmative response suggests that nearly half of the respondents feel that KWS park services justify the fees, indicating satisfactory experiences for this group. However, the 40% dissenting opinion reveals a substantial concern about pricing fairness and perceived value, implying possible service delivery or expectations gaps.15% who are not sure represent a critical group whose indecision may stem from inconsistent experiences or limited knowledge of what the park fee covers.

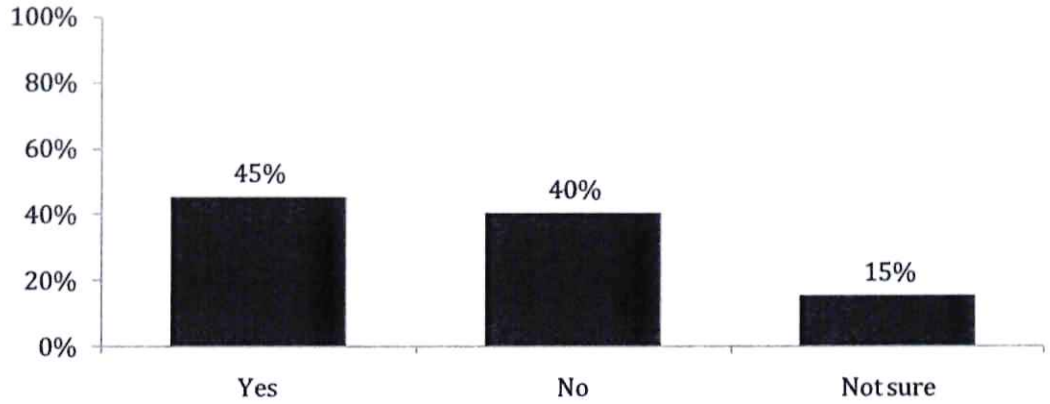


Figure 4: Current Pricing and Perceived Value for Money

4.4.3 Tour Operators' Perspective on Value for Money

The responses from tour operators regarding the alignment between current park pricing and the quality of services and experiences provided by KWS reflect a mixed but cautiously optimistic sentiment. A combined 57% of respondents believe that the pricing reflects value for money to a certain extent—with 32% stating "yes, partially" and 25% affirming "yes, completely." This suggests that over half of the tour operators acknowledge a positive correlation between the fees charged and the overall park experience offered. However, a significant 27% of the respondents feel that the pricing does "not really" align with the service and experience levels, while 2% outright believe there is no alignment at all. These dissenting views likely stem from inconsistent service delivery across parks, such as variations in infrastructure quality, customer service, or the perceived uniqueness of the wildlife experience. Meanwhile, 15% of tour operators remain neutral, possibly reflecting uncertainty or differing experiences across multiple parks.

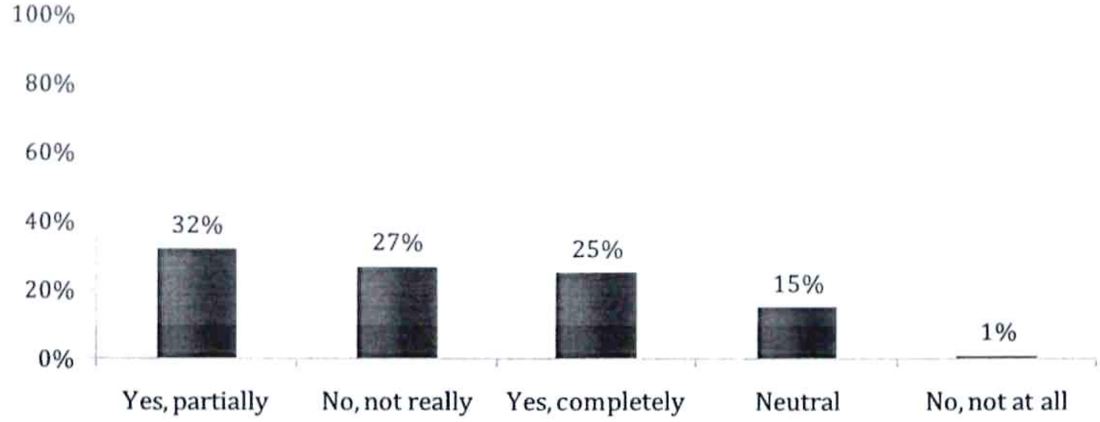


Figure 5: Tour Operators on Value for Money

4.5 Comparative Pricing Perceptions

As part of the pricing study, visitors were asked to compare KWS park entry fees to other tourism attractions, such as private conservancies, regional parks in East and Southern Africa, or global wildlife destinations. This comparison provides insights into how KWS pricing is perceived in the broader tourism marketplace and informs strategic positioning for competitiveness and value.

4.5.1 Comparison of KWS Park Fees with Other Tourism Attractions

The results reveal that nearly half of the respondents (47%) perceive KWS park fees as fairly priced, suggesting that for a significant portion of visitors, the cost aligns with expectations and comparative experiences elsewhere. However, 27% believe KWS parks are more expensive than alternative destinations. This signals a potential challenge, especially if these respondents are price-sensitive or have access to comparable experiences at lower rates in other settings. On the other hand, 16% view KWS parks as cheaper, indicating that for a subset of visitors, KWS offers better value or more accessible pricing compared to competitors. A further 10% indicated uncertainty, reflecting a lack of exposure to other tourism destinations or limited pricing awareness.

These findings underscore the importance of strategic benchmarking and the need for clear communication of value propositions. While KWS parks are perceived as competitively priced by the majority, the 27% who view them as more expensive cannot be overlooked, especially if pricing changes are considered in the future. This perception must be counterbalanced by visible improvements in service quality, conservation outcomes, and visitor experience to maintain and enhance perceived value.

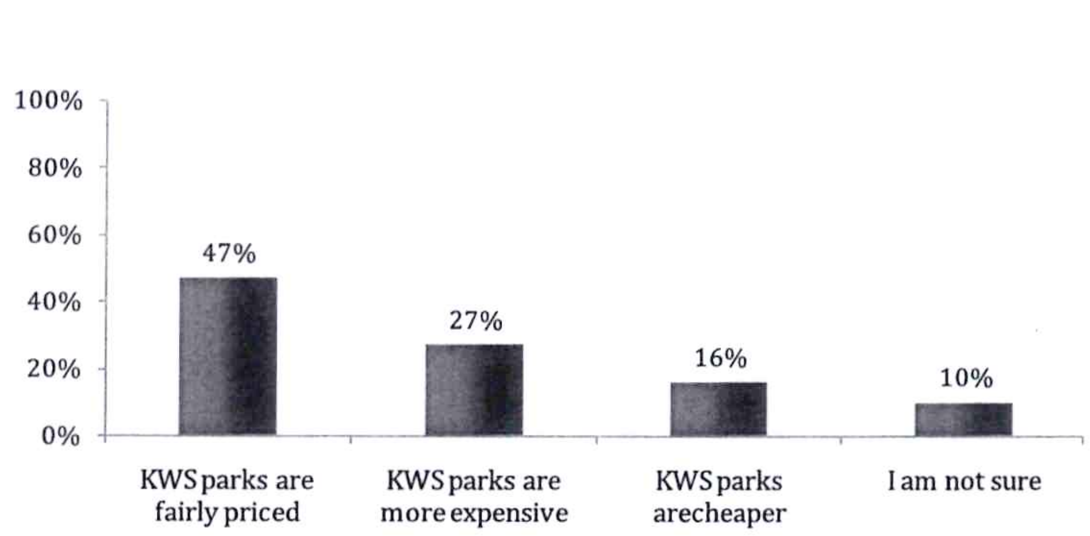


Figure 6: Comparison of KWS Park Fees to Other Tourism Attractions

4.5.2 Comparative Pricing Perceptions – Tour Operators' Views

Tour operators were also asked to compare KWS pricing with that of private conservancies within Kenya. The majority of tour operators—74% in total (47% slightly lower and 27% much lower)—believe that KWS park fees are lower than those of private conservancies. This is a strong indication that KWS currently holds a price advantage over its private-sector counterparts. Only 12% of respondents (8% slightly higher, 3% much higher) consider KWS to be more expensive than conservancies, while 15% said the pricing is about the same.

These findings suggest that KWS is perceived as more affordable, likely due to its public mandate and broader access model. However, this affordability should not be interpreted solely as an advantage—private conservancies often justify higher fees through superior services, exclusivity, and personalized visitor experiences.

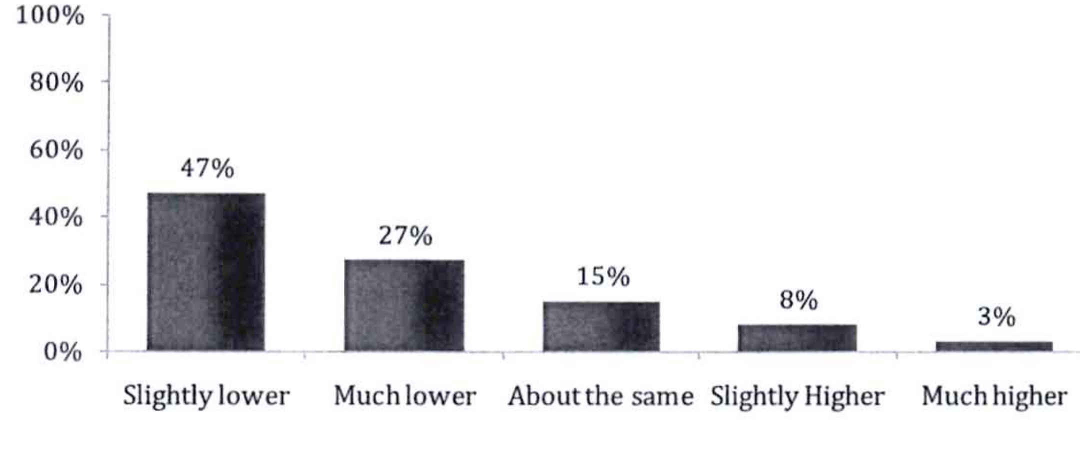


Figure 7: Comparative Pricing Perceptions – Tour Operators' Views

4.6 Willingness to Pay (WTP) Increased Pricing

Willingness to Pay (WTP) refers to the maximum amount an individual is prepared to spend to obtain a particular good or service—in this case, park access and related experiences within Kenya Wildlife Service (KWS) conservation areas. It is a critical metric in understanding the perceived value of a product from the consumer's perspective and plays a central role in shaping effective, sustainable pricing strategies.

