

MARKETING STRATEGIES ADOPTED BY KENYA TOURIST BOARD TO MARKET KENYA AS A TOURISM DESTINATION

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(D61/P/8537/2005)

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**A MANAGEMENT RESEARCH PROJECT PRESENTED IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE OF
MASTER OF BUSINESS ADMINISTRATION (MBA), UNIVERSITY OF NAIROBI**

Declaration

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

Signed: 

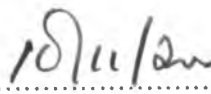
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This Management Research Project has been submitted for examination with my approval as the University Supervisor.

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Dedication

This project is dedicated to my mother and brothers who have been instrumental in shaping my progress through this journey.

Acknowledgement

I am heartily thankful to my supervisor, Dr Raymond Musyoka, whose encouragement, guidance and support from the initial to the final level enabled me to develop an understanding of the subject.

Lastly, I offer my regards and blessings to all of those who supported me in any respect during the completion of the project.

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ABSTRACT

Tourism is one of the major contributors to the country's GDP therefore an important pillar in the Kenya's economy. This study is conducted to determine one objective; the marketing strategies applied by Kenya Tourist Board to promote Kenya as a tourist destination. The study investigates the specific marketing strategies used by the board and how they have been implemented. Determining marketing strategy is one of the most critical function of management.

The research was conducted through case study method and a structured questionnaire was administered to six strategic and research managers at Kenya Tourist Board. Data was collected and analyzed through descriptive statistics such as arithmetic means and percentages to establish extent of implementation while frequency tables were used to summarize these statistics.

The findings indicate the presence of marketing strategies but challenges arise on the extent of implementation. Intergration of the different marketing strategies is key for realization of the desired impact. There is inadequate consideration on branding strategy thus affecting the general position of the country and the use of various marketing tools. The current approach is mass market oriented thus it does not appeal to specific niche audiences or markets. This approach restricts the showcasing of the specific tourist forms that the country has to offer. Further concentration on traditional markets e.g UK and USA ignoring the recently developed vibrant potential markets e.g Asia and Middle east who have a growing interest in tourism.

CHAPTER ONE: INTRODUCTION

1.1 Background

Tourism is travel predominantly recreational or for leisure purposes or provision of services to support this leisure travel. The World Tourism Organization defines Tourists as people who travel to and stay in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercises of an activity remunerated from within the place visited.

Hunziker & Kraph (1941) defines Tourism as “the sum of the phenomena and relationships arising from the travel and stay of non residents in so far they do not lead to permanent residence and are not connected with any earning activity. Tourism is a service business activity that has been carried on for centuries. Turner and Ash (1975), trace the origin of tourism back to the conquest of Alexander the Great (356-323 BC) and the subsequent development of the Hellenistic (connected with ancient of modern Greece) urban system. Today, travel and tourism is motivated by so many other than the cities and the means to escape; the need for relaxation, educational and research activities, the desire to escape from busy daily routines at work place, relieve tension, security - health or recreation, love (family togetherness, maintain social contracts, companionship), appreciation for natural beauty - environment and scenery among others.

Over the last six decades, tourism has experienced continued growth and diversification to become one of the largest and fastest growing economic sectors in an economy. Consequently more and more destinations have opened up and governments have turned to investing in tourism development as a key driver for socio-economic progress.

Tourism has become a major income earner and one of the international trade categories ranking the fourth after fuels, chemical and automotive products (World

Economic Forum, 2008). For developing countries e.g. Kenya, it one of the major source of income creating much needed employment and resources. In recent years, tourism has been increasingly recognised for its economic potential to contribute to the reduction of poverty in developing countries. Its geographical expansion and labour intensive nature support a spread of employment and can be particularly relevant in remote and rural areas, where live three quarters of the two billion people under extreme poverty conditions.

Tourism demand depends above all strongly on the economic conditions in major generating market. When economies grow, levels of disposable income will usually also rise. A tightening of the economy on the other hand will often result in a decrease or trading down of Tourism spending. Also, developing countries will play a big role in creating awareness on what they have to offer (forms of tourism) through their various tourist destination marketing boards. Especially in developing countries, lack of technological knowhow has led to the slow adaptation and augmentation of the World Wide Web as one of the most primary platforms they could use to market themselves.

The World Tourist organization is a specialized agency of the United Nations and the leading International Organization in the field of Tourism. It's a significant global body concern with the collection and collation of statistical information on international tourism for public sector tourism bodies from most countries of the world. It serves as a global forum for tourism policy issues and a practical source of tourism know-how. Its membership includes 160 countries and territories and more than 350 affiliate Members representing local governments, tourism associations and private sector companies including airlines, hotel groups and tour operators. The World Tourist Organization promotes the development of responsible, sustainable and universally accessible tourism paying particular attention to the interests of developing countries like Kenya. The organization encourages the implementation of the Global Code of Ethics for Tourism, with a view of ensuring that member

countries, tourist destinations and businesses maximize the positive economic, social and cultural effects of tourism and fully real its benefits.

It is also geared towards reducing poverty and fostering sustainable development through commitment to the United Millennium Development Goals. In the period 2001-2005 the World Tourism Organization has undertaken extensive and in-depth research to understand better the mechanisms through which tourism contributes to poverty alleviation, as well as to identify the obstacles that prevent the full optimization of tourism earnings in favour of local, poor people in LDCs. The results of such research have served to set up policy guidelines, specific tools and project evaluation criteria that have been widely disseminated during 2004 and 2005.

1.1.1 The Concept of Marketing Strategies

Modern discussion of marketing strategy can be traced by to 1926 by Leverett S.Lyon who argued that marketing strategy was perceived as the business function that developed marketing strategy. Marketing Strategy in the tourism industry faces a particular challenge as it deals with a multifaceted, poorly standardized product and a volatile fastidious customer (Middleton and Clarke, 2001). To be successful in the tourism markets, DMOs must be able to interpret the needs of their visitors, identify appropriate ways to segmenting the markets, in which they compete, develop and launch the appropriate products and effectively communicate with potential visitors. These issues are closely interrelated, as they form the basis of the marketing interface between the DMO and its business and the marketing environment. Tourism takes place in a complex, dynamic and constantly changing environment that must be monitored and adapted to by all tourism enterprises. The industry today faces a set of new and increasing challenges arising from changing tourist behavior and environment conditions (Calver, 1994; Crawford- Welch, 1996; Middleton and Clarke, 2001; Varvaressos and Soteriades, 2005).

Implementation of the marketing concept in tourism can be achieved through the use of a variety of marketing tools and techniques (Popadopolous, 1989; Calantone and

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Implementation of the marketing concept in tourism can be achieved through the use of a variety of marketing tools and techniques (Popadopolous, 1989; Calantone and

Mazanec, 1991). Of these, market segmentation, positioning and the marketing mix merit discussion in this study. Marketing concept does not consist of advertising, promotion and selling. It is the willingness to recognize and understand the consumer's needs and wants, and a willingness to adjust any of the marketing mix elements, including product to satisfy those needs and wants (Houston and Franklin, 1986)

In order to anchor its relevance and indispensability in the minds of a variety of audiences, any organization must build a good reputation and image through the use of marketing strategies. The world is dynamic with technological advancement, changes in consumer consumption patterns and movement of target markets among others. As these market characteristics change, the opportunities also change requiring the use of marketing strategies to keep any organization relevant.

1.1.2 Kenya as a Tourist Destination

Kenya is one of the most popular tourist destinations in Africa after South Africa. Tourism in Kenya has a long history dating back to pre-independence period. The history can be traced back to 1898 when the earliest legislation on Wildlife was enacted establishing game reserves in the regulation's of the Gazette for the East African Protectorate of 1898.

Tourism is a key foreign exchange earner for the country bringing in volumes of up to USD 500 million in annual revenue according to Kenya Tourist Federation. Kenya's tourism industry is relatively well developed (with first class hospitality establishments and tourist facilities that are juxtaposed in close proximity to pristine glistening tropical sand beaches) and world renowned wildlife attractions in protected parks and reserves. Kenya's tourism was founded on the country's rich wildlife resources (Sindiga, 1999). Kareithi (2003) also sighted that there has been some growth in Beach Tourism along the Indian Ocean Coast making it equally important. Indeed the coastal areas generate the highest number of bed occupancies, particularly from Germany and the United Kingdom. Sindiga (1999) notes a number of other assets and attractions that could be further developed to diversify the industry. According to Sindiga (1999) developed tourism forms include wildlife

safaris, beaches, marine life, urban tours, balloon safaris, animal orphanage, nature walks, bird watching, archaeological sites, cultural and traditional dances. On the other hand underdeveloped tourism forms include camping, camel safaris, cultural pluralism (include other cultures other than Maasai), cruise ship, golf, horse riding safaris, sculpture, craftwork, and bush tracking.

