

THE MARKETING OF DOMESTIC TOURISM
IN KENYA

BY

GAKURU, P. W.

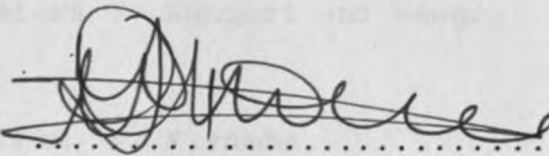
A Management Project Submitted in Partial Fulfilment of the
requirements of the Degree of Master of Business and
Administration, Faculty of Commerce, University of Nairobi.

July 1993

UNIVERSITY OF NAIROBI
LIBRARY

DECLARATION


This project is my original work and has not been submitted for a degree in any other University.

Signed: 

Patrick Wahome Gakuru.

Date: 1/12/93

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

Signed: 

Prof. F.N.Kibera

Business Administration

Date: 14/12/93

UNIVERSITY OF NAIROBI
LIBRARY

DEDICATION

To my Parents: Gakuru and Gathoni

Brothers: Maina, Kariuki, Gatheru and Ndegwa.

Sisters : Wangari and Wangui.

Friend : Kirumba.

WHO

Have always been there for me.

TABLE OF CONTENTS

CHAPTER	PAGE
Table of Contents	i
List of Tables	iii
List of Figures.....	iii
Acknowledgement	iv
Abstract	v
1. INTRODUCTION	1
Background	1
Statement of the Problem	10
The Objectives of the Study	11
Organisation of Subsequent Materials.....	12
11. LITERATURE REVIEW ✓.....	13
Introduction	13
Historical Evolution of Tourism	13
Marketing mix Variables on Tourism	19
Tourism in marketing in Kenya	30
Domestic Tourism	35
111 RESEARCH DESIGN	41
The Population	41
Sample Selection Procedure	41
Data Collection Method	42
IV DATA ANALYSIS AND FINDINGS	45
Introduction.....	45
Domestic Tourism Marketing.....	46
Marketing by Individual Firms.....	46

Marketing by the Ministry.....	59
Domestic Tourists Reaction	63
Comparison between Various Sub-Groups.....	71
V. SUMMARY, CONCLUSIONS AND IMPLICATIONS	75
Summary	75
Conclusions	75
Recommendations.....	81
Limitations of the Study	82
Directions for Future Research	82
APPENDICES	83
I. Introductory letter to the Ministry.....	83
II. Note to Respondents.....	84
III. Questionnaire for the Ministry.....	85
IV. Questionnaire for the Tourists.....	90
V. Questionnaire for Private Firms.....	96
VI. Scores and Ranks for Factors influencing Domestic Tourism by Sub-Samples.....	103
SELECTED BIBLIOGRAPHY	104

LIST OF TABLES

TABLE	PAGE
1. Relative size of hotels.....	46
2. Relative size of travel firms.....	47
3. Problems encountered in marketing domestic tourism.....	48 *
4. Ways of solving domestic tourism problems.....	49
5. Methods of acquiring customers.....	50
6. Types of domestic market segments.....	51
7. Aims of marketing research.....	53
8. Method of determining what to provide to customers.....	53
9. Main objectives of marketing locally.....	54
10. Tourist products marketed locally.....	57
11. Media used for local promotion.....	57
12. Nature of visit by tourists.....	63
13. Tourist attractions visited.....	64
14. Ways in which tourists became familiar with the tourist attractions.....	64
15. Ranking services provided to domestic tourists.....	67
16. Transportation means used by tourists.....	67
17. Accommodation used by tourists.....	68
18. Approximate age of tourists.....	70
19. Approximate levels of income of tourists per month.....	70

LIST OF FIGURES

FIGURE	PAGE
1. Likert profile.....	72

ACKNOWLEDGEMENT

Many people have contributed directly or indirectly towards the completion of this research. I sincerely thank them all. Some of them deserve special mention here.

I am most grateful to Prof. F.N. Kibera who was my supervisor. He was a great source of inspiration throughout the research period. He was always available for consultation. His constant critique, comments and the guidance he gave shaped my thinking in a most constructive manner. I truly feel indebted to him. The author also feel indebted to Danny Fernandes who greatly assisted him at all stages of his study.

Special gratitude goes to my friend Catherine Kirumba. She too greatly assisted me during the study. She was a source of encouragement and kept me pressing on with my project.

The researcher is grateful to the University of Nairobi for funding this research. Special thanks also go to the management of the organisations which provided the data.

I sincerely appreciate the great support I received from my parents, brothers and sisters. Their sacrifice towards my education have been enormous. They have always encouraged and advised me to be a good person.

I would like, here, to thank my three great friends, Iraya, Kariuki and Mary Njoroge for their support and tolerance when I needed them.

There are other people who assisted me but have not been mentioned here. I am grateful for all their contributions.

ABSTRACT

The primary objectives of the study reported here were to: determine the extent to which marketing mix variables are used in marketing domestic tourism; examine the influence of various factors on the marketing of domestic tourism; and determine the demographic and socio-economic characteristics of domestic tourists.

To satisfy these objectives a descriptive research was conducted. The relevant data were collected from samples drawn from the Ministry of Tourism and Wildlife, the private sector, and domestic tourists. The data were collected using both structured and unstructured questionnaires. Once collected, the data were analysed by means of summary statistics like percentages, proportions and cross tabulations. The Kruskal Wallis H-test and Likert profile were also used to test for any differences between various sub-samples. The findings from these analyses led to several conclusions.

First, the domestic tourism market in Kenya is still very young. The industry does not appear to attach a lot of importance to this market. This is because a clear framework for a marketing mix for Kenya's domestic tourism does not exist. Some consideration was however being given to the various areas of marketing decisions; product, price, place, promotion, personnel, physical facilities, process management and other related issues like segmentation, marketing research, and joint marketing efforts on domestic tourism.

Second, there are divergent aims between the firms in the industry and the ministry. The private sector in the industry is profit motivated while the ministry has both social and economic

benefits that accrue to the country as their major objectives.

Third, the marketing efforts of both the firms and the ministry were poorly coordinated. There was also no meaningful co-operation between the firms and the ministry and amongst the firms themselves. Some cooperation was found among the budget hotels but it was not enough. The lack of cooperation led to duplication of resources especially among the major hotel chains and travel firms.

Fourth, marketing domestic tourism was found to be immature with the major hotel chains and travel firms associating it with the low international tourism season.

Fifth, the firms were found to be product oriented in providing products to customers.

The major problems facing domestic tourism were found to include low levels of income among the local people, lack of awareness, high prices of tourist products, lack of promotion, general economic instability and lack of information on the local market. It was suggested that prices should be reduced not only for accommodation and transport but also for peripheral items like food. The other problems also need to be addressed if domestic tourism is expected to mature.

The study was limited by the shortage of resources. The non-cooperation of some firms and the period within which the study conducted were also a problem.

CHAPTER ONE

INTRODUCTION

1.1 Background

While tourism can be traced back to the Roman Empire, the modern form of tourism as the science, art and business of attracting and transporting visitors, accommodating them and graciously catering for their needs and wants started in Britain in the Sixteenth Century (McIntosh and Gledner, 1986). But tourism, in the form known today and which has given rise to products marketed to the customer (tourist), is fairly recent in origin. The word 'tourism' appeared in the dictionary for the first time in 1811. In 1838 the great French writer, Stendhal, wrote 'memoirs of a tourist'. Seven years later, Thomas Cook opened the world's first travel agency, and in 1863, Murray, the British publisher, issued the first modern tourist guide (EXECUTIVE, Dec, 1980: 3).

In Kenya, tourism is even more recent. The East African Publicity Association (EAPA) was formed in 1958. This was the first step at the formal development of tourism as an industry in East Africa. After World War II, E.A.P.A was reorganized and changed its name to East African Tourist Travel Association (EATTA). E.A.T.T.A had more offices in the world than E.A.P.A. The activities of E.A.T.T.A were taken over by the Kenya Tourist Development Corporation (KTDC) in 1965. The K.T.D.C in conjunction with the Ministry of Tourism and Wildlife (MTW) and other

organizations is involved in the official marketing of tourism both locally and internationally.

1.2 Definitions

The tourist industry is like any other in that its products and markets are closely interrelated. In the marketing jargon, the product-market concept also applies here (Foster, 1989:79). According to Mitchell (1968:1), it is impossible to define a 'tourist' or 'tourism' in a fashion which will be universally acceptable. Most definitions include the notion that tourists are non-residents of a country or of a region. They then tend to diverge on the basis of what motivations should identify the tourist.

The League of Nations definition as cited by Lickorish and Kershaw (1958:283-4) takes a tourist to mean:

"any person traveling for a period of twenty-four hours or more in a country other than that in which he resides."

This definition seems to ignore domestic tourists. According to Nkari (1985:1):

"Tourism denotes the temporary movement of people to destinations outside the places where they normally live and work and their activities during their stay at these destinations."

Persons who have given rise to the tourism industry are known as tourists. These people consume what are known as tourist products. The products required by different types of customers or markets vary according to the latter's reason of traveling. Thus, the tourism products that should be offered will depend on the choice of markets or types of customers the hotelier, tour operator

and travel agent wish to serve. However, the tourist product is an amalgam of resort, accommodation and other support services. It is a heterogeneous item. The components used will themselves depend on the needs and wants of the tourists. When these needs change it may be necessary to alter one or more of the components of any package (Burkart and Medlik, 1974:41-43). This product is marketed to the tourists in the tourist market which include the tourist who buys the composite tourist product, the seller and tourist product. The customers may be actual or potential.

This project deals with the marketing of domestic tourism in Kenya. Domestic tourism is defined here as the tourist activity of residents of a country that does not cross national boundaries (Burkart and Medlik, 1981:82). A domestic tourist is taken to mean a person who travels from his place of residence and goes to another destination within Kenya and spends his or her time in enjoying the activities which bring him to the destination while paying.

1.3 Importance of Tourism:

Tourism is a very important activity with a lot of socio-economic significance. It brings together a number of interested parties including resort owners, transportation people, hoteliers, and government agencies.

Among the major reasons advanced for the promotion of tourism are that (i) tourism creates or generates employment, (ii) it generates the much needed foreign exchange in the case of international tourism or conserve foreign exchange in the case of

domestic tourism, (iii) some locally owned factors of production employed in tourism would have minimal productivity in the absence of the industry, (iv) tourism makes factors drawn from the traditional to modern sector of an economy earn higher incomes, (v) tourism attracts foreign investors in a country who bring with them both capital and technical knowhow (Mitchell, 1968:7), (vi) tourism also leads to economic growth and development through the multiplier effect, (vii) there is the social benefits as a result of 'widening' the people's interests in world affairs and the bringing of people together.

Since 1987 tourism has become Kenya's largest single foreign exchange earner and the major and increasing source of employment. From 1989 foreign exchange earnings from tourism have remained almost equal to the combined foreign exchange earnings from coffee and tea which have been the traditional major foreign exchange earners. This has implications of expanding national income, creation of job opportunities and boosting government revenue. In addition, it has the effect of reducing the balance of payments problem.

Tourism is a key provider of employment opportunities. It currently employs an estimated 8% of the wage earning population. As a labour intensive sector, any expansion in the sector is expected to generate more jobs than a similar growth in some of the other sectors. Moreover, improvements in tourism infrastructure do benefit other economic activities.

A survey conducted in 1987 revealed that direct employment in

the sector was estimated to have been 111,000 people of whom 60% were in the accommodation establishment (ILO, 1987). This was one quarter of all private sector employment outside agriculture and forestry, and compared very well with the total for the manufacturing sector in 1988 of some 170,000 people.

Direct employment in the tourism sector creates further indirect employment through backward and forward linkages by providing a market for processed and unprocessed agricultural products, curios and souvenirs, construction, transport and financial services, all of which (with the exception of construction and transportation) are very labour intensive activities. It is estimated that for every person directly employed in tourism there is at least another person indirectly employed through such linkages.

An important aspect of Kenya's tourism compared with many tourist destinations is its low import content estimated at 20% which means that about 80% of these earnings are derived from local resources and retained in the country (Planning Division, Ministry of Tourism and Wildlife 1992:1-4).

Receipts from tourism grew from 94 Kenya-million pounds in 1964 to 432 Kenya-million pounds in 1989, 533 Kenya-million pounds in 1990 and 596 Kenya-million pounds in 1991 at current prices. This growth was equivalent to 8% of total export earnings in 1964 and grew to 12% in 1980 and to 21% in 1990 (Central Bureau of Statistics, 1991, and Economic Survey, 1991).

1.4 Problems Associated With Tourism

It is unfortunate that most of the literature on the tourism industry seems to only enumerate the benefits which a country and her people can derive from tourism. The available literature does not say much about the problems which arise out of tourism. According to Nkari (1985:46), only a small group of religious leaders, scholars and politicians has tried to sensitize Kenyans on the negative aspects of tourism. However, these people have found themselves on a lonely path since their criticisms have had very little impact on the management of the whole industry. Tourism continues to occupy center stage of many development plans in many developing countries but only rarely have criticisms leveled against tourism had any impact on policy makers. One such case is where the former Tanzanian's President, Julius Nyerere, is quoted to have said that tourism is a necessary evil and that tourists must be isolated from the population (Bryden, 1973:1).

The problems caused by tourism falls under both economic and social categories. The latter category has attracted the most attention. Bryden argues that critics point a number of social evils that the development of tourism can cause. These include among others the erosion of a people's culture, that is, the distortion of indigenous cultural values, the conversion of small scale farmers into wage labourers due to the high land prices which is created by tourism and the associated alienation of land, perpetuation of racial and economic inequalities and erosion of a

people's dignity. The author continue to argue that the growth of resentment and its effect on consumption patterns of the tourist product is due to relative deprivation and the influence of reference groups.

Raymond (1970:4) blames the inflation of land prices and the additional large scale alienation of land on tourist activities such as the construction of hotels, lodges, villages, and also the land reserved for game parks and reserves, beaches, and other scenic attractions.