4.6.1 Response to Potential Price Increase

The findings from the survey show a strong potential for successful park fee adjustments, with **67% of respondents—those who answered "Yes" or "Maybe"**—indicating a willingness to continue visiting KWS parks even if prices were increased. This majority reflects a positive and flexible visitor base that is open to paying more, provided the value proposition is clearly improved. The 26% who affirmed they would still visit regardless of a price increase represent a core group of loyal park users, while the 41% who responded with "Maybe" suggest conditional support that can be swayed by visible enhancements in service delivery, infrastructure, and conservation outcomes.

This encouraging signal underscores a timely opportunity for KWS to implement moderate fee increases, particularly when linked to tangible improvements in the visitor experience and transparent communication on how revenues are reinvested. Although 33% of respondents stated they would not return if prices were raised—highlighting a segment of price-sensitive users—the fact that a clear two-thirds are open to the possibility justifies the move toward a revised pricing model. Capturing the confidence of the "Maybe" group through strategic value-added interventions will be key to retaining and growing visitation even as entry fees are adjusted to support conservation and financial sustainability.

Table 7: Response to Potential Price Increase

Response Option	Frequency	Percentage
Yes	115	**26%**
Maybe	181	**41%**
No	148	**33%**
Total	**444**	**100%**

4.6.2 Amount Willing to Pay for Park Entry- Visitors

To assess the flexibility of visitor spending, respondents were asked how much more they would be willing to pay above the current park entry fees. The results provide insight into the elasticity of demand and potential headroom for strategic price adjustments.

As shown in figure below a significant 75% of the respondents indicated a willingness to pay up to 50% more than the current entry fee. This suggests that the majority of visitors are open to a modest increase in pricing, especially if improvements in park services or conservation impact are evident. An additional 13% of respondents reported being willing to pay between 51% and 100% more, indicating a smaller but significant group with higher willingness to invest in enhanced experiences or value-added offerings. Meanwhile, 3% of visitors indicated they would accept a price increase of more than 100%, representing a niche, potentially high-value segment. Only 9% of visitors indicated that they were unwilling to pay anything more, reflecting a relatively small segment with zero tolerance for price changes.

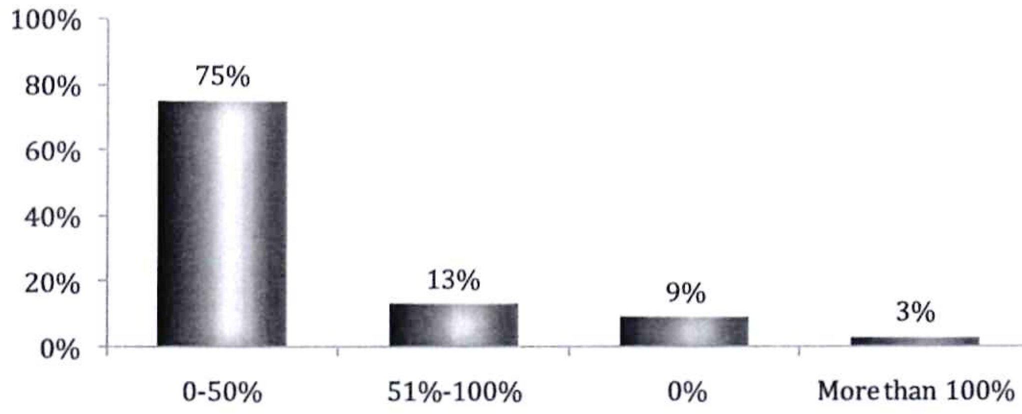


Figure 8: Amount Visitors are Willing to Pay for Park Entry Above Current Fee

4.6.3 Amount More Willing to Pay by Guests – Tour Operators' Perspective

Tour operators were asked to estimate how much more their clients would be willing to pay for park entry if KWS significantly improved its park services and visitor experiences. An overwhelming majority of **89% of tour operators** indicated that their clients would be willing to pay **up to 50% more** for park entry, provided there were noticeable improvements in service quality and visitor experiences. This reflects a strong latent **willingness to pay (WTP)**, contingent on value addition. Only **11%** of respondents believed their clients would tolerate a price increase beyond 50%, with just **4%** indicating support for more than a 100% increase. The results presented in the chart reveal the following:

Table 8: Amount Visitors are Willing to Pay for Park Entry –Tour Operators

Increase Range	Percentage of Tour Operators
0–50% more	89%
51–100% more	7%
More than 100% more	4%
Total	**100%**

4.6.4 Willingness to Pay More– Hotel Owners Perspective

The figure below findings on how much more guests would be willing to pay for park entry if KWS improved park services and visitor experiences. This insight is crucial for informing future pricing strategies that align with visitor expectations.

- 68% of respondents indicated that guests would be willing to pay up to 50% more for enhanced park services.
- 21% were not sure, highlighting some uncertainty in customer response or a lack of direct feedback.
- A smaller portion—5% each—were open to paying 51–100% more and more than 100%, indicating limited but notable potential for premium pricing among select market segments.

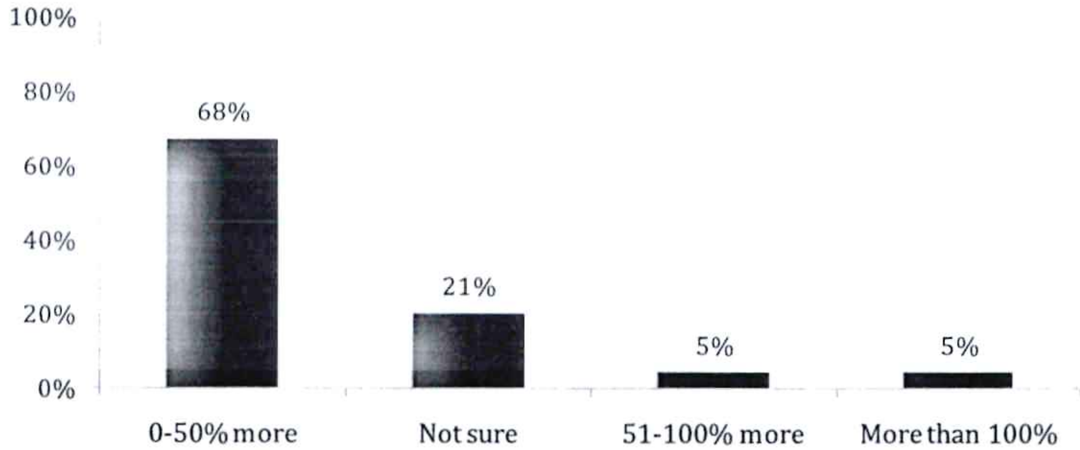


Figure 9: Level Guests are Willing to Pay if Services Improved

4.6.5 Willingness to Pay More Per Student– Learning Institutions

Learning institutions were asked how much more they would be willing to pay per student for KWS park entry if the additional fees went toward improved conservation and visitor facilities.

The overwhelming majority of institutions (82%) are willing to absorb a modest increase in park entry fees, particularly when such increases are tied to tangible improvements in services and facilities. This indicates a positive willingness-to-pay elasticity within a narrow range. However, willingness sharply drops as the proposed increase exceeds 50%.Only a small fraction (6%) support a significant hike (above 50%), and even fewer (2%) are open to doubling current rates. Notably, 8% resist any fee change, while another 2% feel fees should be lowered, reflecting concerns around affordability and access for disadvantaged institutions.

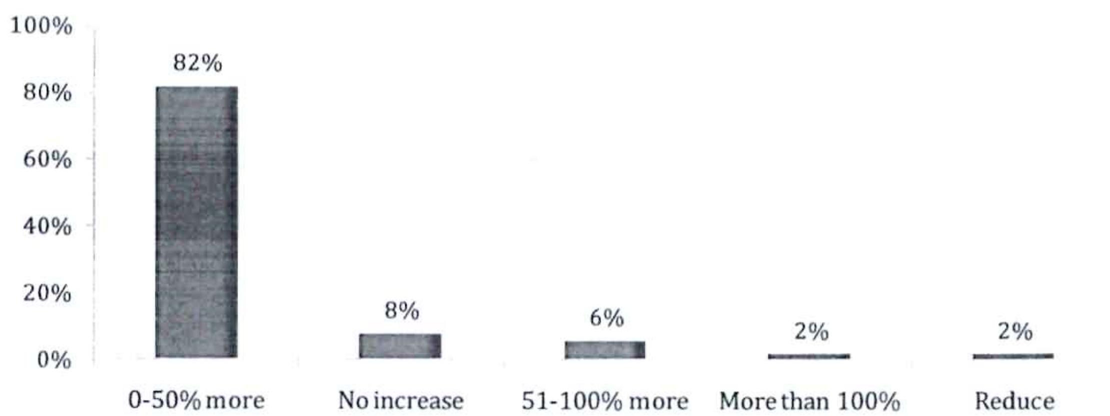


Figure 10: Level of Increase Institutions are Willing to Pay Per Student

4.6.6 FGD Feedback on Perception of Pricing and Willingness to Pay (WTP):

In a series of Focus Group Discussions (FGDs) held across nine KWS parks—including Amboseli, Hell's Gate, Kisumu Impala, Mt. Kenya, Meru, and Watamu Marine—over 400 stakeholders were engaged, ranging from park staff, tour operators, and hoteliers to local community members, beach operators, and educational institutions. The prevailing perception was that while current park entry fees were considered generally reasonable or even slightly low, they did not always match the expected or desired level of service quality. Participants noted that prices, particularly for non-residents, were competitive compared to regional peers like Tanzania's TANAPA, but emphasized the need for greater alignment between fee levels and the quality of infrastructure, staff engagement, and overall park experience. Domestic and local visitors, especially schools and small-scale operators, highlighted concerns about affordability, calling for differentiated or subsidized pricing for low-income users.

