DETERMINATION OF PRODUCT POSITIONING STRATEGIES 
USED BY TOUR COMPANIES IN THE PROMOTION OF 
DOMESTIC TOURISM IN KENYA 

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DECLARATION

This Management Research Project is my original work and has not been presented for a degree award in any other university.

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

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Lastly, to all my friends and colleagues who contributed even in the slightest way towards this accomplishment, I say thank you.
DEDICATION

I dedicate this project to the Odudoh family; my loving parents, Mr. and Mrs.Odudoh, my siblings Pamela, Henry, Kevin and Millicent and my adorable son Jason whose invaluable support and encouragement propelled me throughout the MBA programme.

ABSTRACT
The purpose of this study was to determine the product positioning strategies used by tour companies who are members of KATO in the promotion of domestic tourism in Kenya. It also attempted to identify the unique attributes of the domestic tourism product in Kenya. A descriptive survey was conducted with a sample size of 78 tour companies selected using stratified random sampling. Primary data was collected using a semi-structured questionnaire and personal interviewing. Out of the 78 questionnaires administered, 51 responded by completing and returning the questionnaires. Data was analyzed using the SPSS programme.

The study found that the key target market segment of the domestic tourists in Kenya are families and corporate/institutions who mainly book their safaris via emails through the tour companies’ websites. Further, the respondents indicated that they get bookings or clients through referrals from past clients via word of mouth. In addressing the research objectives, the study determined that the most applicable product positioning strategies with regard to domestic tourism were service quality, target market and product pricing. The most preferred product by the domestic tourists was identified as beach safari with an average 0-5days length of stay for a safari. Other unique attributes of the domestic tourism product as identified by the study were sports safaris, business/conference safaris, adventure safaris and wildlife safaris.

The study also found out that most tour firms consider the internet/website as the most effective way of promoting domestic tourism. The respondents further indicated that their firms consider travel exhibitions and the television also as effective ways of promoting domestic tourism. Use of radio as a way of promoting domestic tourism was rated lowest by the respondents. Majority of the respondents indicated that government regulations, competition from other local tour firms and changing market trends were some of the major challenges faced by tour companies in carrying out tour business in the country. Technological challenges and competition from regional countries were seen as normal challenges when doing business in the country. Other relevant information provided by the respondents for the study was a suggestion to have in place aggregated and readily available information on the domestic tourism market. This should include information on available destinations, product pricing, domestic tourism average spend and the trends in domestic tourism.
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