Investors in the tourism industry have pushed small land holders further away from their land. In a good number of cases, high land prices have tempted the small scale farmers to sell their pieces of land at a 'good price' (Nkari, 1985:47).

Other scholars and religious leaders have looked at the 'corrosive' effect on the culture and value system of the indigenous population by tourism. People like Maina wa Kinyatti (1980) and Bishop Ban It Chiu (1970) feel that tourism is to blame for the erosion of a people's cultural values. Musila (1985) claims that when the number of tourists goes up, it becomes increasingly impossible for the local people to continue being hospitable. They start charging for their 'goodness' which erodes the traditional virtues of being good to visitors. Other members of the society get into begging activities. A good example is the beach boys.

The domination by foreigners of the tourist industry has also been blamed. Kinyatti (1980) argues that this contributes to the

foreign domination of our economy.

The degradation of the people whereby they are reduced to second class citizens in their own country has also been criticised. Many resident tourists complain of unequal treatment in some hotels, lodges and restaurants which are set aside for foreign tourists. Some of the hotels do not even admit blacks. Tourism has also been blamed for the pollution of a people's culture whereby locals have aped the foreigners' behaviours resulting in the distortion of a country's way of life.

The spread of social diseases such as AIDS can also be blamed on tourism. After looking at the effect of tourism on a number of important socio-economic factors that Maina-Wa-Kinyatti (1980) concluded that:

"these and numerous others are the manifestations of imperialist invasion of our people's culture in the name of tourism. In essence, it is fair to say that this imperialist-cultural invasion has resulted in the development of the use of drugs, heavy drinking, prostitution, homo-sexuality and the spread of venereal diseases, such as gonorrhoea, syphilis, among the Kenyan youth."

Bryden points out that the implication of these criticisms is that whatever the economic benefits of tourism, these largely unquantified costs and problems should not be pushed aside but should be considered very seriously when designing the development plans on tourism.

1.5 Tourism Marketing in Kenya

The marketing of tourist services and attractions can be done at both the national and individual firm's level. The national level deals with the overall marketing of a country's or region's attractions in totality by national organizations together with the individual firms in the industry. At the micro-level, individual firms market their own attractions. The marketing activities can be directed at the domestic and/or international markets. The Ministry of Tourism and Wildlife (M.T.W) in conjunction with the Kenya Tourist Development Corporation (K.T.D.C) has set up several overseas tourist offices in major tourist generating markets like New York, Los Angeles, London and Frankfurt. It is also represented by Kenya Airways in other markets like Japan (Tokyo) and Hong Kong. Back home the Ministry works with such organizations as the Kenya Association of Tour Operators, Kenya Association of Travel Agents, Mombasa and Coast Tourist Association, and the Hotel Keepers and Caterers Association (Musila, 1985:12).

From the early 1980's, the government has taken on a policy to promote domestic tourism along side international tourism. This is in recognition of the fact that the local people plus expatriates must also be able to enjoy the tourist products in the country like foreigners. It is also recognised that a well developed domestic tourism would be more reliable in sustaining the industry in the long run since international tourism is

subject to fluctuations due to circumstances beyond the control of the country. The M.T.W together with the private sector set up the Domestic Tourism Council in 1984 to promote domestic tourism (Tourism Market Report, 1987/88:20). In 1986, the then minister of Tourism and Wildlife, set a target of 1,000,000 tourists by 1988. Domestic tourists were forecasted at 400,000 from 225,000 in 1985 while 600,000 were foreigners (Mwaniki,1986). But despite the efforts made by the Council, a preliminary survey, by the M.T.W planning section (1992) shows that domestic tourism is indeed on the decline. According to many hoteliers, this decline is as a result of a number of factors that include the pricing of goods and services within the tourist industry, lack of appropriate domestic tourist promotion, no clear cut government policy on domestic tourism, lack of appropriate knowledge on the part of the locals about tourism in general and lack of information on the major characteristics of domestic tourists. Other researchers like Kerre (1985:14) identified several factors as prerequisites for the success of tourism marketing in Kenya. These are transportation, accommodation, travel cost, political stability and safety.

1.6 Statement of the Problem:

While there is a general consensus that the fragile nature of international tourism can be dealt with effectively by promoting domestic tourism, it has been noted that the latter is on the decline (M.T.W, 1992). Thus the questions that were answered by

this study were: (i) What are the major determinants of the success of domestic tourism? (ii) What are the demographic and socioeconomic characteristics of domestic tourists?

1.7 Objectives of the Study:

The objectives of the study were:

- (i) to determine the extent to which marketing mix variables are used in domestic tourism.
- (ii) to determine the influence of various factors on domestic tourism, and
- (ii) to identify the demographic and socioeconomic characteristics of domestic tourists.

The objectives were satisfied by analysing data collected from samples drawn from the M.T.W, the Private sector, and actual tourists.

1.8 Importance of the Study

It is ironical that despite the need to promote domestic tourism, very little research has been done to determine the extent to which the various marketing mix variables have been applied; to determine the influence of various factors on domestic tourism and to identify pertinent characteristics of domestic tourists. The current Study is, therefore, justified by the need to provide the tourist industry and other interested parties with some material which is relevant to the marketing of domestic tourism.

The findings of this study will be particularly useful to both the Ministry of Tourism and Wildlife and the private sector, because they are expected to have several important implications for the marketing of domestic tourism.

Secondly, this study is expected to stimulate further academic research in the area of marketing domestic tourism in particular and other aspects of the tourism industry in general.

1.9 Organization of Subsequent Materials

The research project reported here is organized into five chapters. The material presented so far is the introduction chapter. This is followed by the relevant literature review in Chapter Two. Chapter Three contains the research design and data collection method. Data analyses and findings are presented in Chapter Four. The last Chapter includes summary and conclusions, managerial implications, limitations of the study and directions for future research.

CHAPTER TWO

LITERATURE REVIEW

Introduction

In this chapter a review of the literature on the history of tourism in general is first presented. This is then followed by the review of the literature on specific issues of tourism marketing in Kenya. Special emphasis is given to domestic tourism.

2.1. Historical Evolution of Tourism

The history of tourism began when people stopped travelling out of necessity for mankind's survival but purely for leisure.

For centuries, travellers visited places that attracted them in many ways. Of the many attractions to these travellers were the 'seven ancient wonders' of the world as described by Philon of Byzantium in 146 B.C. in the book by Lehman. As these wonders became known they attracted scholars, artists, aristocrats, and others to visit them. Many wonders have been added to the original seven and travellers are still visiting them.

2.1.1 The Role of the Roman Empire in the Evolution of Tourism

The starting point of present day tourism can be traced back to the Roman Empire, but the modern form of tourism as "the science, art, and business of attracting and transporting visitors, accommodating them and graciously catering for their

needs and wants" started in England (Mcintosh and Geldner 1984:xi). It has been argued that infrastructure at the peak of the Roman Empire was more efficient than that of the eighteenth century England and that travelling was more extensive in the Empire than it was in Europe up to the nineteenth century. The prosperity of the Empire brought with it leisure and quest for pleasure and recreation which were indispensable to the development of tourism. The Romans visited temples, shrines, festivals and baths for health or amusement in large numbers.

The collapse of the Empire brought down with it any incentives to travel for pleasure. But the foundations of the modern day tourism had been laid.

After the collapse of the Roman Empire (after the 5th century AD) tourism was reduced to pilgrimages and travels. These include travels by St Paul, Alexander the Great, spectators to Greece from 776 B.C for the olympics, Marco Polo (1254 - 1324); Prince Henry the Navigator (1394 - 1440) , Christopher Columbus, James Cook (1728 - 1779), Vasco Da - Gama and Magellan (Every man's Encyclopaedia).

Their travels, however, had very little in common with the leisure travels of the Romans. Therefore, tourism in the form known today declined with the collapse of the Roman Empire.

FACULTY OF COMMERCE
GRADUATE LIBRARY

2.1.2 Britain's role in the Evolution of Tourism

The revival of the modern form of tourism can be traced back to Britain of the Sixteenth Century. The nation was characterised

by young men who travelled abroad in search of intellectual improvements and adventure. The sick moved to other regions in search of remedy to their ailments. One such remedy was a Spa.

Spas became places of great resort by poor and diseased people in Britain. With time, the residents of the Spa areas made provisions for the care and amusements of the patients. In late seventeenth century both the sick and pleasure seekers mingled freely in the Spas. This made the Spas very popular. After the "Spa era" came the development of the stage coach and provision of better accommodation along the main travel routes. This led to further development of tourism.

The dawn of the eighteenth century saw both the Spa holiday and other grand tours become accepted ways of life among certain sections of the monied aristocrats in Britain (Chamber's Encyclopaedia). The "Spa Craze" was followed by cold bathing as an attraction to pull people away from their homes. A dissertation on the use of sea water by Dr. Richard Russel (1752 A.D) turned the attention of the sick from the in-land Spas to seaside holidays. This created several centres of recreation and entertainment thereby eroding the popularity of inland Spas (Burkart and Medlik 1975:6) During the late eighteenth century the industrial revolution transformed the economic, industrial and transportation sectors of England. Means of transportation became more efficient. These developments created a large and prosperous middle class with new wants. The community that emerged had much time and incentive to travel. The search for education and

pursuits for experience resurfaced as the real motive for travel. New health resorts cropped up in high positions as well as in valleys to cater for both the sick and pleasure seekers (Burkart and Medlick, 1975). Despite the growth of tourism over the centuries, traffic to the seaside or inland resorts was still relatively small by modern standards. But the stage for mass tourism had been set.

In nineteenth century, tourism acquired its present form. The industrial revolution resulted in an economic revolution for both states and individuals. Means of transportation were revolutionalised from the stage coach to the railways, then followed the vehicles and finally the aeroplanes. Pleasure journeys were made more than ever before. Various businesses emerged to cater for the travellers. These businesses ranged from accommodation to travel and services like food and entertainment. One of the first people to start tourism business was Thomas Cook (Burkart and Medlik, 1975: 10). On June 9, 1841 Cook conceived the idea of hiring a train to transport a group of people from London to Loughborough. Five hundred and seventy passengers were transported in this famous excursion. The present day travel agency and tour Operation trace their history to Cook's idea. Cook advanced the idea and by 1865 he had arranged overseas trips to such countries as America and Switzerland using railways and steamships as the means of travel. In fact up to the beginning of the twentieth century, travel for leisure was exclusively by railway and steamship.

However, the dawn of the twentieth century witnessed a new mode of travel. By 1904 travel was being made in private cars and coaches. This brought about new opportunities in the tourism industry. New kinds of holidays were made possible and holiday makers were offered more freedom and independence. There was no longer a need to fit an individual tourist in the programme of hundreds of other tourists. The private car travel system was among the last developments in the evolution of tourism. The evolution of tourism was therefore almost complete by the beginning of the twentieth century.

The Post - World War I saw an even more rapid development of tourism. Those returning from the War not only expected more in life but had helped to break down the international barriers, thus creating a climate appropriate for tourism to flourish; a climate full of ideas, optimism and peaceful internationalism. Tourists appeared in countries where tourism was practically unknown before the War. For the first time tourism became an important economic factor for many countries. The formation of the League of Nations helped to encourage tourism by recommending the simplification of frontier formalities, reduction or abolition of visa fees, issuance of international customs passes for tourist's cars and international driving licenses. In 1924, the international union of tourist's propaganda was formed. Other organisations at the national, regional, and international levels have been formed over the years.

By the 1930's the image of tourism as a special luxury for a

small number of well-to-do people was eroded and tourism had become a generally accepted way of life.

Musila (1985) sums up the evolution of tourism thus:

"Modern tourism as we know it today is a relatively recent phenomenon. It came into being with the development of the industrialized societies of Western Europe and North America. The Industry until after 1936 when paid holidays were first advocated by the international labour organisation. This increase in real income, the extension of leisure time, better transport facilities and introduction of cheap charter flights and package tours ... People's insatiable desire to exorcism and novelty produced a new industry which has become a major economic activity."

While tourism took a long time to evolve into an economic sector of any consequence for any particular country, it took relatively shorter period from the time it gained momentum to the time it developed current status in world economics (Burkart and Medlik 1975:24).

In a little over a quarter of a century a complex industry with a greater turnover than many of the more important manufacturing industries, operated by a worldwide network of agencies, transport companies, hotel groups, and trade associations has been created.

More recent developments in the industry have been the world-wide spread of the business which started out as a key player in the economies of Western Europe, North America and Australia but it has recently spread out to all conners of the World. The developing countries have come to view tourism as a means of earning foreign exchange and stabilizing their economies.

MARKETING MIX VARIABLES2.2.1 Product Decisions

Numerous definitions of tourism marketing exist but the definition by Krippendor (1991) is the most widely used. It states that:

Marketing in tourism is to be understood as a systematic and coordinated execution of business policy by tourist undertakings whether private or state owned at local, regional, national or international level to achieve the optimal satisfaction of the needs of identifiable consumer groups, and in doing so to achieve an appropriate return.

The basic principles of marketing remain unchanged when applied to tourism. The only difference in the marketing process between say tourism and any other economic sector will be found in the nature of the products to be marketed. That is, there will be a difference in the marketing of physical products as compared to service marketing. The main reason being that services exhibit their own unique characteristics which are absent in physical products. These unique characteristics include intangibility, perishability, inseparability, non-transferability, heterogeneity and larger fluctuations in demand (Buss and Herford, 1993).

Where there is a clear distinction as to whether the final result of a firm is a product or a service the marketing process is relatively straight forward. The marketer will design techniques for handling a product or service. The unfortunate thing about tourism is that it is an "amalgam of various elements or components, some of which are tangible and some are

intangible... (Wahab 1975: 101)."

