ASSESSING THE COMPETITIVENESS OF TOURISM INDUSTRY IN KENYA USING PORTER'S DIAMOND MODEL

BY

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DECLARATION

I, Nderitu Mary, hereby declare that this project is my own work and effort and that it has not been submitted anywhere for any award.

Signed: ------------------------------------ Date: -------------------------

Nderitu Mary

D61/60694/2011

This research project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

This research project is dedicated to my children Sasha and Zachary who have been my best teachers and sources of inspiration

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For the success of this research I am heavily indebted to various people and organization without whose material and non material support this research would have come to naught. I take this opportunity to express my sincere thanks to each of these people and organizations.

The staff of the Jomo Kenyatta Library provided the opportunity to use the facilities especially in the MBA and the Electronic Library section. From these able staff I was able to access not only research reports from earlier MBA research findings but I was able to access scholarly publication from the wider academic sphere.

Much of the direction on what to do at each stage of this research from the generation of the research idea, to its conceptualization, to the drafting of the research proposal, to the analysis of samples and preparation of the report was provided by my supervisor Dr. Wahome Gakuru.

The data of analysis was got from respondents in Kenya tourism industry. It would not have been possible to conduct an analysis and extract out the relevant finding if the data was not provided in the first place. I wish to acknowledge the staff of the firms who provided the responses to the questionnaires to enable me to conduct this research.

In my literature review I have cited quite a lot of scholarly publication. Some are from earlier research finding from project done by other MBA students. I have used scholarly papers from the wider academia. These are works without which I could not have had a scholarly insight into this research.

I wish to thank my family that provided me with encouragement throughout the period I was conducting this research.

ABSTRACT

This study aimed at determining factors that influence the competitiveness of the Kenyan tourism sector in the global market. The study was a survey conducted on firms across the various types of firms in the Kenya tourism sector with data collected using Likert scales in a questionnaire. The analysis of the factors affecting performance revealed that performance among players in the tourism industry in Kenya were affected by lack of funds; poor road/infrastructure; the demand for services; competition from local rivals; high taxes and Government policies/regulations. The firms also indicated that performance was not seriously affected by competition from cheaper service providers; lack of research on improvements in the tourism nor old equipment. The factor conditions that drove the Kenya tourism industry were the presence of both skilled and non-skilled labour, the state of the roads which were poor and as a result significantly increased the cost of service provision. It was also indicated that a lot of capital was required to enter the industry. Location of the firms did not provide a strong advantage to some firm in service provision. The technological level in the industry was not seen as a strong driver of the industry. The tourist service providers were not perceived as operating effectively and efficiently.

Demand conditions that were critical were that the potential of creating a strong local demand was huge and that the demand for tourist services is huge in the country despite the local consumer behavior not trending like in the global market. The firms felt that taxes by government added a significant cost to business, though, some policies by government helped make marketing tourism easier. Concerning firm strategy, structure and rivalry in Kenya tourism industry the companies that had been in the industry for a long had special advantages over other and that the localization of firms in one region had increased pressure in the industry to innovate. However, the tourist business environment in Kenya did not shape the structure, size and hierarchy of firms. On related and supporting industries, the cluster grouping of companies in common zones had not helped improve. Further, the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers was not strong.

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ABBREVIATIONS AND ACRONYMS

EC	-	European Community
GDP	-	Gross Domestic Product
GoK	-	Government of Kenya
KAWT	-	Kenya Association of Women in Tourism
UNWTO	-	United Nations World Tourism Organization
US	-	United States (of America)
WTO	-	World Trade Organization

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

The tourism and hospitality industries are one of the world's largest sectors, amounting to over 10% of Gross Domestic Product (GDP), and employing huge numbers of people; tourism employs eight percent of the global workforce. The hospitality industry, with its roots in the centuries old tradition of Inn-keeping (Jones, 1996), has experienced huge growth in recent years: it recorded between 1990 and 1998 'a growth of over 25% in the number of units and a total of '29.4 million bed spaces In hotels and similar establishments worldwide in 1997. In the UK, the hospitality industry employs '1.7 million people (six percent of the working population)'with the industry valued in the region of ‘£55-60 billion a year (UNWTO, 2006).

Tourism consumption patterns keep changing. Tourism demand trends since the mid-80’s reflect the increasing diversity of interests of the late-modern leisure society with the emergence of special interest tourism revealing the new values which include ‘increased importance of outdoor activities, awareness of ecological problems, educational advances, aesthetic judgment and improvement of self and society. This has also surfaced in the very recent, October 2009, study commission by EC where it is found that consumers will be more demanding, looking for comprehensive travel experiences and value for money (Kelessidis and Kalonaki, 2009).

Africa maintained international arrivals at 50 million, as the gain of two million by Sub-Saharan destinations (+7%) was offset by the losses in North Africa (-12%). The Middle East totaled 55 million, a decline of10%. Nevertheless, some destinations such as Saudi Arabia, Oman and the United Arab Emirates sustained steady growth. UNWTO forecasts international tourism to continue growing in 2012albeit at a slower rate. Arrivals are expected to increase by three to four percent, reaching the historic one billion mark by the end of the year. Emerging economies will regain the lead with stronger growth in Asia and the Pacific and Africa (four to six percent), followed by the Americas and Europe (two to four percent). The Middle East (zero to five percent) is forecast to start to recover part of its losses from 2011(UNWTO, 2012).

Tourism is the largest contributor to Kenya's economy second to agriculture. Tourism accounts for almost 20%of the country's GDP. The tourist industry provides jobs directly to 180,000 locals indirectly providing 320,000 jobs connected through tourism. Tourism earnings increased by 27% from Ksh 38.5 billion in 2004 to Ksh 48.9 billion in 2005. Figures for 2006 reflect an increase of 15% to Ksh 56.2 billion. International visitor arrivals grew by eight percent from 1,360,700 in 2004 to 1,479,000 in 2005. Provisional figures for 2006 indicate a growth of five percent to stand at 1,556,000 international arrivals (Ikiara and Okech, 2006)

1.1.1 The Concept of Competitiveness

Competitiveness can be evaluated at national, industrial, sector or firm level. It can also be evaluated domestically, regionally, and internationally depending on the focus though the clearest analytical way to look at competitiveness is at the firm level. Many factors affect competitiveness. The relevant definition of competitiveness in this study is the firm’s ability to maintain and/or expand market position based on its cost structure. Loss of competitiveness thus can be caused by a relative increase in a firm’s costs compared with its competitors (Reinaud, 2004).

From an international perspective, competitiveness becomes a serious issue if additional costs incurred by the affected industries are not shared by all trade partners. At the industry level, competitiveness is the ability of a firm to achieve sustained success against foreign competitors, without protection or subsidies. Measures of competitiveness at the industry level include the overall profitability of the nation’s firms in the industrial sector, the industry's trade balance, the balance of outbound and inbound foreign direct investment, and direct measures of cost and quality at industry level. The analysis of the competitiveness of an industry focuses on factor conditions, demand conditions, strategy and structures, related and supporting industries, governance regulation and chance (George and Manasis, 2010).

Tourism is different from travel. In order for tourism to happen, there must be a displacement: an individual has to travel, using any type of means of transportation. But all travel is not tourism. The movement must be such that: it involves getting outside the usual environment (UNWTO, 2012).

In this study the following terms will have the following meaning. Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.

Factor conditions can be broken down into a) analysis of service product on procedures and demands b) production and processing infrastructures c) human capital and labor cost d) technological innovation and e) capital. Demand conditions of national market refer to a) structure and characteristics of domestic demand b) size and trends of domestic demand and c) international demand for Kenyan tourist products and its characteristics. These will be analyzed within the assumption that there is no special support by the Kenyan government, within the strategies that the industry, and within the assumption that chance is purely random (George and Manasis, 2010).

1.1.2 Tourism Industry in Kenya

Tourism sector currently accounts for about 10% of Kenya's Gross Domestic Product (GDP), making it the third largest contributor to the GDP after agriculture and manufacturing. It is also Kenya's leading foreign exchange earner generating about Ksh. 65.4 billion in 2007 up from 21.7 in 2002. The tourism sector is also a major source of employment. During the period between 2003 and 2007, the sector's contribution to employment generation grew at rate of 3 per cent annually, while earnings per employee rose by 18 per cent (GoK, 2012).

Tourism products in Kenya have been broken down into seven, namely: Beach; Wildlife; Cultural; Sports; Scenic; Adventure; and Specialized tourism which includes educational tourism, slum tourism etc. Tourism’s social, economic and environmental impacts are immense and complex, not least because tourism concentrates on vulnerable natural and cultural sites (GoK, 2012).

In spite of increased competition from other destinations, Kenya is still one of the foremost tourist destinations in Africa. Tourism in Kenya is mainly based on natural attractions which include wildlife in its natural habitats as well as idyllic beaches. Approximately 10% of the country has been set aside for conservation of wildlife and biodiversity. Game viewing is a very popular pursuit. A Safari is such a popular product that has enabled the country to continue recording remarkable growth in the volume of visitors. Kenya registered well over 1,000,000 visitors’ arrivals in 2003 while the bed capacity rose to over 73,000 beds in classified hotels. The sector currently employs approximately over 219,000representing about 11% of the total Kenyan workforce (KAWT, 2012).

Kenya has approximately 174 hotels and 235 intermediaries directly involved in tourism. In addition to diverse types of operations, there is a significant range in size and quality. In 2006, Kenya‘s 174 hotels and lodges offered a total of 15,320 rooms (30,640 beds). Some lodging establishments were reported to have closed temporarily in the recent past. However, volume is not believed to have changed substantially given the length of time required to develop international standard accommodations (UNWTO, 2012).

1.2 Research Problem

According to Porter and Millar (1990), an industry develops its competitiveness in order to obtain competitive advantage over its competitors in the international market. It does this by responding to six primary conditions: factor conditions, firm strategy and rivalry, demand conditions, government, related and supporting industries and chance (Akombo, 2010). A firm has to conduct an analysis of these five forces, determine the strength of each, and come up with a strategic positioning that will enable it to maintain competitive advantage (Porter, 1990).

Ndivo and Mayaka (2005) acknowledge that tourism is a leading economic activity in Kenya, being the third largest foreign exchange earner after tea and horticulture. Since the 1990s, particularly the second half of the decade, Kenya's tourism industry has faced enormous challenges, including declines in per capita spending, average length of stay, hotel occupancy rates, hotel room rates and service quality, and security (Wahogo, 2006).In addition to these identified challenges, a hotel still has to play the market that has other competing hotels, face the challenges from suppliers and customers, and in fact the possibility of new hotels joining the market to make competition even stiffer. Further, Quality tourism abroad also becomes a problem where by the other countries have set very high standards which many hotels in Kenya are not able to meet. This means that tourist will always prefer going to these countries than coming to visit Kenya (Ikiara and Okech, 2002).

Little research has been done to specifically focus on how the hotels in Kenya strategically respond to competitive challenges within such challenging times. A survey study conducted by Maringa (2011) for instance, was a response to the crisis in Kenyan hotels at that time in the face of dwindling international market share. The study sought to establish a clear relationship between Information and Communication Technology Application and Competitive Advantage. The study used structured interview schedules for data collection. The study focused on classes 2 to 5-star rated hotels, which constituted 79% of the total number of 2 to 5-star rated hotels in the country. This study successfully showed that there is a positive relationship between the Application of information technology and Competitive Advantage. Another survey study by Fwaya, Odhuno, Kambona and Othuon (2012) focused on the relationship between drivers and results of performance in the Kenyan hotel industry. Data gathered using questionnaires were analyzed and the statistical results revealed a significant positive relationship between the enablers and results of performance.

Clearly, no research had been done to investigate the competitiveness of Kenya's tourism industry. This study filled this gap by answering the question: what factors influence the Kenyan tourism industry competitiveness in the global market using Porter's Diamond Model?

1.3 Research Objective

To determine the factors that influenced the competitiveness of Kenyan tourism sector in the global market.

1.4 Value of the Study

This study filled up the gap of providing evidence of the competitive challenges facing Kenya tourism industry. This research also investigated the strategic responses used by these firms to face the challenges. Many future researches will then be able to use the exposed knowledge to further relevant argument using the finding of this research as evidence.

The management in the various hotel and tourist firms will get a realization of what are the main competitive challenges facing their hotels and then make more informed decisions concerning the way forward in terms of strategy. This will hopefully help them by helping them avoid spending resources and effort on strategies that may not be yielding much for a reason or another.

The government, being a great stakeholder in the tourism industry, given that a large amount of GDP comes from tourism, may want to make the Kenya tourism industry competitive in the international market. By understanding the competitive forces driving the hotel business, which is a major contributor to the status of the tourism industry, the information got can be used as input data to help generate superior strategies that can make Kenya a key tourist destination in the world.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews the literature on competitiveness the tourism industry. The chapter begins with discussion of industry competitiveness using the five forces model of Porter. The second part looks at the various theories put forward to explain competitiveness of countries in given industries. Finally discussed are various empirical research findings.