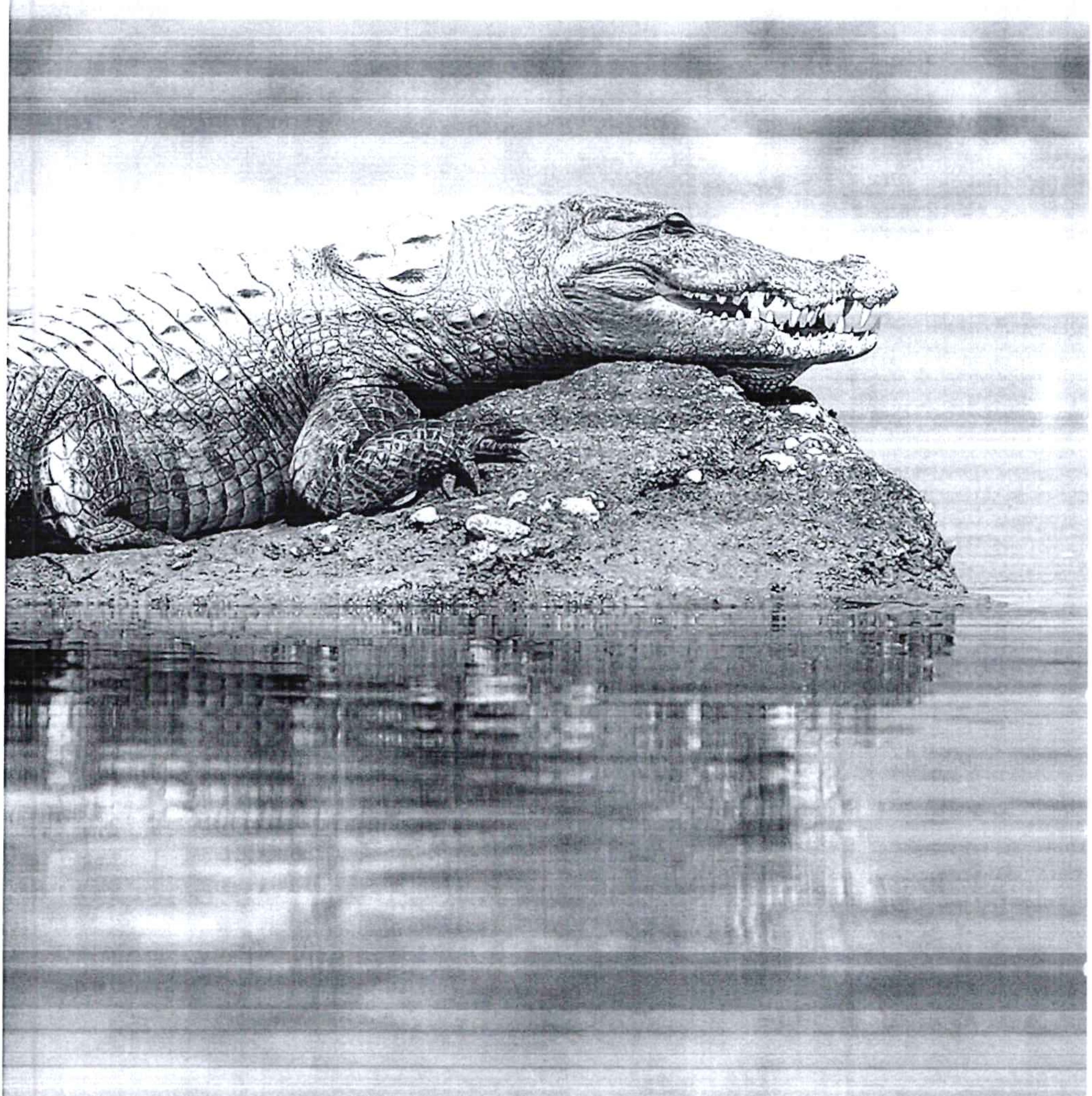
Despite these concerns, most stakeholders expressed support for moderate park fee increases, provided that the additional revenue is transparently reinvested in conservation initiatives, community development, and improvements to park services. Participants emphasized that willingness to pay (WTP) is closely tied to perceived value and visible change—such as cleaner facilities, enhanced visitor safety, better roads, and improved staff availability. While there was notable sensitivity among local groups and institutions, particularly in terms of frequent access and group rates, the overall sentiment was that visitors—both domestic and international—would accept modest increases if they could clearly see the benefits. This underscores the importance of coupling any price adjustment with communication strategies that build public trust and demonstrate reinvestment into conservation and visitor experiences.

4.6.7 Summary: Willingness to Pay (WTP) for Increased Park Entry Fees

The survey revealed strong potential for increasing KWS park entry fees, with 67% of visitors (those who responded "Yes" or "Maybe") indicating a willingness to continue visiting parks even if fees were raised. While 33% expressed unwillingness to return, the majority—particularly the 41% who answered "Maybe"—represent a valuable segment that can be retained through improved service delivery and value communication. Furthermore, when asked how much more they would be willing to pay, 75% of visitors indicated readiness to pay up to 50% more, and an additional 13% were open to increases of 51–100%. Only 9% were unwilling to pay anything more, signaling broad acceptance of moderate, value-linked pricing reforms.

Support for increased pricing was echoed across tourism industry stakeholders. 89% of tour operators stated their clients would be willing to pay up to 50% more if park services and experiences improved, and 68% of hotel owners agreed their guests would accept the same range of increase. Among learning institutions, 82% were willing to pay up to 50% more per student, provided the additional fees funded better conservation and visitor facilities. These findings collectively affirm that a majority of KWS's user base supports price adjustments—particularly if the changes are paired with visible improvements in infrastructure, customer service, and conservation outcomes. This data provides a solid foundation for KWS to implement a tiered, transparent pricing strategy aligned with stakeholder expectations and park sustainability goals.

5.0 BENCHMARKING STUDY



5.1 Introduction

The benchmarking study was undertaken to analyze and compare pricing models used by selected national parks in notable wildlife tourism destinations in the Sub-Saharan region. The goal was to gain insights into how peer institutions structure their entry fees, apply discounts, engage communities, and link revenue generation to conservation outcomes. By benchmarking against similar conservation areas, the study aimed to identify gaps, highlight KWS's competitive advantages, and recommend areas for improvement in its pricing approach. The insights from this benchmarking exercise are intended to inform strategic decisions around pricing reforms and enhance KWS's ability to balance conservation impact, visitor satisfaction, and revenue generation.

5.2 Benchmarking Methodology

To establish a robust and comparative understanding of park pricing strategies and visitor experience models, a multi-method benchmarking approach was adopted. This approach aimed to gather both qualitative and quantitative data from diverse protected areas within and outside Kenya. This triangulated methodology enabled a holistic and credible benchmarking process by combining documentary evidence, expert opinion, and stakeholder perception data. The findings from these approaches informed recommendations for sustainable, competitive, and stakeholder-informed pricing models for KWS parks.

5.3 Benchmarking Findings

This section presents a comparative analysis of KWS pricing against national parks and conservation areas in Sub-Saharan Africa. It draws on benchmark data from conservation authorities such as SAN Parks (South Africa), TANAPA (Tanzania), and select entities in Rwanda and Uganda alongside county-managed reserves and private/community conservancies in Kenya.

5.3.1 Benchmarking KWS Park Pricing Against Tanzania's Conservation Areas

Tanzania and Kenya are two of the leading wildlife tourism destinations in Sub-Saharan Africa. Their respective national park systems—managed by TANAPA (Tanzania National Parks Authority) and KWS—share similar ecosystems and offer parallel wildlife experiences, especially in the savannah and highland regions. However, their pricing structures, visitor segmentation policies, and product positioning differ significantly.

A comparative analysis between Kenya Wildlife Service (KWS) parks and Tanzania's conservation areas—including TANAPA-managed parks and the Ngorongoro Conservation Area—reveals that KWS parks remain competitively priced, particularly for international visitors. For non-residents, KWS premium parks such as Amboseli and Lake Nakuru currently charge USD 60, which is lower than TANAPA's flagship parks like Serengeti, Kilimanjaro, and Nyerere, which are priced at USD 70, and significantly below highly niche destinations like Gombe National Park (USD 100) and Mahale Mountains (USD 80). Even mid-tier TANAPA parks such as Tarangire and Arusha charge USD 50, offering only marginal price differences but fewer visitor services and infrastructure than KWS's most visited parks.

In contrast, KWS offers a more uniform and accessible pricing model, appealing to a wider market while maintaining conservation quality. While Tanzania provides extremely low rates for citizens and EAC nationals (as low as USD 1.53–3.82), KWS citizen pricing is modestly higher (USD 8–10), though still aligned with affordability goals. However, for international tourists—the key revenue segment—KWS parks present better value for money, with scenic diversity, reliable infrastructure in leading parks, and proximity to urban hubs like Nairobi National Park.

Private conservancies in both countries charge significantly higher fees (USD 90–200), which makes KWS parks a highly affordable and attractive choice for non-residents seeking safari experiences. With targeted investments in service quality and visitor infrastructure, KWS has the opportunity to justify modest fee increases while still offering superior value compared to regional peers.

5.3.2 Comparative Pricing Insights: South African Parks vs. KWS Parks

South Africa is a leading global wildlife tourism destination, with a well-established network of national parks managed by South African National Parks (SAN Parks). The SAN Parks system is renowned for its efficient management, infrastructure quality, and diverse ecosystems, ranging from desert landscapes to coastal forests. As a competitor in the Sub-Saharan market, South Africa's pricing structure provides valuable insights for KWS.

While South African National Parks (SAN Parks) are often cited for their lower entry fees—such as USD 29.40 for non-residents at Kruger National Park and even as low as USD 5.76 for citizens—this pricing structure masks a key difference in the overall visitor cost model. SAN Parks employs a segregated pricing approach, whereby park entry only grants basic access, and visitors are required to pay separately for various activities. This "pay-per-experience" model spreads the cost across multiple transactions and allows the parks to appear more affordable upfront while monetizing deeper experiences separately.