On one hand the tourist product consists of events such as congress exhibitions, sporting events and shows and also site attractions such as scenery, climate, and historical sites. On the other hand, tourist services consist of passenger transport accommodation, catering and entertainment (Burkart and Medlik, 1975). Therefore, the total offering of the tourist product is an amalgam of attractions, transportation, accommodation and entertainment. Each of these components is supplied by various actors in the tourist industry.

The marketing of tourism is complicated by a multiplicity of factors. First, the components to be amalgamated in order to make up a complete package for offering to customers are numerous. The suppliers of these components are also very different. Again, the product can be offered in a packaged form or the individual tourist can package it himself or herself through his own efforts or with the assistance of the travel agents. As such, there are different ways of combining these components for consumption by the tourists. It is, therefore, difficult to decide on the right approach of developing a tourist product strategy. Do you offer the tourist product in form of a package or in form of different components? The individualistic nature of tourism complicates the marketing process even further. This has led Wahab (1975: 197) to point out that;

The individualistic nature of tourists dictates a policy that is "market oriented" and not "product oriented"..... This calls for careful study and detailed information collected about the actual and potential market.

It will be appreciated from the foregoing that any entity in the tourist industry wishing to have a viable and successful business must offer the right product to an identified market segment (Foster 1989: 85). For example, tour operators and travel agents must offer a comprehensive range of packages and travel facilities in order to survive. McIntoch et al (1986: 376) argues that a product is much more than a combination of raw materials. It is actually a bundle of satisfactions and benefits for the consumer. This makes the marketing concept all the more important. In addition, the tourist product is a non - material intangible thing. Thus the potential customer cannot feel, taste, touch or sample a package tour in advance of any decision to buy it. Because of these characteristics, potential customers find it hard to determine whether a given package will really meet their needs. For this reason customers need considerable amount of information and expert advice before making a travel decision (Foster 1989 :86).

Tourist products mean different things to various members of the tourist industry. To the hotel it is guest-nights (the number of guests times the number of nights they spend at the hotel). Airlines look at the product in terms of "seats flown and passenger miles". To the museum, art gallery or national parks, the product is measured in terms of the number of visitors. But for the tourist the product is the complete experience resulting from the package tour or travel facility purchased. To Foster (1989), the experience covers the entire amalgam of all the

components of the package including their attitudes and expectations.

Thus in formulating tourist products many other things must be considered besides accommodation and transport. These include attractions, support facilities, and services at the resort. The ease of access to it and the attitudes and behaviour patterns of target markets or customers. The attractions cover both natural elements and man-made ones. The facilities include the infra- and super-structure of the area (accommodation, local transport, roads, railways, airports and other public services). In measuring accessibility, it is important to look at not only the time taken to travel to the resort but also the mode of transport available and the degree of comfort involved.

In developing the tourist product from the various components that form the "raw material", attention need to be paid to the type of holiday the operator wishes to create, the target markets for which it is intended and thus the needs, requirements, and expectations of the people comprising those markets (Foster, 1989: 88). Creating the right service or product is not easy because consumer needs are constantly changing and competition forces a product to go through a life cycle so that a product that is successful at one point declines and dies at a later time. Hot spring resorts are a good example of a tourist product in the decline stage. They were at their peak in the 1920's but they are no longer an "in" place to go to (McIntosh and Goeldner 1986: 378).

2.2.2 Pricing Decisions

After designing the tourist product that best satisfies the relevant segment, the marketer will then turn to pricing decisions. To actually determine the prices to charge marketers will have to address the following issues: the price objectives, approaches to determining prices, pricing policies and price administration (Kibera and Waruingi, 1988: 135). Burkart and Medlik (1971, : 199) argue that it becomes very important in pricing to divide the total market into segments according to various characteristics including price elasticity in order that the marketing efforts be cost effective. Demand for the tourist product is dependent on the prices charged. The higher the price the lower the demand and the shorter the duration of visit. Another important factor to consider when pricing the tourist product is the seasonal character of tourism. It is also important to consider the fact that tourism is subject to factors in the international arena that are often beyond a given country's control. Also important is the fact that the tourist product is a large extent both intangible and very perishable. All these factors will have to be considered when pricing the product.

2.2.3 Promotion

Promotion refers to the marketing activities used to communicate to a target market positive, persuasive information about an organisation, its products and its activities to directly or indirectly expedite exchanges (Skinner, 1990: 459). Promotion is used in tourism marketing to cultivate and sustain demand. Activities under promotion include advertising, sales promotion, personal selling and publicity. These promotional methods form the promotion mix. In tourism marketing advertising is the most widely used method of promotion. This is due to the mass and foreign nature of customers. It is however always supported by other promotional tools like personal selling because it is important after creating attention and interest to also get the tourist to desire the product and finally close the deal. It is impossible to reach every tourist individually. This makes personal selling not as important in promoting the tourist product.

According to Kibera and Waruingi (1988:173), "advertising involves presenting the message to a mass audience, using the mass media. It is "any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor."

Effective advertising is one which gains the attention of the prospective visitor, holds his attention so that the message can have a long lasting impression on the customers mind.

The tourist product, being to a large extent intangible, requires special attention in designing the advertising message.

The promotion task of marketing and sales people is to make both the tourist service and its consumption 'real' to the customer. Certainly suppliers do not need to create any additional intangible images or ideas for their service, they already have more than enough of these due to the intangible nature of the service. To make the tourist service real to the customer it is important for operators to provide tangible evidence to their literature and advertising. For example, when promoting a holiday package, advertising and literature can show a beach in a tropical setting and a typical room in the hotel at which the customer will be staying. This evidence is still peripheral, since it actually says little about the services provided by the staff of the hotel, the food and the ambience of the facility, which will make or break the holiday. However, the promotional material on quality paper adds to the tangible cues the customer can use to choose between holiday destination and hotels (Buss, 1993). The main media for tourism promotion are print and television. These are supported by distribution of brochures. It is always advisable to incorporate all the advertising into other manifestations of the product and the organisational (Barkart and Medlik 1971 : 208).

Advertising in tourism is of two main types. These are the participational and individual advertising campaigns. The former involves regional, national and international advertising that is done by the official tourist organisation, regional associations, large resort complexes and corporate and voluntary chains. The latter is carried out by individual concerns and aims at achieving

immediate patronage of its services.

In promotion, it is important to create the right corporate image. For example, in chain operations the image becomes particularly important for there must be a uniformity of these elements from property to property which unmistakably identify the chain and which have appeal to its patrons. An organisation with a blurred or an ill-defined image of its offerings is at a competitive disadvantage (Crissy et al 1975: 80 -81). This is echoed by Buss (1993) when he talked of making services real in order to gain an edge over competition.

Promotion in tourism is made even more complicated by the complex nature of the tourist product. It is to a large extent a service. There are also a large number of potential customers dispersed all over the world with different socio-economic structures, different needs and wants, attitudes, beliefs, tastes and preferences. A promotional message will be successful only if it addresses the people's tastes and preferences and appeal to the larger portion of the potential market. This requires the marketer to use the most efficient media.

2.3.4 Place Decisions

Another difficult decision for the marketing manager concerns the distribution channels that will be used. The distribution decisions affect the other elements of the marketing mix and as such it has to be compatible with them. Channels of distribution are selected by (1) analysing the product, (2) determining the

nature and extent of the market, (3) analysing the channels by sales, costs and profits, (4) determining the cooperation you can expect from the channel, (5) determining the assistance you will have to give to the channel, and (6) determining the number of outlets to be used. For example, if the marketer wants an intensive distribution, he will use many travel agents. In contrast, with an exclusive distribution policy, he would sell his product through one or a few agents who would have the sole right to sell his product in a given area (McIntosh and Goldener, 1986:381).

The marketing manager in tourism will have to consider all the channel choices available so as to select the best channels or combination of channels to market his firm's service. The marketer must also be aware of changes in the distribution system as new competition and additional distribution methods can be expected.

2.2.5 Personnel

Personnel are key to the creation of the service and its delivery to the tourist in a consistently acceptable fashion. Services represent personnel producing intangible deeds or efforts. Tourists identify and associate the traits of service personnel with the firms they work for. A good receptionist or waiter can seriously affect repeat business for a hotel.

2.2.6 Physical Facilities

These are important in facilitating the enhanced marketing

and delivery of services. A tourist must experience a service. This experience is greatly affected by both the setting that is physical to the tourist and the physical assets hidden from view but critical to providing the service.

2.2.7 Process Management

This assures service availability and consistent quality, in the face of simultaneous production and consumption of the service offered. Without sound process management, balancing service demand with supply is extremely difficult. Services cannot be inventoried or stored, so ways must be found to handle peak loads and optimize different tourist needs with varied expertise levels within the service firm.

2.3 Segmentation

Crissy et al (1978) argue that the clientele composition for any firm is heterogeneous in nature. It is therefore important for the individual firm to be able to isolate the different types of clients into relatively homogeneous groups. The firm can then design a marketing strategy appropriate for each group. It is also important that all employees in an organisation perform their part efficiently because inefficiency on their part can make a difference between a guest eager to return or to never come back.

But efficiency in itself will come to nothing if it is directed at the wrong market. The firm will only be effective if

the differences between various customers have been realized. The firm will have to decide on the customer groups to target. This is the essence of market segmentation which means the identification of a segment out of the total market to be served.

There are four bases of segmentation that can be used in tourism marketing. These are demographic, geographic, psychographic and product-related segmentation.

Under product-related segmentation one approach which is commonly used is the benefits sought from a particular product category (Burkart and Medlik, 1971: 196). Other methods of segmentation may be based on socioeconomic factors, demographic, purpose of visit and behavioural characteristics of tourists. Segmentation based on purpose of visit results in three broad market segments namely holiday tourists, the business tourists and common interest tourist (Burkart and Meduck, 1971: 196 and Mitchel, 1986). Each of these segments exhibits its own unique characteristics.

For example, the holiday tourist is resort oriented and visits on a seasonal basis. He is very price sensitive and is readily influenced by skilled marketing efforts. The common interest tourist, on the other hand, consists of tourists who visit destinations to see friends and relatives and those other visitors on pilgrimages, and numerous other special groups. This type of tourist is not influenced by promotional efforts - at least not to a great extent; demand is relatively elastic. The duration of stay is relatively longer but he does not use hotel

accommodation to any significant level. His spending is thus lower than other types of tourists.

The business tourist visits different destinations for business purposes only. His choice of destination is least influenced by marketing drives. He is relatively price inelastic, not seasonal, and is big city oriented. He visits frequently but stays for a relatively shorter period. Attractions include exhibitions, trade fairs and conferences (Burkart and Medlik, 1971, :196).

Demographic segmentation uses characteristics such as income, age, and ethnic background. A clear understanding of a market segment will help an organisation design the right product that will deliver satisfaction at a profit. The individual firm dealing with a particular market segment will know how to assemble the various components of the tourist product at every stage of the trip so as to satisfy the tourist.

2.4 TOURISM MARKETING IN KENYA

The tourism industry is a very important one in Kenya. Since 1987, tourism has become Kenya's largest single foreign exchange earner and a major and increasing source of employment. Since 1989, foreign exchange earnings from tourism have remained almost equal to the combined foreign exchange earnings for coffee and tea which have been the traditional major foreign exchange earners. This has led to an expansion of the national income, creation of job opportunities and boosting of government revenue. Moreover,

it has an additional effect of reducing the balance of payment problem.

As a result of this, the government is directly or indirectly involved in the activities of the industry. The government direct involvement is through the Ministry of Tourism and Wildlife and such bodies as the Kenya Tourist Development Corporation (KTDC) and the Domestic Tourism Council (DTC). It is involved indirectly by assisting the private sector players in carrying out their activities. It is charged with several responsibilities including the operation of hotels, motels, lodges, camps, camping sites, restaurants, and other places of accommodations, refreshments or recreation; the provision of safaris, expeditions or tours for hunting, fishing, photography or otherwise; the operation of enterprises for the promotion and advertising of tourism to or in Kenya; and the development, preservation or study of the wild and natural life fauna and flora in Kenya (Kenya Association of Hotel keepers and caterers report, 1972: 21). The K.T.D.C. is the Ministry's agent for the purpose of opening up new resorts in areas where it is not economically viable for the private sector. Examples include the Kisumu's sunset hotel and Mt Elgon lodge. Together with the African Tours and Hotels (ATHL) in which K.T.D.C. has majority shares, the KTDC either controls, owns or manages a number of hotels and lodges.

A more recent report on the sub-regional seminar on development and promotion of tourism (1991) points out the seriousness with which Kenya treats tourism. The government has

established a whole ministry to manage tourism and wildlife. Under the Ministry there are two departments: Tourism and Wildlife Conservation. The department of tourism carries out all the development and promotional activities of the Ministry through the marketing division which is operated by area marketing officers based in Nairobi. Besides the functions of organising and planning of tour programmes, the marketing officers coordinate marketing activities such as advertising, preparation and production of brochures and films for tourism promotion.

Promotional activities abroad are undertaken through the Kenya tourist offices, Kenya Embassies, and Kenya Airways Offices. The country also participates in important tourism fairs and exhibitions. The government has now a new policy of promoting domestic tourism.

Tourists visiting Kenya can be classified under five different groups. These groups differ on a number of factors such as the length of stay, seasonality of visits, price elasticity of visits and the purpose of visit.

The different groups include holiday visitors. These represent pure pleasure seekers. They stay for about a month or less. A good word-of-mouth communication from friends who have visited Kenya is the main influence on visiting Kenya. They come when the climatic conditions back home are unpleasant. Transit tourists form an other group. These come to Kenya on business. The length of stay for transit tourists is determined by the

nature of the visitors business. Ships' passengers and crews who dock for replenishment of stock and for refreshment along the Kenya coastal towns form another important tourist group. These visitors stay longer than transit tourists. They also have greater impact than transit visitors who stay for a night or two and are confined to airports or other points where they can get connecting flights to their destinations.