2.2 Industry Competitiveness

An industry refers to firms producing products that are close substitutes to each other. A competitive industry comprises of firms operating with sustainable profitably in open markets. Some possible indicators of competitiveness at the industry level are cost, profit and productivity. The term competitiveness can be applied at both the industry and the sector level. In modern business many companies produce more than one product or service; therefore, it is often difficult to clearly define an industry (Thompson et al, 2005).

Industry analysis focuses on: the dominant economic characteristics of an industry; the types of competitive forces the firms in the industry are facing; the factors driving change in an industry and the impacts they have; the market positions occupied by rivals and knowing which company is strongly positioned and which one is not strongly occupied; the strategic moves that rival companies are likely to make next; the key factors each company must have for future competitive success; and whether the outlook for the industry present an attractive opportunity (Thompson et al, 2005).

The competition that a firm faces in an industry is well explained by the Five Forces Model of Porter. According to the model, the competitive position of a firm is derived from supplier power, new market entrants, competitive rivalry, and buyer power and product and technology development. The strength of suppliers can be weak or strong depending on the amount of bargaining power they can exert and on how they can influence the terms and conditions of transactions in their favor. If the supplier force is weak, it may be possible negotiate a favorable business deal otherwise the firm may have to pay a higher price or accept a lower level of quality or service (Porter, 1980).

The power of buyers is about the effect customers have on the profitability of a business. If buyers have more economic power, the ability of the business to capture a higher proportion of the value created lessens, leading to meaner profits. The threat of new entrants refers to the possibility that new firms will enter the industry. New entrants want to gain a market share and often have significant resources. Their presence may force prices down putting pressure on profits (Porter, 1980).

Substitute products are those that can fulfill a similar need to the one a business' product satisfies. Substitutes tend to place a price ceiling on products making it difficult for a firm to try to raise prices. Rivalry among competitors is often the strongest of the five competitive forces. If the competitive force is weak, companies may be able to raise prices, provide less of a product for the price, and earn more profits. In intense competition, it may be necessary to enhance product offerings to keep customers, and prices may fall below break-even levels (Thompson et al, 2005).

The first attempt to explain why countries engage freely in international trade has its origin in 1876 with Adam Smith's theory of absolute advantage (Krugman and Obstfeld, 2003). According to this theory, a country can enhance its prosperity if it specializes in producing goods and services in which it has an absolute cost advantage over other countries and imports those goods and services in which it has an absolute cost disadvantage. This theory explains why countries, through imports, can increase their welfare by simultaneously selling goods and services in international markets (Salvatore, 2002).

The theory of absolute advantage became a paradox, however, in the sense that a country that had an absolute advantage in all products or services it produces would not import because it could produce more efficiently. According to Krugman (1995), however, it is imports rather than exports that matter for a country. This paradox that absolute cost advantage leads to specialization, but that such specialization may not necessarily lead to gains from trade, gave rise to Ricardo's theory of comparative advantage.

According to the law of comparative advantage, a country must specialize in those products that it can produce relatively more efficiently than other countries (Krugman and Obstfeld, 2003). This implies that despite absolute cost disadvantages in the production of goods and services, a country can still export those goods and services in which its absolute disadvantages are the smallest and import products with the largest absolute disadvantage. Comparative advantage thus also leads to specialization, but differs from specialization based on absolute advantage, in that a country will always import, whether or not it is more or less efficient overall in the production of all goods and services relative to other countries.

Ricardo’s theory of comparative advantage is based on the labour theory of value (Salvatore, 2002). This implies that labour is the only production factor and that it’s the basis used in fixed proportions in the production of all products. The theory also assumes that labour is homogeneous (Salvatore, 2002). These unrealistic assumptions led to the incorporation of opportunity cost into the explanation of the theory of comparative advantage. This implies that a country will have a comparative cost advantage in the production of those goods and services that can be produced at a lower opportunity cost than in other countries (Salvatore, 2002).

An important theory to explain the reasons, or causes, of comparative advantage differences between countries is the Heckscher-Ohlin (H-O) theory (Salvatore, 2002). According to this theory, countries differ with respect to their factor intensities, namely the labour and capital that are used in the production of goods and services. While there are many different resource explanations of comparative advantage, the-O theory isolates factor abundance or endowments as the basic determinant of comparative advantage.

Although the H-O theory is based on a set of simplifying assumptions, relaxing these assumptions modifies but does not invalidate the theory (Salvatore, 2002).

A number of empirical studies have been conducted to verify the H-O theory. One of the first such studies was conducted by Leontief (1953), who found that, irrespective of the general believe that the US was expected to be an exporter of capital-intensive products and an importer of labour-intensive products, the results confirmed just the opposite. The paradox was later confirmed in the US. Similar results were reported in studies based on data for Japan, Germany, India and Canada (Baldwin, 1979).

The Leontief paradox led economists to look for alternative explanations for the H-O theory. The most important of these was the introduction of differences inhuman capital (Bowen, 1985) as an explanation of the paradox. Others were the product cycle theory (Vernon, 1966) and the technology gap theories (Gold, 1981) that incorporate time as a dynamic extension to the basic H-O theory.

Until the 1970s, international trade theory was dominated by the theory of comparative advantage, which can be loosely defined as trade due to differences between countries. Two of the basic underlying assumptions of comparative advantage are perfect competition and constant returns to scale. In terms of these assumptions, monopoly profits are competed away as firms strive to improve their strategic positions in markets (Uchida and Cook, 2005).

After World War II, however, a large and growing part of trade has come from massive two-way trade in similar industries (Krugman, 1990) that could not be explained by comparative advantage and was principally driven by advantages resulting from economies of scale. This changing pattern of world trade has made the traditional assumption of constant returns to scale unworkable to explain intra-industry trade.

During the late 1970s with the introduction of new models of monopolistic competition by industrial organizational theorists (Dixit and Stieglitz, 1977) that allowed trade theory to overcome the complexity of modeling oligopolistic rivalry in a general equilibrium framework. The main appeal for using monopolistic competition was to focus on economies of scale as the core in explaining trade rather than on imperfect competition (Krugman, 1990).

The difference between the traditional and the new trade theory (based on monopolistic competition) is that at the level of inter-industry trade, comparative advantage continues to be the dominant explanation of trade flows, whereas at the level of intra-industry trade, economies of scale become the dominant explanation of trade flows in differentiated products. The similarity is that in both the traditional and the new thinking about trade, advantage comes through specialization (Smith, 2010).

The most important insight of the new trade theory based on monopolistic competition (as far as this article is concerned) is that under free trade there will be gains from trade, which implies, as in the case of comparative advantage, that trade is a positive sum game (Krugman, 1992).

Monopolistic competition, however, is not a true reflection of the real world. Many of today's global industries are characterized by oligopolistic competition (Yoffie, 1995), where economies of scale at the level of the firm are sufficient to limit the number of competitors (Krugman, 1992). The focus in the economic trade literature therefore changed from analyzing economies of scale as the core in explaining trade to imperfect competition as the core. The result was a setoff trade models that assumed an oligopoly market structure (Krugman, 1987).

The modeling of trade within an oligopolistic market structure framework has resulted in the possibility of industry targeting where government policy can play a significant role. In such cases, government policies may shift profits from a foreign firm to a domestic competitor, which may result in national gain at the expense of a foreign country, provided that the foreign government does not retaliate (Corden, 1990).

All of this introduced considerable distrust and uncertainty into the strategic trade policy argument and questioned the validity of these models. A further criticism of the strategic trade policy argument is the partial equilibrium nature of the new trade models, and any attempt through government policies to favour some domestic firms over foreign firms may put the foreign firms at competitive disadvantage. Thus for strategic trade policy to be successful, the assumption should be that governments are smarter than markets; not only about the targeted industries, but also about how targeting will affect all the other industries in the country. Strategic trade policy thus assumes that governments can spot winners before business or entrepreneurs can, and that foreign governments will not react to counter this, which seems to be an unrealistic assumption (Krugman, 1990).

Porter (1990) advanced a new theory to explain national competitive advantage. The main question he attempts to answer is why some countries are more successful in particular industries than others. He identifies four classes of country attributes (which he calls the National Diamond) that provide the underlying conditions or platform for the determination the national competitive advantage of a nation. These are factor conditions, demand conditions, related and support industries, and company strategy, structure and rivalry. He also proposes two other factors namely government policy and chance (exogenous shocks) that support and complement the system of national competitiveness but do not create lasting competitive advantages.

Porter (1990) distinguishes between the following categories factors: human resources, physical resources, knowledge resources, capital resources and infrastructure. Factor conditions are further subdivided into basic (unskilled labour, raw materials, climatic conditions and water resources) and advanced factors (created and upgraded through reinvestment and innovation to specialized factors) that can be either general or specialized.

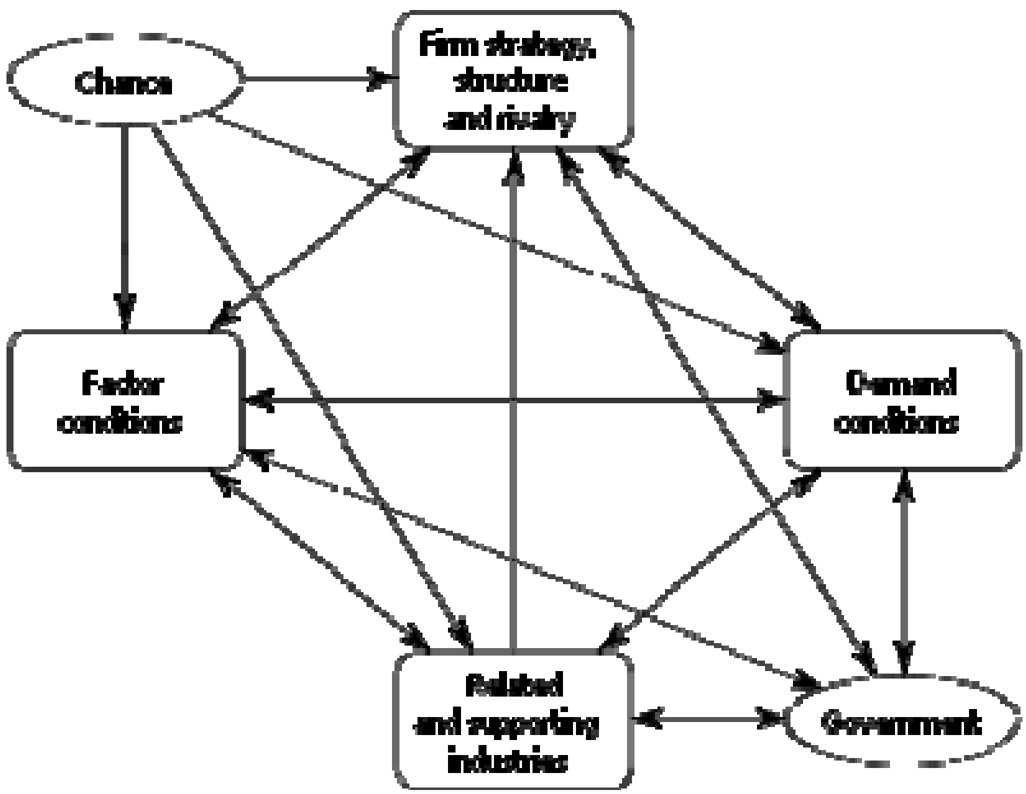
Demand conditions in a country are also perceived by Porter (1990) as a source of competitive advantage for a country. Porter focuses more on demand differences than on similarities to explain the international competitiveness of countries. According to him, it is not only the size of the home demand that matters, but also the sophistication of home country buyers. It is the composition of home demand that shapes how firms perceive, interpret and respond to buyers' needs.

A third determinant of national competitive advantage, according to Porter (1990), is firm strategy, structure and rivalry. The main emphasis is that the strategies and structures of firms depend heavily on the national environment and that there are systematic differences in the business sectors in different countries that determine the way in which firms compete in each country and ultimately their competitive advantage. Porter identifies rivalry as the most critical driver of competitive advantage of a country's firms.

Firm strategy, structure and rivalry constitute the fourth determinant of competitiveness. The way in which companies are created, set goals and are managed is important for success. But the presence of intense rivalry in the home base is also important; it creates pressure to innovate in order to upgrade competitiveness. Government can influence each of the above four determinants of competitiveness. Government interventions can occur at local, regional, national or supranational level. Chance events are occurrences that are outside of control of a firm. They are important because they create discontinuities in which some gain competitive positions and some lose (Porter, 1990).

