

**EFFECT OF DIGITAL TECHNOLOGY ADOPTION ON
COMPETITIVE ADVANTAGE OF TOURS AND TRAVEL FIRMS
IN NAIROBI, KENYA**

**BY
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DECLARATION

This Research Project is my original work and has not been presented for a degree in any other University or any other Institution of Higher learning for examination.

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This 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 Husband Jim Lwanya and three Children Glenn Korege Lwanya, Bianca Aura Lwanya and Corrine Awili Lwanya for their love and support during the entire period of this project.

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ABSTRACT

The advent of globalization has brought about immense pressure for organization to adopt digital strategies so as to survive in the dynamic business environment and remain relevant. Individuals use digital platforms for various reasons from social interaction, obtaining information and purchasing goods and services. The study sought to establish the effect of digital adoption by tour and travel in Kenya, to enhance its competitive advantage. The study also analyzed the different digital platforms used by firms and the challenges faced by organization during implementations of digital strategies. The study adopted a descriptive cross-sectional design. The population targeted in this study consisted of all the 117 tour companies operating in Nairobi. A sample size of 65 Tours and Travel firms was taken using Yamane's formula. A questionnaire was used to collect the primary data which contained elements of open ended and closed ended questions. Respondents of the study were the marketing managers of the firms or their equivalents. Descriptive statistics were used to synthesize information collected from the respondents. The data was analyzed and presented in the forms of tables and graphs using frequency, percentages, mean score and standard deviation. The study found that 30% of the Firms in Nairobi use the Facebook platform to engage their customer followed by 22% on twitter while only 9% use LinkedIn. The study also found that 90% of the Tours and Travels firms in Nairobi using digital technology have improved their performance and enhanced their competitive advantage. Moreover, the study established that adoption of digital technology has improved the profitability of the firm and service delivery. The results revealed that the adoption of technology was associated with increased learning as well as growth in the organization. The study revealed that most of the firm's staff lacked technical skills to operate some of the digital technology and management support. The study concluded that adoption of digital technology improves and promotes the competitive advantage of a firm. It results into the delivery of high quality service at low cost, provision of unique services leading to high customer satisfaction, improved market share, sales volume as well as profitability of a firm. The study recommends the need for providing effective systems and policies that would promote the adoption of digital technology within the Tours and Travel Firms in Kenya. The adoption of digital technology should be part and short term and well as long term strategy of a firm. Furthermore, the management of the Tours and Travels should continuously train their staff to equip them with skills that may help them execute their duties.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The concept of digital technology mainly refers process of synthesizing information in the form of numeric code through the use of PCs, calculators, mobile phones, traffic light controllers, CDs players as well as communications satellites and laptops (Allas & Hunt, 2018). In most cases, digital technology adoption digital is associated with improved delivery of services in organizations. Notably, the provision of improved and high-quality services helps organizations to achieve high competitive advantage in their operations and activities. Competitive advantage occurs in cases where firms can deliver unique and valuable services to its customers in the society.

This study was anchored on the following theories; Knowledge based theory and System theory. According to Curado (2006), the knowledge-based theory (KBV) based on the premises that those firms that use knowledge strategically succeed. System Theory on the other hand indicates that an organization is an integrated system of independent structures and functions and it mainly constitute groups of people who must work in harmony.

A good example of the knowledge base theory application is the information technologies that help global firms to synthesize as well as enhance and expedite across-the-board the intra- and inter-firm knowledge management systems (Curado, 2006). Globally, firms should consider knowledge and systems as the most important strategic resource that can help them promote and improve their competitive advantage. Competitive advantage is what makes firms' good and services to stand out and be superior to all of customers other choices.

This includes the consideration of both tangible and intangible assets such as skills, talents as well as experiences and capabilities of workers and top management of the firm. Furthermore, firms should continuously scan the environment to identify changes and adopt accordingly especially the emerging technologies. From the above background, the primary objective of this study was to examine the effects of digital technology adoption on competitive advantage of Tours and Travel companies. The study would demonstrate how early adoption of digital trends has led high competitive advantage and growth of Tour and Travel firms in terms of profitability and customer base in the Tour and Travel industry.