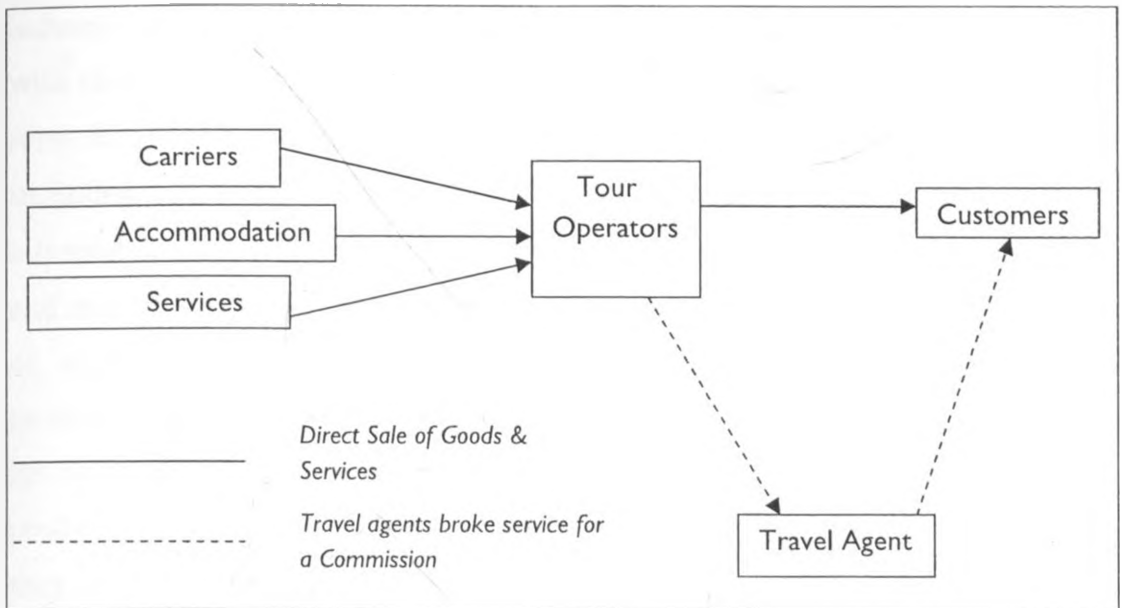
The tourism sector experienced rapid growth in tourist arrivals in the 70s and 80's before starting to undergo mixed fortunes in terms of the annual growth rate in the 1990s. These trends can be attributed to pre-election uncertainty in 1992, the Likoni clashes of 1997, the terrorist attack on the American Embassy in Nairobi and Dar es Salaam in 1998 and the post election violence in 2008. In 2007, tourism reflected the highest growth rate ever. It became the leading economic sector recording a growth of 13% overall (Kenya Economic Report , 2009). In the year 2008, the tourism sector in Kenya recorded one of its worst performances ever in real terms. The dismal performance was mainly occasioned by the post election crisis and the subsequent travel bans from the source markets. As a consequence, tourism earnings decreased by 19.2% from Ksh 65.2 billion in 2007 to Kshs 52.7 billion in 2008 (Kenya Economic Policy Report ,2009). The volume of international arrivals declined by 33.8% in 2008 to 1.2 million from 1.8 million attained in 2007. Others factors that impacted negatively on the sector included the high cost of jet fuel, the global financial meltdown and rise in commodity prices and exchange rate fluctuations that occurred in 2008. The number of bed nights occupied decreased significantly by 46.7% from 6,939.4 thousands in 2007 to 3,966 thousands in 2008. Similarly the number of visitors to the Game Parks and Reserves decreased from 2,495.1 thousands in 2007 to 1,633.9 thousands in 2008 representing a 34.5% drop.

The tour industry in Kenya has several players who ensure that tourist consume products they seek. The tourism industry structure is made up of hundreds of firms with a primary focus on the mass market as opposed to the high end. There are six parastatals, ten private sector associations, and hundreds of private sector players.

The parastatals comprise Kenya Tourism Board (KTB), Kenya Wildlife Service (KWS), Kenya Tourism Development Corporation (KTDC), Utalii College, Kenyatta International Conference Centre (KICC), Tourism Trust Fund (TTF) and Ecotourism Kenya. The 10 private sector associations are under the Kenya Tourism Federation (KTF), and include associations for hotelkeepers, tour operators, travel agents, airlines etc. There are 3 main types of private sector players – Airlines (concentrated), hotels (fragmented) and tour operators (fragmented).

The tour operators in Kenya are governed by Kenya Tour Operators Association (KATO), which sets policies on how they operate. Most tour operators are British settlers who moved into Kenya during the colonial period and have been developing the tour industry since then. Tour operators are businesses that combine two or more travel services (e.g. transport, accommodation, catering, and entertainment, sight-seeing) and sell them through travel agencies or directly to final consumers as a single product. A tour operator is thus a crucial link in the distribution chain representing the central connection between customers and providers of tourism services, and thus has the power to influence both the demand and the supply side. The product that a tour operator sells to customers is the 'package tour', i.e. the packaged combination of transport, accommodation and services. Due to bulk-buying the tour operator is able to offer this package at a cheaper price than the customer would have been able to achieve dealing directly with individual suppliers. This package is distributed to the customer either directly (e.g. via direct sell, internet) or via a 'middleman' (the travel agent) who arranges the sale of the package for commission, usually 10% of the retail price (see figure 1).

Figure 1: The role of the tour operator in the distribution chain



Source: Holloway, C (1998), *The Business of Tourism*, (5th ed), Addison Wesley Longman, London.

The government through a number of parastatal bodies has a significant impact on this Industry. Kenya Tourism Board (KTB) promotes Kenya as a Tourist destination both locally and internationally. Kenya Wildlife Service (KWS) is charged with the protection and conservation of the countries biodiversity, both inside and outside our 48 national parks and reserves including Marine Parks. Catering and Tourist Development Levy Trustees (CTDLT), is charged with the mandate of developing the Kenyan Tourism Industry through sponsoring of marketing through KTB and training through Kenya Utalii College and development of standards. Kenya Tourism Development Corporation (KTDC), promotes local investment in Tourism enterprises, Utalii College, offers training and courses in all areas of tourism. It's recognized by the World Tourism Organization and one of the 16 Professional centers of excellence in the world. Kenya International Conference Center (KICC), located in the heart of Nairobi, and makes a perfect venue for conferences meetings, exhibitions and special events. Bomas of Kenya, Tourist village that displays traditional villages belonging to the several Kenyan tribes. The venue is also used as conference center.

Kenya is endowed with natural resources and other features that allow its tourist industry to thrive including; the speck of the wildebeest migration, the abundance of wild animals, game reserves and beaches; large populations and limited education in rural Kenya supply the industry with cheap labor; well developed infrastructure including two international airports that accommodate large numbers of aircrafts; our road network have tarmac around the city but more off-road in the game reserves and rural Kenya which gives our visitors the wilderness experience they are in search of; availability of accommodation facilities including hotels, lodges and camping facilities provides support required to house the tourists; Government support through KTB which promotes and markets the country as a tourist destination; predominance of white settlers increase the number of visitors we receive annually as they offer huge influence to their natives back at home to visit Kenya; tourism is a foreign exchange earner for the country thus boosting GNP; lastly, there are several unexploited tourism forms e.g. sport and cultural tourism provide even greater opportunity for diversification of the product.

To increase competitiveness, there is need to continue expanding the product choice and range. The sector also needs to improve on the product and service quality. In Kenya for example, only 18% of Kenyan hotels are in the 4-5 star categories which is lower than the premier tourist destination the country wishes to project, compared to 38% in South Africa, 56% in Morocco, 48% in Turkey. In addition, tourism activities in Kenya are currently concentrated in only seven parks which receive about 80% of visitors to the country. There is need to facilitate development and promotion of other products such as resort cities, business tourism, eco-tourism, sports tourism, cultural tourism, shopping, conference tourism, and heritage sites among others. Currently Kenya is predominantly known as a wildlife and beach destination.