In contrast, Kenya Wildlife Service (KWS) largely adopts a bundled pricing model, where the park entry fee offers inclusive access to the core wildlife and landscape experience without additional charges for most standard visitor activities. For example, in KWS parks such as Amboseli or Lake Nakuru, guests can drive through key viewing circuits, access picnic sites, and enjoy full-day wildlife experiences without further expenditure. This makes the KWS experience more holistic per entry, especially for non-residents paying USD 60, who receive access to both the park and its core tourism offering.

This difference in pricing philosophy is critical when evaluating perceived value. Although SAN Parks may seem cheaper at first glance, the total cost of a full visitor experience can be equal to or higher than KWS once add-ons are factored in. Furthermore, SAN Parks benefits from broader government funding and a larger domestic tourism base, allowing them to subsidize pricing more effectively.

Ultimately, KWS offers excellent wildlife and scenic experiences under a relatively all-inclusive model, and with targeted service improvements and strategic communication, it can maintain competitiveness while responsibly adjusting its pricing to support financial sustainability and conservation outcomes.

5.3.3 Comparative Pricing Insights: Other Sub-Saharan Africa Parks vs. KWS Parks

Across Sub-Saharan Africa (SSA), protected areas are a vital pillar of conservation and tourism-driven economies. Countries like Rwanda and Ugandahave well-established national parks that compete regionally and globally for wildlife tourism. These parks vary significantly in terms of entry fees, discount structures, and visitor segmentation models.

A comparison of park entry fees reveals that while Rwanda's Akagera National Park charges a premium USD 100 for non-residents, regional pricing for East African citizens (including Kenyans) paying USD 50; its citizen and resident fees (USD 16) are actually higher than KWS, where Kenyan citizens and Residents pay an average of USD 6–7 for premium parks. This challenges the notion that Rwanda has superior domestic affordability and instead highlights KWS's stronger accessibility for local populations. Uganda's Murchison Falls, although priced moderately at USD 45 for non-residents, offers much lower citizen/resident entry fees (USD 6.84), leveraging inclusivity. However, when evaluated holistically, KWS parks offer broader experiences—including savannahs, forests, marine ecosystems, and mountains—under a single bundled fee structure, unlike the segmented activity-based pricing seen in many regional parks. This positions KWS as delivering greater value for money, especially when moderate pricing adjustments are tied to service improvements, infrastructure, and conservation outcomes. The case for a strategic fee increase—particularly for non-residents—is further justified when considering KWS's scale, diversity of offerings, and public mandate.

5.3.4 Comparative Pricing Insights: Kenya's Other Conservation Areas vs. KWS Parks

In addition to the protected areas managed by Kenya Wildlife Service (KWS), Kenya hosts a wide range of county-managed national reserves and privately/community-managed conservancies. These include world-renowned sites such as Maasai Mara National Reserve, Ol Pejeta Conservancy, and several community conservancies in Samburu and Laikipia.

An analysis of Kenya's broader conservation landscape reveals significant pricing disparities and value positioning between Kenya Wildlife Service (KWS) parks and other protected areas managed by counties, communities, or private entities. Premium destinations such as the Maasai Mara National Reserve charge up to USD 200 for non-residents in high season, far exceeding KWS's USD 60 rate at flagship parks like Amboseli or Nakuru. The Mara's global reputation, branding strength, and bundled wildlife experiences support this premium.

Private and community conservancies, including Ol Pejeta, Kalama, and Namunyak, charge between USD 80–120 for non-residents, offering exclusive experiences, luxury facilities, and direct benefit-sharing with local communities. These models often deliver strong conservation narratives and high-touch services, positioning them above KWS in pricing. For example, Ol Pejeta charges USD 110, offering rhino sanctuaries and chimpanzee rescue centers that justify its elevated rates.
Samburu and Buffalo Springs Reserves, while only slightly higher than KWS in price, appeal to niche tourists due to their unique species and arid landscapes. Meanwhile, Mara Wildlife Conservancies, known for low-density, high-impact tourism models, often exceed even the Maasai Mara in pricing due to their exclusivity.

5.3.5 Marine Parks Comparative Analysis: Kenya vs. Regional Marine Parks

Marine protected areas are an increasingly important component of conservation and tourism strategies across Africa's coastal states. As Kenya continues to develop its blue economy and enhance the role of marine parks in sustainable tourism, it is essential to benchmark KWS-managed marine parks against regional peers in terms of pricing, visitor experience, and unique ecological offerings. This comparative analysis evaluates Kenya's five marine parks alongside similar parks in South Africa, Seychelles, Zanzibar, Mauritius, and Mozambique—focusing on entry fees, accessibility, and unique selling points (USPs). The findings provide valuable insights into Kenya's positioning in the regional marine tourism market and inform recommendations on how KWS can enhance competitiveness, improve visitor value, and explore opportunities for strategic pricing reforms.

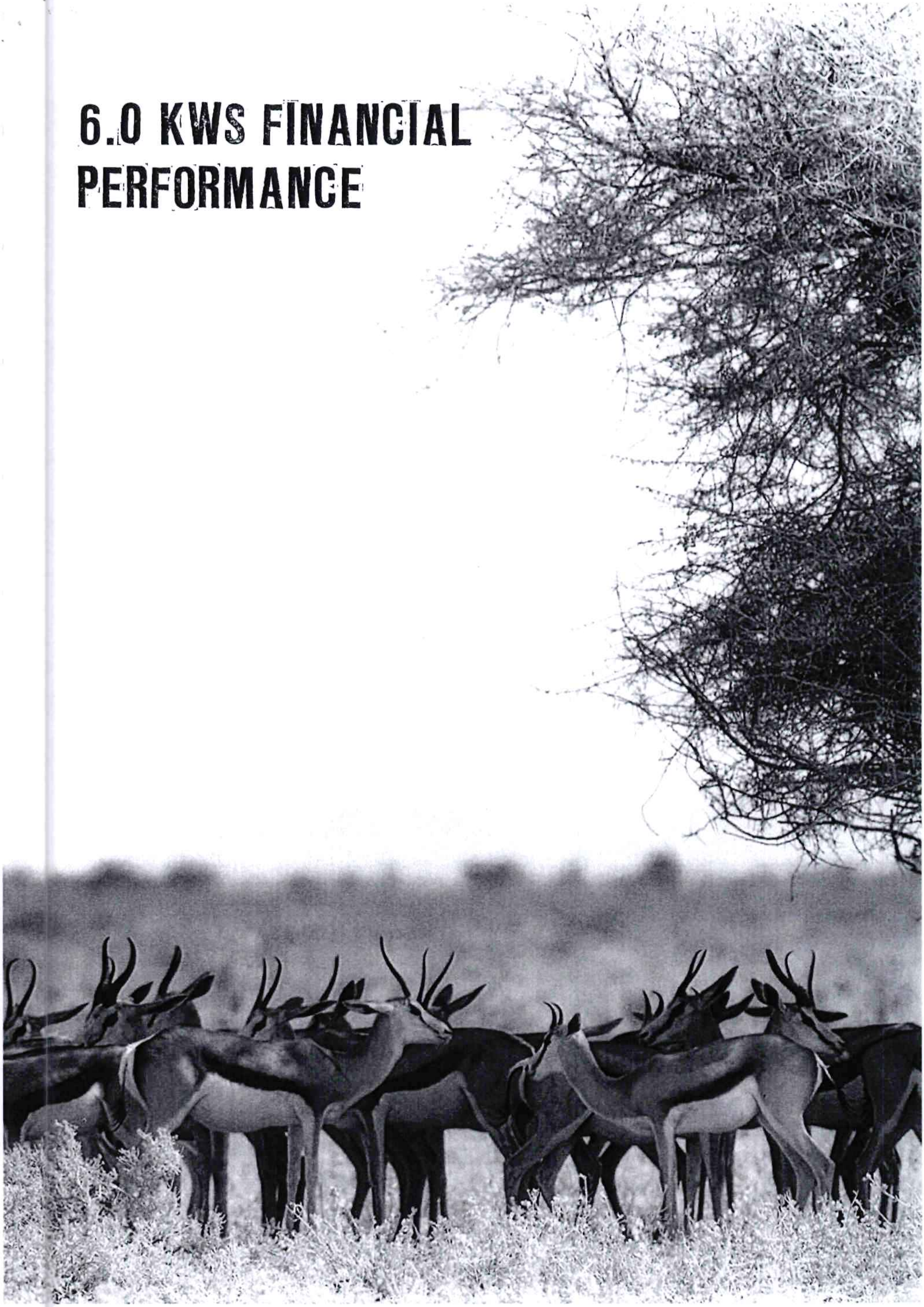
The Kenya Wildlife Service (KWS) currently charges USD 17 for non-resident adults and KES 130–215 (USD 0.90–1.48) for citizens and residents across its marine parks. These rates are among the most affordable in the region, particularly for domestic and regional (EAC) visitors. While the relatively low pricing supports inclusivity and encourages domestic tourism, it also raises the question of whether these rates reflect the full value and uniqueness of Kenya's marine offerings, especially in premium parks like Kisite Mpunguti and Watamu.

In comparison, South Africa's Garden Route National Park charges USD 29.40 for non-residents, while Seychelles' Sainte Anne Marine Park charges USD 15, and Mozambique's Bazaruto charges USD 15. Zanzibar's Mnemba Atoll remains extremely affordable at USD 3, though with minimal services. Kenya's USD 17 non-resident fee places its marine parks in a moderate pricing tier, but service quality and value-added experiences often lag behind higher-priced competitors like South Africa and Seychelles, which offer superior visitor infrastructure, guided experiences, and packaged tourism products.

5.4 Consideration for KWS Park Entry Price Increases

The analysis of comparative pricing across regional parks in Tanzania, South Africa, selected Sub-Saharan African countries, and Kenya's non-KWS conservation areas reveals that KWS park entry fees are moderate to slightly lower—particularly for non-resident visitors. For instance, while KWS charges USD 60 for premium parks (e.g., Amboseli, Lake Nakuru) and USD 43 for wilderness and urban parks (e.g., Tsavo, Nairobi NP), competitors such as Serengeti (USD 70), Kruger (USD 29.4), and Maasai Mara (USD 200) have higher or more dynamic fee structures. These rates often reflect stronger service differentiation, unique experiences, and seasonal demand management. Given these insights, KWS has room to consider price adjustments.