Kenya's neighbours who cross the boundaries and enter the country form yet another important tourist group. Their stay and purpose of visit varies with time (Mitchel 1969 : 1). Domestic tourists form another group of visitors. This is the tourist activity of residents of a country within their own country which does not cross national boundaries. The upper and middle income Kenyans plus expatriates form this group of tourists.

Kenya has alot to offer visitors. Musila (1985, PP. 5) had this to say about Kenya's offering:-

"The main component of our tourist product include wild life resources, magnificent scenery, delightful beaches, and very acceptable climate. The possibility of combining a beach holiday with safari wildlife viewing is very outstanding."

The same observation was made by Thompson Worldwide which says that a tourist visiting Kenya will find exotic coral beaches of the Indian Ocean, some of the most varied sceneries in East Africa and some of the World's richest and most spectacular wildlife areas with national parks and reserves...." Kenya has two major cities: Nairobi and Mombasa. The Equator is less than 150 Kilometres to the North of Nairobi but the city's altitude (almost 16,517 Metres above sea level) gives it a temperate

climate. Day time temperature rarely exceed twenty five degrees centigrade and evenings are normally pleasantly cool. Mombasa stands on a small island linked by a causeway to the main land. This fascinating city, a picturesque blend of Arab, African, European and Indian cultures, has been known for centuries to the Arab seamen who still sail their dhows into the old harbour past the massive sixteenth century Fort Jesus built by the Portuguese. North and South of the city are the superb tropical beaches of pale coral sand fringing and inviting, reef protected waters of the Indian ocean (Nkari, 1985 : 62).

Kenya's physical attractions can be grouped into seven circuits distributed all over the country. These are the South West circuit, which covers Nairobi, Longonot, and Hells Gates National Parks, Susua, Lake Naivasha, Lake Elementaita, Lake Nakuru, Mau Forest, Ruma National Park, Lake Victoria, Ndere Island, Impalla Park, Masai Mara, Loita Hills, Nguruman Hills, Lake Magadi and Ngong Hills. The west circuit offers such attractions as the Masai Mara, Kakamega forest, Mount Elgon, South Turkana and Lake Bogoria. Mid-North circuit covers Maralal, Samburu, Meru, Laikipia ranches, Aberdares, Mount Kenya, Naivasha and Nairobi. The North circuit covers Maralal, South Holl, Loiyangalani, Marsabit, and Samburu. There is also the South-Eastern circuit that covers the area from Nairobi, Amboseli, Tsavo East and West, Malindi and Mombasa. The coast circuit covers the area from Simba hills, Mombasa, Fort Jesus, Gede, Malindi, Lamu, Tana Delta and Diani. The last circuit is Nairobi. This offers

among others the Nairobi National Park, Bomas, and Fourteen Falls.

To compete effectively total offering of accommodation and transportation services is required. On accommodation, there are numerous hotel companies and chains like the Intercontinental Hotels, Block Hotels and Lodges, Hilton, the African Tours and Hotels, the Sarova Hotels, Serena Hotels and Lodges and Budget Hotels. As far as transportation is concerned, there are several tour operators, travel agents and Air Charter firms which make accessibility to various tourist attractions possible. In the transport business are such big names as the United Touring Company (UTC), Big Five Tours and Safaris Ltd, and Flamingo Tours Ltd.

2.5 DOMESTIC TOURISM

The tourist activity of residents of a country within their own country is described as domestic or internal tourism (Burkart and Medlik 1981: 82).

The Domestic Tourism Council defines a domestic tourist as a "person who travels from his place of residence and goes to another destination within Kenya and spends his time in enjoying the activity or activities which bring him to the destination while paying." These activities can be business, holiday, leisure, visiting friends and relatives or being on the move to an other points (Tourism Market Report 1987/88: 20). Mugwe of the Kenya Wildlife services looks at domestic tourism as being

undertaken by the "local" people and it is commonly associated with 'Budget Tourism' because it is a low-cost form of tourism.

It is now a policy of the government to promote domestic tourism along side international tourism. The Ministry in conjunction with the private sector formed the Domestic Tourism Council in 1984. The government has also set up a section of domestic tourism in the Ministry. This section forms the secretariat of the council. The original objectives of the Council are:

- (1) Promotion of national unity and integration through increased travel by Kenyans.
- (2) The distribution of benefits from the government expenditures on infrastructure national parks and game reserves to local people as well as overseas tourists.
- 3) Increase investment through domestic tourism.
- 4) Conservation of foreign exchange as Kenyans travel in their own country rather than other countries.
- 5) Closing the seasonality gap created by international tourism and
- 6) Help to deal with the fragile nature of international tourism. This is because international tourism is subject to fluctuations due to circumstances beyond our control (Tourism Market Report 1987/88 : 20).

One of the major activities of the Council is to hold an annual workshop to deliberate on ways and means of promoting domestic tourism. So far nine workshops have been held since

1984. To achieve the above objectives, the Domestic Tourism Council (DTC) has outlined the following as its strategic considerations.

- i) Collaboration between the government and private sector under the auspices of the D.T.C.
- ii) Reduced hotel rates for locals during the low season of international tourism.
- iii) Reduced rates of public transport and lower entrance fees to national parks and game reserves.
- iv) The provision of package holidays with lower prices for local people.
- v) Introduction of incentive holidays both in the private and public sector.
- vi) Provision of tourism information by the Ministry of Tourism and Wildlife and the Private sector.
- vii) Publication of a Magazine on Domestic Tourism and other media publicity through the mass media.
- viii) Provision of information about domestic tourism to the youth through the Kenya Wildlife clubs and school.

In general, the aim of the Domestic Tourism Council is to promote local tourism through incentive-oriented packages. Towards this end it is envisaged that Kenya Budget Hotels Association will continue to play a major role (DTC, Planning Division, 1992: 4).

But even with all the workshops the domestic tourism

objectives have not been achieved. This has led to two schools of thought. One believes that there is no such thing as domestic tourism while another feels that there is a big "bowl of domestic porridge" out there, but the packaging of the domestic tourist product has been wrong (Executive Magazine, April 1991: 18 and Shelly Steve, 1992).

Many hoteliers view domestic tourism simply as a low season top up mechanism. This view goes on to say that although there is special resident rates from April to June, that is when the weather is bad, half the staff is laid off and maintenance programmes have turned the car parks into a building site (Shelley, 1992). An other view has it that resident-rates are still too high for most residents and that they appeal only to relatively well-off people, especially expatriates. In the high season, residents find it very hard to get reservation at any price because the hotels are fully occupied by foreign tourists on contract rates which may be lower than discounted rates offered locally. Many hoteliers accept that domestic tourist is of value if only to keep the industry afloat.

According to Research International's Window on Kenya, this country is becoming a middle class, consumer society. People have money to spend and leisure time to spend it. But their holiday aspirations are too often dismissed. "Kenyans only want nyama choma and beer", said a Kenyan Managing Director of one hotel group (Executive, April 1991:18).

Recognising that there is a demand amongst middle class

Kenyans for holidays, a handful of tour operators and hoteliers have attempted to design products and services that satisfy them.

They include bush buck adventures who are putting together special weekend away trips to places like Nakuru, with modest accommodation and side trips to local places of interest. Other examples include the tamarid group at the Carnivore and the Sagret Hotel and others. But their activities have involved selling more other than marketing domestic tourism. This leads to an important question: if there is an unsatisfied demand for the local tourism market what is the demand actually for? It should be noted that the attractions that are being packed for the domestic tourist have primarily been geared for the foreign tourists. No one seems to talk to domestic tourists to find out what they want. This has led a number of people both in the Ministry and private sector conclude that until there is entrepreneur who has an understanding of what Kenyans want coupled with top rate professional ability to promote such events, domestic tourism will remain in its infancy. According to Shelley (1992), the trouble is not with ideas but with the ability to make things happen on a grand enough scale.

Other factors that are hindering the development of domestic tourism are:

- 1) **High Accommodation Costs.** Accommodation in hotels is generally expensive, particularly at the Coast and park lodges.
- 2) **Lack of Accommodation during the peak periods.** Foreign tourists fully book the tourist facilities during the peak periods. Tour operators would not give discounts to domestic

tourists during this period. Domestic tourists do not want to travel during the rainy season which seems to coincide with the low tourist season. A study done by the Economic Intelligence Unit Limited (1979), revealed high correlation between the demand for hotel beds by residents and the seasonality factor, with the months of August, December and April depicting the highest demand. This may be due to the school holidays. The problem is that it coincides with the peak period of international tourism.

3) **Lack of Transportation.** Most Kenyans do not have their own cars. This may inhibit such activities as visiting National Parks.

4) **Attitudes Towards Tourism by Kenyans.** Indigenous Kenyans regard tourism as a white man activity since marketing emphasis has been on international tourism as opposed to domestic tourism. Domestic tourism is, therefore, merely seen as a filler for absent foreign tourist during the low season (Mugwe, 1992:3).

FACULTY OF COMMERCE
40 GRADUATE LIBRARY

CHAPTER THREE

RESEARCH DESIGN

A descriptive research design was used in the current study. The primary purpose of this study as earlier stated was: (i) to determine the extent to which marketing mix variables are used in domestic tourism, (ii) to examine the major determinants of marketing domestic tourism in Kenya, and (iii) to determine the demographic and socio-economic characteristics of Kenya's domestic tourists.

3.1 The Population:

The population of the current study consisted of all classified hotels and restaurants with their head offices in Nairobi, Tour operators that are members of K.A.T.O, the Ministry of Tourism and Wildlife (M.T.W), and actual and potential domestic tourists. By the time of the study, there were a total of 114 classified (tourist class) hotels with their head offices in Nairobi. The total number of tour operators with head offices in Nairobi was 155. A list of classified hotels and restaurants, as of September 1992, was obtained from the M.T.W while that of tour operators was obtained from the members directory of K.A.T.O 1991/92.

3.2 Sample Selection Procedure:

A sample size of all the major hotel chains and 15 of the budget hotels with their head offices in Nairobi was selected using disproportionate stratified sampling procedure. The basis of

stratification was the hotel class. On this basis, the researcher got two strata: major hotel chains (3 stars and above), and budget hotels (2 stars and below).

From the list of tour operators, a sample size of 30 operators was selected using simple random sampling procedure.

One officer of the M.T.W from the marketing department was interviewed. A convenience sample of 50 domestic tourists was selected. Fifty questionnaires were distributed to domestic tourists through the hotels and tour operators that had direct dealings with them. Two of the major hotel chains, 5 budget hotels, 10 tour operators and 18 tourists did not respond.

3.3 Data Collection Method:

The pertinent data for this study were collected from four categories of respondents (classified hotels, tour operators, the M.T.W, and tourists) using four different types of questionnaires. The original set of questionnaires was developed from a review of the available literature. These questionnaires were discussed with a number of marketing officers in the industry. Modifications were made on the basis of these discussions and pretest results. The modified fashion questionnaires were used to collect the data (Appendix iii).

Of the four types of questionnaires, the one meant to gather data from tour operators, hotels and restaurants contained questions pertaining to the relative size of the organization, areas of operations (physical and activities engaged in),

customers served, marketing mix variables, co-operation with other firms in the industry and the M.T.W in marketing domestic tourism, attractions marketed to domestic tourists, the major factors influencing domestic tourism, and finally marketing efforts during off peak season.

The questionnaire for gathering information from tourists contained questions on demographic and socio-economic characteristics, number of visits in Kenya, nature of current visit, the media that made the tourist facilities familiar to the tourist, the means of transportation to the attraction sites, attractions visited, types of tour (private or group), problems encountered during the tour, the rating of services received, accommodation used, expenditures, and suggestions on how the services could be improved.

The third questionnaire was designed to gather data from the Ministry. This questionnaire was similar to the one for private firms in the industry in certain respects. It was used to gather data about the organisation of the marketing department of the Ministry, functions of the domestic tourism section, and domestic tourism Council, cooperation with the private firms in marketing domestic tourism, marketing mix variables, and factors influencing domestic tourism.

The questionnaires contained both structured and unstructured questions.

3.4 Data Analysis

Descriptive Statistics were used in the analysis of the data obtained. These include proportions, percentages, cross-tabulations. The Likert type profile and Kruskal-Wallis H-test were also used to test for any differences between various groups of respondents. Since the study is descriptive in nature, the researcher found this approach appropriate.

There were no significant differences between the three sub-groups (Hotel Owners, Budget hotels and Private firms) in Likert type profile.

Three types of data are analyzed in this study. The first type was from the private firms in the industry, the second from the Ministry of Tourism and Wildlife and the third type from the general tourist. The private sector was further subdivided into operators and agents, budget hotels and the major hotels. The data is analyzed under three main headings:

- Demographic characteristics of both the Ministry of Tourism and Wildlife and the private sector,
- Attitudes towards the product and the way it is being marketed,
- and finally test for any differences between the three sub-groups (Hotel Owners, Budget hotels and Private firms) in Likert type profile.

CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.1.0 Introduction

The data gathered in the study are analysed in this Chapter using Summary Statistics. These statistics include percentages, proportions and cross tabulation. The Kruskal Wallis test was also used to test for any differences between the three Sub-Samples (Hotel Chains, budget hotels and travel firms). A Likert profile is also presented.

Three types of data are analyzed in this study. One type was gathered from the private firms in the industry, the second from the Ministry of Tourism and Wildlife and the third type from the customers (tourist). The private sector was further subdivided into tour operators and agents, budget hotels and the major hotel chains. The data is analysed under three main headings:

- Domestic tourism marketing by both the Ministry of Tourism and Wildlife and the private sector,
- Customer reaction towards the product and the way it is being marketed,
- and finally test for any differences between the major hotel chains. Budget hotels and tour operators in as far as marketing domestic tourism is concerned.

4.2.0 DOMESTIC TOURISM MARKETING

4.2.1 Marketing By Individual Firms

Tables 1 and 2 show that the firms interviewed in this study were of different sizes. The biggest hotel chain had nine subsidiary hotels. The smallest hotel operating firm had only one hotel.