According to Porter (2000), it is the external economies of related and support industry clusters, such as networks of specialized input providers, institutions and the spill-over effects of local rivalry, that become the true source of competitive advantage. The cluster represents an environment in which learning, innovation and operating productivity can flourish. He believes that it is these kinds of localized clusters that are a prominent feature of virtually any advanced economy, but are lacking in developing countries, which limits productivity growth in those economies (Teece 1996).

Figure1: Porter's Diamond Model



Source: Porter, 1990

Many studies have been done on many companies and industries in many countries and regions. Barragan, (2005) used the Diamond Models to analyze the Mexican automobile industry and found that the automobile industry in Mexico had a special importance for the competitiveness of the country. This industry relied on high technology compared with other successful sectors that primarily relied on natural resources and/or labour intensive work. The high-tech nature of the auto industry helped to promote the industrialization of the country in terms of its transportation and power grid infrastructures, growth in its semi-skilled and skilled labour force, increasing productivity, and the development of other related industries such as machinery and automation.

Lau (2009) conducted an investigation into the internal and external environments and examined the performance of Hong Kong airfreight industry like the growth rate of air cargo throughput, operational efficiency and market share. The paper applied the Porter's diamond framework to illustrate how Hong Kong airfreight industry utilized their inherent resources and enhanced capabilities to compete with neighboring competitors like Guangzhou Baiyun International Airport and Singapore Changi Airport in dynamic and challengeable environment.

Sally (2005) took an empirical approach in the use of the Diamond Model to study fifty automobile companies in the automobile industry headquartered in eight different nations. In the applied regression model the dependent variable was firm performance captured by Return on Sales while the four factors of the model were the independent variables. The study showed that more demanding consumers in the home market positively impacted firm's global competitiveness. It also showed that more advanced factor conditions in the home market positively impacted on a firm's global competitiveness.

Akombo (2010) did a cross-sectional survey on the stat of operations among players in the Kenyan sugar industry using the porter’s diamond model focusing on analyzing related and supporting industries, firm structure and strategy, and the role of government with regards to overall competitiveness of the industry. The study did considered the seven sugar manufacturing firms in operations as at January 2009. The study findings indicated that there was a positive relationship between the Porter’s Diamond Model when mapping the players against the determinants lay out by the model.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section discusses the method that was used in the collection and analysis of data and how presentation of findings was done. It further discusses how the objectives of the study were met. Specifically, it covers issues to do with the research design, definition of the population of study, and how data was collected and analyzed.

3.2 Research Design

The research was carried out through a cross-sectional survey study of the strategies used by local tourist hotels to gain competitive advantage in hospitality industry. It is a method similar to that used by Omondi (2006) to investigate the competitive strategies used by the airlines in Kenya to gain competitive advantage in the dynamic Kenyan Aviation Industry.

The survey approach enabled the study to find out how the various hotels market themselves to the market conditions. Further, since the study was done on more than one firm a survey provides a more insightful approach for allowed for comparison.

3.3 Population of the Study

The following made up the population of the study: the ninety-two tourist hotels in Kenya (African Spice Safaris, 2012); the 1221 travel agents (Business List, 2012); all of the 77 national parks (GoK, 2012) and the 314 tour operators (KATO, 2012).The total population size was 1714.

3.4 Sample of the Study

According to Mugenda and Mugenda (2003), a population is a complete set of individuals, cases or objects with some common observable characteristics while target population refers to that population to which a researcher wants to generalize the results of a study. Fifty firms in the tourism industry were considered because according to Bartlet, Kortlik and Higgins (2001) a sample size should be at least thirty. Stratified random sampling technique was used to decide who the respondents will be from each of the groups identified in the groups in the population.

3.5 Data Collection

This study used primary data collected by use of a questionnaire given to either the marketing manager or one of the staffing the marketing department of the respondent. The questionnaires were dropped at the hotel offices by the researcher and collected at a later agreed date after filling.

3.6 Data Analysis

The questionnaire is divided into three sections. In Part I the respondent provided the general information about the hotel concerning their size, market share, number of branches and number of years in business. Part II was used to find out the competitive challenges that drove competition in the tourist hotel industry and assessed the perceived importance of the forces. Part III was used to find out how the hotels responded to the forces in order to be competitive. Except for Part I, the Liker scale was the instrument of measurement.

Quantitative data was presented in the form of tables. Summary statistics like mean, standard deviation, totals, and percentages were used. The mean, for instance, was used to measure the average response to an item in the Likert scale. The standard deviation was used to measure the variance in the responses on a question. The data was summarized into tables (for instance the summary of the distribution of responses to questions). The capture, the organization and the analysis of data was done using MS EXCEL 07.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

The first section of this chapter provides a detailed analysis of factors affecting performance among firms in the tourism industry in Kenya. The chapter also looks at the various forces that determine the competitiveness of a firm in an industry. The second part provides a discussion of the findings.

The objectives of this study were to determine factors that influence the competitiveness of the Kenyan tourism sector in the global markets. The respondents who participated in the survey, provided responses to the questions in the questionnaire in Appendix I through the Likert scale except for the first section of the questionnaire. The Likert scale was on a scale of 1 to 5 in which a response of 1 meant least agreement with the statement while 5 meant very strong agreement. The responses were analyzed using means, percentages, standard deviation and presented in table form.

4.2 Response Rate

The study sought to gather information from managers or anyone responsible for the management firms in the tourism industry. The research was designed to gather information from 50 hotels and other firms in the tourism industry in Nairobi. The sample of 50 firms was not only well above the minimum of 30, but was large enough to provide the needed information. However, of the total 50 firms selected, 32 firms responded which constitutes 64 % response rate.

4.3 Factors Affecting Performance

This section presents an analysis of the factors affecting performance according to various bases. The bases are respondent firms grouped together, age of the firms in active operation, number of workers and the type of business the firms are operating in.

4.3.1 Based On All Firms Together

The analysis of the factors affecting performance were first analyzed basing on all the firms together and the results were as presented in Table 1. According to the table, the factors that were perceived to affect performance among players in the tourism industry in Kenya to the great level were: lack of funds (M = 4.71); poor road/infrastructure (M= 4.43); demand for services (M = 4.43); competition from local rivals (M = 4.43); high taxes (M = 4.29) and Government policies/regulations (M = 4.29). The factors that were perceived to least affect performance were: competition from cheaper service providers (M = 3.43); lack of research on improvements in the tourism industry (M= 3.43) and old equipment (M = 2.43). However, the grand mean of 3.94 showed that the factors identified in the questionnaire affected the performance of the firms to a great extent.

Table 1: Factors Based on All Firms Together

Effect the performance	MEAN	SD
Poor road/infrastructure	4.43	1.13
Competition from cheaper service providers	3.43	1.40
Lack of research on improvements in the tourism industry	3.43	0.98
High taxes	4.29	1.11
Old equipment	2.43	1.27
High cost of inputs	3.57	1.27
High cost of labour	3.71	1.60
Government policies/regulations	4.29	1.11
Demand for services	4.43	0.79
Poor service provision technology	4.14	0.90
Lack of funds	4.71	0.49
Competition from local rivals	4.43	0.53
GRAND MEAN	**3.94**	

Source: Author, 2012

4.3.2 Factors Based on Age of Firms

Table 2 presents the analysis of factors based on how long the firms had been operational in the tourism industry in Kenya. The firms were divided into those that had been operational for less than 10 years and those that had been operational for more than 10 years. Among firms that had been operational for less than 10 years, the factors perceived to affect performance were to a great level were: lack of funds (M = 4.75); poor road/infrastructure (M = 4.25); high taxes (M = 4.25); demand for services (M = 4.25) and competition from local rivals (M = 4.25).The factors that were perceived to least affect performance among these firms were: lack of research on improvements in the tourism industry (M = 3.50); high cost of labour (M = 3.50) and old equipment (M = 2.50). Their grand mean of 3.88 showed that generally the identified factors affected performance to a great extent.

Among firms that had been operational for over 10 years, the factors perceived to affect performance to a high level were: lack of funds (M = 3.50); poor road/infrastructure (M = 3.50); demand for services (M = 3.50); competition from local rivals (M = 3.50); Government policies/regulations (M = 3.50) and poor service provision and technology (M = 3.50). The least performance influencing factors were: high cost of inputs (M = 2.50); lack of research on improvements in the tourism industry (M = 2.50); competition from cheaper service providers (M = 2.25) and old equipment (M = 1.75).The grand mean of 3.02 generally indicated that the factors were perceived to be less influential to performance as compared the perception of the firms that had been operational for less than 10 years.

Table 2: Factors by Age of the Firm

	LESS 10		**ABOVE 10**	
	MEAN	**SD**	**MEAN**	**SD**
Poor road/infrastructure	4.25	5.00	3.50	0.58
Competition from cheaper service providers	3.75	3.67	2.25	1.73
Lack of research on improvements in the tourism industry	3.50	3.67	2.50	0.58
High taxes	4.25	4.67	3.25	0.58
Old equipment	2.50	3.33	1.75	0.58
High cost of inputs	3.75	3.00	2.50	1.53
High cost of labour	3.50	3.67	3.00	1.73
Government policies/regulations	4.00	4.00	3.50	0.58
Demand for services	4.25	4.67	3.50	0.58
Poor service provision technology	3.75	4.33	3.50	0.58
Lack of funds	4.75	5.00	3.50	0.58
Competition from local rivals	4.25	4.67	3.50	0.58
GRAND MEAN	**3.88**		**3.02**	

Source: Author, 2012

4.3.3 Factors by Number of Workers

The factors affecting performance were analyzed according to size based on the numbers of workers employed. The firms were then divided into those with less than 100 workers and those with more than 100 workers and the results of the analysis presented in Table 3. The firms with less than 100 workers indicated that the most performance influencing factors were: poor road/infrastructure(M = 5.00); lack of funds (M = 5.00); demand for services (M = 4.67) and competition from local rivals (M = 4.33). The least influencing factors were indicated as: lack of research on improvements in the tourism industry (M= 3.33); high cost of labour (M = 3.33) and old equipment (M = 2.67).The grand mean of 3.97 showed that, generally, the factors had fairly serious influence on performance among the smaller firms.

The factors were also, generally, fairly serious according to the grand mean of 3.92 recorded in Table 3. However, the factors that were seen as strong influencers of performance were: lack of funds (M = 4.50); competition from local rivals (M = 4.50); high taxes (M = 4.50) and Government policies/regulations (M = 4.05). The results also indicate that the least influential factors were: high cost of inputs (M = 3.50); lack of research on improvements in the tourism industry (M = 3.50); competition from cheaper service providers (M = 3.25) and old equipment (M = 2.25).

Table 3: Factors by Number of Workers

	LESS 100		ABOVE 100	
	MEAN	SD	MEAN	SD
Poor road/infrastructure	5.00	0.00	4.00	1.41
Competition from cheaper service providers	3.67	1.53	3.25	1.50
Lack of research on improvements in the tourism industry	3.33	1.53	3.50	0.58
High taxes	4.00	1.73	4.50	0.58
Old equipment	2.67	2.08	2.25	0.50
High cost of inputs	3.67	1.53	3.50	1.29
High cost of labour	3.33	2.08	4.00	1.41
Government policies/regulations	4.00	1.73	4.50	0.58
Demand for services	4.67	0.58	4.25	0.96
Poor service provision technology	4.00	1.00	4.25	0.96
Lack of funds	5.00	0.00	4.50	0.58
Competition from local rivals	4.33	0.58	4.50	0.58
GRAND MEAN	**3.97**		**3.92**	

Source: Author, 2012

4.3.4 Factors by Type of Business

These factors were also analyzed according to the type of the business the respondent firms operated. The firms were therefore divided into hotels and Tour and the analysis results recorded in Table 4. Hotels felt that the factors that greatly influenced performance in the tourism industry were: competition from cheaper service providers (M = 4.50); high taxes (M = 4.50); high cost of inputs (M = 4.50); high cost of labour (M = 4.50); Government policies/regulations (M = 4.50); lack of funds (M = 4.50) and competition from local rivals (M = 4.50). The least influencing factors were: lack of research on improvements in the tourism industry (M = 3.50); poor road/infrastructure (M = 3.00) and old equipment (M = 2.00). The grand mean of 4.00 showed the identified factors had strong influence on the performance of firms in the Kenya tourism industry.

Tour companies felt that the identified factors were fairly strongly influential as shown by a mean of 3.92. According to Table 4, factors that mostly influenced performance in the tourism industry were: poor road/infrastructure (M = 5.00); lack of funds (M = 4.80); demand for services (M = 4.60) and competition from local rivals (M = 4.40). The least influential factors were: high cost of labour (M = 3.40); lack of research on improvements in the tourism industry (M = 3.40); high cost of inputs (M = 3.20); competition from cheaper service providers (M = 3.00) and old equipment (M = 2.60).