The security and safety provided to tourists is very crucial, the recent post December 2007 election violence that affected parts of the country has negatively impacted on the growth that had been registered during 2003-07 in the tourism sector. Over the years, the sector has been allocated limited financial resources from the Government despite being the leading foreign exchange earner and third largest contributor to

GDP. The sector has been receiving only 50% of its budget request and compared to other productive sector ministry, the share has been about 8%. There is need to increase budgetary allocation for the tourism sector to support product development, Marketing, research, and expenses. Better coordination and collaboration among public and private players will minimize unnecessary competition and duplication of marketing efforts.

There is need to educate, inform and motivate Kenyans to discover, experience and explore their country and the diversity it offers. This can be achieved through identification, development, effective marketing and promotion of products that appeal to domestic tourists. Climatic changes and global warming have adversely affected the tourism sector especially the drying up of the lakes and melting of snow on Mount Kenya. In this regard, efforts to mitigate the potential negative impacts of shoreline and sea level changes to small islands and beaches should be put in place. The development of skilled labor force capable of providing high standards of professionalism is crucial for the country to attract up market tourists.

1.1.3 Destination Marketing Organizations (DMOs)

Destination marketing organizations are defined as organizations that have been established to promote a specific destination to potential travelers (Gartrell,1988). Morrison et al (1998) suggest five primary functions of a DMO; economic driver, community marketer, industry coordinator, quasi public representative; and builder of community pride.

Destination marketing organizations (DMOs) have an overall responsibility for the entire destination product and through incentives and policies facilitate the development of products, which is desirable from the demand side, and at the same time does not jeopardize local resources. DMOs should therefore be the guardians of the image and resources of destinations. However, throughout the Kenya tourism services are offered by small and medium tourism enterprises (SMTEs) which tend to be family managed.

The challenge for destination management organizations is therefore to provide leadership in the development of innovative products and create local partnerships for the delivery of seamless experiences. These partnerships should bring together both private and public sector and should ensure that the long term competitiveness of the tourism product prevails all decision making processes (Buhalis and Cooper,1998)

1.1.4 KTB's Marketing Strategies

The tourist board is charged with the task of positioning the country as attractive and generating foreign exchange through tourist visits. Positioning plays a crucial role in potential tourist perception. So far positioning of the country is single faceted, thus limiting availability of choices for tourists.

The board in conjunction with tour operators carries out market research of potential tourist markets and relays the information back to tour operators their consumption preference. Tour operators being small franchises cannot afford the cost of advertising and promotion in foreign countries. KTB a governmental arm performs this function on their behalf. Until recently, the board what allocated a limited budget therefore curtailing their application of the required marketing strategies to generate tourist interest to Kenya as a destination.

1.2 Statement of the Problem

The recent political instability in Kenya set back tourist numbers by almost half; meaning international journalists and press news on the matter were more dominant in the consumers mind with little or no counter information on the positive aspects of the country. Most countries in Africa experience similar problems i.e. insecurity due to criminal incidences, political wrangles, civil unrest etc. Johannesburg; South Africa, is considered as the most insecure city in Africa however South Africa receives the highest number of tourist in Africa. This fact is attributed to the brand image of the country South Africa has created and strives to keep the country in the customers mind as a tourist destination through frequent promotion. The

promotional approach utilized to promote the country was not effective, it has been almost 2 years since the incidence but the tourist numbers are still low in comparison to other countries. The tourist board should be able to anticipate possible disasters and make necessary preparations in terms of marketing programmes to counter attack the expected negative publicity.

Tourism has become a global industry that is widely considered to be the fastest growing industry, the largest employer and the most significant contributor to GDP (Jackson, 2001). Tourism accounts for 10% of GDP and 4% of total employment in Kenya (World Trade Economic Forum, 2008) making it the third largest contributor of Kenya's GDP after agriculture and Manufacturing. Tourism is also the third largest foreign exchange earner after tea and horticulture at 23%; it captures backward and forward linkages while providing employment to about 253,000 people in the modern wage sector (World Tourism Council, 2007). In view of the extent the tourism sector contributes to the country's GDP and the unexploited potential, Kenya spends relatively less on tourism marketing. Considering budgetary allocation for tourism marketing by governments in the different destinations, in 2005 Kenya spent US\$ 5.4 for tourism marketing. On the other hand, among the comparator countries, South Africa allocated the highest amount in Africa with US\$70.2 million, Egypt and Tunisia allocated US\$ 48.0 million and US\$ 43.1 million respectively. In terms of spending on marketing per tourist, Kenya ranks the lowest at US\$ 3.7. South Africa ranks the highest with US\$ 9.3 ahead of Tunisia (US\$ 6.8), Egypt (US\$ 5.8) and Tanzania (US\$5.2)(World Travel and Tourism Forum, 2007). This shows that for Kenya to improve performance in tourism, the country must make budgetary outlays for marketing activities.

The tourism sector lacks a coherent and comprehensive policy, institutional and regulatory framework to handle the increasing threats, weaknesses and problems affecting the sector. In 2005 the Ministry of Tourism and Wildlife developed a draft policy and bill which proposed the formation of Kenya Tourist Authority, Kenya Tourism Research Institute, Regional Tourism Boards and Kenya Tourism Development Fund which have not been implemented to date. The government

through its various Ministries and parastatal has tried to revamp the tourism industry in Kenya; however it has been noted that the regular ministerial restructuring has led to difficulties in coordinating tourism with other related sectors (Sindiga, 1999). The government should recognize the importance of this sector for its significant contribution to the GDP, foreign exchange earning, employment opportunities and other backward linkages it offer the economy by implementing the necessary policies to guide the sector.

Marketing's contribution to travel and tourism has been undervalued by both policy makers and practitioners, leading to a misunderstanding of the nature and value of the marketing discipline for the travel and tourism industry (March, 1994). In Kenya, Gakura (1993), Makawiti (2000) and Muriuki (2003) researched on marketing domestic tourism and positioning strategies respectively. Mwangi (2007) looked at tour operators in Kenya and how they manage demand while Kanake(2008) analysed the competitive strategies applied among tour operators. Clearly there is a gap of knowledge on role of KTB in the tour industry and the effectiveness of its strategies. This research will offer an insight and bridge the gap of knowledge that exists.

1.3 Research Objectives

Objectives of this study are determined both in general and specific terms. General captures the overall purpose while the specific objectives outline precise marketing strategy approaches.

1.3.1 General Objectives

- (a) To determine the marketing strategy applied by Kenya Tourist Board to promote Kenya as a tourist destination.

1.3.2 Specific Objectives.

- (a) To determine the segmentation strategy utilized to divide different markets.
- (b) To determine the targeting method used to target potential tourists.
- (c) To determine the positioning of Kenya as a tourist destination.
- (d) To explore the use of promotion in marketing Kenya.

- (e) To determine the different tourist form offerings.
- (f) To determine the pricing strategy for the different products.
- (g) To determine the availability of facilities and accessibility of tourist products.

1.5 Importance of the Study

The findings of this study will benefit the following;

The Government of Kenya will realize the unexploited potential that lies in the tourism industry and its potential contribution to the GDP of the country. The findings will offer an impending benefit the country stands to gain with the required regulation for this industry. This study looks into the long term effects the industry has to the economy both positively and negatively in terms of environmental degradation.

The Kenya Tourism Board will have a better insight of the tourism industry in Kenya, its unexploited potential, underdeveloped tourism products and how best to position the country to reap maximum benefits. The board will also realize cheaper platforms to use to promote the country while concentrating on high spending per tourist markets for the same cost. The study offers a comparison of the performance of other Destination Marketing organizations in Africa which will ensure KTB becomes more competitive in the constant changing environment.

The tour industry is a collection of several stakeholders, most of whom are small and medium tourist enterprises (SMTes) who contribute to its existence, this study will shed light on the level of complex dependency that exists in this environment. It will depict the benefits that can be enjoyed by stakeholders of the industry through collaborative marketing approach.

CHAPTER TWO: LITREATURE REVIEW

2.1 Marketing and Marketing Strategy

Kotler et al (2002) defines marketing as a social managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value for others. Stone (2000), defines marketing as the planning process and executing the concept, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individuals and organizational objectives. According to the Chartered Institute of Marketing (1995), marketing is defined as the process that identifies, anticipates and supplies customer requirements efficiently and profitably. Zikmund and Michael (1995) views marketing as a process that includes many interrelated and independent activities meant to encourage exchange.