TABLE 1: Relative size of hotels:

Number of hotels in the Chain	Respondents in the category	
	Budget Hotels	Hotel Chains
1 - 3	10	2
4 - 6	0	1
7 - 9	0	4
Total	10	7

The largest tour operating firm owned 400 vehicles. The relative size of the travel firms that were interviewed in this study is given in table 2. Two firms did not own any car. They operated by hiring vehicles from other travel firms. Their main speciality was travel agency. They provide ground services (booking) for both local and international tourists.

Four out of the twenty travel firms, and six of the seven hotel chains were subsidiaries of firms with their head offices outside Kenya.

Table 2: Relative size of the travel firms in the industry.

Number of vehicles owned	Number of Respondents	Percentages
0 - 5	8	40
6 - 10	6	30
11 - 15	0	0
16 - 20	1	5
Over 20	5	25
	n=20	

The firms have experienced several problems in their marketing efforts locally. Some of the problems experienced, as revealed by the firms interviewed, are summarised in table 3.

As shown in the table all the 17 hotel operating firms and all the 20 travel firms cited the low levels of income earned by Kenyans, lack of awareness about the tourist product and general economic instability as the major problems facing the local market.

Table 3 : Problems encountered in marketing domestic tourism.

Problem type	Response Among Hotels		Response Among Tour Firms	
	Respo- ndent	Perce- ntages	Respo- ndent	Perce- tages
Low Income level	17	100	20	100
Lack of Awareness	17	100	20	100
Lack of Information on the local market	11	65	18	90
Economic Instability	17	100	20	100
Seasonality of Local Tourism	5	29	8	40
Competition	14 n=17	83	19 n=20	95

Eleven (65%) of the 17 hotel operating firms and 18 (90%) of the 20 firms in the travel trade have suffered due to lack of information on the local market. Only 5 (29%) of the 17 hotel operating firms and 8 (40%) of the 20 firms in the travel trade mentioned seasonality of domestic tourism as a problem. They asserted that domestic tourism follows a similar seasonality trend as international tourism. All the 5 hotel operating firms that cited the seasonality problem belonged to the major hotel chains category. The problem of competition was also stated by most of the firms. Fourteen (83%) out of the 17 hotel operating firms and 19 (95%) out of the 20 firms in the travel trade, mentioned

competition as a problem.

The firms suggested several ways of solving these problems. Their suggestions are summarised in table 4:

Table 4: Ways of solving domestic tourism problems.

Way of solving Domestic Tourism problems	Response Among Hotels		Response Among travel Firms	
	Respondents	Percentages	Respondents	Percentages
Raise Income Level	17	100	20	100
Economic stability	17	100	20	100
local Promotion	10	59	15	75
More Research	13	77	15	75
	n=17		n=20	

Table 4 shows that all the 17 hotel operating firms and all the 20 firms in the travel trade cited economic stability and higher levels of income by Kenyan residents as the two major ways of dealing with the problems of marketing domestic tourism. Ten out of the 17 hotel operating firms and 15 out of the 20 tour operating firms advocated for more local promotion by the whole industry. This promotion should be aimed at creating awareness among residents. Thirteen out of the 17 hotel operating firms and 14 out of the 20 firms in the travel trade called for more research at the local level which would provide the much needed statistics on domestic tourism. The firms acquired customers in several ways, as summarised in table 5. Most firms use more than one method.

Table 5: Methods of acquiring customers.

Method	Hotel Chains		Budget Hotels		Tour Operators	
	Respo-ndents	Perce-ntages	Respo-ndents	Perce-ntages	Respo-ndents	Perce-ntage
Special Arrangement	7	100	2	20	9	45
Independence Customer	7	100	10	100	16	80
Firm's own efforts	5	71	0	0	2	10
	n=7		n=10		n=20	

Table 5 reveals the most popular method of customer acquisition used by the different firms was found to be independent customers (customers patronizing on their own). All the major hotel chains, budget hotels and 16 out of 20 (80%) tour operators consider the independent customer as a major source of their business. All the major hotel chains, 2 out of 10 (20%) budget hotels and 9 out of the 20 (45%) firms in the travel trade, make special arrangements with other firms to get local customers. All major hotel chains make special arrangements with tour operating firms. Nine out of the 20 firms in the travel trade make special arrangements with the major hotel chains. Only 5 out of the 7 major hotel chains, 2 out of the 20 travel firms, and none of the budget hotel use other methods of acquiring customers. These firms acquire their domestic customers by promoting their offers using the television and the press.

There were six types of customers (market segments) served

by the firms interviewed. Some firms served most of these market segments. Information regarding the type of customers served by the firms is summarised in table 6.

Table 6: Types of domestic market segments:

Customer type	HOTEL CHAIN		BUDGET HOTELS		TRAVEL FIRMS	
	Respo-ndents	Perce-ntages	Respo-ndents	Perce-ntages	Respo-ndents	Perce-ntages
Expatriates	4	57	0	0	14	70
Industrialists	4	57	1	20	17	85
Organizations	6	86	2	20	15	75
Individuals	7	100	10	100	16	80
Schools	0	0	1	10	0	0
Businessmen	3	43	10	100	10	50

Four out of 7 hotel chains (57%), 14 of the 20 tour operators (70%) and none of the budget hotels serve the foreign embassies and expatriates based in Kenya. Four of the 7 hotel chains, two of the budget hotels and 17 of the 20 tour operating firms serve industrialists (Kenyan Asian Community). Six of the 7 hotel chains, 2 out of 10 the budget hotels and 15 out of the 20 tour operators serve organisations. This market segment (organisations) constitutes the market for seminar and conference facilities. Independent patrons form yet another important market segment for all the three groups of respondents. All the hotel chains, budget hotels, and 16 out of the 20 tour operators view the independent (individuals) tourists as an important

source of business. Only 1 out of the 10 budget hotels that were interviewed view schools and institutions as constituting an important market segment. The other groups of respondents do not deal with schools and institutions. Three out of the 7 (43%) hotel chains, all the 10 budget hotels, and 10 out of the 20 (50) tour operators serve the transit tourist market. This market segment comprises business people in transit.

Five firms in the major hotel chain category, 3 out of the 7 budget hotels and 11 out of the 20 tour operators have an established way of satisfying these defferent market segments. All these firms satisfy each market segment by individualizing their services to suit each customer.

MARKETING RESEARCH.

Five firms (71%) in the hotel chains category, 2 of the budget hotels (20%) and only 3 (15%) of the 20 tour operators engage in some research aimed at the local market.

The firms reported various reasons for doing marketing research. These reasons are summarised in table 7. From table 7 it is clear that the two most common reasons for doing marketing research is a desire to increase their local business (70%) and to determine what customers really want (60%).

Table 7: Aims of marketing Research.

Aim	Number of Respondent	Percentages
To increase local business	7	70
To help keep International Standards	2	20
To Determine what customers want	6	60
To determine customer sources	4	40
Improve on performance	4	40
	n=10	

Table 8 summarizes the different ways in which the respondents determine what to provide to their customers.

Table 8: Ways of determining what to provide to the customer.

Method of determination	Hotel Chains		Budget Hotels		Tour Operators	
	Respondents	Percentages	Respondents	Percentages	Respondents	Percentages
What you have	6	85	6	60	13	65
What you think they should need	4	57	3	30	8	40
Research finding	3	43	0	0	0	0

The most popular method of determining what goods and services to provide to customers among all the three groups of

respondents was based on what the firm has. The corresponding percentages are 86% for hotel chains, 60% for budget hotels and 65% for firms in the travel trade. Four out of 7 hotel chains, 3 out of 10 budget hotels and 8 out of 20 tour operators determine what to provide based on what they think the customer should need. Only 3 hotel chains, no budget hotels and 1 tour operator based their offer on research finding.

Six of the 7 (86%) hotel chains, 3 out of the 10 (30%) budget hotels and 3 out of the 20 (15%) tour operators have special marketing activities designed to cater for the local market. The main objectives of this local tourism marketing are summarized in table 9.

Six of the 7 (86%) hotel chains, all of the budget hotels and 9 of the 20 twenty tour operators (45%) marketing locally did so to increase the firms' business by attracting more customers. Supplementing low seasons income was also a

Table 9: Main Objectives of marketing locally.

Objective	Hotel Chains		Budget Hotels		Tour Operators	
	Respo- ndents	Perce- ntages	Respo- ndents	Perce- ntages	Respo- ndents	Perce- ntages
Increase Local Business	6	80	10	100	9	48
Promote domestic tourism	2	29	1	10	2	10
Supplement low season income	7 n=7	100	0 n=10	0	10 n=20	50

common objective among major hotel chains and tour operators. Budget hotels did not have this as an objective since they do not rely on international tourism to a major extent. For this reason, they do not suffer from the low international tourism season. Promoting domestic tourism with the basic aim of creating awareness was also cited even though by just a few respondents. Only two (29%) of the hotel chains, One (10%) of the budget hotels and two (10%) of the firms in the travel business had the objective of promoting domestic tourism.

All the firms with the objective of promoting domestic tourism were private concerns. The two tour firms operating with the objective of local promotion were local establishments and relied heavily on the local market for their business.

The results of the study also established that all the major hotel chains, 7 out of the 10 budget hotels and 19 out of the 20 tour operators recognize differences among the local customers. The differences are found among such customer types as individuals, organizations, diplomats and expatriate workers. Each market segment is treated differently depending on its needs.

The results of the study revealed that all the 7 hotel chains, 2 of the budget hotels and 14 of tour operators give special concessions in charges and other offerings to domestic tourists as compared to foreign tourists. All the firms giving special concessions reduce their rates only during the low season.

PROMOTION

The study established that five (71%) of the major hotel chains, five (50%) of the budget hotels and five (25%) of the firms in the travel business engage in promotinal activities to attract local tourists. All the five hotel chains that engage in promotional activities do so individually. Hotel chains undertake promotional activities during the low season only. This was somewhat different from the budget hotels which promote as a block but very irregularly. They normally promote during the month of december and they do this together under the budget hotel association. Firms in the travel trade that undertake promotional activities do so independently and normally do so during both the low and high seasons. However, this promotion is not regular.

The firms which undertake promotional activities to attract local tourists stress various attractions in their promotion campaigns. These attractions are listed in table 10.

As can be seen from table 10, hotels tended to stress the physical attractions around the hotel location more than those in the whole country. The opposite was true for tour operators. All firms in the industry marketed themselves and what they had to offer the tourist in their promotional campaigns.

Table 10. Tourist products marketed at the local level.

Attraction	Hotel Chains		Budget Hotels		Travel Firms	
	Respo- ndents	Perce- ntages	Respo- ndents	Perce- ntages	Respo- ndents	perce ntage
People and culture	0	0	0	0	1	20
* Country's physical Attractions	2	12	0	0	5	100
Attractions near firm	4	80	4	80	0	0
* Organization and offerings	5 n=5	100	5 n=5	100	5 n=5	100

* Physical attraction include beaches, the national Parks and Wildlife, and the general scenic beauty of the country.

* Organization and its offerings include the physical setting of the firm and the prices it charges for its offerings.

The firms also used various media for their local promotion.

Most firms in both the hotel and travel business used more than one medium. The media used are summarized in table 11.

Table 11: Media used for local promotion.

Media	Hotel Chain		Budget Hotels		Tour Operators	
	Respo- ndents	perce- ntages	Respo- ndents	Perce- ntages	Respo- ndents	Perce- ntages
Magazines	5	100	1	40	3	60
Newspapers	5	100	1	60	1	60
Bronchures	5	100	5	100	5	100
Television	3	60	5	100	2	40
Radio	0	0	0	0	0	0

The study revealed that all the major hotel chains combined magazines, Newspapers and Bronchures for promotional purposes. Only three (60%) out of the five hotel chains use the television (T.V) for promotion purposes. All budget hotels on the other hand relied on T.V and Bronchures as the main promotion media. Only two (40%) of the five tour operators use television as a promotion medium. The tour operators tend to use brochures for promotion purposes.

On joint-marketing, five out of seven hotel chains said they co-operate with tour operators and the government, in marketing at the local level. The hotel chains have special arrangements with tour operators for purposes of acquiring local tourists. They occasionally co-operate with the government through their participation in exhibitions and annual domestic tourism workshops. Two (25%) of the hotel chains occasionally co-operate with the other firms and the ministry. Four out of the ten budget hotels co-operate with the ministry and with other budget hotels in marketing their products. All tour operators do co-operate with hotels and the Ministry in their marketing efforts.

Most of the firms under the hotel chains category and tour operators relied on domestic tourists during the low season only.

Eighteen tour operators and all the seven hotel chains relied on the local market during this season. This was not the case with budget hotels. The reason is that the latter do not suffer from the low international tourism season. Some firms in the travel

trade and hotel chain also give annual leave to workers around this time. Sixteen of the 20 tour operators and five of the seven hotel chains do this. One tour operator said that they just wait and hope the low season will not "kill them". Four out of the 7 hotel chains undertake their maintenance work during this period.

Four out of seven hotel chains, one budget hotel and all the tour operators advocated higher promotion as a way of attracting more customers during the low season. Lower rates and creation of awareness were also cited as important ways of dealing with the low season. All tour operators and five out of the seven hotel chains called for more awareness creation among Kenyans. Seven (70%) out of the ten budget hotels called for lower rates while only three (30%) cited the need for more awareness creation by the industry. The government was called upon to manage the economy better. It was felt by four hotel chains, six budget hotels and sixteen tour operations that there was need to raise the levels of income if Kenyans were expected to afford the tourist products. They blamed the decline of domestic tourism on the devaluation of the Kenya shilling.

4.2.2 MARKETING DOMESTIC TOURISM BY THE MINISTRY OF TOURISM AND WILDLIFE.

The Ministry plays a major role in marketing domestic tourism. It oversees the marketing of domestic tourism by the whole industry. Some of the activities it is involved in include:

- i) staging annual domestic tourism exhibitions and workshop,
- ii) Organizing lectures for schools and other institutions,
- iii) promoting throughout the country by participating in local Agricultural Society of Kenya (ASK) shows, and
- iv) helping to reduce seasonality effects during the low season.