1.1.1 The Concept of Digital Technology

According to Allas and Hunt (2018), digital technology mainly refers to all types of electronic tools and uses to synthesis information in the form of numeric code. In this case information is normally binary code and that can only be denoted by strings of only two numeric characters. Pagani (2013) also noted that tools that process and use digital information are classified as PCs, calculators, mobile phones, traffic light controllers, CD players, communications satellites, and high-definition television sets.

Mangal and Karmarkar (2006) argued people normally sense information in analog nature then quantized them into digital information. They further noted that reproducing analogy to digital signals was difficult. In most cases, devices synthesize digital information using minute computer called a microprocessor. The microprocessor thereafter calculates this digital information and a decision can be made from the results (Mangal & Karmarkar, 2006). In such kits, computer chips called memory chips store digital information when it is in dormant state.

Moreover, there are those who argue that when information is kept, conveyed or progressed in digital format, it is converted into numbers and at the most basic machine-level as zeroes and ones (Hoque et al., 2011). Recent studies by Crittenden et al (2010) also indicated that digital technology mostly include the use of microprocessors like computers whose applications dependent on devices such as the Internet, mobile phones ,video cameras, mobile devices such as phones and personal-digital assistants (PDAs) (Mangal & Karmarkar, 2006).

Additionally, it is worth noting that any data used on a computer or dispersed on a computer is known as digital technology (Crittenden et al 2010). The use of digital technology can improve dissemination of information and increase level of creativity and some example of digital technology are computer programs and software, websites, social media like Face Book, Instagram, twitter LinkedIn, and digital audio such as mp3s (Pagani, 2013).

1.1.2 Digital Technology Adoption

According to Mangal and Karmarkar (2006), the concept of digital technology refers to the usage of new and modern technological tools to improve the delivery of services and products in the society. The digital technology adoption has transformed almost all aspects of life and firm activities in the current society (Crittenden et al 2010). This includes travel and tour activities, work, entertainment as well as communication and learning activities in the society. Digital technology adoption has improved flexibility of operations and many global firms are currently using the concept to improve their competitive advantage (Hoque et al., 2011).

Crittenden, Peterson and Albaum (2010) assert that digital technology adoption is currently evident in daily life activities. For example, the use of kits such as mobile phones, computers and laptops or machines are part of digital technology usage in people daily life (Pagani, 2013). These devices help human beings to store, process and generate data. Additionally, digital technology adoption is also evident in social media usage, cloud computing systems and other electronic tool applications in the society (Hoque et al., 2011).

There are several advantages associated with digital technology adoption in the current society (Crittenden et al 2010). According to Pagani (2013), digital technology allows volumes of information to be compressed on a compact storage device and this help to minimize the time taken for data transmission speed. Allas and Hunt (2018) noted that many organizations are currently using digital technology to improve their operations associated with employee social connectivity, automation, provision of information sharing and learning opportunities, effective and fast production methods, communication and other flexible work cultures.

1.1.3 Competitive Advantage

According to Kuncoro and Suriani (2018), competitive advantage is what makes a firm product or service superior to all of a customer's other choices. It is basically a firm's ability to outsmart current and potential competitors in the market. Among the definitions available, Chakravarthy's (1986) see competitive advantage and the resulting strategic performance as the quality of a firm' adaptation to its environment, stressing that a well-adapted firm must be able to match its strength's and weakness with the opportunities available in its environment.

However, according to Porter (1985), there are three generic strategies to achieve a competitive advantage. These are the generic strategies are low cost strategy, differentiation strategy and focus strategy which a firm can with scope of the firm operations to achieve above average performance in the industry. Henry (2008) also argued that competitive advantage imminent when a firm is implementing a value creating strategy ahead of their competition. Notably, it is worth noting that creating a competitive advantage mainly involved the creation of a value for the customers (Bel, 2018).

In today's market, a tour firm has to stand out in a crowd by providing superior services, value proposition and expertise that the customer cannot get from other firms (Ning and Tanriverdi, 2017). Tour and Travel firms can be successful if they possess some relative advantage as compared to their competitor. The two sources of competitive advantage can be achieved when the business's cut cost and offer value to their customers in a manner that distinguishes them from the rivals (Research and Markets, 2014). This may include the delivery of high quality services, consideration of the customer's values and beliefs and the provision of unique tour and travel services at affordable cost (Kuncoro and Suriani, 2018).