6.0 KWS FINANCIAL PERFORMANCE



6.1 Introduction

This chapter presents an in-depth analysis of the financial performance of the Kenya Wildlife Service (KWS) over the period FY 2018/2019 to FY 2023/2024. The objective is to assess KWS's income and expenditure patterns, highlight revenue-generation challenges, and justify the need for a sustainable and competitive pricing model.

As a parastatal mandated with the protection and conservation of Kenya's wildlife resources, KWS depends on a mix of internally generated revenue (primarily from park fees) and government subventions. However, rising operational costs, especially in salaries, infrastructure maintenance, and security, have consistently outstripped internal revenues. This imbalance has led to a historical overdependence on government funding, which is neither sustainable nor aligned with the growing ambition of transforming Kenya into a globally competitive ecotourism destination.

The analysis in this chapter draws on audited and reported figures, and illustrates trends in income, expenditure, and the resulting net surpluses or deficits. In addition, it includes visitor numbers and revenue contributions segmented by citizen, resident, and non-resident tourists — thereby linking financial realities to pricing and visitation trends.

The findings from this chapter provide an evidence-based rationale for KWS to review its current pricing framework, and to adopt a revenue optimization approach that supports financial sustainability without compromising conservation goals or accessibility for key segments such as domestic tourists and learners.

6.2 Financial Performance Analysis

This section presents a detailed analysis of the financial performance of Kenya Wildlife Service (KWS) over a four-year period—from FY 2022/2023 to the projected FY 2025/2026. The objective is to assess the revenue-generating capacity of KWS, the structure of its income sources, and the sustainability of its expenditure patterns.

The analysis highlights key shifts in KWS's financial position, including:

- The increasing role of internally generated revenue (IGR) in financing operations.
- The declining proportion of government subventions and donor grants.
- The rising burden of recurrent costs, particularly salaries and allowances.

This financial snapshot provides critical context for evaluating the urgency and rationale for pricing reforms. It helps stakeholders understand why adjusting park entry fees and expanding revenue streams is necessary to support KWS's long-term operational viability and conservation goals.

The analysis is organized into two core sub-sections:

- **Income Trends** - Reviewing growth in revenue and changes in funding composition.
- **Expenditure Trends** - Examining cost drivers, expenditure allocations, and sustainability implications.

Table 9: Actual and Budget Summary for 2022/23 – 2024/25 FYs

		2022/2023FY Actual		2023/2024FY Actual		2024/2025FY Projected		2025/2026FY Indicative	
1	**Income**	**KSHS'000**		**KSHS'000**					
	Internal Revenue-AIA	5,339,168	64%	7,743,710	77%	7,922,000	80%	7,922,000	81%
	Gok Subvention	2,025,000	24%	1,860,000	18%	1,161,000	12%	1,161,000	12%
	Donor Grants (KRB,TPF, USAID Etc)	992,107	12%	492,194	5%	770,605	8%	678,918	7%
	Total Revenue	**8,356,275**		**10,095,904**		**9,853,605**		**9,761,918**	
2	**Expenditure**								
	Salaries & Allowances	5,263,352	60%	5,429,454	61%	6,514,310	66%	7,274,000	75%
	Operating And Maintenance	3,204,832	37%	2,812,231	32%	2,854,688	29%	2,306,918	24%
	Legal And Professional Fees	145,383	2%	505,700	6%	400,000	4%	150,000	2%
	Training And Development	115,613	1%	78,305	1%	74,607	1%	21,000	0%
	Auditor's Remuneration	8,456	0%	5,220	0%	10,000	0%	10,000	0%
	TOTAL EXPENDITURE	**8,737,635**		**8,830,910**		**9,853,605**		**9,761,918**	

6.2.1 Income Trends

Key Observations:

- **Internal revenue** has shown consistent growth, rising from Ksh 5.3 billion in FY 2022/2023 to a projected Ksh 7.92 billion in FY 2025/2026—representing **81% of total income**, up from 64%.
- **Government subvention** has been declining steadily, from 24% in FY 2022/2023 to 12% in FY 2025/2026.
- **Donor grants** are also on the decline, from 12% to 7%, reflecting reduced reliance on external support.

Implications:

- KWS is shifting towards **self-financing**, which increases pressure on internally generated revenue (IGR).
- A higher share of income now needs to be sustained through fees, entry charges, and commercial services, hence the **need to optimize pricing** without compromising accessibility.

6.2.2 Expenditure Trends

- **Salaries and allowances** account for the majority of expenditure, increasing from Ksh 5.3B to Ksh 7.2B over the period—consuming 75% of total expenditure by FY 2025/2026.
- **Operating and maintenance costs** have decreased proportionally from 37% to 24%, likely due to resource constraints.
- Legal fees and professional services witnessed a spike in FY 2023/2024 due to contractual obligations or restructuring activities.

6.3 Budget Allocation and Funding Gaps

The KWS budget for FY 2023/2024 and the projected FY 2024/2025 reflects a resource-constrained operational environment, with most of the available funds directed toward fixed recurrent costs, particularly **personnel emoluments**, which consume **57% of the budget in FY 2023/24** and are projected to rise to **70% in FY 2024/25**. This underscores the limited fiscal flexibility available to the institution.

Other core areas such as **Security Operations (8%)**, **Species and Habitat Management (1%)**, and **Tourism Product Development (1%)** receive minimal allocations despite their strategic importance to KWS's conservation and revenue-generation mandate. Investment in **Capital Expenditure**—critical for infrastructure such as internet, vehicles, and digital transformation—drops significantly from **10% in 2023/24** to **2% in 2024/25**, highlighting a reduction in development spending due to limited resources.

The allocations presented represent **minimum operational thresholds**, not the optimal funding levels. KWS estimates an annual deficit of **Ksh 1.5 billion in recurrent expenditure** and **Ksh 3 billion in development expenditure**, based on what would be required to sustainably deliver on its mandate.

Table 10: Budget Distribution for 2023/2024 FY and 2024/2025FY

	Budget Item	**2023/2024FY**	**2024/2025FY**
1	Personnel Emoluments	57%	70%
2	Security Operations	8%	8%
3	HWC Response and Awareness	3.5%	2%
4	Tourism product development, marketing and customer service	1%	1%
5	Parks and Sanctuary/ Orphanage Management	4.5%	2%
6	Species and Habitat Management, and Translocations	1%	1%
7	Technical Services Support (ICT, Buildings, Roads, Air-wing)	3%	3%
8	Other Support Services (Headquarters Departments)	3%	2%
9	Legal expenses and court awards	4%	4%
10	Service Contracts (Cleaning, Internet, Software)	1%	1%
11	Corporate Budget lines (BOT, Insurance, Bank Charges, Tax, Training, Audit Fees)	4%	4%
12	Capital expenditure (computers, internet connectivity and vehicles	10%	2%
	Total	100%	**100%**

The budget structure demonstrates an urgent need for enhanced revenue generation to rebalance the distribution toward:

- Strategic conservation investments (e.g., species/habitat management, climate resilience).
- Revenue-driving functions (e.g., tourism product development and marketing).
- Infrastructure and systems improvement for long-term sustainability.

Unless KWS addresses its structural funding gap—either through **increased internal revenue**, **government allocations**, or **innovative financing mechanisms**—critical wildlife conservation and tourism services will remain underfunded. This underscores the **justification for park pricing reform** as a lever for improved financial self-reliance and resilience in the face of growing ecological and operational challenges.

6.4 Revenue Generation from Parks

The Kenya Wildlife Service (KWS) derives its internal revenue from a variety of sources, with **park entry fees** being the dominant contributor. In the **2023/2024 financial year**, total internal revenue amounted to **Ksh 7.74 billion**, with park entry fees alone accounting for **92%** of this figure. Other income streams such as **rent from properties (5%)**, **bank interest (1%)**, and **miscellaneous sources (3%)** contributed marginally, while **accommodation facilities contributed less than 1%**, highlighting the overwhelming reliance on park visitation as the primary income stream.

Table 11: Revenue Generation by category (2023/2024FY)

Category	Ksh.000	Percentage
Park Entry Fees	7,092,062.47	92%
Accommodation Facilities	7,546.45	0%
Rent of Property	371,243.87	5%
Interest On Bank Balances	73,605.66	1%
Miscellaneous	199,260.74	3%
TOTAL	**7,743,719.20**	**100%**

Out of the 33 national parks, reserves, and sanctuaries managed by KWS, only **five (5) parks generated 78%** of the total revenue. These are:

- Amboseli National Park (25%)
- Lake Nakuru National Park (16%)
- Nairobi National Park (16%)
- Tsavo East National Park (15%)
- Tsavo West National Park (6%)

The remaining **28 parks and sanctuaries combined contributed just 22%** of the total revenue, with **25 of them** collectively bringing in **12%**, and **four sanctuaries and orphanages** generating **3%**. The **remaining 7%** came from non-park-related sources like **leases, licenses, permits, and bank interest**.

KWS also maintains a significant operational footprint through **154 stations and outposts** for human-wildlife conflict mitigation and **8 veterinary units**, all of which are cost centers that do not generate direct revenue. Furthermore, the **eight Conservation Area headquarters** function as administrative nodes and are also fully dependent on revenue from park operations.

6.5 The Case for Park Entry Fee Adjustments to Address Operational and Developmental Needs for KWS

The need for strategic park entry fee adjustments for KWS arises from the dual challenge of sustaining critical operations and investing in long-term development amidst rising costs, donor fatigue, and shifting government priorities. As custodians of Kenya's wildlife heritage and a key pillar of the tourism economy, KWS must ensure its financial model is both resilient and growth-oriented. Key factors include:

1. **Rising Operational Demands**

   Amidst Limited Growth in Funding, KWS is mandated to manage over 33 revenue-generating parks and 154 non-revenue outposts (e.g., HWC stations and vet units). These stations are critical for human-wildlife conflict mitigation and species conservation, yet they generate no income and are fully funded from core revenues. While internal revenues increased from Ksh 5.3 billion to Ksh 7.7 billion between FY 2022/23 and 2023/24, operational costs remain high, particularly:
   - Salaries and allowances consuming over 60–75% of the total budget.
   - Security operations, vet services, and infrastructure maintenance absorbing large fixed costs.