All these activities are intended to make Kenyan residents appreciate the benefits of tourism. In this regard the Ministry is continuously consulting with the private sector of the industry through the Domestic Tourism Council in order to formulate an appropriate marketing strategy that will suit the local market and thus help to create more demand.

All the above mentioned activities are the responsibility of the domestic tourism section in the Ministry of Tourism and Wildlife.

According to the Ministry a number of factors have been blamed for the decline in domestic tourism trade in Kenya. The following factors were cited:

- a) Lack of adequate knowledge about tourism by the local population,
- b) Low income levels for Kenyan residents,
- c) Lack of appropriate holiday incentives,
- d) the existing traditional bias and dependency on international tourism.
- e) Lack of reliable data and information of the tourist sector in general,

- f) high prices of tourist products,
- g) additional culture and belief systems.

The Ministry was asked to rate the above factors by attaching a score of "1" to "5" in order to determine their level of importance in marketing domestic tourism. The Ministry felt that higher levels of income, more promotion, lower rates on domestic products and general economic stability were the most important factors. These factors received a score of "5". Other important factors were political stability and safety in national parks, more awareness and availability of tourist products which received a score of "4", "3" and "2" respectively.

The study results revealed that the Ministry does not engage in any type of research. There used to be a research section in the Ministry but it was abolished.

The Ministry has identified the following domestic market segments

- (i) working groups (organisation),
- ii) transit business people,
- iii) various institutions including schools,
- iv) industrialists (Kenyan Asian Community)
- v) expatriates working in Kenya, and
- vi) foreign embassies with offices in Nairobi.

The Ministry has not identified any specific tourist products for the local/market. Apart from accommodation where the Ministry has identified the budget hotels for local tourists, all other aspects of the tourist product are similar to the ones offered to

international tourists.

The main objectives of marketing locally by the Ministry include the creation of awareness of the country's natural heritage amongst the local people, the promotion of national unity and integration through increased travel by Kenyans, increased investments induced by domestic tourism, conservation of foreign currency as Kenyans travel in their own country rather than other countries, creation of employment and the optimal use of tourist facilities particularly during the off-peak season.

The Ministry does not have different marketing strategies for different market segments. But it does engage in many promotional activities aimed at promoting tourism. These include annual exhibitions and workshops, participation in ASK shows, television features shows, radio educational programs on tours, and lectures to institutions and schools. In this regard various media are used. These include television, Radio, Newspapers, Magazines and Calendars. The promotional message for the local market stresses the need for Kenyans to know their country.

The media used are chosen on the basis of reach. That is, "on how far the message could reach the audience". The Ministry does not involve any professional firms in promoting domestic tourism but the idea is in the pipeline.

On the issue of joint marketing with the private sector in the industry, the Ministry through the Domestic Tourism Council is charged with the duty of organizing workshops, seminars, exhibitions and producing promotional materials. It also consults

with the private sector in order to formulate a pricing strategy that suit the local tourist pockets. These workshops are used as forums of planning future promotional strategies that encourage more Kenyans to travel and enjoy tourist facilities in the country.

4.2.3 Tourist Reaction to the Marketing of Domestic Tourism:

Twelve (38%) out of the thirty two domestic tourists interviewed indicated that this was their first tour and another twenty (63%) have been on tour for two or more times. The tourists had three main reasons for taking the tour. These are holiday, business and on transit. The reasons for the tour are summarized in table 12.

Table 12: Nature of visits by domestic tourists

Nature	Respondents	Percentages *
Holiday	21	66
Business	8	25
Transit	6	19
	n=32	

* Percentages add to more than 100 because some tourists had more than one reason for their visit.

From table 12 it can be seen that 66% of the tourists were on holiday, 25% on business, and 19% in transit. One respondent was both on business and transit and two were both on holiday and business.

The tourists visited a number of attractions during their visit. The main attractions were three. These are summarised in

table 13. Some tourists visited more than one attraction area.

Table 13: Domestic tourist attractions visited.

Attraction	Respondents	Percentages
Game Parks	25	78
Beaches	8	25
Historical sites	8	25
	n=32	

FACULTY OF COMMERCE
GRADUATE LIBRARY

The most important attraction is the game parks (78%). These were mainly tourists on holiday. No transit tourist visited the game parks. Twenty five percent of the tourists were attracted by beaches. Again, these were holiday tourists. One of the business tourists also visited the beaches.

The tourists came to learn about the above mentioned attractions through a number of ways. These ways are summarised in table 14.

Table 14 : Ways in which Domestic tourists became aware of the tourist attractions

Way	Respondent	Percentages *
Through Friends	14	54
Travel Agents	8	31
Through Advertisements	7	27
Through Employer	3	12
Through Reading	4	15
	n=26	

* Add to more than 100% because some tourists learnt about the attractions from more than one source.

From table 14 it can be seen that 14 (54%) tourists learnt

about the attractions from friends. The tourists ranked different types of media they thought could be effective in reaching potential tourists. The most effective medium was said to be the television. This was followed by newspapers, radio was third followed by brochures, magazines, and cinemas in that order.

When the respondents were asked whether the media they cited as the most effective were the one being used, to promote domestic tourism, nineteen (59%) out of the thirty two respondents said "yes", eight (25%) were "not sure" and five (16%) said "no". Of the five tourists who said 'no', two explained that newspapers were being used, two said that magazines and brochures were being used, while the fifth said that brochures were being used instead of the T.V.

As to whether the promotional messages portray what they actually found at the destination, thirteen (50%) out of the twenty six tourists who responded to this question said "yes", eleven (42%) of the respondents said that the message somewhat reflected what they found and two (8%) said the message did not portray what they found at the destination. These two respondents said that the message overstated what they actually found at the destination.

Twenty (13%) out of the 32 respondents said that they enjoyed the tour. The 12 tourists who did not enjoy themselves during the tour gave number of reasons for their nonenjoyment. These factors include the fact that while the low season rates were good enough,

peripheral facilities such as bar and restaurants were too expensive. This reason was advanced by ten of the holiday tourists. One tourist expressed dissatisfaction with his tour drivers: according to him the drivers were careless. Two of the transit tourists who responded expressed dissatisfaction with the food, security, and the general conduct or behaviour of the hotel personnel, that of other patrons and the general cleanliness of the hotel. These two had been accommodated in a budget hotel.

The tourists had also been asked to rate various services that were provided to them on a scale ranging from "excellent" to "not satisfactory". Their responses are summarized in table 15.

On average transportation services, accommodation services, entertainment, Food, conference facilities and communication facilities were rated as satisfactory, while sports facilities were rated as not satisfactory.

Table 15 : Ranking of services provided to domestic tourists.

Service	Respondents			
	Excellent %	Satisfactory %	Somewhat satisfactory %	Not satisfactory %
Transportation	40	30	20	10
Accommodation	40	44	16	0
Entertainment	28	24	24	24
Food	38	47	15	0
Sports Facilities	2	6	35	57
Conference	25	19	37	19
Communication facilities	25	25	25	25

Various means of transportation were used during the tour. These are summarised in table 16. As can be seen from the table, tour operators were the most popular means of transportation. Some 45% of the twenty nine tourists responding to this question used tour operators during their visit. Another popular means of travel was by public bus. Some 38% of the respondents travelled by bus to their destinations. Six (21%) out of the twenty nine respondents used private means. Only two (7%) and one (3%) of the respondents used train and aeroplane respectively.

Table 16 : Transportation means used by Domestic tourists

Transportation mean	Respondents	Percentages
Tour Operators	13	45
Public Bus	11	38
Railway	2	7
Plane	1	3
Private Car	6	21

The tourists were accommodated in several places. The major accommodation facilities were hotels, lodges, camps and clubs (table 17).

Table 17 : Accommodation used by Domestic tourists

Accommodation	Respondents	Percentages
Hotels	17	53
Lodges	25	78
Camps	9	28
Clubs	1	13

Table 17 shows that the most popular form of accommodation was the lodge which was patronised by 78% of the respondents.

Hotels were somewhat popular with a patronage rate of 53% while camps and clubs were patronized by 28% and 13% of the respondents respectively.

Half of the tours were group arranged while the other half were private arranged. Only 22% of the domestic tourists were taking the tour alone. The other 78% were accompanied by other

tourists, family members and friends. Fourteen (56%) out of 25 respondents were accompanied by other tourists and colleagues, 36% by family members and the other 24% by friends.

Thirteen (54%) out of the 24 tourists who responded said that the package was expensive, while the remaining 11 (46%) said that the package was not expensive. The latter group mainly comprised the Asian Kenyan Community, expatriates and employees in various foreign embassies in Nairobi. The tour package cost an average of Kshs 4,200.

Asked whether they were likely to make another tour in future, twenty five (78%) said "yes", five (16%) said "not sure" and two (6%) said "no" respectively. The average duration of the tour was itself 3.84 days.

Most of the tourists (76%) felt that there was a need to reduce the package rates even further. They felt that there was a need to not only reduce the accommodation and transportation charges but also on the charges for peripheral facilities like restaurant and bar. Some 54% of the tourists also felt that there was a need to intensify promotion while 18% felt that the industry should encourage more package tours.

On the question of age most of the respondents belong to the 26-35 years bracket. The distribution of tourists by age is summarised in table 18. Some 47% of the tourists fell between 36 and 45 years of age. None of the tourists was above 65% years of age.

Table 18 : Approximate age of Domestic tourists in years

Age Bracket	Respondents	Percentages
< 25	5	16
26 - 35	15	47
36 - 45	8	25
46 - 55	1	3
56 - 65	3	9
66 and >	0	0
	n=32	

FACULTY OF COMMERCE
GRADUATE LIBRARY

Most of the tourists earned between Kshs 21,000 and 25,000. This comprised ten (37%) out of the 27 tourists who responded to this question. The respondents' levels of income are summarised in table 19.

Table 19 : Approximate levels of income of tourists per month.

Income Level (Ksh 000)	Respondents	Percentages
Ksh < 10	1	3.7
Ksh 10 - 15	5	18.52
Ksh 16 - 20	5	18.52
Ksh 21 - 25	10	37.04
Ksh 26 - 30	2	7.41
Ksh 31 - 35	0	0
Ksh 36 - 40	0	0
Ksh 41 - 45	1	3.70
Ksh 46 - 50	2	7.41
Ksh 51 and >	1	3.70

As shown in table 19, Eighty five percent of the respondents earned less than Kshs 30,000.

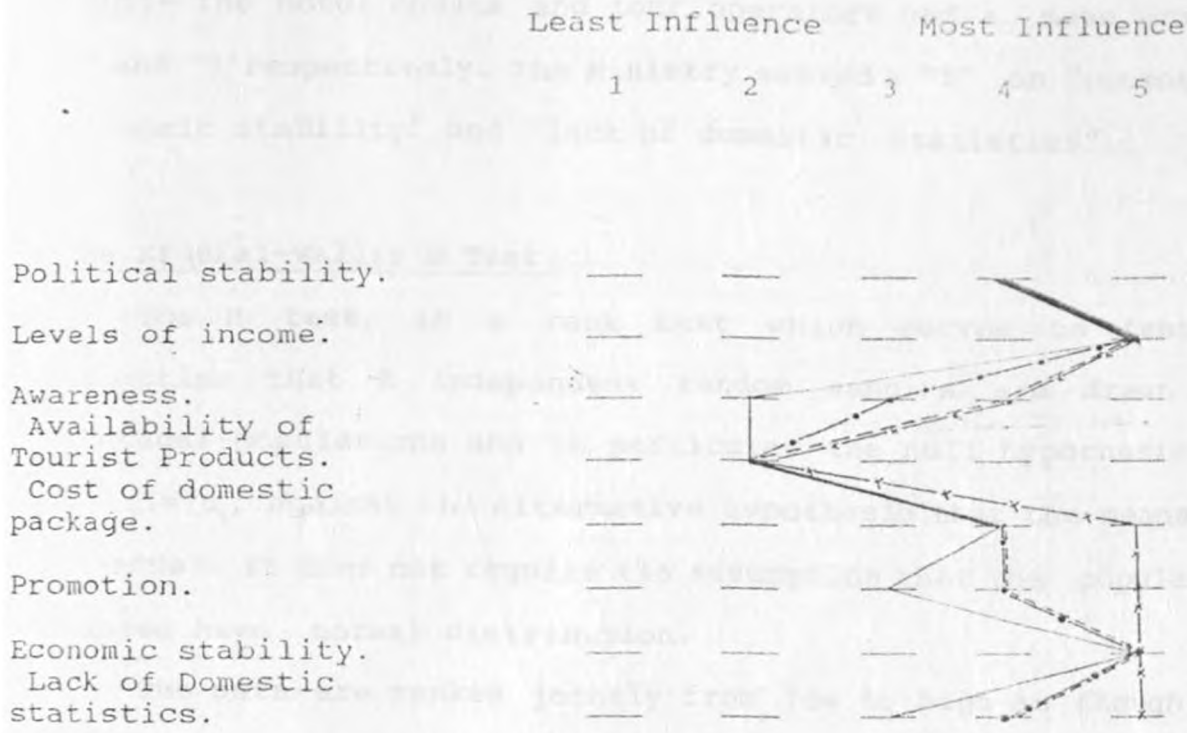
Eighty one percent of all the respondents were Kenyan. The other respondents (19%) who worked in the embassies.

Some (50%) of the respondents had their permanent address in Nairobi, 13% were from Central Province, 9% from Eastern, 9% from Coast, and 6% each for Nyanza, Western, and Rift Valley. In terms of sex, 31% of the respondents were females.