1.1.4 Tourism Industry in Kenya

Tourism industry contributes majorly in the country's economic development through job creation, through foreign exchange earnings and poverty reduction. Tourism sector currently accounts to 9.7% of Kenya's Gross Domestic Product (GDP), with a contribution of Ksh. 769.1 billion in 2017 (World Travel & Tourism Council, 2018). The report by World Travel and Tourism council and showed that sector is expected to grow by 5.5 % contributing to Ksh. 811billion translating to 9.6% of GDP in 2018 (World Travel & Tourism Council, 2018).

According to the report, the sector has contributed to 9.0% of total employment in Kenya in 2017 and is forecasted to rise by 3.1% in 2018. Notably, it is also true that Kenya awarded the world's leading safari destination by World Travel Award in late 2017 (WTA, 2018). Kenya has won this award this prestigious four times have bagged it in 2017, 2015 and 2013. WTA is a body that supports, develops and promotes the global travel and tourism industry by recognizing and rewarding superiority in the industry.

Tourism products in Kenya are broken down into the following; beach, wildlife, cultural, sports, scenic as well as adventure and other specialized tourism which includes educational tourism. Wildlife based tourism generate the highest earnings for tourism industry account for about 70% (KNBS 2016). Conservation regulations, related collaboration structures and tourism programs play a critical role in developing interference measures to protect these national assets (Bulte et al, 2008). Notably, in Kenya about 8% of the land mass has been conserved for wildlife (KWS, 2018). The protected area embraces various types of ecosystems namely: forest, wetlands, savanna, marine, arid and semi-arid.

1.1.5 Tour and Travels Firms in Kenya

Over the years, local agencies in conjunction with stakeholders like Ministry of tourism and Kenya Tourism board have made great effort to market Kenya to the citizens to discover and experience their country (Kelner, 2010). Tour and travel have benefited from these campaigns like Magical Kenya, Tembea Kenya and Okoa Holiday with companies like Bonfire Adventures coming with packages that enable customer to post pay for their vacation (Suntikul et al., 2016).

In Kenya, the Kenya Association of Tour Operators (KATO) is responsible for the management of the tour and travel operations of various companies (Research and Markets, 2014). Notably, KATO can be defined as one of the best among the tourism trade associations in Kenya (Kuncoro & Suriani, 2018). This is because the guidelines set by KATO are based on the interest of approximately 300 tourism companies in Kenya (KATO).

The members of the association have to follow certain codes of conduct so that the quality of service that is provided to the clients should be above the standards, thereby making it one of the best tour companies in Kenya (Research and Markets, 2014). The main objective of KATO is to maintain the level of service and value it provides. Along with it, KATO also encourages its members to maintain unity and loyalty towards each other (Kelner, 2010).

Some of the tour and travel companies in Kenya include the Explorer Kenya Tours and Travel Limited Amicabre Travel Services LTD, Go Kenya Tours and Safaris, Africa Celebrity Tours and Travels, Air Safaris, Best Camping Tours and Safari Ltd as well as Bonfire Adventures Company and Tembea Africa Tours and Travel among many other travel and tours companies in the country (Suntikul et al., 2016). In most cases, the tour companies in Kenya mainly focus on the provision of highly specialized travel and tour operations and activities in Kenya segments extending from corporate travel, business travel, medical travel, leisure travel, sports travel, government travel, tours amongst others (Kelner, 2010).

1.2 Research Problem

In the current society, many companies are using digital technology to improve their competitive advantage (Crittenden et al., 2010). However, some companies have failed to adopt digital technologies in their major operations since they believe that digital technology is expensive and involves complex application of skills and resources. Despite this, the importance of digital technology adoption cannot be underestimated in the current society.

This is mainly because digital technology is associated with improved services delivery and this provides global firms with competitive advantage (Kuncoro & Suriani, 2018). There are several past studies that have been conducted in various regions in the society to determine the influence of digital technology on the competitive advantage of firms. Past studies done by Pangani (2013) to determine the effects of digital business strategy on value creation among multinational firms in Italy indicated that value creation systems can be achieved through adoption of digital technology plans by firms.

The adopted cross-sectional survey method and included several firms within Italy. The study findings recommended the need for global firms to adopt digital business strategy to improve their competitive advantage, promote their value creation and attract more customers (Pangani, 2013). Additionally, Mangal and Karmarkar (2010) studied the effect of information technology on the global firm's competitive advantage in Singapore and established that there a direct association between firm's competitive advantage and the use of information technology. The study used case study research design and it was conducted in Singapore (Mangal & Karmarkar, 2010).