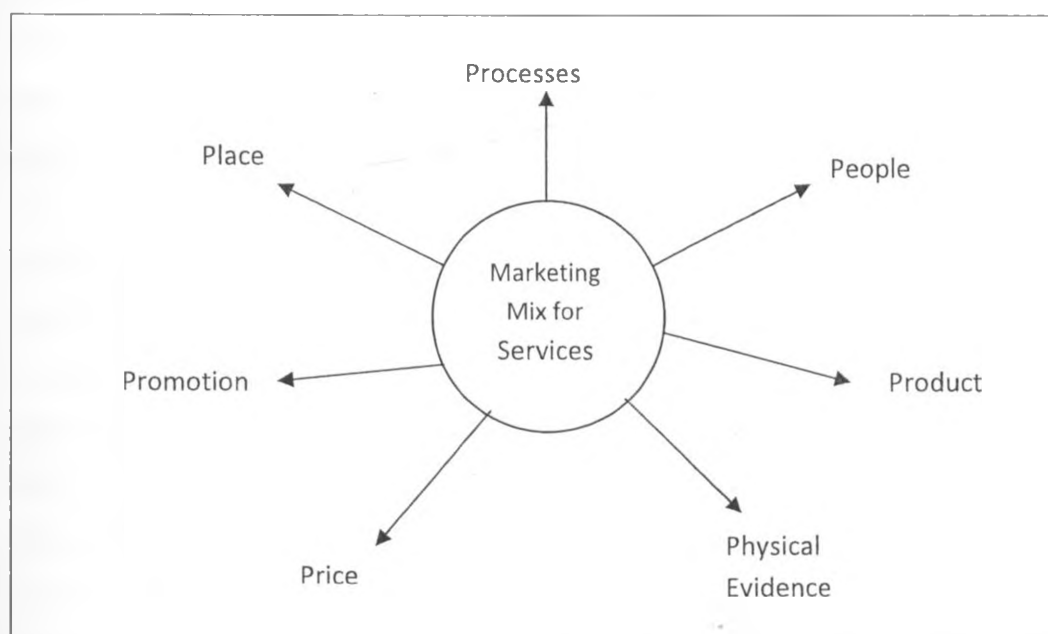
A marketing strategy on the other hand is a process that allows an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage (Baker, 2008). Firms therefore focus on gaining a competitive advantage to enable them respond to and compete effectively in the market. By identifying their core strengths, firms are able to concentrate on areas that give them a lead over competitors and provide competitive advantage (Hamel and Prahalad, 1993). According to Johson and Scholes (1997), core strengths are more robust and difficult to imitate because they are related to the management of linkages within the organizations value chain and to linkages into the supply and distribution chains.

Markets are changing all the time, businesses need to react to these changes or risk losing customers and become redundant. Some of the reasons why markets change rapidly include; changes in customer preferences due to development of new customer needs and wants; entrance of new competitors in the market, changes in technology, changes in legislation and the business environment as a whole.

2.2 Marketing Mix

One of the basic concepts in marketing is the marketing mix, defined as the elements an organization controls that can be used to satisfy or communicate with customers (Zeithaml,2000). Kotler (2003) defines the marketing mix as the set of marketing tools that the firm uses to pursue its marketing objectives in the target market. McCarthy (1996) has classified these tools into four broad groups and refers to them as the 4Ps of marketing; product, price, place and promotion. Palmer (2000) defines marketing mix as the controllable variables that an organization puts together to satisfy the target market group. Payne (1993) describes the marketing mix as the internal elements or ingredients that make an organizations marketing programs. However he asserts that the four Ps model is unnecessarily restrictive and recommends an expanded marketing mix that should include, people, physical evidence and processes. The marketing mix then translated to become the '7Ps' of marketing where the extended Ps caters for service marketing. From the definitions above, a common theme emerges among the authors on the fact that the marketing mix variables are controllable variables.

Figure 2: The Marketing Mix of Services



Source: Bunnet and Moriathy,(1998) *Introduction to Marketing Communication and Intergrated Approach*, Prentice Hall

2.2.1 Product

Kotler et al (200), defines product as anything that is offered to a market for attention, acquisition, use or consumption and that might satisfy a need or a want. Stone (2000) defines product as the goods or services that a seller offers to the consumer to satisfy a need. In societal marketing, the term product is what a marketer is selling, the desired behavior and the associated benefits of that behavior. It includes any tangible objects and services developed to support and facilitate the target audiences behavior change (Kotler, Roberto and Lee, 2002). Palmer (2000) asserts that the product is the heart of a company's marketing activity. Consumers buy a product as comprising complex bundles of attributes which must be translated into benefits for customers. It is the focal point by which companies seek to satisfy customer needs and could be targeted or intangible items that satisfies a need. Product is anything that satisfies a need or a want and can be offered in exchange, a good is a tangible object while a service is not tangible but provides a benefit (Skinner).

Branding is a major issue in product strategy, the most valuable brands have brand equity and are considered a company asset. According to Kotler, the best brand name suggests something about the product benefits; suggests product qualities; are easy to pronounce, recognize and remember; are distinctive and do not carry negative meanings or connotations in other countries or languages.

The tourism product is an experience achieved through the combination of a diverse array of products and services (Heath & Wall, 1994; Scott, Parfitt & Laws, 2000). It is also referred to as a destination, amalgams of individually produced tourism amenities and services (accommodation, transportation, catering, entertainment etc) and a wide range of public goods (such as landscape, scenery, sea, lakes, socio-cultural surroundings, atmosphere etc). For visitors, the product is the total experience including attitudes and expectations. According to Middleton & Clarke (2001), the overall tourism product is the package, and might be defined in terms of five main components, namely; destination attractions; destination facilities and

services; accessibility of the destination (including transport); images, brands and perception; price to the visitor.

Hence, destination is a provider of experiences. Understanding the core product as well as the facilitating, supportive and augmented products for each target market is of paramount importance for destination marketing. The augmented environment will include intangible elements such as interaction and customer participation as well as accessibility and physical environment (Kotler et al, 1996).

2.2.2 Promotion

Promoting destinations essentially implies the development of communicating channels with clientele and other stakeholders to increase awareness and persuade to purchase products. Promotion refers to any form of paid or non paid communication with the target market and includes advertisement, sales promotions, personal selling, publicity and public relations and direct marketing. Promotion is often referred to as marketing communication which involves all instruments which the organization communicates with its target groups (Pelsmacker et al, 2006). The main role of promotion is to bring existing and potential customers from a state of relative unawareness of the organizations product to a state of actively adopting them (Cole, 1998). Stanton et al (1994) observes that promotion is the element in an organisation's marketing mix that serves to inform, persuade and remind the market of a product and the organization selling it, in hopes of influencing the recipient's feelings, beliefs or behaviours.

According to Ashworth and Voogd (1994), place promotion is the 'selling of a selected package of facilities or the selling of a place as a whole through images composed of various attributes associated with it'. Place promotion forms part of a more extensive series of operations, place marketing, that is intended to ensure that 'local activities are related as closely as possible to the demands of targeted consumers (Ashworth and Voogd 1994). A wide range of techniques are used, both

above and below the line (Kotler et al., 1996; Horner & Swarbrooke, 1996; Millington & Cleverdon, 1999).

2.2.3 Place

Place refers to distribution or channels used by firms to enable customers access the firms offerings. It is concerned with how to get the product to the market. Distribution is the process of managing the product from the producer to the consumer (Dibb and Simkin, 2001). Assael (1993) defines distribution system as a group of independent businesses composed of manufacturers, distributors, wholesalers, retailers designed to deliver the right set of products to consumers at the right place and time. According to Needham et al (1999) distribution is the process of making goods and services available to those who want to buy them. Where and how you sell your product is the purpose of place strategies, the people and institution involved in moving products from producers to consumers makeup the channel of distribution (Well et al, 1996). The channel accomplishes all the tasks necessary to effect a sale and to deliver products to the consumer (Hutt and Spen,1998).

The concept of marketing channels is not limited to physical distribution of goods (Kotler, 1979), thus its is considered when moving a service from the supplier to the consumer in certain sectors. This may be direct or indirect. In tourism, distribution can be carried out directly or indirectly. Direct distribution means that the company takes full control of taking the tourism product to the market such that the organization is in direct contact with the consumer. Indirect distribution on the other hand involves less company control over the process of reaching its market. i.e. the use of intermediaries, brokers or tour operators. These intermediaries sell and distribute the tourism product which is complicated because it's a service. The characteristics of services i.e inseparability, intangibility, perishability and heterogeneity pose a challenge to the service providers especially th tourist product (Pender, 1999). According to Donelly (1976) service marketers should take a fresh look at the channels of distribution for services as distinct from the channel concept

followed by goods. Donnelly seeks to broaden our understanding by evaluating marketing channels for service as a separate decision area for those products. According to Cowell (1984), services are often supplied from the provider to the customer because production and consumption are simultaneous. i.e inseparability.