4.2.4 Comparison between the various sub-groups.

The factors influencing domestic tourism were analysed by calculating the mean score of each attribute for each group of respondents. Figure 1 graphically shows a Likert-type profile of relevant mean scores. As can be seen from the figure, apart from availability of domestic tourist products, all the other factors have a lot of influence on the domestic tourism trade. The four groups of respondents scored at least a "3" on a scale of "1" (least influence) to "5" (most influence) for all the factors apart from availability of tourist products. Level of income and economic stability were said to have the "most influence" on domestic tourism. They received a mean score of "5". Political stability, cost of the domestic package and promotion received a mean score of "4". The groups differed slightly on such factors as awareness, promotion, and lack of statistics on domestic tourism.

Figure 1: Likert-type profile on Factors influencing Domestic tourism by sub-groups



- Key
- Hotel Chains
 - Budget Hotels
 - - - Tour Operators
 - ←← Ministry

Respondents from the budget hotels did not feel that awareness had a lot of influence on domestic tourism. To them, the current level of awareness was adequate - at least for their type of customers. The same group of respondents did not attach a lot of importance to promotion when compared with the other three groups. The group's mean score for promotion was "3" as opposed to the major hotel chains and tour operators which scored a "4" on

this factor. Similarly the budget hotel group had a mean score of 3 while the hotel chains and tour operators had a mean score of "4" and "5" respectively. The Ministry scored a "5" on "promotion", "economic stability" and "lack of domestic statistics".

The Kruskal-Wallis H Test:

The H test, is a rank test which serves to test the assumption that K independent random samples are drawn from identical populations and in particular the null hypothesis $u_1 = u_2 = \dots = u_k$, against the alternative hypothesis that the means are not equal. It does not require the assumption that the populations sampled have normal distribution.

The data are ranked jointly from low to high as though they constitute a single sample. Then, if R is the sum of the ranks assigned to the n values of the ith sample and $R = n_1 + n_2 + \dots + n_k$, the H test is based on the statistic:

$$H = \frac{12}{n(n+1)} \sum_{i=1}^k \left(\frac{R_i^2}{n_i} \right) - 3(n+1)$$

If the null hypothesis is true and each sample has at least five observations, it is generally considered reasonable to approximate the sampling distribution of H with a chi-square distribution having k-1 degrees of freedom. Consequently, we reject the null hypothesis when the value obtained for H exceeds

theoretical χ^2 for $k-1$ degrees of freedom.

Therefore, $H_0: U_1=U_2=U_3$

$H_a: U_1, U_2, \text{ and } U_3 \text{ are not equal}$

$\alpha = 0.05$

Reject the null hypothesis if $H > 5.991$, which is the value of $\chi_{0.05}^2$ for $3-1=2$ degrees of freedom; otherwise, fail to reject it. The computation of the relevant quantities yielded the following:

$$R_1 = 426$$

$$R_2 = 96$$

$$R_3 = 152.5$$

$$H = \frac{12}{37(37+1)} \left[\frac{426^2}{20} + \frac{96^2}{10} + \frac{152.5^2}{7} \right] - 3(37+1)$$

$$= -0.3414$$

$$= 0$$

Since the computed $H=0$ is less than the critical $H=5.991$, the null hypothesis is not rejected. It can, therefore, be concluded that the three groups of respondents (major hotel chains, budget hotels and tour operators) were not significantly different as far as their assessment of the factors influencing domestic tourism are concerned.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND IMPLICATIONS:

5.1 SUMMARY

The main objectives of this study were (i) to determine the extent to which marketing mix variables are used in domestic tourism, (ii) to examine the major determinants of marketing domestic tourism in Kenya and (iii) to identify the demographic and socio-economic characteristics of domestic tourists. These objectives were satisfied by collecting and analysing pertinent data using three different types of questionnaires.

The first questionnaire was distributed to firms in the hotel and travel sector; the second questionnaire was distributed to the Ministry of Tourism and Wildlife; and the third to domestic tourists. The questionnaires had both structured and unstructured questions and statements. Once collected, the data were analyzed by the use of summary statistics particularly the percentages. A Likert-type profile was also developed. The data were also subjected to the Kruskal-Wallis H-test. The conclusions based on the findings and their managerial implications are discussed hereunder.

5.2 CONCLUSIONS

The results of this study are not very encouraging because both the Ministry of Tourism and Wildlife and the private sector in this industry do not appear to attach a lot of importance to domestic tourism. Most of the marketing variables investigated in

this study regarding domestic tourism marketing in Kenya were not being applied by the whole industry. The industry was also found to be experiencing a number of serious problems in marketing domestic tourism.

Most of the major hotel chains and a few travel firms only engage in domestic promotion during the low season or when there is a crisis affecting incoming tourist traffic.

Those firms not engaging in local promotion said that the major portion of their business is from the international market and they were not keen on domestic tourism. Most of the hotel chains who engaged in local promotion during the low season were subsidiaries of international organizations. There was very little promotional activities from the budget hotels. Only rarely did the latter group of operators engage in promotional activities like advertising. Even then, they did so as a group under the budget hotels association. This advertising even though rarely done was different from that of the major hotel chains and travel firms. The budget hotels advertised during both seasons with most of it being done in december.

The media used by firms for their promotion include magazines, newspapers, brochures, television and leaflets. They engage in sales promotion activities like attendance of fairs, conferences, shows, seminars and exhibitions. The most popular advertising media were found to be newspapers and television. The Ministry has not been doing any serious promotion at the local market. However, it participates in such promotional activities

as seminars, workshops, shows, fairs and exhibitions. It has also occasionally had documentary features on television.

The firms in their promotional campaigns stress such attractions as the organization and its offerings, physical attractions all over the country, those around the firms location or a combination of both. Price is a very important element in such promotions.

It was found that firms in the travel trade tended to stress the physical attractions in the whole country more than the major hotel chains. The latter concentrated more on physical attractions around their hotels. The type of media used in the promotion activities were found to depend on the type of audience and the required reach.

The market segments that were identified by the private firms were expatriates, diplomats, Industrialists, Organizations, individuals, family units and business people. Major hotel chains and travel firms give special treatment to different segments during the low season. Their offers vary from one customer requirement to another. The budget hotels don't have special treatment for local customers as compared to international tourists. The Ministry has identified various institutions, church organizations, individual business people, industrialists, diplomats, expatriates and family units as important market segments. Unlike the private firms, the Ministry has not devised any specific marketing activities to cater for the local market. The Ministry does not even have policy guidelines on marketing

domestic tourism.

The major hotel chains and some travel firms were found to engage in serious low season marketing. The firms dealt with the low season problem in various ways. These include offering low rates to both local and foreign customers and promoting locally during this period. Some firms in both the hotel and travel business carry most of their repairs and maintenance during this period. A few of the smaller tour operators just wait for the high season to resume. The Ministry tries to encourage more domestic tourists during this time by requesting the private operators to lower their rates to an affordable level. During this period concessions which take the form of reduced rates and charges are given. Very few of the firms co-operate with the Ministry in marketing domestic tourism, by participating in such functions as fairs, shows, seminars, demonstrations, exhibitions, and conferences. The private firms also cooperate by contributing articles to ministerial publications, and reducing rates when requested. A number of firms felt that the lack of joint marketing with the Ministry was contributing to the failure of domestic tourism.

Less than half of the private firms engaged in any form of research aimed at the local market. Most of those who carried such research activities belonged to the major hotel chains. For this reason most firms were not very familiar with the local market and did not understand their customers properly. The objective of conducting research by the few firms that did so was

a desire to understand their customer's needs and wants. This could help the firms increase their business. The Ministry does not carry any research at the local level. Lack of information on the local market means that most firms determine what to provide to their customers based on what they had to offer or what they thought their customers wanted.

The study identified a number of problems hindering domestic tourism trade in Kenya. These include the low levels of income earned by the local population, the fact that most Kenyans are unaware of the tourist products. This was compounded by the high costs of advertising, traditional value systems and beliefs and the general economic and political stability. Proposed ways of solving these problems include the improvement of the general economy by the government, safety in such tourist attractions as national parks, raising the levels of income, creating higher levels of awareness through educative promotion in institutions and schools, and offering lower rates. The lower rates should not just be for transportation and accommodation but also for peripheral items like bars and restaurants.

The most popular attraction were the game parks. Most of the tourists were attracted by the offerings of specific firms in the industry. This is because most used tour operators for transportation and stayed in lodges.

Visitors either travelled in groups or individually. Those in groups were accompanied by family members or business associates. Most of those in groups were holiday tourists while

many business tourists took the tour as individuals. Some business tourists were also in transit.

The tourists identified television as the most effective medium of advertising at the local market. Newspapers were also said to be effective in marketing domestic tourism. Most of the respondents said that newspapers were being used to promote domestic tourism. The message in the advertisement was found to appeal to only half of the respondents. Some 40% of the respondents said that the message portrayed what they found to some extent. Some respondents did not find the message appealing because the most effective media were not being used.

A majority of the respondents (54%) found the tour package rather expensive. The average cost per package was around Kshs 4,000. Out of their experience, 78% of the respondents were sure of making another trip in future. The remaining 22% were either not sure or could not patronize the same facilities again. The average duration of stay was 3.84 days.

The tourists suggested a number of measures to be taken if more Kenyan residents were to patronize various tourist facilities. These include the reduction of rates, more promotion and encouraging group packages. Most tourists felt that price reduction should also cover peripheral services like bars and restaurants. According to most of them, the tour package became expensive because of these peripheral facilities. This constitutes 65% of tourists who felt that the package was expensive.

5.3 RECOMMENDATIONS

The findings of this study have several potentially useful implications for the whole tourist industry. The relevant recommendations are that:

(1) The government should first of all seek to improve on the general management of the economy. This would help in raising the living standards of Kenyan and eventually their income levels. The Ministry needs to come up with clear policy guidelines for the promotion and development of domestic tourism into a mature market.

2) Budget hotels should be promoted as an alternative to hotel chains which do not view domestic tourism as a very important market. This would ensure that accommodation facilities were available for the local population. The major hotel chains should also change their attitudes toward domestic tourism.

(3) There should be co-operation between private firms and the ministry in marketing domestic tourism. This would minimize costs of such activities as marketing. The industry should also get together and create awareness domestic tourism among the local population.

(4) There is also the need for more research by the whole industry aimed at understanding the local market. This will ensure that the right marketing mix is developed and appropriately applied.

(5) Reducing charges by itself will not help domestic tourism if peripheral items remain out of reach for the locals. Low season

charges should also take into account such items as the bars and restaurants.

5.4 LIMITATIONS OF THE STUDY.

Resource constraints were a major limitation of this study. For instance it was not possible to extend the research the whole country. However, this problem was taken care of by interviewing firms with branches in other parts of the country. Unfortunately, since budget hotels did not have branches outside Nairobi, it was not possible to sample budget hotels in other parts of the country.

It was also not possible to take a larger sample of each group of respondents because of time and financial constraints.

5.5 DIRECTIONS FOR FUTURE RESEARCH.

Future studies should try to resolve the limitations cited hereabove. That is, the geographical scope of the study should be extended. Future research should also cover a longer duration of time. This is because the current study was conducted during the low season and the results may not be wholly representative of the Kenya's domestic tourism marketing. Further, researchers should conduct studies which include potential tourists and why they do not currently engage in domestic tourism.

Future research should also aim at determining whether the current tourist attractions that have been developed for international clients are suitable for local customers.



UNIVERSITY OF NAIROBI
FACULTY OF COMMERCE

Patrick Wahome Gakuru
M.B.A. Office,
University of Nairobi,
P.O. Box 30197
Nairobi.

P.O. Box 30197
Nairobi, Kenya

Phone: 732160 Ext. 215
Faxes: "Varsity", Nairobi
22095 Varsity

14th April, 1993

The Permanent Secretary,
Ministry of Tourism and Wildlife,
NAIROBI

Dear Sir,

RE: PATRICK WAHOME GAKURU

The above-named is a Post-graduate student at the Faculty of Commerce, University of Nairobi. He is conducting a research in partial fulfillment of the requirements for his degree course. The research report is expected to be ready for examination by the end of June, 1993.

Mr. Gakuru is interested in conducting his study on certain aspects of Tourism and would like to collect some data from your Ministry. The point of my letter is to request you to kindly give him permission to collect the said data.

Yours sincerely

DR. P.O. K'OBONYO
DEAN, FACULTY OF COMMERCE

APPENDIX II

A SPECIMEN OF LETTERS TO RESPONDENTS

Patrick Wahome Gakuru,
C/O M.B.A. Office,
University of Nairobi,
P.O.Box 30197,
Nairobi.

Dear Respondent,

I am a postgraduate student studying for a Master of Business and Administration degree at the Faculty of Commerce, University of Nairobi. I am currently conducting research in the area of 'Domestic Tourism'. The topic is: "The Marketing of Domestic Tourism in Kenya."

The purpose of this letter, therefore, is to request you to respond to the attached questionnaire. The information you give will be treated in strict confidence and at no time will your name or that of your organization be referred to directly. The information will be used for academic purposes only.

Thank you very much in anticipation.

Yours faithfully,

Gakuru, P.W.,

APPENDIX III

THIS QUESTIONNAIRE IS TO BE ANSWERED BY THE MINISTRY OF
TOURISM AND WILDLIFE.

1. What role does the Ministry currently play in marketing
d o m e s t i c t o u r i s m ?

2. What are the duties and responsibilities of the marketing
department in marketing domestic tourism?

3. What are the main functions of the Domestic Tourism Council?

4. What steps is the Ministry taking to achieve the target 400,000
domestic tourists per annum?-----

5. What factors (if any) have hampered the success of the domestic
tourist trade in Kenya?

6. Listed below are some factors that have been identified as influencing domestic tourism trade in Kenya. You are asked to rate, in your own opinion, the extent to which these factors influence the volume, value and duration of stay by domestic tourists. To rate these factors, tick the score most applicable. A score of (1) implies least influence while a score of (5) implies most influence.