Without additional income, KWS risks diverting critical conservation resources just to meet recurrent expenses.

2. **Development Budget Shrinking Despite Infrastructure and Visitor Experience Gaps**

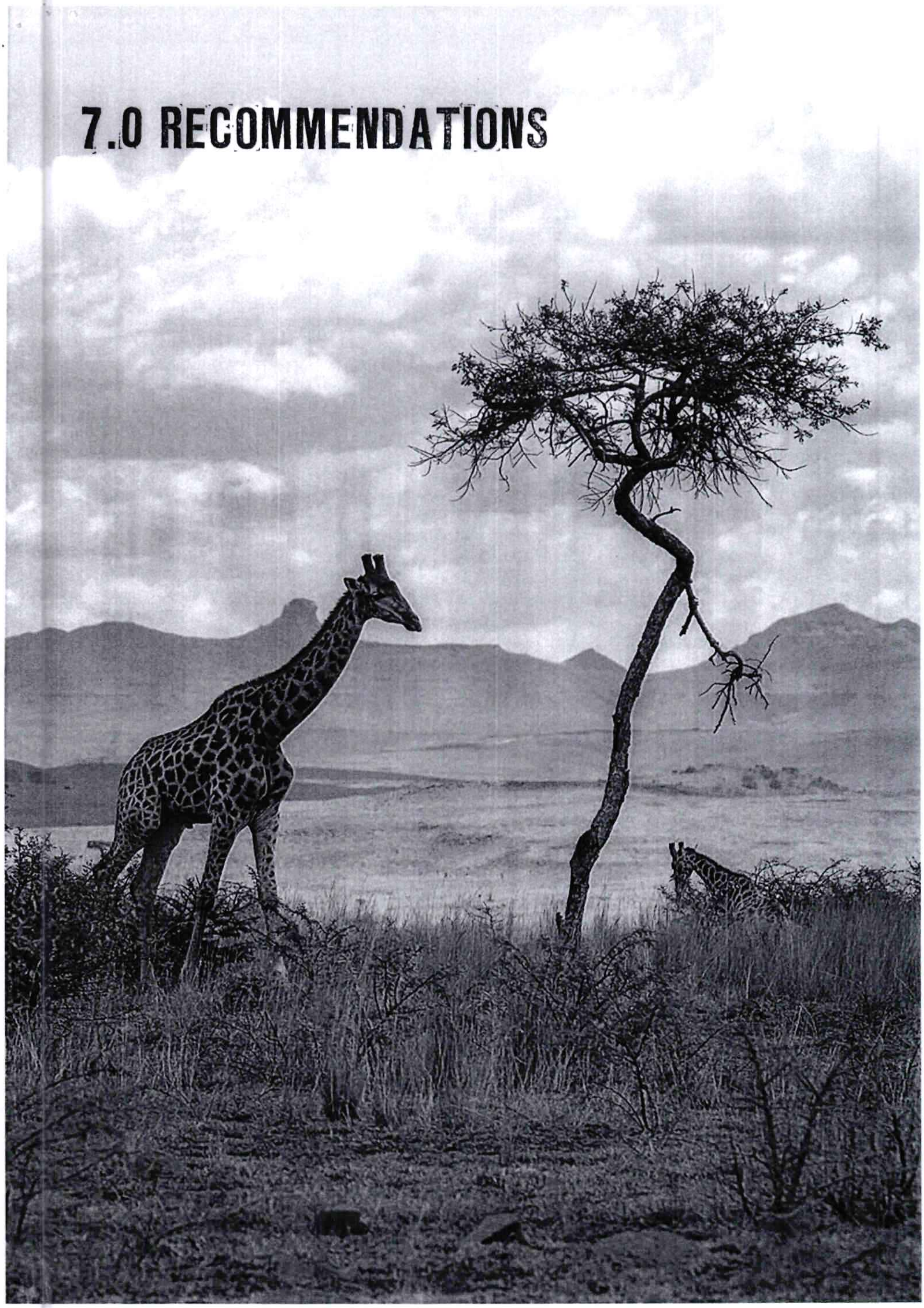
   Capital and development allocations are projected to drop from 10% (FY 2023/24) to only 2% (FY 2025/26). This presents major risks:
   - Delayed upgrades of aging roads, toilets, and accommodation infrastructure.
   - Limited capacity to introduce new tourism products.
   - Missed opportunities for attracting high-value eco-tourists or increasing dwell time per visit.

   Fee adjustments would generate the much-needed fiscal space for KWS to reinvest in modernizing its parks and elevating visitor experiences.

3. **Benchmarking Shows Room for Upward Fee Alignment**

   As shown in the benchmarking study, KWS charges significantly lower park fees than regional competitors (e.g., Tanzania, Rwanda, South Africa). Carefully calibrated fee adjustments, especially for non-residents and premium experiences—will bring KWS in line with market rates without hurting competitiveness, especially when bundled with improved services.

7.0 RECOMMENDATIONS



7.1 Introduction

This chapter presents a synthesis of key findings from the pricing study and offers actionable recommendations for the Kenya Wildlife Service (KWS) to enhance its pricing strategy in a sustainable, inclusive, and competitive manner. The recommendations are informed by insights from stakeholders including visitors, tour operators, guides, learning institutions, KWS staff, and hospitality providers, as well as comparative benchmarking with other parks in the Sub-Saharan region.

7.2 Recommended Price Change Levels

Based on extensive stakeholder feedback, willingness-to-pay (WTP) data, benchmarking with regional and global parks, and KWS's current financial constraints, a strategic price review is necessary. The aim is to balance financial sustainability with visitor satisfaction and conservation impact.

WTP analysis revealed that:

- Over 70% of visitors are willing to pay up to 50% more for improved services and infrastructure.
- Tour operators and hoteliers support modest price increases (20–40%) if aligned with quality upgrades.
- Education institutions and local visitors express sensitivity to pricing but may accept minimal increases if accompanied by targeted benefits.

Carefully calibrated price increases informed by WTP and market benchmarks — can help KWS close its revenue gaps, reduce donor and exchequer dependence, and finance infrastructure and conservation need. However, the changes must be backed by visible improvements in park experience and inclusive communication to retain public support and trust.

7.3 Pricing Options for Consideration

In evaluating the best approach to strengthen KWS's financial sustainability while maintaining competitiveness and stakeholder satisfaction, three main pricing options emerge from the analysis. Each presents unique implications and trade-offs that KWS must carefully weigh.

7.3.1 OPTION 1:No Increase in Park Fees: Enhance Marketing and Optimizing Visitation

While price adjustments present a viable avenue for increasing revenue, KWS could also achieve its revenue growth targets through a strategic focus on enhanced marketing and optimization of visitation across underperforming parks and maintain current pricing. This alternative strategy emphasizes volume growth and value extraction from existing assets without significantly altering the pricing model.

KWS will have to invest in marketing, visitor services, infrastructure upgrades, and brand visibility to attract more visitors and grow revenue through volume. While viable, this option:

- Requires significant upfront investment in quality improvements and marketing.
- May not deliver revenue growth fast enough to meet operational demands.
- Relies heavily on visitor volume growth, which may be limited by global or regional disruptions (e.g., pandemics, political shifts).

- Best suited for a medium-term strategy with a focus on brand repositioning, increased domestic tourism, and stakeholder buy-in.

While pricing reforms remain a strategic lever, enhanced marketing and optimized park performance offer a long-term, inclusive, and sustainable pathway to increasing KWS revenue. This approach supports balanced visitor distribution, strengthens community partnerships, and builds resilience in the face of fluctuating international tourism patterns.

7.3.2 OPTION 2: Introduce a Conservation Fee on Entry Visa for Foreign Tourists

Instead of significantly increasing park entry fees—especially for international tourists—stakeholders propose that KWS collaborate with the government to introduce a one-off"conservation fee" charged as part of the entry visa for all foreign tourists. This amount would be ring-fenced specifically for KWS park infrastructure, conservation efforts, and operational support.

Although the visa-linked conservation fee offers a potentially low-administration revenue model, the policy complexities, potential reputational drawbacks, and risks of misalignment with Kenya's wider tourism strategy render it suboptimal. KWS would be better positioned to pursue internal, performance-based pricing adjustments directly linked to the park experience, where visitors can perceive clear value for the fee paid.

7.3.3 OPTION 3: Increase Park Entry Fees

This option explores the potential of increasing park entry fees as a strategy to enhance internal revenue generation for KWS. Using a predictive model grounded on historical trends and visitor price sensitivity (price elasticity of demand), this approach evaluates how incremental price changes may influence visitation numbers and overall revenue.
The model uses 2024 visitor and revenue data as the baseline and calculates projected revenue across different pricing scenarios, ranging from moderate (15%) to aggressive (60%) increases. It aims to identify the optimal balance where potential revenue gains from higher prices outweigh the revenue losses from reduced visitation.

It is important to note that the projected revenues presented in this model are derived exclusively from park entry fees and do not include government subventions or donor funding. This focus allows KWS to evaluate its capacity for financial self-sufficiency through pricing reforms alone and supports strategic decision-making for reducing fiscal dependency.The findings provide critical insight into the viability of price increases, helping KWS weigh the trade-offs between affordability, access, and financial sustainability.

7.4 Predictive Modelling for Pricing Adjustments Based on Elasticity Assumptions

To support strategic decision-making on KWS park entry pricing, a predictive model was developed to simulate potential revenue outcomes under various price increase scenarios. The model accounts for historical trends in visitation and revenues and incorporates assumptions on visitor sensitivity (price elasticity) to price changes. This provides an evidence-based framework for forecasting the implications of pricing adjustments.

The base year for the pricing model is 2024, during which Kenya Wildlife Service (KWS) recorded a total of 3,201,102 visitors. Of the total revenue generated (KSh 7.4 billion**), non-residents contributed approximately 80% (KSh 5.93B) while citizens and residents accounted for 20% (KSh 1.48B).** This segmentation reflects actual visitor purchasing power and price sensitivity, and it serves as the foundation for subsequent elasticity-based projections.