The study main findings indicated that global customers are inclined to use digital channels like social media, online agents/ influencers, search engines, videos, images, articles and blogs to gather information. The researchers suggested the need for global firms to come up with strategies aimed at gaining competitive advantage by adopting digital technologies in their operations and activities (Mangal & Karmarkar, 2010).

An exploratory study done by Suntikul et al (2016) in China also revealed that the majority of Kenya Safari Tours are currently focusing on Chinese market.

The study adopted exploratory method and examined whether the safari experiences affects the tourist's attitudes in the country, especially towards wildlife conservation. The findings of the study supported the need for considering Chinese culture within the Kenyan tourism industry (Suntikul, et al, 2016). Otieno (2010) conducted a study to investigate factors influencing competitive advantage of firms within Commercial Banks in Kenya. The study involved a cross section survey design methodology and it mainly focused on the banking industry in Kenya and also mainly targeted the IT managers in the country (Otieno, 2010). From the study findings, it was evident that digital technology has not been used fully by the banking industry players to improve their competitive advantage.

The study suggested the need for Commercial Banks in Kenya to adopt effective strategies aimed at gaining competitive advantage and one of them include the adoption of information and Technology (ICT) Strategies (Otieno, 2010). A local study by Muthini (2012) also revealed that local firms in Kenya are adopting new technologies to improve their competitive advantage. This study mainly focused on the banking industry in Kenya and involved the use of cross-sectional research design (Muthini, 2012).

From the above past studies, it is true that there is lack of research-based studies focusing on the effects of digital technology adoption on competitive advantage of tour firms in Kenya. Moreover, the majority of these studies have not focused on the East African region and Kenya tour and travel industries rather mainly include findings applicable to Western countries as well as to European and Chinese. The local studies done have only majored on the effects of digital technology on the banking industry and not tourism business or industry. Therefore, this study sought to fill the gap by providing research-based evidences on the topic and also seek to answer the question-What are the effects of digital technology adoption on competitive advantage of Tour and travel firms?

1.3 Research Objective

The objective of this study was to determine the effect of digital technology adoption on competitive advantage of tours and travel firms in Kenya.

1.4 Value of the Study

The research findings from this study may benefit various stakeholders including the top management of tour firms, policy makers as well as the academicians and scholars in the society. The study findings may allow the top management to adopt the best digital technology strategies and tools that can help them improve their competitive advantage. The findings of the study may also help them to explore different digital platforms that may result in achieving a competitive advantage in their industry. Moreover, policy makers will utilize the findings to adopt best digital technology management policies. The policy makers make use of the research data to formulate rule and regulations use in order to enhance digital technology adoption by various global companies.

Additionally, the government may benefit from the finding by utilizing the data to boost the ever-growing tourism industry and businesses to thrive in Kenya. The study would be used by various scholars and researcher since the findings would improve the body of knowledge regarding digital technology adoption and how firm can use new technology to improve their competitive advantage. Future scholars may use the findings as a resource of their literature review. Thus, the study may act as a reference point of future studies associated with digital technology and competitive advantage of global firms.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The purpose of this section is to provide effective analysis of theoretical and empirical literature. The section also includes the analysis of the historical and current literature related to the link between adoption of digital trends and competitive advantage and growth of Tour and Travel Company. Moreover, the researcher plans to provide some of the theoretical frameworks that support the research topic. The section also includes knowledge-based theory, systems theory as well as effect of digital technology adoption on competitive advantage of tour and travel companies.

2.2 Theoretical Framework

Kuncoro and Suriani (2018) noted that the concept of theoretical framework helps to define the structure which is used to support a theory in a research study. The theories in a study are formulated with the aim of explaining, understanding as well as to help predict phenomena under study (Caner et al., 2017). This study includes presents various theories that inform the study findings. This includes knowledge-based theory as well as the systems theory.

2.2.1 Knowledge-Based Theory

The knowledge-based theory was first introduced by Barney in late 1990s. The theory is an expansion of resource-based theory and it indicates that firms should consider knowledge to be an important resource for a firm (Grant, 1996). The proponents of the theory reasoned that knowledge is unique as they can unique and complex in nature. Different firms have different capabilities due to their knowledge systems (Qiu & Wang, 2018).