Table 4: Factors by Type of Business

	HOTELS		**TOUR OP**	
	MEAN	**SD**	**MEAN**	**SD**
Poor road/infrastructure	3.00	1.41	5.00	0.00
Competition from cheaper service providers	4.50	0.71	3.00	1.41
Lack of research on improvements in the tourism industry	3.50	0.71	3.40	1.14
High taxes	4.50	0.71	4.20	1.30
Old equipment	2.00	0.00	2.60	1.52
High cost of inputs	4.50	0.71	3.20	1.30
High cost of labour	4.50	0.71	3.40	1.82
Government policies/regulations	4.50	0.71	4.20	1.30
Demand for services	4.00	1.41	4.60	0.55
Poor service provision technology	4.00	1.41	4.20	0.84
Lack of funds	4.50	0.71	4.80	0.45
Competition from local rivals	4.50	0.71	4.40	0.55
GRAND MEAN	**4.00**		**3.92**	

Source: Author, 2012

4.4 The State of the Tourism Industry

This section analyzes the state of the tourism industry in Kenya according to the responses from the firm in the tourist industry that participated in the survey. The identified variables in the industry have been grouped into factor conditions; demand conditions and chance; government; firm strategy, structure and rivalry and related and supporting industries. Each of the factors has been analyzed basing on all the firms together, age of the firms in operation, number of workers and also basing on the type of business the firms operate in.

4.4.1 Factor Conditions

4.4.1.1 Factor conditions based on all firms

Table 5 shows the results from analyzing the factor condition listed in the table after. The grand mean of 3.27 showed that there was neutrality on the extent to which the listed factors affected the status of the tourism industry. The most strongly felt factor conditions according to Table 5 were: that skilled and non-skilled labour is readily available and affordable (M = 4.71); that poor state of roads significantly increases the cost of service provision (M = 4.71) and that a lot of capital is required to enter the industry (M = 4.29). The least felt factor conditions were: that the location of the firm has an advantage to service provision (M = 2.57); that technology in the industry is sufficient and helpful in service provision (M = 2.29); that the tourist service providers are operating effectively and efficiently (M = 2.29) and that access to capital for expansion and modernization is easy (M = 1.29).

Table 5: Factor Conditions Based on All Firms Together

	MEAN	SD
A lot of capital required to enter this industry.	4.29	1.11
Finding input material is tedious and expensive	3.43	1.13
Skilled and non-skilled labour is readily available and affordable.	4.71	0.49
Sources of energy to provide services is sufficient and reliable	3.57	0.53
Poor state of roads significantly increases the cost of service provision	4.71	0.49
Technology in the industry is sufficient and helpful in service provision	2.29	1.38
The Tourist service providers are operating effectively and efficiently	2.29	0.95
Access to capital for expansion and modernization is easy	1.29	0.49
The location of the firm has an advantage to service provision	2.57	1.62
Atmospheric condition is a plus for tourism	3.57	1.90
GRAND MEAN	**3.27**	

Source: Author, 2012

4.4.1.2 Factor Conditions Based on Age of Firms

Factor conditions were here analyzed based on the length of time firms had been operational in Kenya tourism industry and the results are as presented in Table 6. The grand mean of 3.20 for the firms that had been in the industry for less than 10 years showed that the identified factors, to a slight extent, defined the status of the Kenya tourism industry. However, analysis indicated that the most felt factor conditions were that: a lot of capital required to enter this industry (M = 4.75); skilled and non-skilled labour is readily available and affordable (M = 4.75); poor state of roads significantly increases the cost of service provision (M = 4.50) and finding input material was tedious and expensive (M = 4.00). The least felt factor conditions by these firms were that: technology in the industry is sufficient and helpful in service provision (M = 2.25); the location of the firm has an advantage to service provision (M = 2.25); the Tourist service providers are operating effectively and efficiently (M = 2.00) and access to capital for expansion and modernization is easy (M = 1.25).

Among the firms that had been operational for over 10 years the most defining factor conditions for the industry as shown in Table 6 were that: poor state of roads significantly increases the cost of service provision (M = 5.00); atmospheric condition is a plus for tourism (M = 5.00) and skilled and non-skilled labour is readily available and affordable (M = 4.67). On the contrary the least defining factor conditions were that: finding input material is tedious and expensive (M = 2.67); the Tourist service providers are operating effectively and efficiently (M = 2.67); technology in the industry is sufficient and helpful in service provision (M = 2.33) and access to capital for expansion and modernization is easy (M = 1.33). Generally, as indicated by the grand mean of 3.37 there was neutrality towards the significance of the factor conditions to the tourism industry in Kenya.

Table 6: Factor Conditions Based on Age

	LESS 10		**ABOVE 10**	
	MEAN	**SD**	**MEAN**	**SD**
A lot of capital required to enter this industry.	4.75	0.50	3.67	1.53
Finding input material is tedious and expensive	4.00	0.82	2.67	1.15
Skilled and non-skilled labour is readily available and affordable	4.75	0.50	4.67	0.58
Sources of energy to provide services is sufficient and reliable	3.75	0.50	3.33	0.58
Poor state of roads significantly increases the cost of services	4.50	0.58	5.00	0.00
Technology in the industry is sufficient and helpful in services	2.25	1.50	2.33	1.53
Tourist service providers are operating effectively and efficiently	2.00	1.15	2.67	0.58
Access to capital for expansion and modernization is easy	1.25	0.50	1.33	0.58
The location of the firm has an advantage to service provision	2.25	1.50	3.00	2.00
Atmospheric condition is a plus for tourism	2.50	1.91	5.00	0.00
GRAND MEAN	**3.20**		**3.37**	

Source: Author, 2012

4.4.1.3 Factor conditions based on Number of Workers

Table 7 presents an analysis of factor conditions based on the number of workers the firms had. The firms were therefore divided into those with less than 100 workers and those with more than 100 workers. Among firms that had less than 100 workers, the most felt factor conditions were that: a lot of capital required to enter this industry (M = 4.67); skilled and non-skilled labour is readily available and affordable (M = 4.67); poor state of roads significantly increases the cost of service provision (M = 4.67); finding input material is tedious and expensive (M = 4.00) and that sources of energy to provide services is sufficient and reliable (M = 4.00). The least felt factors were that the tourist service providers are operating effectively and efficiently (M = 2.33) and that access to capital for expansion and modernization is easy (M = 1.33).

The firms with more than 100 workers indicated that the most felt factor conditions were that: skilled and non-skilled labour is readily available and affordable (M = 4.75); poor state of roads significantly increases the cost of service provision (M = 4.75); a lot of capital was required to enter the industry (M = 4.00); and that atmospheric condition was a plus for tourism (M = 4.00). The least felt factor conditions were indicated as that: The location of the firm has an advantage to service provision (M = 2.25); the tourist service providers are operating effectively and efficiently (M = 2.25); technology in the industry is sufficient and helpful in service provision (M = 2.00) and access to capital for expansion and modernization is easy (M = 1.25).

Table 7: Factor Conditions Based on Number of Workers

	LESS 100		ABOVE 100	
	MEAN	**SD**	**MEAN**	**SD**
A lot of capital required to enter this industry.	4.67	0.58	4.00	1.41
Finding input material is tedious and expensive	4.00	1.00	3.00	1.15
Skilled and non-skilled labour is readily available and affordable.	4.67	0.58	4.75	0.50
Sources of energy to provide services is sufficient and reliable	4.00	0.00	3.25	0.50
Poor state of roads significantly increases the cost of services	4.67	0.58	4.75	0.50
Technology in the industry is sufficient and helpful in services	2.67	1.53	2.00	1.41
Tourist service providers are operating effectively and efficiently	2.33	1.15	2.25	0.96
Access to capital for expansion and modernization is easy	1.33	0.58	1.25	0.50
The location of the firm has an advantage to service provision	2.67	1.53	2.50	1.91
Atmospheric condition is a plus for tourism	3.00	2.00	4.00	2.00
GRAND MEAN	**3.4**		**3.175**	

Source: Author, 2012

4.4.1.4 Factor conditions based on Type of Business

Table 8 provides the analysis of the conditions based on the type of business a firm operates in. the firms were therefore divided into hotels and tour operators. Among the hotels the most felt factor conditions were that: skilled and non-skilled labour is readily available and affordable (M = 5.00); poor state of roads significantly increases the cost of service provision (M = 4.50) and that finding input material is tedious and expensive (M = 4.00). The least felt factor conditions among the hotels were that: the location of the firm has an advantage to service provision (M = 2.00); the tourist service providers are operating effectively and efficiently (M = 2.00); technology in the industry is sufficient and helpful in service provision (M = 1.00) and access to capital for expansion and modernization is easy (M = 1.00).

The results according to Table 8 show that tour operators felt that the most felt factor conditions were that: poor state of roads significantly increases the cost of service provision (M = 4.80); skilled and non-skilled labour is readily available and affordable (M = 4.60) and that a lot of capital was required to enter the industry (M = 4.60). The tour operators also felt that the least felt factors were: the location of the firm has an advantage to service provision (M = 2.80); technology in the industry is sufficient and helpful in service provision (M = 2.80); the Tourist service providers are operating effectively and efficiently (M = 2.40) and that access to capital for expansion and modernization is easy (M = 1.40).

Table 8: Factor Conditions Based on Type of Business

	HOTEL		TOUR OP	
	MEAN	**SD**	**MEAN**	**SD**
A lot of capital required to enter this industry.	3.50	2.12	4.60	0.55
Finding input material is tedious and expensive	4.00	0.00	3.20	1.30
Skilled and non-skilled labour is readily available and affordable.	5.00	0.00	4.60	0.55
Sources of energy to provide services is sufficient and reliable	3.50	0.71	3.60	0.55
Poor state of roads significantly increases the cost of services	4.50	0.71	4.80	0.45
Technology in the industry is sufficient and helpful in services	1.00	0.00	2.80	1.30
Tourist service providers are operating effectively and efficiently	2.00	1.41	2.40	0.89
Access to capital for expansion and modernization is easy	1.00	0.00	1.40	0.55
The location of the firm has an advantage to service provision	2.00	1.41	2.80	1.79
Atmospheric condition is a plus for tourism	3.00	2.83	3.80	1.79
GRAND MEAN	**2.95**		**3.40**	

Source: Author, 2012

4.4.2 Demand Conditions and Chance

This section of the analysis analyzes the demand conditions and chance factors that affect the competitive environment affecting the tourism industry. The demand conditions and chance are analyzed according to all the firms together, by age of operation of the respondent firms, by number of workers and by type of firm.

4.4.2.1 Demand Conditions and Chance Based on All Firms Together

Table 9 shows the analysis of the demand and chance conditions as indicated by all the firms together. The grand mean of 3.18 indicated that, to a slightly higher extent the factors were felt as critical to the competitiveness of the tourism industry. However, the most critically felt demand conditions were that the potential of creating a strong local demand was huge (M = 4.00) and that the demand for tourist services is huge in the country (M = 3.57). On the contrary, the least felt demand and chance condition was that consumer behavior for tourist services locally trends like in the global market (M = 1.86).

Table 9: Demand Conditions and Chance Based on All Firms Together

Demand condition and chance	MEAN	SD
The demand for Tourist services is huge in the country	3.57	1.13
The demand for Tourist services is huge in the region	3.29	1.11
The potential of creating a strong local demand is huge	4.00	1.00
Consumer behavior for Tourist services locally trends like in the global market	1.86	1.21
GRAND MEAN	**3.18**	

Source: Author, 2012

4.4.2.2 Demand Conditions and Chance Based on Age of Firms

Analysis of the demand conditions and chance factors was done based on whether the firms had been operational for less than or more than 10 years. According the findings a presented in Table 10, the firms that had been operational for less than 10 years, the most felt factors was that the potential of creating a strong local demand is huge (M = 3.50) while the least felt factor was that consumer behavior for tourist services locally trends like in the global market (M = 2.00). Among firms that had been operational for over 10 years it was most felt that the potential of creating a strong local demand is huge (M = 4.67) while it was least felt that consumer behavior for tourist services locally trends like in the global market (M = 1.67). However, the firms that had been operational for over 10 years felt that the demand and chance conditions identified provided the true picture of the situation (M = 3.67).