2.2.4 Price

Price is the value the seller and buyer assign to a product (Burnett and Moriarty, 1998). Craven (2000) defines pricing as the process of setting objectives, determining the available flexibility, developing strategies, setting prices and engaging in implementation and control. When setting prices, several principles guide the decision making and these include maximizing profits, profitability and target return. Once the pricing objective is clarified, specific prices can be set. There are three approaches marketers use to set prices; cost plus pricing, demand oriented pricing and competition oriented pricing (Kibera and Waruingi, 1998). Weaver and Opperman (2000) suggest four categories of pricing techniques namely profit oriented pricing, sales oriented pricing, competition oriented and cost oriented pricing. Profit oriented pricing is a pricing technique aimed at profit maximization and returns on investments. Sales oriented pricing focuses on consumer sales and can be divided into five subcategories namely market orientation, maximization of sales volume, market share gain, market penetration and prestige pricing. Competitor oriented pricing uses competitor behavior as their major criterion for setting prices and to a large extent considered as a reactive approach and may involve matching competitor prices or maintaining price differentiation at a level above or below that of competitors. Cost oriented pricing is based on actual cost of providing the goods or services.

A wide range of pricing techniques are applicable to tourism destinations (Meidan, 1995; Kotler et al, 1996). However, pricing is a difficult process for destinations as it is often determined by the pricing and marketing policies of individual enterprises both at the destination and distributors at the place of origin. Local suppliers can have their own policy and thus co-coordinating and establishing a destination wide pricing strategy is almost unachievable. Furthermore, national economic policies and

economic conditions in the international marketplace also influence pricing. Therefore, both macro- and micro- economics determine the pricing function of tourism organizations locally and destinations. The cost of living and employment, as well as inflation, exchange rates and local efficiency and competition all contribute to the pricing equation. Price discrimination is evident in this industry in that most products are priced according to the quality and experience they offer.

2.2.5 Physical Evidence

This element is among the extended marketing mix that addresses the tangible component of the service experience and the firms image. Physical surroundings and other visible cues have a profound effect on the impression customers form about the quality of service they receive (Zeithaml, 2000). Rust (1996) describes it as the environment in which the service is delivered and where the firm and customers interact and any intangible component that facilitate performance or communication of the service. Booms and Bitner (1981) describe physical evidences as including two aspect of tangible and intangible. The tangible means the good which help to perform and communicate the service. It includes the physical design and layout of their outlet to maximize visitor interaction. Another aspect is the intangible which is the ability of company to relay on their customer to pass on their experience to the potential customer.

Physical Evidence of a tourism product refers to a range of more tangible attributes of the operations. Tangibilising the product is a good way of giving positive and attractive hints or cues to potential customers with regard to the quality of the product. For example, an accommodation facility should project elements such as quality and attractiveness of décor, effective layout of the establishment, tidiness of surrounding and the quality of promotional material are all important.

2.2.6 People

Zeithaml (2000), defines the concept of people as all human actors who play a part in service delivery and thus influence the buyer perception; namely the firm's

personnel, the customer, other customers and the service environment. Service depends on people and the interaction between people, including the service provider's staff, the customers and other customers. (Bennet,2000). The value of people in the service delivery system becomes extremely important in the co-creation of value (Gabriel, 2005). All human actors participating in the delivery of a service are cues to the customers regarding the nature of the service itself. In tourism businesses, service forms a large part of the product offering. Service invariably involves front line people and it is here that a tourism offering can really do well or fail miserably.

Organizations have adopted the concept of Internal marketing which has been coined to characterize the sets of activities a firm must undertake to woo and win over the hearts and minds of its employees to achieve service excellence (Fifield, 1998). It is crucial to ensure that staff buy into the promise of customer service excellence and carry out excellent service delivery at all times. Due to the strength of word of mouth promotion in the tourism industry service excellence is paramount.

People are the most importance element of any services. Since the people an organization employs are often part of the overall service experience encountered by the customers. This people who referred involve the staff both direct and indirect to the customer consumption of service such as employees, management, customer, etc. This element hence involves a consideration of the employment, training, and motivation of individual members of services staff. Sometimes the role of the customer is also an important part of services too. In many times, the participation is an essential part to derive the benefit of services. For the hotel service, customer buy the service, by having the staff with the positive attitude, skills and appearance are necessary. (Booms & Bitner, 1981).

2.2.7 Process

Process is defined as the actual procedures, mechanist and flow of activities by which services are delivered (Fifield, 1998). The process is the series of events that

dynamically combine to deliver a service to the consumer. The flow of the activities that will be encountered by service customers are also worthy of specific attention. The number of steps comprise of service and the extent to which customer involvement is necessary in the process to be considered. (Booms & Bitner, 1981) The service provider needs smooth, efficient customer-friendly procedures. (Brassington & Pettitt, 2005).

Process is a key element that needs to be monitored in the service oriented businesses. The actual delivery of service the customer experiences or the operational flow of the service will also provide customers with evidence on which to judge the service. There are many different types of processes involved in tourism, it's important to ensure that these processes are planned and carried out properly so that operations run smoothly and problems are corrected quickly. Dealing with staff turnover, sick leave, suppliers and the distribution channels all have an impact on how service is delivered. Implementing clear procedures will ensure all that the best possible service is delivered at all times.

2.3 Positioning

Increased competition among international tourism destinations has turned many countries to seek growth from destination branding and positioning strategies. Batra, Myers and Aaker (1996), define a brand position as the set of associations that the consumer has with a brand, these cover physical attributes, lifestyle, use occasion and user image. Kotler (1999), sees positioning further as the act of designing the brand offering and image to occupy a distinctive place in the mind of the customer. Ries and Trout (1982), describe positioning in a similar way as Kotler, they assert that positioning starts with a product, a piece of merchandise, a service, a company, an institution or even a person but positioning is not what you do to a product but what you do to the consumer's mind. Holmes (1973), defines a product position as the perceived image a consumer has of one product in relation to the perceived image of similar products marketed by competing firms. Segupta (1990), defines the position of a brand as its perception amongst target consumers, these perceptions are

based on the brands functional attributes and benefits as well as non functional or emotional associations it has acquired mainly from advertising. Lovelock (1991), describes positioning as the process of establishing and maintaining a distinctive place in the market for an organization and or its individual offerings.

Batra, Myers and Aaker (1996), argue that positioning involves a decision to stress only certain aspects of our brand and not others. The main idea of positioning is that the consumer may have a clear idea of what your brand stands for in the product category. Batra, Myers and Aaker (1996), further lay an emphasis on positioning strategy, they see positioning strategy as providing a focus to the development of the advertising campaign. Positioning is conceived and derived from the product attributes, competition specific application, types of consumer, characteristics of the product class etc which fall into seven approaches to positioning; Positioning using product characteristics, Segupta (1990) argues that positioning by product attributes involves the relation of the product functional; Positioning using pricing and quality, Segupta (1990), asserts that if you give quality the right price whatever you make will sell on its own; Positioning by user application, Batra Myers and Aaker (1996), argue that one of the very effective way of communicating an image is to associate the product with the use or the application. Segupta (1996), further poses that this positioning strategy represents a second or third position for the brand and is a position that deliberately attempts to expand the market of the brand; Positioning by the product user which is a brand endorsement strategy where a brand uses a superstar, famous person or a common man reference group; Positioning by product class; Positioning by competitors, Ries and Trout (1986), places great emphasis on positioning by competitor and reiterate that for an organization to be successful today they must become competitor oriented. The firm must seek for weak points in the positions of its competitor and capitalize on them; Positioning by symbols; Segupta (1990), argues that symbolism and symbolic meaning is one of the most important instruments for differentiation of one brand from another. The rationality of symbolism in brand choice goes up to the rationality of the buying decision. Birdwell (1968), adds that there is a high degree of congruence between the owner's perception of himself and the car he buys.