It is the knowledge, experiences and capabilities of the employees that allow firm to have a superior corporate performance and sustained competitive advantage in the market (Curado, 2006).The primary assumptions of theory are that the firm knowledge is entrenched and carried through numerous entities and models (Grant, 1996). For example, there is the organizational culture, technology, corporate policies, routines as well as the firm identities and systems or employees (Curado, 2006).

The theory recognized the different capabilities and special characteristics of workers in the society (Grant, 1996). The theory supports organizational learning which eventually establishes human capital required to perform the routine activities of the firm (Qiu & Wang, 2018).The theory includes a number of strengths including the view that knowledge-based resources are largely dynamic and intangible, allowing for distinctive development through path dependency and causal ambiguity, which fundamental mechanism for economic value creation (Grant, 1996).

The theory also supports the view that knowledge-based resources embraces the most strategic significance in firms processes and production activities and that knowledge application is done by individuals working in the firm (Caner et al., 2017). However, one of the major limitations of the theory is that it does not consider the complexities associated with knowledge management in the society (Qiu & Wang, 2018). The other limitation to the theory is that knowledge is not directly observable hence cannot be measured. The study, therefore introduces the System Theory to compliment knowledge-based theory.

2.2.2 Systems Theory

Systems theory can be traced back to Richard A. Swanson in late 1950s. This theory indicates that an organization is an integrated system of interdependent structures and functions and it mainly constitute groups of people who must work in harmony (Malecic, 2017). The proponents of the theory argued that in a system, each person must know what the others are doing, and they must collaborate in promoting their activities and goals. This can help organization to consider living systems as systems of elements in dynamic interaction and ascertain the regulations that govern the pattern of parts and process of the concepts of organization including high levels of self-regulation (Caner et al., 2017).

A system is a whole made up of parts and each part can have significant impact on the way other parts work and the way all parts work collectively may govern how well the system works. This can create challenges to modern management full of new technologies and changes. Manager must embrace change of their systems to solve problems and make informed decision (Caner et al., 2017). The primary assumption of this theory is that it emphasized the need for providing effective connection between and among various components in an organization.

The systems perspective stresses that everything is linked to everything else and that it is important to model businesses and processes in terms of feedback loops and flows. The theory also supports the linkages as well as relationships and flows (Malecic, 2017). It highlights that any given worker or component or activity is part of a larger entity and that eventually those units, working collectively, are justified by the results they generate.

To successfully adapt to the requirements of a rapidly changing environment, all components of the units this includes the inputs, processes, outputs, and feedback need to be managed very well. (Qiu & Wang, 2018). One of the major strengths of the theory is that it considers the need for organization to develop and create effective systems which are perfectly designed to achieve exactly the results the organization desires, especially if the management is able to put efficient workers in a bad system, the system could win every time.

This is partly the reason why organizations need to check and evaluate their systems to achieve substantial results (Caner et al., 2017). Systems thinking are the process of understanding how things stimulus one another within a whole (Caner et al., 2017). However, the theory fails to consider the costly nature of organizing various systems to work and operate effectively in the organization.

2.3 Digital Technology and Competitive Advantage

According to Pagan (2013), digital economy is founded ecommerce as firms and consumers embrace electronic goods and services. He further noted that a business with management practices that encourages interaction with its partners and customers can successfully conducts transactions through Internet and Web technologies. Thomason, Strickland and Gamble (2007) assert that with growing population are increasingly using digital platforms to gather information leisure, health, education, banking among others. Moreover, many researchers have experience rapid growth in business as a result of digital economy due to emerging trends and dramatic changes in information technology (IT) (Qiu & Wang, 2018).

Digital technology has led to use of electronic apparatuses through the exchange of information between contributors and delivery of customized service.

Due to this, majority of the employers are deliberately looking for qualified labor and applies modern technology to improve and promote their competitive advantage (Qiu & Wang, 2018). All these advantages lead to the firms enjoying highly competitive advantage in the society (Qiu & Wang, 2018). Mangal and Karmarkar (2006) noted that firms can be faced with a growing demand for customer orientation, increased global competition as well as unstable markets in an insecure environment.

It is therefore imperative that firms ensure that they are in touch with changes in the environment and make tactical decisions to outwit competition. Mangal and Karmarkar (2006) argued that some of the major benefits of digital technology in a firm include faster marketing, easy purchasing in terms of bookings, effective human resource management as well as promotion of effective ways of sharing information. According to Kuncoro and Suriani (2018), firm that have adopted the digital technology have experienced continued growth and diversification.