Table 10: Demand Conditions and Chance Based on Age of Firms

	LESS 10 YRS		**ABOVE 10 YRS**	
	MEAN	**SD**	**MEAN**	**SD**
The demand for Tourist services is huge in the country	3.00	1.15	4.33	0.58
The demand for Tourist services is huge in the region	2.75	0.96	4.00	1.00
The potential of creating a strong local demand is huge	3.50	1.00	4.67	0.58
Consumer behavior for Tourist services locally trends like in the global market	2.00	1.41	1.67	1.15
GRAND MEAN	**2.81**		**3.67**	

Source: Author, 2012

4.4.2.3 Demand Conditions and Chance Based on Number of Workers

Table 11 shows the analysis of demand conditions and chance factors based on the number of workers a firm had. Firms that had less than 100 workers felt that the potential of creating a strong local demand is huge (M = 4.00) while they did not agree that consumer behavior for tourist services locally trends like in the global market (M = 2.00). Firms that had more than 100 workers most agreed that the potential of creating a strong local demand is huge (M = 4.00) while they indicated that consumer behavior for tourist services locally did not trend like in the global market (M = 1.75).

Table 11: Demand Conditions and Chance Based on Number of Workers

	LESS 100		**ABOVE 100**	
	MEAN	**SD**	**MEAN**	**SD**
The demand for Tourist services is huge in the country	3.33	1.15	3.75	1.26
The demand for Tourist services is huge in the region	3.00	1.00	3.50	1.29
The potential of creating a strong local demand is huge	4.00	0.00	4.00	1.41
Consumer behavior for Tourist services locally trends like in the global market	2.00	1.73	1.75	0.96
GRAND MEAN	**3.08**		**3.25**	

Source: Author, 2012

4.4.2.4 Demand Conditions and Chance Based on Type of Business

Analysis of demand conditions based on the types of businesses in the tourism industry was done and the results were as presented in Table 5. The businesses were separated into hotels and tour operators. The hotels felt that the key demand conditions and chance factors were that: the demand for tourist services is huge in the country (M = 3.50); the demand for tourist services is huge in the region (M = 3.50) and the potential of creating a strong local demand is huge (M = 3.50). It was felt that consumer behavior for tourist services locally does not trend like in the global market (M = 2.50). The tour operators felt that the potential of creating a strong local demand is huge (M = 4.20) and the demand for tourist services is huge in the country (M = 3.60). however, the tour operators felt that consumer behavior for tourist services locally did not trends like in the global market (M = 1.60).

Table 12: Demand Conditions and Chance Based on Type of Business

	HOTELS		**TOUR OP**	
	MEAN	**SD**	**MEAN**	**SD**
The demand for Tourist services is huge in the country	3.50	2.12	3.60	0.89
The demand for Tourist services is huge in the region	3.50	2.12	3.20	0.84
The potential of creating a strong local demand is huge	3.50	2.12	4.20	0.45
Consumer behavior for Tourist services locally trends like in the global market	2.50	0.71	1.60	1.34
GRAND MEAN	**3.25**		**3.15**	

Source: Author, 2012

4.4.3 Government Conditions

This section provides an analysis of the conditions related to Government that affect the competitiveness of the Kenya tourism industry. The factors under Government conditions were analyzed based on all the respondents grouped together, based on the time the firms had been operational, based on the numbers of workers in the firm and finally based on whether the firms were hotels or tour operators.

4.4.3.1 Government Conditions Based on All Firms Together

Table 13 below shows the analysis of the government conditions based on all the firms together. The grand mean of 3.75 indicated that the presented factors, to a higher extent provided a true depiction of the environment facing the tourism industry as created by the government. However, the firms felt that taxes by government added a significant cost to business (M = 4.86), though they felt policies by government helped make marketing tourism easier (M = 3.71). On the other hand the firms did not find the country's business climate ideal for investment in tourism (M = 3.14).

Table 13: Government Conditions Based on All Firms Together

	MEAN	SD
Government interferes very much with operation	3.29	1.60
Taxes by government add a significant cost to our business	4.86	0.38
Policies by government help marketing tourism easier	3.71	0.95
The country's business climate is ideal for investment in Tourism	3.14	1.57
GRAND MEAN	**3.75**	

Source: Author, 2012

4.4.3.2 Government Conditions Based on Age

Table 14 below presents the analysis of government conditions based on the length of time the firms had been operational in Kenya. The firms that had been operational for less than 10 years had a grand mean of 3.63 indicating that the level of agreement with the conditions was slightly high. However, it was felt that taxes by the government added a significant cost to business (M = 4.75) and that government interfered very much with operation (M = 3.50). It was least felt that the country's business climate was ideal for investment in tourism (M = 3.00).

Among firms that had been operational for over 10 years it was strongly felt that taxes by the government added a significant cost to tourism business (M = 5.00) and that policies by the government help make marketing tourism easier (M = 4.33). The firms did not seriously agree that government interferes very much with operation (M = 3.00).

Table 14: Government Conditions Based on Age

	LESS 10		**ABOVE 10**	
	MEAN	**SD**	**MEAN**	**SD**
Government interferes very much with operation	3.50	1.73	3.00	1.73
Taxes by government add a significant cost to our business	4.75	0.50	5.00	0.00
Policies by government help marketing tourism easier	3.25	0.50	4.33	1.15
The country's business climate is ideal for investment in Tourism	3.00	1.41	3.33	2.08
GRAND MEAN	**3.63**		**3.92**	

Source: Author, 2012

4.4.3.3 Government Conditions Based on Number of Workers

In Table 15 below, government conditions were analyzed basing on whether the firms had more than or less than 100 workers. The firms that had less than 100 workers felt that the government conditions identified presented a fairly true picture of the situation in Kenya tourist industry (M = 3.58). However, the conditions most agreed with were that taxes by the government added a significant cost to business (M = 4.67) and that government interfered very much with operation (M = 4.00). The firms also indicated that the country's business climate was not ideal for investment in tourism (M = 2.33).

Firms with more than 100 workers also indicated that they generally slightly agreed with the government conditions presented (Grand M = 3.88). They indicated that taxes by government add a significant cost to our business (M = 5.00) and though policies by government helped making marketing tourism easier (M = 4.00). They, however, did not agree that government interferes very much with operation (M = 2.75).

Table 15: Government Conditions Based on Number of Workers

	LESS 100		ABOVE 100	
	MEAN	**SD**	**MEAN**	**SD**
Government interferes very much with operation	4.00	1.73	2.75	1.50
Taxes by government add a significant cost to our business	4.67	0.58	5.00	0.00
Policies by government help marketing tourism easier	3.33	0.58	4.00	1.15
The country's business climate is ideal for investment in Tourism	2.33	0..58	3.75	1.89
GRAND MEAN	**3.58**		**3.88**	

Source: Author, 2012

4.4.3.4 Government Conditions Based on Type of Business

Table 16 below presents the analysis of government conditions based on the type of business respondents operated in. Hotels had a grand mean of 3.13 which indicated that the conditions in the questionnaire were not generally descriptive of the situation as it was. However, they felt that taxes by government added a significant cost to business costs (M = 5.00). On the contrary, they felt that government interferes very much with operation (M = 1.50). Tour operators had a grand mean of 4.00 indicating that to them the statements were, to a great extent a true description of the industry condition with respect to the government. However, they strongly felt that taxes by the government added a significant cost to business (M = 4.80), the government interferes very much with operation (M = 4.00) and that policies by government help make marketing tourism easier (M = 4.00). They did not agree that the country's business climate is ideal for investment in tourism (M = 3.20).

Table 16: Government Conditions Based on Type of Business

	HOTELS		TOUR OP	
	MEAN	**SD**	**MEAN**	**SD**
Government interferes very much with operation	1.50	0.71	4.00	1.22
Taxes by government add a significant cost to our business	5.00	0.00	4.80	0.45
Policies by government help marketing tourism easier	3.00	0.00	4.00	1.00
The country's business climate is ideal for investment in Tourism	3.00	2.83	3.20	1.30
GRAND MEAN	**3.13**		**4.00**	

Source: Author, 2012

4.4.4 Firm Strategy, Structure and Rivalry

Conditions based upon firm strategy, structure and rivalry were analyzed and are presented in this section. The conditions were analyzed on the basis of all firms together, on the basis of the number of years the firms had been operational in Kenya tourism industry, the size of the workforce of the firms, and the type of business the firms operated in.

4.4.4.1 Firm Strategy, Structure and Rivalry based on all Firms Together

The analysis of the factors was done first based on all the firms together and the results are as presented in Table 17. According to the table, the grand mean was 4.32 which indicated that the firms felt the firm strategy, structure and rivalry factors identified strongly described the environment in Kenya tourism industry. The firms most agreed that companies that had been in the industry for a long had special advantages that others did not have (M = 4.43) and that the localization of firms in one region had increased pressure in the industry to innovate (M = 4.43). They least agreed that the business environment in Kenya shaped the structure, size and hierarchy of firms (M = 4.14).

Table 17: Firm strategy, structure and rivalry based on all firms

Firm strategy, structure and rivalry	MEAN	SD
Companies that have been in the industry for a long have special advantages that other do not have	4.43	0.79
The business environment in Kenya shape the structure, size and hierarchy of firm	4.14	1.07
The number of players in the industry has influence the style of operation	4.29	0.76
The localization of firms in one region has increase Pressure in the industry to innovate.	4.43	0.53
GRAND MEAN	**4.32**	

Source: Author, 2012

4.4.4.2 Firm Strategy, Structure and Rivalry based on Age of Firms

Firm strategy, structure and rivalry conditions were analyzed basing on the age of the firms and the results were as presented in Table 18 below. Firms that had been in the industry for less than 10 years had a grand mean of 4.06 indicating that the factors presented portrayed the true situation concerning firm strategy, structure and rivalry.

However, the firms felt, to a great extent that the number of players in the industry had influenced the style of operation (M = 4.25) and that the localization of firms in one region had increased pressure in the industry to innovate (M = 4.25). The least agreed with statement was that the business environment in Kenya shaped the structure, size and hierarchy of firm (M = 3.75). Firms that had been in the field for over 10 years had a grand mean of 4.67 indicating that they strongly agreed that the statements were a true reflection of the firm strategy, structure and rivalry situation in the tourism industry in Kenya. These firms strongly agreed that companies that had been in the industry for a long had special advantages that others do not have (M = 5.00); that the business environment in Kenya shaped the structure, size and hierarchy of firms (M = 4.67); that localization of firms in one region had increase pressure in the industry to innovate (M = 4.67) and that the number of players in the industry had influence the style of operation (M = 4.33).

Table 18: Firm Strategy, Structure and Rivalry based on Age of Firms

	LESS 10		ABOVE 10	
	MEAN	**SD**	**MEAN**	**SD**
Companies that have been in the industry for a long have special advantages that other do not have	4.00	0.82	5.00	0.00
The business environment in Kenya shape the structure, size and hierarchy of firm	3.75	1.26	4.67	0.58
The number of players in the industry has influence the style of operation	4.25	0.50	4.33	1.15
The localization of firms in one region has increase pressure in the industry to innovate.	4.25	0.50	4.67	0.58
GRAND MEAN	**4.06**		**4.67**	

Source: Author, 2012

4.4.4.3 Firm Strategy, Structure and Rivalry based on Number of Workers

Table 19 shows the results for the analysis of firm strategy, structure and rivalry conditions based on the number of workers a firm had in its workforce. Firms with less than 100 workers had a grand mean of 4.05 indicating that they, to a great extent agreed with the statements concerning firm strategy, structure and rivalry. The most agreed with factors were that the number of players in the industry had influence the style of operation (M = 4.33) and that the localization of firms in one region had increased pressure in the industry to innovate (M = 4.33). They least agreed with the fact that the business environment in Kenya shaped the structure, size and hierarchy of firms (M = 3.67). Firms that had over 100 workers had a grand mean of 4.50 which indicated a strong agreement with the statement. They strongly agreed that companies that had been in the industry for a long had special advantages that others did not have (M = 4.75); that the business environment in Kenya shaped the structure, size and hierarchy of firms (M = 4.50); that the localization of firms in one region had increased pressure in the industry to innovate (M = 4.50) and that the number of players in the industry had influenced the style of operation (M = 4.25).

Table 19: Firm Strategy, Structure and Rivalry based on Number of Workers

	LESS 100		ABOVE 100	
	MEAN	SD	MEAN	SD
Companies that have been in the industry for a long have special advantages that other do not have	4.00	1.00	4.75	0.50
The business environment in Kenya shape the structure, size and hierarchy of firm	3.67	1.53	4.50	0.58
The number of players in the industry has influence the style of operation	4.33	0.58	4.25	0.96
The localization of firms in one region has increase pressure in the industry to innovate.	4.33	0.58	4.50	0.58
GRAND MEAN	4.08		4.50	

Source: Author, 2012

4.4.4.4 Firm Strategy, Structure and Rivalry based on Type of Business

The analysis of firm strategy, structure and rivalry was here done based on the type of business that the firms participated in within the tourism industry. The hotels had a grand mean of 4.50 indicating a strong agreement with the factors concerning firm strategy, structure and rivalry. They further strongly agreed that companies that had been in the industry for a long had special advantages that other did not have (M = 4.50); the business environment in Kenya shaped the structure, size and hierarchy of firms (M = 4.50); the number of players in the industry had influence the style of operation (M = 4.50) and the localization of firms in one region had increased pressure in the industry to innovate (M = 4.50). tour operators indicated that they strongly agreed with the fact that companies that had been in the industry for a long had special advantages that other did not have (M = 4.40) and that the localization of firms in one region had increased pressure in the industry to innovate (M = 4.40). However, they least agreed with the fact that the business environment in Kenya shaped the structure, size and hierarchy of firms (M = 4.00).