	Least- Influence				Most- Influence
a. Higher Income level	[1]	[2]	[3]	[4]	[5]
b. More- Promotion	[1]	[2]	[3]	[4]	[5]
c. Availability of Tourist products	[1]	[2]	[3]	[4]	[5]
d. Cost of domestic Package	[1]	[2]	[3]	[4]	[5]
e. Awareness	[1]	[2]	[3]	[4]	[5]
f. Political Stability	[1]	[2]	[3]	[4]	[5]
g. Economic Stability	[1]	[2]	[3]	[4]	[5]
h. Others (Specify)	[1]	[2]	[3]	[4]	[5]
	[1]	[2]	[3]	[4]	[5]

7. Does the Ministry engage in any type of Research?

[] Yes - Go to Q. 8

[] No - Go to Q. 10

8. What type of Research? -----

9. What are main objectives of this Research?

10. How many types of market segments (groups of customers) for the domestic tourists has the Ministry indentified? (specify)

11. How many types of domestic tourist products (attractions) has the Ministry identified?

12. What are the main objectives of marketing the tourist attraction to different market segments?

13. Are there differences in marketing the tourist attractions to the different market segments?

Yes - Go to Q. 14

No - Go to Q. 15

14. Which are these differences?

15. In what kind of promotional activities directed at domestic tourists is the Ministry involved in?

16. Are there different messages developed for different audience?

[] Yes

[] No

17. What types of media does the Ministry use to reach the audience?

18. Are different media used to reach different market segments?

[] Yes, specify-----

[] No

19. On what basis is a certain medium chosen?-----

20. What are the main attractions which are emphasised by the Ministry while carrying out the promotional activities aimed at domestic tourists?

21. Does the Ministry involve any professional firms in promoting domestic tourism? (e.g. in message development, media selection)

[] Yes

[] No

22. Is there any joint marketing of the tourist attractions by the Ministry and individual firms in the industry?

[] Yes

[] No

If answer is 'yes', what is the nature of this joint marketing (promotion)?-----

23. What role, if any does the ministry play in the pricing of the domestic tourist product?

through friends
travel agents
through advertisements
other sources

APPENDIX IV

THIS QUESTIONNAIRE IS TO BE ANSWERED BY DOMESTIC TOURISTS

1. Is this Your first tour?

Yes

No

2. If answer to (1) above is No, how many times have you taken a tour?

3. What is the nature of your tour?

Holiday

Business

Others

If others, specify-----

4. Which are the main attraction areas (Game Parks, Beaches, Historical Sites e.t.c) that you visited? (list them down)

5. How did you learn about the attraction(s) you mentioned above?

Through friends

Travel agents

Through advertisements

Other sources

If other, please specify-----

6. Which promotional media do you think would be effective in reaching potential tourists in Kenya? (Rank all the appropriate media).

Radio Magazines

T. V. Cinemas

Newspapers Others

If 'Others', please specify-----

7. Is the medium identified above as the most effective the same as the one which is presently being used to promote domestic tourism?

Yes

No

Don't Know

8. If answer to (7) above is 'No' which media are being used?-----

9. Did the message portray what you actually found at the destination?

Yes

No

To some Extent

10. If answer to (9), above is 'No', did the message 'overstate' or 'understated' the real offerings? (Give an explanation)-----

11. Did you enjoy your tour? (give reasons)

[] Yes

[] No

12. If answer to (11) above is 'No', what might have prevented you from enjoying yourself?-----

13. Rate the following services that were provided to you during the tour?

	EXCELLENT	SATIS-	SOME WHAT	NOT
		FACTORY	SATISFACTORY	SATISFACTORY
i. Transportation Services	---	----	----	----
ii. Accommodation Services	----	----	----	----
iii. Entertainment Services	----	----	----	----
iv. Food	----	----	----	----
v. Sporting facilities	----	----	----	----
vi. Conference facilities	----	----	----	----
vii. Communication facilities	----	----	----	----
viii. Others (specify)	----	----	----	----

14. What transportation means did you use during the tour? (give names)-----

15. In what places (hotels, lodges, camps, etc.,) were you accommodated during the tour? (give names)-----

16. Was your tour 'group arranged' or a 'private one'?

17. Did you take the tour alone?

Yes [] Go to Q.19

No [] Go to Q.18

18 Who accompanied you?-----

19. Was the tour package expensive? (give details)

20. Approximately how much did the visit cost you?-----

21. Out of your experience are you likely to make another tour in future?

[] Yes

No

Not sure

22. How long was your tour? (give answer in days or months)

23. What do you think can be done to attract more Kenyan residents to visit the destination(s) that you toured?-----

24. What is your approximate age in years?

\leq 25 years

26 - 35 years

36 - 45 years

46 - 55 years

56 - 65 years

Over 65 years.

25. What is your approximate level of income per month?

Ksh \leq 10,000

Ksh 11,000 - 15,000

Ksh 16,000 - 20,000

Ksh 21,000 - 25,000

Ksh 26,000 - 30,000

Ksh 31,000 - 35,000

Ksh 36,000 - 40,000

Ksh 41,000 - 45,000

Ksh 46,000 - 50,000

Ksh 51,000 and above

26. What is your nationality? (e.g, Kenyan by birth, Expatriate, e.t.c)-----

27. What is your permanent address (Town) -----

28. What is your sex?

[] Male [] Female

Thank you very much for your co-operation.

Yours sincerely,

Gakuru, P.W.

APPENDIX V

QUESTIONNAIRE FOR HOTELS, TOUR OPERATORS AND TRAVEL AGENTS

1. What is the name of your firm? -----

2. What is the relative size of your firm? Give answer in terms of;
 - i. Sales per annum -----
 - ii. Number of employees -----
 - iii. Number of branches -----
 - iv. Number of cars owned (if it is a tour operation or agent)

3. Is your firm a subsidiary or part of another firm established either locally or abroad?
 Yes
 No.
4. If answer in (3) above is 'Yes', which is that organization and where are the headquarters?
Name.....Headquarters.....
5. In what activities is your firm involved?

6. What problems have you encountered to date in your marketing efforts locally?-----

7. How can these problems be overcome?-----

8. Listed below are some factors that have been identified as influencing domestic tourism trade in Kenya. You are asked to rate, in your own opinion, the extent to which these factors influence domestic tourism in Kenya, by ticking the most applicable score. A score of (1) implies least influence while a score of (5) implies most influence.

	Least- Influence (1)	(2)	(3)	(4)	Most- Influence (5)
a. Political Stability	[1]	[2]	[3]	[4]	[5]
b. Levels of Income	[1]	[2]	[3]	[4]	[5]
c. Awareness	[1]	[2]	[3]	[4]	[5]
d. Availability of tourist products	[1]	[2]	[3]	[4]	[5]
e. Cost of domestic Package	[1]	[2]	[3]	[4]	[5]
f. More Promotion	[1]	[2]	[3]	[4]	[5]
g. Economic Stability	[1]	[2]	[3]	[4]	[5]
h. Others (Specify)	[1] [1]	[2] [2]	[3] [3]	[4] [4]	[5] [5]

9 Do domestic tourists patronize your firm?

[] Yes

[] No

UNIVERSITY OF NAIROBI

10. How do you get your local customers?
- Special arrangements with other organizations
 - Customers patronize on their own
 - Others (specify) _____
-

11. Do you engage in any research aimed at the local market?
- Yes
 - No

12. If answer to (11) is 'Yes', what are the main aims of such research?-----

13. In providing goods and services to your local customers, do you determine what to provide?
- Based on what you have
 - Based on what you think they should need
 - Based on research findings on what the customers want
 - Others (specify)
-
-

14. How many types of domestic market segments (domestic tourist types) does your organization cater for? (give specifications)

15. Do you have an established way of satisfying these different market segments?

Yes

No

16. If answer to (15) above is yes, how do you satisfy each of them? -----

17. Do you have any special marketing activities designed to cater for the local market?

Yes

No

18. If answer to (17) is 'Yes', what is the main objective of marketing locally? -----

19. Are there any different customer characteristics among the domestic tourists?

Yes

No

20. If answer to (19) above is 'Yes', do you have different rates (charges) for the different types of domestic tourists? (Explain)

21. Do you have any special concessions for the domestic tourists

as compared to the foreign tourists?

Yes

No

22. If answer to (21) is 'Yes', do these concessions operate around the year? (Explain)-----

23. Do you engage in any promotional activities to attract local tourists?

Yes

No

24. If answer to (23) above is 'Yes', what attractions do you stress in your promotion campaigns?

25. What media do you use for this local promotion?

26. On what bases do you choose these media?

27. When do you promote locally?

During the low season

During the peak season

During both seasons

28. Do you co-operate with other firms in marketing your services to the local market?

Yes

Sometimes

No

29. If answer to (28) above is yes, give names of these firms...

30. Do you hold any joint marketing campaigns with the Ministry of Tourism and Wildlife aimed at the local market?

Yes

No

Sometimes

31. If answer to (30) above is 'yes', explain the nature of such joint marketing campaigns?-----

32. What kind of contributions do you make to the Ministry of Tourism and Wildlife for its domestic marketing activities?.....

33. How do you handle the problem of low business during the low season? -----

34. What do you think should be done to attract more domestic tourists during the low international tourist season?-----

Thank you very much for your co-operation.

Gakuru, P.W.

APPENDIX VI

Scores and Ranks for factors influencing domestic tourism by sub-groups

<u>Hotel Chains</u>		<u>Budget Hotels</u>		<u>Travel Firms</u>	
<u>Score</u>	<u>Rank</u>	<u>Score</u>	<u>Rank</u>	<u>Score</u>	<u>Rank</u>
20	27.5	25	12.5	29	27.5
30	31.5	23	6.5	27	18.5
27	18.5	27	18.5	26	15.5
23	6.5	18	1	28	24.5
25	12.5	19	2	29	27.5
30	31.5	23	6.5	27	18.5
28	24.5	24	10.5	21	4.5

R ₁ =152.5		26	15.5	20	3
		21	4.5	23	6.5
		27	18.5	30	31.5

		R ₂ =96		25	12.5
				30	31.5
				32	36
				33	37
				24	10.5
				31	35
				26	15.5
				29	27.5
				27	18.5
				28	24.5

				R ₃ =426.0	

SELECTED BIBLIOGRAPHY

- Aosa, E. " An Empirical Investigation of Aspects of Strategy Formulation and Implementation within Large, Private Manufacturing Companies in Kenya". Unpublished PHD Dissertation, University of Nairobi, 1992.
- Bryden J.M. Tourism and Development: A Case of the Commonwealth Carribean: Cambridge University Press, 1973.
- Burkart, A.J and Medlik, S. Tourism: Past, Present and Future, London: William Heineman Ltd, 1981.
- Buss, J.H and Herford, G. Personal Selling, Sidney: McGraw-Hill (in press).
- Crissy, W, and Landadio, D.M. "Marketing of Hospitality Services, Food, lodging." East Lausing, Michigan; The educationaonal Institute of the American Hotel and Motel Association 1978.
- Forster, D. Travel and Tourism Management, MacMillan Co, London, 1989.
- Freund, J.E. Modern Elementary Statistics, Prentice Hall, International, INC, 1988.
- Encyclopaedia Britannica, International ed., Vol 20, S.V. "SPa", 1974.
- Everyman's Encyclopaedia, 6th ed. 1978, S.V. "Tourism"..
- Government Printers. Ministry of Planning and National Development, Central Bureau of Statistics, 1991
- . Ministry of Planning and National Development, Economic Survey, 1992.
- . Ministry of Tourism and Wildlife: "Tourism Market Report," 1987/88.
- Kerre, M. "Tourism Marketing Management; The Conference

Business and Travel Trade in Kenya", A Research Proposal for a PHD, University of Nairobi, 1985/86.

- Kibera, F.N and Waruingi, C. Fundamentals of Marketing: An African Perspective. Kenya Literature Bureau, Nairobi, 1988.
- Kinyatti, M. "Tourism and Development: Kenyan Experience," Philosophy and Social Action, 1980.
- Lawrence L. Statistics - Meaning and Method, Harcourt Brace Jovanovich, Inc, 1975.
- Macdonald, A.M., ed, Chamber's Twentieth Century Dictionary, S.V. 'Spa'
- Magrath, A.J. " When Marketing Services, 4P's Are not Enough" Business Horizon / May-June 19--.
- McIntosh, R.W and Goeldner, C.R. Tourism: Principles, Practices, Philosophies, John Wiley and Sons, Inc, 1984.
- Mitchell, F. "The Costs and Benefits of Tourism in Kenya," University College, Nairobi, 1968.
- Ministry of Tourism and Wildlife; Planning Division, "The Economic Benefits of Domestic Tourism" Paper presented at the 8th Domestic tourism Workshop, 1992.
- Musilla, D. " Kenya in Depth," Paper Presented to the 10th African Travel Association Conference in Nairobi, April - May 1985.
- Mwaniki, F. "How to meet the 1,000,000 tourists target." The Standard, 6th Aug 1986.
- Nkari, I.M. "The Marketing of Kenya's Tourist Attractions." Unpublished M.B.A. Project, University of Nairobi, 1985.

Porter, M.E. Competitive Strategy. The Free Press, 1980.

-----, "The State of Strategic Thinking." The Economist,
23rd May 1987.

Shelley, S. " Hang Loose! Stay Tight!" Executive, Feb, 1992.

-----, " The Mysteries of `Eco - tourism,'" Executive. Aug
1991.

-----, " The Wildlife Equation," Executive Sept 1991.

-----, " Bust Turns to Boom," Executive July 1991.

-----, " Where Are We Going?" Executive, Dec 1980.

-----, "Marketing Eco-Kenya," Sokoni Vol 5 Third
Quarter, 1992.

Wahab, S. Tourism Management, Tourism International Press,
London, 1975

Walker, M.A. "Domestic Tourism: the Unexploited Opportunity."
Kenya International Tourist Exhibition, 1993.