The objective of positioning is to create a distinctive place in the minds of potential customers, given that the destination experience is often an amalgam of various services provided by tourism suppliers (Murphy, Pritchard and Smith, 2000; Vogt and Fesenmaier, 1995), it can be argued that positioning a destination is a difficult task. Consequently most positioning studies have relied on images as the starting point for understanding tourists perception of a place given that image is a key construct in destination positioning (Pike and Ryan). A positioning strategy is considered effective when it evokes images of a destination in the customers mind; images that differentiate the destination from the competition and also as a place that can satisfy their needs and wants. Positioning concept is concern with three issues: the segmentation decision, image, and selection of destination features to emphasize (Aaker and Shansby, 1982).

Destination marketers recognize that image of their brand or product in the consumers mind is of more importance to ultimate success of a destination than its actual characteristics (Nickerson and Moisey, 1999; Morgan Pritchard,1998). Destination marketers try to position their brand so that consumer perceptions are favorable and the brand is perceived as occupying a niche in the marketplace occupied by no other brand. This important form of market communication helps to distinguish tourism destinations from similar destinations so that customers can choose the one that is the most attractive. Thus, true positioning differentiates a destination from its competitors on attributes that are meaningful to customers and gives it a competitive edge. However, this is a complex process that requires careful analysis of the attributes of destinations and the needs of the target markets.

2.4 Targeting and Segmentation.

Target marketing refers to the identification of a set of buyers sharing common needs or characteristics that a company decides to serve (Kotler, Armstrong, &Starr, 1991). It has arguably been the driving force behind the success of many well-known brands and provides the basis of a predominant branding strategy, the user positioning approach, in which the brand is closely associated with a particular user or customer. Underlying the use of target marketing is the premise that those who are targeted, or

spoken to, will have strong affinity for the brand (Aaker, 1999). Target marketing is a key decision area for all organisations undertaking marketing and strategic planning (McDonald, 1995; Piercy, 1992). It is also part of the market segmentation process, which groups together customers with similar needs and buying behavior (Dibb and Simkin, 1996). The basic process of market segmentation consists of three steps: determining segments, targeting and positioning (Kotler, 1984).

Churchill and Peter (1998), refer to market segmentation as the process of dividing the market into groups of potential buyers who have similar needs and wants, value perception or purchase behavior. Kibera and Waruingi (1998), defines market segmentation is the division of markets into smaller homogenous submarkets which the organization might successfully satisfy. Marketing segmentation is the process of dividing the market according to similarities that exist among the various subgroups within the market (Croft, 1994). A company cannot serve all customers and satisfy them effectively. Customers are too numerous and diverse in their buying requirements therefore a company needs to identify the market segments it can serve better hence this makes mass marketing more difficult (Kotler, 2003). According to Wendell (1956), market segmentation consists of viewing a heterogeneous market (one characterized by divergent demand) as a number of smaller homogenous markets in response to differing product preferences among important market segments. Perreault et al(1996), states that segmentation starts with the idea that each person is one of a kind but it may be possible to aggregate some similar people in the product market. The Chartered Institute of Marketing (2002), argues that customers are becoming increasingly sophisticated and empowered in today's consumers are becoming increasingly sophisticated and empowered in today's consumer environment. Hence they have control that ever in deciding how, when and where to purchase goods and services. With appropriate segmentation approach which addresses the requirements of individual customers or a group of customers, the sophisticated demands of customers will be taken care of.

According to Kibera (1998), one cannot discuss segmentation without referring to mass marketing. Mass marketing refers to the treatment of the market as a

homogenous group and offer the same marketing mix to all customers. In mass marketing, the seller involves in mass production, mass distribution and mass promotion of one product of all customers (buyers). The disadvantage of mass marketing are that customer need and wants are not the same, it is therefore difficult to satisfy all customers just by treating them alike. It is important to serve individual customers or groups of customers being identified with similar behavioral pattern, this is important than competing in the whole heterogeneous market where we have customers with varied needs and wants. Bearden et al (2001) states that market segmentation is consistent with the marketing concept and enhances a firm's ability to understand its core customers or who its core customers will be in the future. It is clear through segmentation; the organization can often attain competitive production and marketing costs and become the preferred choice of the customers. Segmentation helps the organization allocate its resources more efficiently. Johnson (1971), states that in the long run, market segmentation allows the management to identify its best profit opportunities and this will result in more efficient allocation of company resources.

Successful market segmentation and targeting involve the appropriate matching of tourist needs with the experience being offered (Tregear et al, 1997). Kotler et al (2003) has highlighted various bases that are used to segment consumer markets and the most common variable include geographic, demographic, psychographic and behavioral segmentation. Tourism organizations need to give greater consideration to segmenting their market with a view to concentrating on those categories of visitor that are economically attractive (Dinan,2000).The targeting of inappropriate tourists jeopardizes business objectives because the needs of inappropriate tourists will not be met, (Tregear et al., 1997).

2.5 Specific Marketing Strategies adopted by KTB

KTBs main responsibility is to generate interest for Kenya as a tourist destination on behalf of the government and tour operators. The board utilizes Marketing

Destination Representatives (MDRs) who forge relations and agreements with outbound tour operators in the different countries. Recently the board promoted the country through the use of radio and television. The positioning strategy is single faced. The country is predominantly positioned as a game safari destination while business or event tourism and high end product tourism is not well elaborated. In terms of product offering, little or no segmentation is practiced. KTB has no direct control of pricing of goods and services but has tried to intervene in making the destination affordable through provision of discounted visa fees.

3.1 Research Design

The research has been conducted through a case study method, and in this case the study was on Kenya Tourist Board. Case study is a form of quantitative or qualitative analysis where a study is done on one organisation, and it gives a detailed investigation of a single subject. Yin(1984) defines the case study research method as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1984). This method emphasises on depth rather than breadth. Through a case study, the researcher will be able to obtain in-depth knowledge and understanding about the marketing strategies applied by Kenya Tourist Board to improve the competitiveness of Kenya as a tourist destination.

The respondents constituted of six individuals selected through the non-probability sampling technique (Judgemental Sampling). This sample size was drawn from the Marketing and Research department of Kenya Tourist Board who are mainly involved in driving the promotional function.

3.2 Data Collection

Given the nature of the study, both primary and secondary data was collected. Interviews were conducted to collect primary data. The data collection instrument was a structured questionnaire (Appendix 1).

Secondary data was collected from published journals, strategic papers, economic reviews, academic journals, tourist reviews and media excerpts on tourism.

3.4 Data Analysis

Data analysis is the extraction of meaningful information from the raw data. In this study, data analysis involved editing, coding, tabulation and compilation of descriptive statistics. The data analysis entailed computation of measures of central tendency and measures of dispersion. Measures of central tendency computed

included mean scores and percentages. Visual representations such as frequency tables were used to summarize

CHAPTER FOUR: DATA ANALYSIS AND INTEPRETATION

4.1 Introduction

This chapter presents a summary of the statistically analyzed primary data from six respondents all from the Marketing and Research department of Kenya Tourist Board. All complete questionnaires were edited for completeness and consistency. The questionnaire had a response rate of 83% (see table 4.1) which compares well with Makawiti, (2000) of 76% and Muriuki (2003) 85%.

Table 4.1: Response rate table of Respondents.

Response type	Targeted Population	Actual Respondents	% of response rate
Marketing Department	4	3	75%
Research Department	2	2	100%
Total	6	5	83%

Source: Research Data

4.2 Descriptive Summaries of Data Collected.

This section summarizes the data collected by use of percentages and mean scores. The summary shows the variable with the highest score to the variable with the least score. Percentages have been used to show the proportion of respondents who perceived various aspects.

4.3 Demographic Profile of respondents

The demographic profiles of the respondents including level of education, years of work experience at KTB, and job levels were analysed to determine the general classification of respondents. The results of the analysis are presented in table 4.3 below.

Table 4.2: Demographic profile of respondents.

Description	Frequency	Percentage
Job level		
Executive Management	0	0%
Senior Management	3	60%
Middle Management	2	40%
Level of Education		
College	4	80%
Graduate	1	20%
Number of years worked in KTB		
Less than 5 years	1	20%
5 – 10 years	3	60%
10 – 15 years	1	20%
15 – 20 years	0	0%

Source: Research Data

4.3.1 Job Level

None of the respondents were at executive management level. 60% were in Senior Management and 40% were middle level managers.

4.3.2 Level of Education.

The respondents were to indicate the highest level of education they have attained. Table 4.3 shows that 80% of the respondents were college graduates and 20% had pursued postgraduate education. This shows that a majority of the respondents had the capability of understanding issues asked on this subject.