Table 20: Firm Strategy, Structure and Rivalry based on Type of Business

Firm strategy, structure and rivalry	HOTELS MEAN	HOTELS SD	TOUR OP MEAN	TOUR OP SD
Companies that have been in the industry for a long have special advantages that other do not have	4.50	0.71	4.40	0.89
The business environment in Kenya shape the structure, size and hierarchy of firm	4.50	0.71	4.00	1.22
The number of players in the industry has influence the style of operation	4.50	0.71	4.20	0.84
The localization of firms in one region has increase pressure in the industry to innovate.	4.50	0.71	4.40	0.55
GRAND MEAN	**4.50**		**4.25**	

Source: Author, 2012

4.4.5 Related and Supporting Industries

This section analyzes conditions to do with related and supporting industries to the tourism industry in Kenya. The analysis was done based on all firms together, based on the duration the firm had been actively operational in the tourism industry, by the number of workers and by the type of business the firm operated in.

4.4.5.1 Related and Supporting Industries Based on All Firms Together

Table 21shows the analysis of related and supporting industries conditions based on all the firms together. The grand mean was 1.93 which indicated that the firms did not agree with the statements as presented. Further, the firms indicated that the cluster grouping of companies in common zones had not helped improve operations of players in the industry (M = 2.14); the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers was not strong (M = 2.00); the link between both local and international competitors was not effective and not efficient; and ties with research institutions have not contributed to success in the tourism industry (M = 1.71).

Table 21: Related and Supporting Industries Based on All Firms Together

	MEAN	SD
The work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers is strong	2.00	0.58
Ties with research institutions have contributed to success in the Tourism industry	1.71	0.49
The link between both local and international competitors is effective and efficient	1.86	0.38
The cluster grouping of companies in common zones has helped improve operations of players in the industry.	2.14	0.69
GRAND MEAN	**1.93**	

Source: Author, 2012

4.4.5.2 Related and Supporting Industries Based on age of Firms

Table 22 shows the analysis of related and supporting industries based on the number of years the firms had been operating in the tourism industry. The firms that had been operational for less than 10 years indicated that; the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers was not strong (M = 2.25); ties with research institutions had not contributed a lot to success in the Tourism industry (M = 2.00); the link between both local and international competitors is was not effective and efficient (M = 2.00) and that the cluster grouping of companies in common zones had not helped improve the operations of the players in the industry (M = 2.25). The firms that had been operational for over 10 years also seemed to agree with the firms that had been relatively new in the industry.

Table 22: Related and Supporting Industries based on age of Firms

	LESS 10		ABOVE 10	
	MEAN	**SD**	**MEAN**	**SD**
The work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers is strong	2.25	0.50	1.67	0.58
Ties with research institutions have contributed to success in the Tourism industry	2.00	0.00	1.33	0.58
The link between both local and international competitors is effective and efficient	2.00	0.00	1.67	0.58
The cluster grouping of companies in common zones has helped improve operations of players in the industry.	2.25	0.50	2.00	1.00
GRAND MEAN	**2.13**		**1.67**	

Source: Author, 2012

4.5 Discussion of findings

The aim of this study was to determine factors that influence the competitiveness of the Kenyan tourism sector in the global markets. The analysis of the factors affecting performance revealed that the factors that were perceived to affect performance among players in the tourism industry in Kenya to the great level were lack of funds; poor road/infrastructure; demand for services; competition from local rivals; high taxes and Government policies/regulations. This indicated that firms in the Kenyan tourism industry did not have enough funding for their activities an also suffered poor from poor infrastructure especially poor roads. The firms also preformed depending on the nature of demand for their products both locally and internationally, and depending on how they faired against activities of rival firms. However, taxes were a major issue.

The firms indicated that performance was to a lesser extent affected by competition from cheaper service providers; lack of research on improvements in the tourism and old equipment. These results could have meant that either the services in the tourism industry were of the same quality or that the providers of cheaper services were not significant in the market. It also meant that the research in the industry may not have had a lot of influence on how the businesses were being conducted in the industry.

The factor conditions that were strongly felt to drive the Kenya tourism industry were the presence of both skilled and non-skilled labour, the state of the roads which were poor and as a result significantly increased the cost of service provision. It was also indicated that a lot of capital was required to enter the industry. On the other hand the location of the firm did not provide a strong advantage to some firm in service provision. The technological level in the industry was not seen as a strong driver of the industry. The tourist service providers were not perceived as operating effectively and efficiently. Access to capital for expansion and modernization was not easy.

The most critically felt demand conditions were that the potential of creating a strong local demand was huge and that the demand for tourist services is huge in the country. The least felt demand and chance condition was that consumer behavior for tourist services locally trends like in the global market. When it came to government conditions, the firms felt that taxes by government added a significant cost to business, though they felt some policies by government helped make marketing tourism easier. On the other hand the firms did not find the country’s business climate ideal for investment in tourism.

Concerning firm strategy, structure and rivalry in Kenya tourism industry, the firms most agreed that companies that had been in the industry for a long had special advantages over and that the localization of firms in one region had increased pressure in the industry to innovate. However, they least agreed that the business environment in Kenya shaped the structure, size and hierarchy of firms indicating this was not strongly true.

On related and supporting industries, the firms indicated that the cluster grouping of companies in common zones had not helped improve operations of players in the industry. They also indicated that the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers was not strong. Further, the link between both local and international competitors was not effective and efficient; and ties with research institutions had not contributed much to the success in the tourism industry.

This study seems to agree with Porter (1990) who argues that a sophisticated domestic market is an important element to producing competitiveness. Firms that face a sophisticated domestic market are likely to sell superior products because the market demands high quality and a close proximity to such consumers enables the firm to better understand the needs and desires of the customers. As found by this study the local Kenyan market for tourism seems not to be strong and sophisticated enough to push up the sophistication and competitiveness of Kenyan tourism in the world market.

According to Porter (1990) to enhance competitiveness, the government is not supposed to offer any help to an industry beyond provision of infrastructure that will be available to all other firms. The role of government in Porter's Diamond Model is acting as a catalyst and challenger; it is to encourage - or even push - companies to raise their aspirations and move to higher levels of competitive performance. In this study, however, there was an agreement that other than the problem of taxation, the Kenyan government seemed not to do enough to build the infrastructure for the tourism industry and had some policies that focused on supporting tourism a factor Porter (1990) points out may not be helping improve the competitiveness of the tourism industry.

The findings showed that companies that have been in the industry for a long had special advantages that other did not have. This indicated that the firm had been in the market had a strong bearing on performance and competitiveness. Ties with researcher’s institutions had not contributed to the success in the tourism industry. Porter (1990) argues that a set of strong related and supporting industries is important to the competitiveness of firms. This includes suppliers and related industries. There seems to be no advantages arising from research institutions.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter is divided into five parts; the summary of findings, conclusions of the study, suggestions for further research, recommendations for quality and practice and summary of the Project. The first part provides a summary of the finding. The conclusions are provided in the second part. Suggestions for further research, recommendations for quality and practice and Summary of the Project are given in the next parts of the chapter in the order they are stated.

5.2 Summary of Findings

The analysis of the factors affecting performance revealed that performance among players in the tourism industry in Kenya were affected by lack of funds; poor road/infrastructure; the demand for services; competition from local rivals; high taxes and Government policies/regulations. The firms also indicated that performance was not seriously affected by competition from cheaper service providers; lack of research on improvements in the tourism nor old equipment.

The factor conditions that drove the Kenya tourism industry were the presence of both skilled and non-skilled labour, the state of the roads which were poor and as a result significantly increased the cost of service provision. It was also indicated that a lot of capital was required to enter the industry. Location of the firms did not provide a strong advantage to some firm in service provision. The technological level in the industry was not seen as a strong driver of the industry. The tourist service providers were not perceived as operating effectively and efficiently. Access to capital for expansion and modernization was not easy.

Demand conditions that were critical were that the potential of creating a strong local demand was huge and that the demand for tourist services is huge in the country despite the local consumer behavior not trending like in the global market. The firms felt that taxes by government added a significant cost to business, though, some policies by government helped make marketing tourism easier. The firms did not find the country’s business climate ideal for investment in tourism.

Concerning firm strategy, structure and rivalry in Kenya tourism industry the companies that had been in the industry for a long had special advantages over other and that the localization of firms in one region had increased pressure in the industry to innovate. However, the tourist business environment in Kenya did not shaped the structure, size and hierarchy of firms. On related and supporting industries, the cluster grouping of companies in common zones had not helped improve. Further, the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers was not strong. The link between both local and international competitors was not effective and efficient. Finally, ties with research institutions had not contributed much to the success in the tourism industry.

5.3 Conclusions of the Study

From the findings of the study it was concluded that performance among players in the tourism industry in Kenya were affected by lack of funds; poor road/infrastructure; the demand for services; competition from local rivals; high taxes and Government policies/regulations. The firms also indicated that performance was not seriously affected by competition from cheaper service providers; lack of research on improvements in the tourism nor old equipment.

It was also concluded that the factor conditions that drove the Kenya tourism industry were the presence of both skilled and non-skilled labour, the state of the roads which were poor and as a result significantly increased the cost of service provision. It was also indicated that a lot of capital was required to enter the industry. Location of the firms did not provide a strong advantage to some firm in service provision. The technological level in the industry was not seen as a strong driver of the industry. The tourist service providers were not perceived as operating effectively and efficiently. Access to capital for expansion and modernization was not easy.

The potential of creating a strong local demand in Kenya was huge though the local consumer behavior not trending like in the global market. The firms felt that taxes by government added a significant cost to business, though, some policies by government helped make marketing tourism easier. The firms did not find the country's business climate ideal for investment in tourism.

It was also found that the companies that had been in the industry for a long had special advantages over other and that the localization of firms in one region had increased pressure in the industry to innovate. However, the tourist business environment in Kenya did not shaped the structure, size and hierarchy of firms. On related and supporting industries, the cluster grouping of companies in common zones had not helped improve. Further, the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers was not strong. The link between both local and international competitors was not effective and efficient. Finally, ties with research institutions had not contributed much to the success in the tourism industry.

5.4 Limitations of the Study

This study has several limitations that make the finding not foolproof. First, the weaknesses of the Likert scale which is highly qualitative. This in effect meant that the responses provided may be mere opinions of the respondent and not necessarily the situation on the ground. The Likert scale is highly dependent upon the irrationalities of the person providing the response. It is possible if the questionnaires were given to other officers in the same companies, the results would be different.

The findings are static and only address a specific instance in time, that is, the time when the questionnaires were filled. Strategic management is itself a highly dynamic activity dictated by the ever changing factors in a business internal and external strategic environment. This therefore limits the universalization of the findings of this research across time and across countries.

The findings only addressed few of the firms in the entire tourism industry in Kenya. It may not be possible to tell whether the findings are applicable to the whole Kenyan tourism industry. Further it is not possible to tell from this study whether the findings are applicable to the other east African countries or the other countries in the world at large.

5.5 Suggestions for Further Research

This study can be improved by addressing the weaknesses of the Likert scale by use of historical data concerning the Kenya tourism industry. The Likert scale is highly dependent upon the irrationalities of the person providing the response. It is possible if the questionnaires were given to other officers in the same companies, the results would be different. This can be controlled through using secondary historical data.

The findings are static and only address a specific instance in time, that is, the time when the questionnaires were filled. Strategic management is itself a highly dynamic activity dictated by the ever changing factors in a business internal and external strategic environment. This study can therefore be repeated after some period of time to investigate the trends taking place in the tourism industry in Kenya.

The study can be expanded to include all the firms in Kenya and the East Africa at large in order to make the findings be useful to the current merging of the East African countries into a trading bloc. This is because for the purpose of the East African Community, findings addressing East Africa are more useful then findings addressing Kenya only.

5.6 Recommendations for Quality and Practice

From the findings of the study it is recommended that performance among players in the tourism industry in Kenya can be improved if there are financial policies to enable availability of funds to firms in the tourism industry; roads and general infrastructure should be improved ; there should be programs to stimulate the demand for tourist services; competition from local rivals should be enhanced to stimulate cost reduction while enhancing quality; Government policies and regulations should be revised to enhance tourism. Research into improvements in the tourism industry should be enhanced.