Table 12: Baseline Assumptions From the 2024 Data

Category	Visitors No.	Revenues	Average Spend
Citizens and Residents	2,347,591	1,481,579,643	631.11
Non- Residents	853,511	5,926,318,572	6,943.46
Total	**3,201,102**	**7,407,898,215**	****2,314.17**

***** 2,314.17 is the average spend per visitor***

Key Assumptions:

- **Non-Residents** tend to be less price-sensitive due to higher disposable income and long-haul travel commitment. A conservative **elasticity of -0.1** reflects a mild drop in visitation with price increases.
- **Citizens and Residents** are more price-sensitive due to income constraints and local accessibility. A higher **elasticity of -0.5** was applied, showing a sharper drop in local visitation when fees increase.
- The elasticity assumptions helped forecast the **impact of fee changes** on both **visitor numbers and revenue**, ensuring **financial sustainability without jeopardizing access or competitiveness**.
- The 80/20 revenue distribution informed **weighted impact analysis**, ensuring the final pricing proposal reflects the true revenue dynamics of KWS parks.

Table 13: Assumptions for the Predictive Model

Parameter	Non-Residents	Citizens/Residents
Elasticity (Price Sensitivity)	**-0.1** (1% drop in visitors per 10% price increase)	**-0.5** (5% drop in visitors per 10% price increase)
Share of 2024 Revenue	**80%** (KSh 5.93 Billion)	**20%** (KSh 1.48 Billion)
Baseline Visitors (2024)	853,511	2,347,591
Average Spend (2024)	KSh 6,943	KSh 631.11

1. PREDICTIVE ANALYSIS – NON-RESIDENTS (ELASTICITY -0.1)

The non-resident pricing model assumes a **low elasticity of -0.1**, indicating that non-residents are relatively **insensitive to price changes**. For every 10% increase in entry fees, the number of non-resident visitors is expected to decline by only 1%. This reflects the premium travel segment and long-haul markets targeted by KWS, where visitation decisions are driven more by destination appeal than by marginal price changes. Importantly, price increases are also accompanied by higher per-visitor spending, thereby **offsetting minor drops in visitor volume** and resulting in increased overall revenues under most scenarios.

Assumptions:

- **Elasticity = -0.1** (i.e., every 10% price increase →1% visitor decline).
- **Base Visitors (2024)**: 853,511
- **Base Avg Spend (2024)**: KSh 6,943

Table 14: Non-Residents Pricing Model

Scenario	Price Change	Visitor Drop	Projected Non-Residents	Avg Revenue per Visitor (KSh)	Projected Revenue (KSh)
Baseline (2024)	0%	0%	853,511	6,943	5,926,318,572
15% Increase	+15%	-1.5%	840,708	7,985	6,708,264,865
20% Increase	+20%	-2.0%	836,441	8,332	6,971,164,330
25% Increase	+25%	-2.5%	832,173	8,679	7,213,483,967
30% Increase	+30%	-3.0%	827,905	9,026	7,435,318,725
40% Increase	+40%	-4.0%	819,371	9,720	7,826,542,120
50% Increase	+50%	-5.0%	811,085	10,415	8,448,712,272
60% Increase	+60%	-6.0%	802,940	11,108	8,921,427,881

Optimal Price Adjustment for Non-Residents

Based on elasticity modelling and marginal revenue analysis, the Kenya Wildlife Service (KWS) can confidently consider increasing park entry fees for non-residents to enhance financial sustainability. Using a price elasticity of **-0.1**—meaning every 10% increase in price results in only a 1% decline in visitation—the predictive model demonstrates a consistent increase in total revenue across all pricing scenarios up to +100%.

However, the concept of **marginal revenue increase**—which measures the additional income generated from each successive price adjustment—reveals a crucial insight: while total revenue continues to rise, the **rate of increase slows** notably beyond certain thresholds. The **most significant gains** occur between **+10% and +30%**, with the **curve beginning to flatten at +50% to +60%**, indicating **diminishing marginal returns** beyond this range.

Therefore, it is recommended that KWS adopts a **price adjustment of between +50% and +60% for non-resident visitors**. This range strikes an optimal balance between revenue maximization, market competitiveness, and visitor retention. While higher increases of up to +80% could still yield additional revenue, the gains become increasingly marginal and may introduce reputational or accessibility risks if not coupled with visible improvements in visitor experience and service delivery.

Table 15:Non-Resident Pricing Model (Elasticity -0.1) – Rate of Marginal Increase

Price Change	Visitor Drop (%)	Projected Visitors	Avg Revenue per Visitor(KSh)	Projected Revenue (KSh)	Marginal Increase (KSh)	% Revenue Change
0%	-0.0%	853,511	6,943.00	5,925,926,873	0	0%
+10%	-1.0%	844,975	7,637.30	6,453,334,365	527,407,492	8.9%
+20%	-2.0%	836,440	8,331.60	6,968,890,003	515,555,638	7.99%
+30%	-3.0%	827,905	9,025.90	7,472,593,787	503,703,784	7.23%
+40%	-4.0%	819,370	9,720.20	7,964,445,717	491,851,930	6.58%
+50%	-5.0%	810,835	10,414.50	8,444,445,794	480,000,077	6.03%
+60%	-6.0%	802,300	11,108.80	8,912,594,017	468,148,223	5.54%
+70%	-7.0%	793,765	11,803.10	9,368,890,386	456,296,369	5.12%
+80%	-8.0%	785,230	12,497.40	9,813,334,902	444,444,516	4.74%
+90%	-9.0%	776,695	13,191.70	10,245,927,563	432,592,661	4.41%
+100%	-10.0%	768,159	13,886.00	10,666,668,371	420,740,808	4.11%

Thus, +50% to +60% strikes a balance between optimal revenue, visitor retention, and competitive pricing, while +70% to +80% could be considered if accompanied by visible service improvements and strong communication.

2. PREDICTIVE ANALYSIS – CITIZENS/RESIDENTS (ELASTICITY -0.5)

Citizens and residents exhibit **higher price sensitivity**, with an assumed elasticity of **-0.5**. This means a 10% increase in fees results in a **5% reduction in visitation** from domestic markets. However, the model assumes that those who still visit are **willing to spend more**, reflecting increased value from improved services, better infrastructure, and enhanced visitor experiences. Despite the decline in visitor numbers, projected revenues continue to increase across all pricing scenarios, with **peak revenues at 40–50% price increases**, beyond which revenue growth begins to plateau.

Assumptions

- **Base Year**: 2024
- **Visitors (2024)**: 2,347,591
- **Baseline Average Spend**: KSh 631.11
- **Elasticity**: -0.5
- **Average Spend per Visitor increases proportionally with price**
- **Price Scenarios**: +15% to +60%

Table 16: Citizens and Residents Pricing Model

Scenario	Price Change	Visitor Drop (%)	Projected Citizens/Residents	Avg Revenue per Visitor (KSh)	Projected Revenue (KSh)
Baseline (2024)	0%	0%	2,347,591	631.11	1,481,579,643
15% Increase	+15%	7.5%	2,171,016	725.78	1,575,557,275
20% Increase	+20%	10.0%	2,112,832	757.33	1,599,822,952
25%	+25%	12.5%	2,054,642	788.89	1,620,450,494

Increase					
30% Increase	+30%	15.0%	1,996,452	820.44	1,637,438,900
40% Increase	+40%	20.0%	1,878,073	883.55	1,660,642,847
50% Increase	+50%	25.0%	1,760,693	946.67	1,665,967,640
60% Increase	+60%	30.0%	1,643,314	1,009.78	1,658,413,369

Optimal Price Adjustment for Non-Residents

Based on elasticity modelling and marginal revenue analysis, the Kenya Wildlife Service (KWS) can strategically consider increasing park entry fees for **citizens and residents** to enhance internal revenue generation while safeguarding equitable access. Using a price elasticity of **-0.5**—meaning every 10% increase in price results in a 5% decline in visitation, the predictive model reveals that total revenue increases progressively up to a **+50% price adjustment**, beyond which revenue begins to decline.

The concept of **marginal revenue increase**, which measures the additional income generated at each successive pricing level—offers a crucial insight: while revenue continues to rise from **+15% to +50%**, the **rate of growth diminishes with each increment**, and the curve **flattens entirely at +50%**, indicating this is the **maximum revenue point**. At **+60%**, a decline in revenue is observed, signaling the onset of diminishing returns and potential affordability barriers for domestic park users. Therefore, it is recommended that KWS **adopts a price adjustment of up to +50% for citizens and residents**. This level maximizes revenue potential without compromising access for key domestic segments such as families, students, and educational institutions.

Table 17: Citizen/Resident Revenue Projections with Marginal Changes

Price Change	Visitor Drop (%)	Projected Citizens/ Residents	Avg Revenue per Visitor (KSh)	Projected Revenue (KSh)	Revenue Change (KSh)	% Revenue Change
0%	0%	2,347,591	631.11	1,481,579,643	0	0%
+15%	7.5%	2,171,016	725.78	1,575,557,275	93,977,632	6.34%
+20%	10.0%	2,112,832	757.33	1,599,822,952	24,265,677	1.54%
+25%	12.5%	2,054,642	788.89	1,620,450,494	20,627,542	1.29%
+30%	15.0%	1,996,452	820.44	1,637,438,900	16,988,406	1.05%
+40%	20.0%	1,878,073	883.55	1,660,642,847	23,203,947	1.42%
+50%	25.0%	1,760,693	946.67	1,665,967,640	5,324,793	0.32%
+60%	30.0%	1,643,314	1009.78	1,658,413,369	-7,554,271	-0.45%

3. TOTAL PROJECTED REVENUES CITIZENS/RESIDENTS AND NON-RESIDENTS

Using historical trends and TRI forecasts, total revenues for KWS are projected to rise steadily from KSh 7.4B in 2024 to over KSh 16.5B by 2028. These projections are anchored on price adjustments proposed in the model and reflect an ambitious yet realistic growth trajectory.

Growth in non-resident revenues is driven primarily by higher per-visitor fees, while growth in domestic segments is more volume- and affordability-dependent. The model confirms that differentiated pricing strategies, based on elasticity, will enable KWS to balance sustainability, access, and competitiveness.