4.3.3 Number of Years Worked.

The researcher sought to determine the number of years the respondent has been with the organization. From the results, it was noted that 20% had been with the organization for less than 5 years, 60% had lasted for 5 – 10 years while the remaining 20% had been in KTB 10 years and above. A majority of the respondents

had worked for KTB for more than 5 years which offers them the credibility to comment on the strategies applied.

4.4 Targeting and Segmentation

Targeting and Segmentation strategies	Frequency	Percentage
KTB targets specific markets	2	40%
KTB practices mass marketing	5	100%
KTB profiles distinct tourist groups	1	20%
Markets are selected in terms of size or profitability or needs.	1	20%

100% of the respondents observed that KTB practices its marketing in chosen traditional markets. In these markets, general marketing tools are used e.g. media appealing to the general population. The organization does little profiling therefore no particular customer characteristics are put into consideration. Evidently there is lack of segmentation therefore no match between the needs of the potential tourists and our product offerings. It also limits the identification of tourist have a high tourist expenditure per person.

4.5 Positioning

Respondents were asked to rate on a scale of 1 to 5 where 1 was strongly disagree and 5 strongly agree on the positioning of the country

Standard deviations were used to gauge the variation of the responses. A standard deviation of 1 or higher than 1 meant that the responses were varied. A standard deviation less than 1 meant that the respondents were in agreement in their responses.

Positioning Strategies	SD
Kenya has a defined positioning	1.227
Kenya is positioned according to product attribute and characteristics.	0.878
Kenya is positioned according to competitors	1.5198

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Kenya is positioned according to product class.	1.0217
Kenya is positioned according to price and quality	1.2228
Kenya is positioned according to type of customer	1.348
The current positioning differentiates this destination from its competitors.	1.237

The country doesn't have a defined positioning. What exists now is skewed towards product attribute and characteristics which is mostly wildlife and beach safaris. There was no evidence of positioning according to competitors, product class, price/quality or type of customer. Making it difficult to be identified with specific characteristics. The current positioning does not differentiate Kenya as a destination against her competitors.

4.6 Marketing Mix Tools

4.6.1 Product

Product Strategies	Frequency	Percentage
Kenya has an assortment of tourist attractions	5	100%
All possible tourist products are not well developed	1	20%
Quality of augmented products are in line with the prices charged	1	20%
Kenya has a defined branding strategy	1	20%
The country offer unique products if well developed	4	80%

100% of the respondents consider the country as having a variety of tourist attractions. As much as the country has a variety of products to offer while 80% of the respondents agree that the tourist products have been well developed. Since tourism is an experience, other augmented products and services contribute to the final impact. 80 % agree that augmented products e.g transportation and accommodation facilities are exorbitantly charged compared to the quality. 100% of the respondents agree that the country offer any unique products if well developed.

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4.6.2 Pricing

Pricing Strategies	Frequency	Percentages
Allow price negotiations	4	80%
Allow price discrimination	5	100%
Prices offered are commiserate to services offered	2	40%
Pricing strategy is cost based	4	80%
Pricing strategy is competitor based	2	40%
Pricing strategy is demand based	5	100%

80% confirm that prices of tour products are flexible. There is a 100% chance that price discrimination is practiced during price setting. This is dictated by the number of tourists per package. A larger group drives a lower price per person as the price per unit for shared services e.g transport reduces. The prices are not commiserate to the quality of services offered in some properties. Price setting is divided among cost basis and demand basis. Cost basis pricing is offered during the low season when the country experience few visitors. Demand based pricing is utilized during the high season period when most the rest of the world is experiencing winter season. Very little consideration is given to competitor basis of price setting because a package price constitutes offerings from different suppliers who have varying arrangement with different tour companies.

4.6.3 Promotion

Promotion Strategies	Frequency	Percentages
Demonstration of tourist attraction on global television stations	5	100%
Run special offers	2	40%
No use of online advertising to promote Kenya.	4	80%
Promotions are targeted to specific audience	2	40%

All the respondents agree Kenya Tourist board promotes the country on global television but at very low frequency compared to other countries. 60% agree that no sales promotions are run especially during the low season. With the advent of the fibre optics cable and growth in the ICT sector 80% agree that the use of online marketing techniques is very low.. The Promotional strategies are mass market oriented, they is no appeal to specific niche or seasons.

4.6.4 Place

Place Strategies	Frequency	Percentages
Distribution channel well developed and defined	1	20%
Coordinated effort among the channel members	1	20%
Continuous search for unexploited markets	1	20%
Influencing distribution channel development e.g direct flights to Kenya	3	60%

Only 20% consider the distribution channels as being well developed and defined. They argued that the roads were well marked but rugged which is considered to contribute to the wilderness experience. Only 20% consider the channel members are will co-ordinated and having team spirit. Tourism being an experiential product, seamlessness of the service contributes to overall satisfaction. 100% agree that there has been limited search for unexploited markets. Preference on offering accessibility is only concentrated on the main game parks, while a few others are neglected. There is a 60% chance on KTBs influence on the development of channels. Agreement with major airlines to provide direct flights from origination country to save on the safari cost and time.

4.6.5 Physical Evidence

Physical Evidence Strategies	Frequency	Percentages
Ambience of facilities is appealing.	2	40%
Presence of sufficient premium products	2	40%

Levels of appeal of tourist properties are very low. Only 40% vouched for its suitability. The country lacks premium properties compared to the rest of the world thus limiting premium safaris e.g Golf tournaments.

4.6.6 People

People Strategies	Frequency	Percentage
Service providers are well trained to international standards	4	80%
Facilitators can communicate well in foreign languages	4	80%

Service provided are well trained upholding international standards, 80% confirm this. 80% also agree that the facilitators have the ability to communicate in foreign languages.

4.6.7 Process

Process Strategies	Frequency	Percentages
Links in the distribution channel are well augmented	3	50%
Activities provided are geared towards customer satisfaction.	3	50%

50% agree that links in the distribution channel are well augmented while they also agree that 50% of the activities and customer satisfaction geared.

For processed to be seamless, coordinated effort among all the contributors to a safari is important.

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CHAPTER FIVE: SUMMARY, DISCUSSIONS CONCLUSION AND RECCOMENDATIONS

5.1 Introduction

This chapter outlines the conclusions, recommendations and limitations for the study. The objective of this study was to determine the marketing strategies adopted by Kenya Tourist Board in marketing Kenya as a tourist destination.

5.2 Summary of Findings.

Kenya tourist board tends to concentrate on traditional markets. In this traditional markets, there is limited customer profiling into distinct groups e.g those with a higher tourist spend thus no targeting or segmentation. This translates into a high tourist arrivals but the money they spend while in the country is limited. Targeting assists the board to identify tourist who have sufficient buying power and will be involved in many activities during their visit.

Almost all respondents agree that Kenya lacks a specific positioning. No consideration is given to product attributes, product class or types of customers. The positioning strategy of Kenya as a country is not clear. The country is known for sandy beaches and wildlife safari but no specific effort towards strategically choosing a unique proposition and competitively differentiating Kenya along those lines has been utilized. Without positioning, it becomes difficult to brand the country and consequently lead to use of inconsistent marketing communication to the world at large.

60% of the respondents agree that Kenya has a variety of tourist products to offer which are averagely developed. The quality of these product are not in line with the price offering while the branding strategy is considered to be less effective.

The pricing structure is negotiable and set independently by tour operators. Premium pricing is applied to high end products while price discrimination is practiced depending on the season. Use of global television as promotional media is up to 20%. No emphasis on use of digital marketing communication methods or social

media. Kenya has only one website in the English language therefore it locks out all non English speaking potential countries.

Distribution channels are not well developed, the road network is predominately murrum.. We also have game parks in some areas of the country that are not easily accessed because of insecurity on the roads and the bad conditions of the roads. Some properties have an extra ordinary ambience and are customer oriented while majority do not meet the international standards. They offer comfort but not luxury. A majority of hotels or properties in Kenya are either four star or five star. Premium hotels are very limited. Services are well synchronised and the tour industry personnel are well trained and meet the international required standards.

5.3 Discussions

Traditional markets targeted by Kenya Tourist Board are now over exploited; other new economic giants e.g. Europe, Far East and Asian countries need to be included in our markets of interest. Reaching these markets through specialized media that appeals to their specific audience is necessary hence the need for segmentation and targeting. A company cannot serve all customers and satisfy them effectively without segmentation. Customers are too numerous and diverse in their buying requirements therefore a company needs to identify the market segments it can serve better hence this makes mass marketing more difficult (Kotler, 2003). A differentiated strategic marketing approach will identify the characteristics of the diverse consumer groups.