The presence of both skilled and non-skilled labour should be maintained. There should be mechanisms put in place to reduce the initial capital requirement for entry of firms into the industry in order to stimulate more competition. The technological level in the industry should be enhanced to make it a strong driver of the industry and to improve the effectiveness and efficiency of the industry.

There should be programs to tap into the huge local demand for tourist services and make it to trending like in the global market. The country's business climate should be improved to allow for investment in tourism. There should be programs in place to help out young firms to enable them face up to the older firms in the market. Further, the work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers should be strengthened.

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APPENDICES

Appendix II: Letter of Introduction

UNIVERSITY OF NAIROBI

MBA PROGRAMME

July 20, 2012

TELEPHONE: 4184160/5 EXT. 208	P.O. BOX 30197
TELEGRAMS: “VARSITY”, NAIROBI	NAIROBI, KENYA
TELEX: 22095 VARSITY	

The Manager,

………………………………………………….

Dear Sir/Madam,

RE: INTRODUCTION-MARY NDERITU

I am a student of the University of Nairobi, pursuing a Masters of Business Administration degree. In partial fulfillment of the requirements for this degree, I am required to carry out a management research project on a real topic in my area of study. I am conducting a survey to find out competitive strategies adopted tourist hotels in Kenya to gain competitive advantage.

I kindly request you to provide the required information to the best of your knowledge by filling out the attached interview guide. The information is strictly for academic purposes only and will be treated in the strictest confidence. A copy of the research project will be made available to you on request. Your kind assistance will be highly appreciated.

Yours faithfully,

Mary Nderitu (Researcher)

Sign________________

Date________________

Appendix II: Questionnaire

Please answer all questions honestly according to the given instructions

PART I

Instruction:

Please fill in the blanks, and tick where appropriate

1. How old is your organization in years? ___________________
2. What is the number of employees in your organization? ___________________
3. In which category does your firm fall?
    a. Travel agent
    b. Hotel
    c. National park
    d. Tour operator

PART II

1. In your opinion, what is the basic/minimum requirement needed in order to enter and operate in the Tourism business?
2. Do your competitors offer the same kind of services you do?
3. What does your firm do so that it performs better than others in the tourism industry?
4. What are the specific barriers that firms face when trying to enter this business today? (Tick as many as are appropriate)
    - High cost of capital
    - Technology gap
    - Lack of raw material
    - Government bureaucracy in getting licenses
    - Rule and regulations by Kenyan Tourism board on how to operate
    - Rules and regulations by government on how to operate
    - Companies in the industry exert influence on who can join

5 How do you cooperate with other players in the industry?

PART III

How seriously do the following affect the performance of your firm? Provide your response on a scale of 1 to 5

5-very seriously **4**-fairly serious **3**-not sure **2**-not serious **1-**not serious at all

	5	4	3	2	1
1. Poor road/infrastructure					
2. Competition from cheaper service providers					
3. Lack of research on improvements in the tourism industry					
4. High taxes					
5. Old equipment					
6. High cost of inputs					
7. High cost of labour					
8. Government policies/regulations					
9. Demand for services					
10. Poor service provision technology					
11. Lack of funds					
12. Competition from local rivals					

Below are statements that describe the state of the Tourism industry today. Please rate the extent to which you agree or disagree with each statement on a scale of 1-5

1-strongly disagree **2**-disagree **3**-not sure **4**-agree 5-Strongly agree

A. Factor condition

	1	2	3	4	5
a. A lot of capital required to enter this industry.					
b. Finding input material is tedious and expensive					
c. Skilled and non-skilled labour is readily available and affordable.					
d. Sources of energy to provide services is sufficient and reliable					
e. Poor state of roads significantly increases the cost of service provision					
f. Technology in the industry is sufficient and helpful in service provision					
g. The Tourist service providers are operating effectively and efficiently					
h. Access to capital for expansion and modernization is easy					
i. The location of the firm has an advantage to service provision					
j. Atmospheric condition is a plus for tourism					

B. Demand condition and chance

	1	2	3	4	5
a. The demand for Tourist services is huge in the country					
b. The demand for Tourist services is huge in the region					
c. The potential of creating a strong local demand is huge					
d. Consumer behavior for Tourist services locally trends like in the global market					

C. Government

	1	2	3	4	5
a. Government interferes very much with operation					
b. Taxes by government add a significant cost to our business					
c. Policies by government help marketing tourism easier					
d. The country's business climate is ideal for investment in Tourism					

D. Firm strategy, structure and rivalry

	1	2	3	4	5
a. Companies that have been in the industry for a long have special advantages that other do not have					
b. The business environment in Kenya shape the structure, size and hierarchy of firm					
c. The number of players in the industry has influence the style of operation					
d. The localization of firms in one region has increase pressure in the industry to innovate.					

E. Related and supporting industries

	1	2	3	4	5
a. The work relation between the government, hotels, tour operators, travel agents, national parks, regulators and researchers is strong					
b. Ties with research institutions have contributed to success in the Tourism industry					
c. The link between both local and international competitors is effective and efficient					
d. The cluster grouping of companies in common zones has helped improve operations of players in the industry.					

Appendix III: List of Kenya Hotels, Lodges & Camps Accommodation

SOURCE: African Spice Safaris, Kenya Accommodations (2012)

1. Anna Purna Guest House
2. Blue Hut Hotel
3. Boulevard Hotel
4. Crowne Plaza Nairobi
5. Fahari Guest House
6. Fairmont The Norfolk
7. Hilton Nairobi
8. Holiday Inn
9. Hotel Kipepeo
10. Hotel La Mada
11. Jacaranda Hotel, Nairobi
12. Kenya Comfort Hotel
13. LAICO Regency Hotel
14. Nairobi Safari Club
15. Nairobi Serena Hotel
16. Nairobi Tented Camp
17. Nairobi Transit Hotel
18. Nomad Palace Hotel
19. Ole Sereni
20. Windsor Club
21. Panari Hotel
22. Marble Arch
23. Meridian Court
24. Ngong Hills
25. Oakwood
26. Sport View Kasarani
27. Hotel County
28. Anna Purna Guest House
29. Hotel Ambassadeur
30. Intercontinental
31. Kipepeo Hotel
32. Mokoyeti Resort
33. Paris Hotel
34. PrideInn Hotel, Rhapta Road
35. PrideInn Hotel, Westlands Road
36. Redcourt Hotel
37. Safari Park Hotel and Casino
38. Sarova Stanley
39. Sixeighty Hotel
40. The Strand Hotel
41. Tribe Hotel
42. West Breeze Hotel
43. Panafric Hotel
44. Lenana Mount
45. Sagret Hotels
46. Utalii
47. Fairview
48. Silver Springs
49. Aberdare National Park / Nyeri Hotels & Lodges, Kenya
50. Amboseli National Park Lodges & Camps, Kenya
51. Buffalo Springs National Reserve Lodges & Camps, Kenya
52. Chalbi Desert Northern Kenya (Kalacha Camp)
53. Chyulu Hills National Park Lodges & Camps, Kenya
54. Funzi Island Beach Hotels, Kenya
55. Kilifi Hotels Beach, Kenya
56. Kiwayu Island Beach Hotels Kenya
57. Kericho, Kisii&Eldoret Town Hotels, Kenya
58. Kakamega Rain Forest (Rondo Retreat Center Homestead)
59. Lamu Island Beach Hotels, Kenya
60. Lake Baringo Lodges & Camps, Kenya
61. Lake Bogoria Lodges & Camps, Kenya
62. Lake Magadi/Natron Lodges & Camps, Kenya
63. Lake Naivasha Lodges & Camps, Kenya
64. Lake Nakuru Hotels, Lodges & Camps, Kenya
65. Lake Elementaita Lodges & Camps, Kenya
66. Lake Victoria - Kisumu Hotels, Kenya
67. Lewa Conservancy &Laikipia Lodges & Camps, Kenya
68. Manda Island Beach Hotels, Kenya
69. Malindi Beach Hotels, Kenya
70. Masai Mara National Reserve Luxury Lodges & Camps, Kenya

71. Masai Mara National Reserve Budget Lodges & Camps, Kenya
72. Meru National Park Lodges & Camps, Kenya
73. Mombasa Island — North Coast Beach Hotels, Kenya
74. Mombasa Island — South Coast Beach Hotels, Kenya
75. Mombasa Island — Mombasa Town Hotels & Cottages, Kenya
76. Mombasa Safari Lodges & Camps along South Coast
77. Mount Kenya National Park Hotels, Lodges & Camps, Kenya
78. Mwaluganje Elephant Sanctuary Lodges & Camps, Kenya
79. Nairobi Luxury Hotels, Kenya
80. Nairobi Medium Price Hotel, Kenya
81. Nairobi Budget Hotels, Kenya
82. Narok Hotels, Kenya
83. Samburu National Reserve Lodges & Camps, Kenya
84. Shaba National Reserve Lodges & Camps, Kenya
85. Shimba Hill National Reserve Lodges & Camps, Kenya
86. Sweetwaters Game Reserve Lodges & Camps, Kenya
87. Shompole Conservancy Lodges & Camps, Kenya
88. Thika Town Hotels, Lodges & Camps, Kenya
89. Tsavo East National Park Lodges & Camps, Kenya
90. Tsavo West National Park Lodges & Camps, Kenya
91. Turkana Lodges & Camps, Kenya
92. Watamu Beach Hotels Lodges & Camps, Kenya

Appendix IV: List of National Parksin Kenya

(Source: GoK, 2012)

1. Amboseli National Park
2. Aberdare National Park
3. Arawale National Reserve
4. ArabukoSokoke National Park
5. Buffalo Springs National Reserve
6. Boni National Reserve
7. Bisanadi National Reserve
8. Crescent Island Game Conservancy
9. Crater Lake Game Sanctuary Naivasha
10. Chuyu Hills National Park
11. Central Island National Park
12. Diani/Chale Marine National Park and Reserve
13. Dodori National Reserve
14. Gede Ruins National Monument
15. Hell's Gate National Park
16. Kisumu Impala Sanctuary
17. Kakamega Forest National Reserve
18. Kerio Valley National Reserve
19. Kedong Private Ranch & Wilderness
20. Kisite Marine National Park
21. Kiunga Marine National Reserve
22. Kigio Wildlife Conservancy
23. Kora National Reserve
24. Kipini Wildlife and Botanical Conservancy
25. Kiunga Marine National Reserve
26. Lake Bogaria National Reserve
27. Lake Nakuru National Park
28. Lake Naivasha
29. Laikipia Game Sanctuary
30. Lewa Downs Wildlife Conservancy
31. Lake Kamnarok National Reserve
32. Losai National Reserve
33. Maasai Mara Game Reserve
34. Mount Kenya National Park
35. Mount Longonot National Park
36. Mount Elgon National Park
37. Malindi Marine Park and Reserve
38. Mpunguti Marine National Park and Reserve
39. Malkamari National Park
40. Meru National Park
41. Mwingi National Reserve
42. Maralal Game Sanctuary
43. Marsabit National Reserve
44. Mida Creek
45. Mt Longonot National Park
46. Mombassa Marine National Park and Reserve
47. Mount Kenya Wildlife Conservancy
48. Mwea National Reserve
49. Mwaluganje Elephant Sanctuary
50. Nasalot National Reserve
51. Nairobi National Park
52. Ndere Island National Park
53. NgaiNdethya National Reserve
54. OlDonyoSabuk National Park
55. OlPejeta Conservancy
56. Oserian Wildlife Sanctuary
57. Ruma National Park
58. Rahole National Reserve
59. Saiwa Swamp National Park
60. Shimba Hills National Reserve
61. Samburu National Reserve
62. Shaba National Reserve
63. Sangare Game Conservancy
64. Shompole Conservancy, Kenya
65. South Turkana National Reserve
66. Sibiloi National Park
67. South Island National Park
68. South Kitui National Reserve
69. Solio Ranch Rift Valley
70. Soysambu Conservancy
71. Swara Plains Conservancy
72. Tana Delta Reserve
73. Tana River Primate National Reserve
74. Tsavo East National Park
75. Tsavo West National Park
76. Taita Hills Game Sanctuary
77. Watamu Marine Park and Reserve

Appendix V: List of Tour Operators in Kenya

(Source: Kenya Association of Tour Operators)