Table 18: Total Projected Revenues Citizens/Residents and Non-Residents

Category	Item	2024 - Base	YR1	YR2	YR3	Y4
Non residents	Projected Visitors	853,511	811,085	1,042,735	1,196,146	1,349,557
	Average Revenue	6,943	10,415	10,415	10,415	10,415
	Projected Revenues	**5,926,318,572**	**8,448,712,272**	**10,860,083,984**	**12,457,859,549**	**14,055,635,114**
Citizens / Residents	Projected Visitors	2,347,591	1,760,693	1,936,763	2,227,277	2,672,732
	Average Revenue	631	947	947	947	947
	Projected Revenues	**1,481,579,643**	**1,666,496,161**	**1,833,145,777**	**2,108,117,644**	**2,529,741,173**
Total Projected Revenues		**7,407,898,215**	**10,928,804,580**	**12,693,229,761**	**14,565,977,192**	**16,585,376,286**

7.5 Conclusion and Recommendation on the Level of Price Increase

The analysis of revenue scenarios using predictive modelling and stakeholder feedback reveals that while a price increase is both necessary and justifiable to sustain KWS operations, the adjustment must be carefully calibrated to balance financial sustainability with visitor affordability and market competitiveness.

7.5.1 Price Adjustment Recommendation

Based on elasticity modelling and marginal revenue analysis, KWS can confidently consider differentiated park entry fee adjustments for both non-resident and resident visitors to enhance financial sustainability while upholding accessibility and competitiveness.

For Non-Residents: Using a price elasticity of -0.1—meaning every 10% increase in price results in only a 1% decline in visitation, the predictive model demonstrates a consistent increase in total revenue across all pricing scenarios. However, applying the principle of marginal revenue increase, which tracks the additional income generated at each successive price adjustment, reveals an important insight: while revenue grows throughout, the rate of increase slows considerably beyond certain thresholds. The most significant gains occur between +10% and +30%, with the curve beginning to flatten at +50% to +60%, indicating diminishing marginal returns beyond this range.

Recommendation: KWS should adopt a price adjustment of between +50% and +60% for non-resident visitors. This range strikes an optimal balance between revenue maximization, visitor retention, and market competitiveness. Increases beyond +60%, potentially up to +80%, may still yield more revenue, but the marginal gains decrease, and such increments may require strategic reinvestments in service quality and clear stakeholder communication to maintain value perception.

For Citizens and Residents: For domestic visitors, a higher price elasticity of -0.5 was applied, implying that a 10% price increase results in a 5% drop. The model reveals that revenue grows steadily up to a +50% increase, reaching a peak, before beginning to decline at +60%. The largest marginal gain is recorded at +15%, but even with continued modest increases, revenue continues to rise incrementally until the +50% threshold.

Recommendation: KWS should cap citizen/resident fee increases at +50%, which represents the maximum revenue point before losses begin. Beyond this, further increases may erode affordability, particularly for schools, local families, and educational groups—core segments that support KWS's social mandate.

7.6 Justification for Proposed Price Adjustments

The proposed revisions to Kenya Wildlife Service (KWS) park entry and service fees, as detailed in the First Schedule of the draft Wildlife Conservation and Management (Access and Conservation) (Fees) Regulations, are grounded in a comprehensive, data-driven rationale. The adjustments are not arbitrary, but rather the product of empirical modeling and contextual analysis, addressing both market realities and internal financial sustainability needs. The key drivers of the price revisions include:

1. **Rising Operational Demands Amidst Limited Growth in Funding**
   KWS is tasked with managing 33 revenue-generating parks and over 154 non-revenue-generating outposts, including human-wildlife conflict (HWC) mitigation stations, veterinary units, and ranger posts. These centers are vital to species conservation and community safety but depend entirely on revenue from a few key parks. Although internal revenue rose from KSh 5.3 billion in FY 2022/23 to KSh 7.7 billion in FY 2023/24, the cost of operations remains high. Without new revenue streams, KWS risks diverting critical conservation and infrastructure funds just to meet basic recurrent expenses. Price adjustments are, therefore, essential to protect conservation operations from being undermined by budgetary constraints.

2. **Development Budget Shrinking Despite Infrastructure and Service Gaps**
   KWS's capital development budget is set to decline drastically—from 10% in FY 2023/24 to only 2% by FY 2025/26. This downward trend jeopardizes crucial investments in: Road upgrades, signage, toilets, and accommodation facilities; New tourism products such as night game drives, interpretation centers, or digital visitor services. Expanding visitor capacity and enhancing satisfaction for both domestic and international tourists.
   Revised pricing would inject the necessary fiscal space for modernizing infrastructure and improving service quality—ultimately boosting Kenya's competitiveness in global conservation tourism.

3. **Elasticity-Based Modelling**
   The price recommendations are anchored in a robust elasticity model that assessed how varying fee increments would affect visitation and revenue. For non-residents and domestic visitors, differentiated elasticity assumptions were applied to identify optimal price points where increased revenue could be achieved without significant visitor attrition. The model's insights support tiered price increases that align with visitor willingness to pay and marginal revenue returns.

4. **Correction of Historical Undervaluation**
The current fee structure, guided by the 2013 Regulations, significantly undervalues many KWS products and services. Over the past decade, there have been minimal or no revisions to key fees, despite evolving market conditions and escalating costs. This long-standing undervaluation has undermined KWS's capacity to invest in infrastructure, service upgrades, and conservation operations.

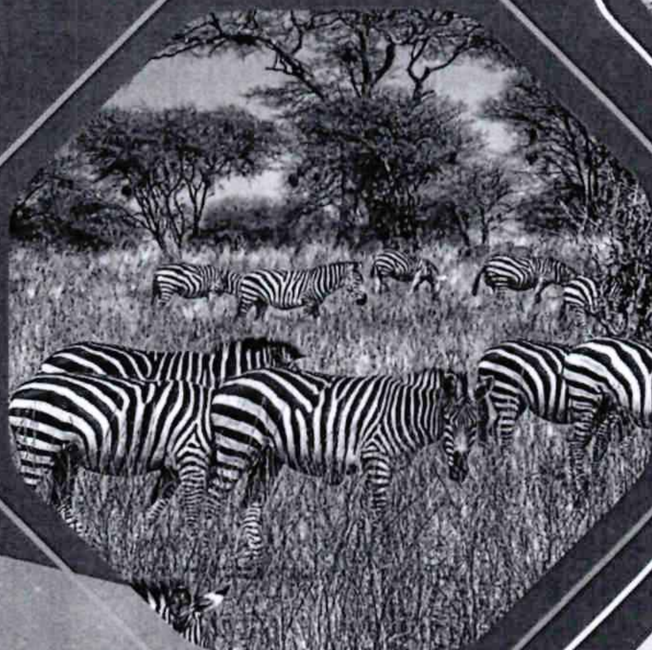
5. **Product Improvements and Value Addition**
Since 2013, KWS has invested in upgrading park infrastructure, enhancing visitor amenities, expanding digital payment systems, and professionalizing its service delivery. These value additions justify a reevaluation of fee levels to reflect the enhanced experience now available in many KWS parks. The proposed adjustments ensure that pricing matches the quality and scope of offerings provided.

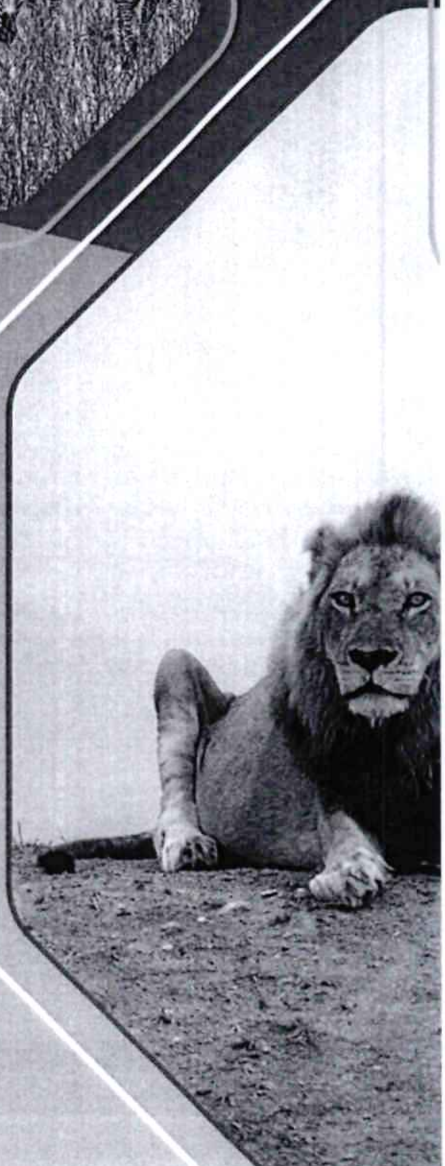
6. **Depreciation of the Kenya Shilling**
The continued weakening of the Kenya Shilling against major global currencies has eroded the real value of fees charged in both local and foreign markets. Without revision, the revenue from international visitors diminishes in real terms, affecting KWS's ability to maintain world-class conservation and tourism standards.

7. **Rising Conservation and Biodiversity Protection Costs**
The intrinsic value of Kenya's biodiversity—both flora and fauna—has increased due to global conservation urgency. With escalating threats such as poaching, climate change, and habitat degradation, the cost of effective species protection and ecosystem management has grown significantly. Revised pricing reflects the higher cost of safeguarding these natural assets for future generations.

8. **Inflation and Cost of Living Adjustments**
General inflation and rising operational costs have placed further pressure on KWS's already constrained budgets. Salaries, fuel, infrastructure maintenance, technology, and equipment costs have all increased. Updating Park fees in line with inflation is essential to maintaining service delivery standards and ensuring financial sustainability.

The revised fees represent a necessary, fair, and evidence-based recalibration aimed at balancing KWS's conservation mandate with market competitiveness and visitor expectations. These changes will help KWS enhance service quality, support biodiversity protection, and reduce fiscal dependency on exchequer and donor support.





Kenya Wildlife Service
P.O. Box 40241 - 00100 Nairobi Kenya
T: +254 (20) 2379407
E: kws@kws.go.ke. W: www.kws.go.ke