A lack of a specific branding strategy affects the positioning of any country. This situation leads to generalized marketing thus not delivering a specific consistent message to our intended audience. Positioning concept is concerned with three issues; the segmentation decision, image, and selection of destination features to emphasize. (Aaker and Shansby, 1982).

Kenya is endowed with several tourist forms but a majority of these are under developed. Sindiga (1999) has noted that a number of other assets and attractions that could be further developed to diversify the industry. Currently there is a lot of

emphasis on wildlife and beach safaris while no efforts are geared towards the developing other forms of tourism.

Inclusion of other methods of advertising other than global television is an important augmentation towards publicity. With the introduction of the undersea fiber optics cable in Kenya, online presence is an important avenue. The revolution of technology has influenced and changed the buying behavior of consumers in developed countries. The use of social media e.g facebook, twitter, my space etc and mobile telecommunication is a cheaper and has a wider reach.

5.4 Conclusion.

From the findings, marketing strategies are implemented up to a limited percentage. Marketing's contribution to travel and tourism has been undervalued. The board needs to emphasis on a more strategic approach to marketing than relying on operational measures such as marketing communication. Haywood (1990) argues that marketing concept in tourism should be based on a long term commitment to the satisfaction of traveler's needs and motives. The presence of branding is a key factor in the success of tourism marketing. Kenya lacks a specific branding strategy, thus affecting the positioning and use of various marketing tools. Cameron (2008) rightly notes, branding is a critical success factor in the development of effective tourism strategies and plans. It is a venue's reputation and acclaim – in other words, its brand – that has the power to attract visitors and the dollars, Euros, yen and other currencies they have to spend.

The travel and tourism industry is undergoing a period of rapid change and uncertainty with new technologies and more experienced consumers being some of the opportunities and challenges facing the industry. It is paramount that the board is on the forefront in intergrating the use of technology and social media in its strategies. The use of mobile application and online services are examples of recent developments.

A competitive marketing strategy should be in place that will develop, maintain or defend the position of the country. Partnership with stakeholders of the community in order to encourage development of unique product offer is important. There is a divide existing between the community, tour operators government and other stakeholders e.g commercial corporations who stand to gain with the growth of tourist arrivals. Synchronization of these stakeholders will help communicate a unified message and create a bigger impact.

5.4 Recommendations

Attaining the top ten long haul destinations status in the world as anticipated by the year 2030 will involve addressing constraints facing the tourist sector and implementing strategic marketing projects to improve the quality and breadth of Kenya's tourist offerings at the coast, in game parks and in niche products e.g cultural or eco-tourism.

The future of Kenya as a tourist destination is dependent on the ability of the country to deliver "a high quality product that corresponds to the changing tastes, needs, wants and demands of the international traveler". Use of well-developed niche-based marketing strategies can lead to total market growth. A variety of well developed product offerings will offer a more holistic experiential experience tourists are seeking. Emphasis on unique offering i.e cultural aspects of our country, language and tribes offers the memorable exceptional experience for any tourist. With the development of county system of governance will help to develop communities through partnerships. Other than cultural aspects, Kenyan weather conditions are favourable all year round therefore support of Golf Safaris that naturally fit is advantageous.

Wildlife and white sandy beaches have been identified as the functional image of Kenya in customers' minds. These attributes, however, are not unique to Kenya, and with increasing competition from similar destinations, these attributes cannot be used alone in the development of effective positioning strategy. The country must exploit its own unique attributes that create a competitive advantage and assist in

positioning its products more effectively in the tourism market. The board should adopt a specific positioning for the country which will dictate the use of different marketing tools. Mass marketing makes the country look general yet we need to be specific in order to be differentiated.

A specific emphasis should be put on the coordinated effort between the tour operators and the board in order to send out a specific strong message about the country. Partnerships with corporate institutions e.g Kenya Airways, British Airways through joint marketing campaigns can assist to elevate the country to a global level. Also development of facilities and renovating existing ones to international standards is important.

Also key will be the use of digital marketing in reaching global audiences. Digital channels help Kenya maintain a global footprint despite the limited budget allocations from the government and the use of social media and digital campaigns are central to the marketing campaigns. Use of websites in different languages provides comprehensive information for key audience – consumers, the media and tourism industry worldwide.

Encourage the government to reconsider its apportioning of the budget towards tourism considering the foreign exchange and its contribution towards the country's overall GDP.

5.5 Limitation of the Study

The study does not include other stakeholders in the tourist industry who contributes towards marketing Kenya as a tourist destination.

5.6 Recommendation for further research.

Consideration should be given towards organized collaborative marketing strategies between the Kenya Tourist Board, brand Kenya and tour operators and how this can contribute toward the overall marketing of Kenya as a tourist destination.

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APPENDIX 1: LETTER OF INTRODUCTION

Durvine Sindiga

P.O. Box 11969 00100

NAIROBI

The Managing Director,

Kenya Tourist Board

NA

Dear Sir,

RE: REQUEST FOR USE OF KTB INFORMATION

I wish to undertake a masters research study on the Marketing Strategies of Kenya Tourist Board, in partial fulfilment of the requirements of the degree of Master of Business Administration at University of Nairobi.

This letter is to request your permission to obtain and use information from KTB through interviews with the six (6) Heads of Department in marketing and research at Kenya Tourist Board.

Your responses are important, as they will enable me to conclude my study appropriately, and come up with positive recommendations and highlight areas for improvement, and also create a basis for further research.

Please note that all information obtained will be regarded as highly confidential and will only be used for academic purposes. A copy of the final research report will be availed to you on request.

Your cooperation will be highly appreciated.

Yours faithfully,

Durvine Sindiga

APPENDIX 2

PART A: PERSONAL PROFILE

1. Please indicate your job title _____
2. Please indicate your job level
 - a) Executive Management ☐
 - b) Senior Management ☐
 - c) Middle Management ☐
3. Highest Completed Level of education
 - a. College ☐
 - b. Graduate Degree ☐
4. For how long have you been employed at KTB?
 - a. Less than 5 years ☐
 - b. 5 – 10 years ☐
 - c. 10 – 15 years ☐
 - d. 15 – 20 years ☐

PART B: TARGETING AND SEGMENTATION

	Particulars	Yes	No
1	Does KTB have specific market it targets?		
2	Does KTB practice mass market tourism?		
3	Is there any profiling of distinct tourist groups i.e geographically or demographically		
4	Is there selection of one or more groups in terms of their needs, size or profitability?		
5	Does KTB customize Kenya's tourist offerings according to the needs of specific selected groups		

PART C: POSITIONING

		5	4	3	2	1
		Very	Large	Same	Small	No

		Large extent	extent	extent	extent	Extent
1	Kenya has a defined positioning.					
2	Kenya is positioned according to product attributes/ characteristics.					
3	Kenya is positioned according to competitors.					
4	Kenya is positioned according to product class.					
5	Kenya is positioned according to price and quality.					
6	Kenya is positioned according to type of customer.					
7	The current positioning differentiates this destination from its competitors.					

PART D: MARKETING MIX TOOLS

		Yes	No
(a)	Product		
1	The country provides an assortment of tourist attractions.		
2	All the possible tourist products well developed for consumption.		
3	The quality of augmented product is in line with the prices charged for it.		
4	Kenya has a defined branding strategy		
5	The country offered unique products.		
(b)	Pricing		
1	Allow price negotiation		
2	Allow tourist to select tourist package of choice		
3	Allow price discrimination		
4	Prices offered are commiserate to service offered		
5	Pricing strategy is cost based		

6	Pricing strategy is competitor based		
7	Pricing strategy is demand based		
(c)	Promotion		
1	Demonstration of tourist attraction on global television stations		
2	Run special offers		
3	The use of online advertising to promote Kenya		
4	Promotions are targeted to specific audience		
(d)	Place		
1	Distribution channel well developed and defined		
2	Coordinated effort among the channel members		
3	Continuous search for unexploited markets		
4	Influencing distribution channel development e.g direct flights to Kenya		
(e)	Physical Evidence		
1	Ambience of facilities is appealing.		
(f)	People		
1	Service providers are well trained to international standards		
2	Facilitators can communicate well in foreign languages		
(g)	Process		
1	Links in the distribution channel are well augmented		
2	Activities provided are geared towards customer satisfaction.		