1. Abercrombie & Kent Ltd
2. Absolute Adventure Africa Safaris Limited
3. Acacia Holidays Ltd
4. Accacia Safaris(Kenya) Limited
5. Access Africa Safaris LTD
6. Accord African Adventure Safaris
7. Adventure African Jungle Ltd
8. Adventure Alternative Expeditions and Treks
9. Adventure Centre Ltd-Msa
10. Adventure Holidays Company Ltd
11. Affable Tours & Safaris (E.A)
12. Africa Bound Safaris (K)
13. Africa Classic Escapes Ltd
14. Africa Expeditions Ltd
15. Africa Last Minute
16. Africa Untamed Wilderness Adventures Ltd
17. Africa Viza Travel Services Ltd
18. African Eco-Safaris
19. African Home Adventure Ltd
20. African Horizons Travel & Safaris Ltd
21. African Latitude (Kenya) Ltd
22. African Memorable Safaris
23. African Quest Safaris Ltd
24. African Road Safaris
25. African Route Safaris-Msa
26. African Safari Diani Adventures – Msa
27. African Sermon Safaris
28. African Servalcat Safaris & Tours
29. African Tropical Safaris Ltd
30. Afriqueen Adventure Ltd.
31. Aipa Safaris
32. Air Travel & Related Services Ltd
33. All Seasons Safaris and Tours
34. Allamanda Safaris
35. Aloha Tours & Safaris
36. Amazing Tours & Travel Ltd
37. Amicabre Travel Services Ltd
38. Animal World Safaris Ltd
39. Anste Tours & Travel Limited
40. Apollo Tours & Travel
41. Aramati Safaris
42. Archers Tours & Travel Ltd.
43. As You Like It (Safaris) Ltd
44. AsaRay Tours Ltd
45. Asili Adventure Safaris
46. Australken Tours & Travel Ltd
47. Avenue Motors Ltd
48. Avenue Service Station
49. Baisy Oryx Tours Travel & Safaris
50. Balloon Safaris Ltd
51. Basecamp Travel Ltd
52. Bateleur Safaris Ltd
53. BCD Travel
54. Bellafric Expeditions Ltd.
55. Benroso Safaris Ltd
56. Beyond Safari Consultants Ltd
57. Big Five Tours & Safaris Ltd
58. Bill Winter Safaris
59. Blue Wave Ltd
60. Boma Travel Services Ltd
61. Bravo Norris Ltd.
62. Brogibro Company Ltd
63. Buena Vista Tours & Safaris
64. Bunson Travel Service Ltd
65. Bush Adventure
66. Bush and Beyond Ltd
67. BushBlazers Tours Travel & Safaris Ltd
68. Bushbuck Adventures Ltd
69. Bushtroop Tours & Safaris
70. Call of Africa Safaris
71. Campofrio Safaris Ltd
72. Catalyst Travels Ltd
73. Centurion Travel & Tours Ltd
74. Chameleon Tours
75. Charleston Travel Ltd
76. Cheetah Tours Ltd
77. Cheli& Peacock Ltd
78. Chronicle Tours & Travel
79. CKC Tours & Travel
80. Coast Adventure Safaris
81. Conqueror Tours & Safaris Limited
82. Cosmic Safaris Ltd

83. Cotts Travel & Tours Ltd
84. Crown Tours & Car Hire Ltd.
85. Custom Safari
86. Dallago Tours & Safaris
87. David &Evanson Tours (INT)-Msa
88. Deans Travel Centre Ltd
89. Designer Tours & Travel
90. Destination (K) Ltd
91. Destination Connect Co. Ltd
92. Destination Mombasa
93. Discover Kenya Safaris Ltd
94. Diwaka Tours & Travel Ltd
95. DK Grand Safaris & Tours Ltd
96. Dodoworld (K) Ltd
97. Dotcom Safaris
98. Dream Kenya Safaris
99. Earth Tours & Travel Ltd.
100. East Africa Adventures Tours & Safari
101. East Africa Safari Ventures Ltd
102. East African Eagle (K) ltd
103. East African Shuttles & Safaris
104. East African Wildlife Safaris
105. Eastern and Southern Safaris
106. Eco Adventures Limited
107. El Molo Tours & Trave
108. Elida Tours & Safaris
109. Elite Travel Services Ltd
110. Elsa Ltd (Elsamere Conservation & Field Study Centre
111. Enchanting Africa LTD
112. Essenia Safari Experts Ltd
113. Exclusive African Treasures
114. Exotic Destinations Ltd-Msa
115. Exotic Golf Safaris Ltd.
116. Expedition Africa Safaris
117. Express Travel Group
118. Eyes on Africa Adventure Safaris Ltd
119. Farid Kings Tours & Safaris
120. Favour Tours & Safaris
121. Fidex Car Hire Ltd
122. Finch Travels Ltd.
123. First Choice Tours & Travel Ltd
124. Flight & Safaris International Ltd
125. Flying Doctors Society of Africa
126. Flying Dove Tours & Travel Ltd
127. Franz Lang Safaris
128. Fredlink Company Ltd-Msa
129. Furstenberg Safaris Ltd
130. Game Viewers Adventures Limited
131. Gametrackers (K) Ltd
132. Gamewatchers Safaris Ltd
133. GAT Safaris
134. Genet Tours & Safaris
135. Giulia Enterprises Ltd
136. Glory Car Hire Tours & Safaris Ltd.
137. Go Africa Safaris and Travel
138. Go Africa Travel Ltd
139. Gofan Safaris
140. Going Places Ltd
141. Golden Holidays & Travel
142. Grand Edition Tours
143. Grant & Cameron Safaris Ltd
144. Guerba (K) Ltd
145. Hallmark Travel Planners
146. Haya Safaris (A) & Travel Ltd-Msa
147. Hirola Tours & Safaris
148. Holiday Bazaar Ltd
149. Hotel Adventure Travel Ltd
150. HTT Holidays & Incentives Ltd
151. Ibis Tours and Travel Ltd
152. Ideal Tours & Travel
153. Incentive Travel Ltd
154. IntoAfrica Eco-Travel Ltd
155. Intra Safaris Ltd-Msa
156. Jade Sea Journeys Ltd
157. Jambo Travel House Limited
158. Jamii Tours & Travel Ltd
159. Jet Travel Ltd
160. JK Safari Adventures Ltd
161. JMAR Safaris Ltd
162. Jocky Tours & Safaris
163. K.P.S.G.A
164. Kairi Tours & Safaris
165. Karisia Limited
166. KATO Secretariat
167. Kenia Tours & Safaris
168. Kenor Safaris Ltd
169. Kentan Safaris Ltd.
170. Kenya Beach Travel Ltd-Msa
171. Kenya Wildlife Trails Ltd
172. Ker & Downey Safaris Ltd
173. Ketas Safaris

174. Ketty Tours Travel & Safaris Ltd
175. Kibo Slopes & Safaris Ltd
176. KimblaMantana (K) Ltd
177. KinaziniFunzi Dhow Safaris-Msa
178. Kisima Tours & Safaris
179. Kobo Safaris Ltd
180. Kuja Safaris
181. Kuldips Touring Company-Msa
182. Leading Expeditions Safaris
183. Leboo Safari Tours Ltd
184. Let's Go Travel
185. Liberty Africa Safaris
186. Linderberg Holidays & Safaris
187. Location Africa Safaris Ltd
188. Long Ren Tours & Travel Ltd
189. Lowis& Leakey Ltd
190. Luca Safari Ltd.
191. Magical Spots Tours
192. Maniago Safaris Ltd
193. Marble Travel
194. Maridadi Safaris Ltd
195. Market Service Station Ltd
196. Masimba Hills Safaris
197. Mathews Safaris
198. Mbango Safaris East Africa Ltd
199. Menengai Holidays Ltd
200. Mighty Tours and Travel Ltd
201. Mini Cabs Tours & Safaris
202. Mitoni Africa Safaris Ltd
203. Mombasa Air Safari Ltd-Msa
204. Muthaiga Travel Ltd
205. Nahdy Travel & Tours
206. Naked Wilderness Africa
207. Napenda Africa Safaris
208. Nappet Tours & Travel Ltd
209. Natural Track Safaris
210. Natural World Msa Safaris
211. Nature Expeditions Africa
212. Nightingale Tours & Travel
213. Nutty Safaris
214. On Safari (K) Ltd
215. Ontdek Kenya Ltd
216. Origins Safaris
217. Ostrich Holidays Adventures
218. Out of Africa Collection Ltd
219. Pacific Blue Travel & Tours Ltd
220. Palbina Travel & Tours
221. Papa Musili Safaris LTD
222. PAWS Africa Safaris Ltd
223. Pega Tours & Travel Agencies Ltd
224. Penfam Tours & Travel
225. Phoenix Safaris (K) Ltd
226. Pinnacle (K) Travel & Safaris Ltd
227. Platinum Car Hire & Tours
228. Pollman's Tours & Safaris Ltd-Msa
229. Preps Safaris International Ltd.
230. Prima Vera Tours & Safaris
231. Primetime Safaris
232. Private Safaris (EA) Ltd
233. Ramogi Tours & Travel Ltd
234. Raydoll Tours & Travel
235. Raylenne Tours & Safaris
236. Real Africa LTD
237. Rhino Safaris Ltd
238. Rickshaw Travels (Kenya) Ltd
239. Robin Hurt Safaris Ltd
240. Rollard Tours & Car Rental Ltd
241. Safari Destinations (K) Ltd
242. Safari Line Africa
243. Safari Partners Kenya Ltd.
244. Safari Trails Limited
245. Safari Travel Kenya Ltd
246. Safaris In Style
247. Safaris Unlimited (Africa) Ltd
248. Safe Ride Tours and Safaris
249. Saleva Africa Tours Ltd.
250. Satguru Travel & Tours Services Ltd.
251. SayariAfrika Ltd
252. Scenic Treasures Ltd
253. Scenic Wildlife Safaris Ltd
254. Selective Safaris
255. Shades of Africa Tours & Safaris
256. Sher Safari Services Ltd.
257. Shian Tours & Travel Ltd
258. Shimoni Aqua Ventures
259. Shoor Travels & Tours
260. Sights of Africa (E.A.) Tours & Travel
261. Silver Africa Tours & Safaris Ltd.
262. Silverbird Adventure Tours & Travel
263. Silverbird Travel Plus Ltd
264. Skyview of Africa ltd
265. Smile Tours & General Agencies

266. Solly Safaris Ltd
267. Somak Travel Ltd
268. Southern Cross Safaris (Mombasa)Ltd
269. Southern Cross Safaris Limited
270. Southern Sky Safaris
271. Special Camping Safaris
272. Special Lofty Safaris-Msa
273. Speedbird Travel & Safaris
274. Sportsmen's Safaris & Tours
275. Spot Kenya Safaris
276. Spurwing Travel & Tours Ltd
277. Star Travel & Tours Ltd
278. Steenbok Safaris & Car Hire
279. Sunpeak Safaris
280. Suntrek Tours & Travel Ltd
281. Sunworld Safaris Ltd
282. Supreme Safaris Ltd
283. Taipan Vacations & Travel Ltd
284. Tamasha Africa Ltd
285. Tamimi Kenya Ltd
286. Tano Safaris Ltd
287. Tee Off Kenya Limited
288. Tekko Tours & Travel
289. The Air Travel & Related Studies
290. The Exclusive Portolio Ltd
291. The Safari Company Management Ltd
292. Tobs Kenya Golf Safaris
293. Top Africa Safaris Ltd
294. Top Notch Luxury Safaris
295. Topcats Safaris Ltd
296. Tour Africa Safaris
297. Tourist Maps Kenya LTD
298. Trails of Africa Tours & Safaris
299. Transworld Safaris (K) Ltd.
300. Travel Affairs Ltd
301. Travel Africa Safaris Ltd.
302. Travel Care Ltd
303. Travel Connections Ltd
304. Travel Creations Ltd
305. Travel 'n Style Ltd
306. Travel Shoppe Ltd.
307. Travel Waves Safaris
308. Travel Wild E.A LTD
309. Travelmart Ltd
310. Trevaron Travel & Tours Ltd
311. Tripple Tours & Travel Ltd
312. Tropical Breaks
313. Tropical Ice Ltd
314. Tulip Travel Ltd
315. Tusker Safaris Ltd
316. Twiga Car Hire & Tours Ltd
317. Ulf Aschan Safaris Ltd
318. UniglobeNorthline Travel Ltd
319. Unik Car Hire & Safaris-Msa
320. Venture Africa Safaris & Travel
321. Vessel Africa Ltd
322. Victoria Safaris
323. Vintage Africa Ltd
324. Visit Africa Ltd
325. Watch Tropical Wildlife Safaris
326. Waymark Safaris Ltd.
327. Westminster Safaris Ltd
328. White Plains Tours & Travel
329. Widelink Expeditions Tours & Travel Ltd
330. Wild Destinations Ltd
331. Wild Trek Safaris Ltd
332. Wild Waters LTD
333. Wildebeest Travels ltd
334. Wildlife Safari (K) Ltd
335. Wildlife Sun Safaris
336. Woni Safaris Ltd
337. World Explorer Safaris Ltd
338. Xcellent Wildlife Paradise - Holidays and Safaris
339. Zaruma Safaris Ltd