Majority of companies that have managed to reduce their transactional cost, and increase their operational efficiencies as well as enhanced their productivity have embraced digital technology. Other advantages of adoption of digital technology include facilitation of service quality as well as the speed of customer service and increases number of customers (Caner et al., 2017). The study identified gaps in the optimal use of digital technology by firms with the quest to outwitting the competition. Emphasis has been on the technical part of technology leaving out the human skills that is necessary to put the technology in use.

2.4 Challenges of the Adoption of Digital Technology for Competitive Advantage

According to Kuncoro and Suriani (2018), the obstacles that erode competitive advantage can be clustered into digital technology-resources barrier, complementary-resources barrier as well as digital technology expertise barrier. The digital technology expertise barrier occurs since digital technology is dependent on strategic initiatives and relies on essential enabling IT core experts. However, digital technology resources and competences barrier indicates that digital technology is dependent on IT to enable a complex network of activities. These initiatives are rely on access to the resources and capabilities essential to produce and utilize the technology (Qiu & Wang, 2018).

When firms lack enough resources and capabilities, it becomes increasingly difficult to use digital technology to improve competitive advantage (Caner et al., 2017). Digital technology implementation is also expensive in nature and requires enough resources. Many companies do not have enough resources to implement the new digital technologies in their operations. These challenges are making it extremely difficult to implement digital technologies in global firms' operations and activities (Kuncoro & Suriani, 2018). A study by Pagani (2013) suggested three key challenges that firms experience towards the successful application of a digital technology strategy. These challenges include attaining alignment between business strategy and digital technology system capabilities, applying the system in the organization as well as determining the use of the system and related practices to achieve alignment with strategy (Caner et al., 2017).

2.5 Empirical Studies and Knowledge Gaps

Several past studies have been done to examine the effects of digital technology adoption on competitive advantage of global firms. A study by Khalaji (2014) on analysis of technological capabilities in Sugar cane industry in India indicated that technology promote global firms' growth and diversification. The study also showed that technology play a role in the maintenance on competitive advantage and in improving company's competitiveness and profitability.

Additionally, Njogu (2014) based her study on the SME's in Nairobi where she sought to establish Innovation have an effect on Financial performance of these firms. She established that indeed innovation particularly in product, processes and marketing significantly impacted positively to the financial performance of SMEs. On the other hand, Gakure, et al. (2013) who carried out a study on the Kenya Electrical and manufacturing enterprises to relationship between innovation and a business competitiveness. Aziz and Samad (2016) also studied how competitive advantage was achieved food manufacturing SMEs in Malaysia by innovating.

They discovered that innovation attributed to about 73.5% competitive advantage after analyzing the data from these firms. Najib (2011) studied Indonesian food processing companies establish the sources realized internally to increase competitiveness in small and medium Enterprises (SMEs). He examined how market orientation and innovation could be a source of competitiveness in these SMEs. Rojas et al. (2013) also conducted a similar study on in Mexico where they analyzed the linkage between competitiveness and innovation through the measurement of operational activities.

Terziovski (2010) also studied a sample of 600 SME's in Austria to establish the impact of innovation practice in these firms. The study revealed innovation was the main driver of strategy and structure in these firms. Lin and Chen (2007) also conducted a similar study on innovation and performance which yielded a positive effect on the performance of a firm. Mensah and Acquah (2015) studied SMEs in Takoridi with an aim of establishing if different types of innovation will generate a great impact on performance of these firms. The study revealed that indeed there is a big relationship between innovation and performance. He studied about 498 SME's in service and manufacturing sectors and revealed that innovation created a map for producing quality products, increasing the market share of the firms and reducing production cost.

From the above studies, it is evident that the majority of the studies are scanty and mainly focused on effects of digital technology on banking industry. Majority of the studies carried out especially in the western industries were mainly on innovation and competitiveness of firms. Therefore, there is need for more research to be conducted in this field based on the local industry especially on adoption of digital technology.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

In this section the researcher focused on the design of the research, target population, sampling design as well as discussing the methods of data collection and analysis of these data generated from the respondents. The researcher used a cross sectional study design and questionnaire as a method of data collection tool. The data collection method included both primary and section data. The study conducted both qualitative and quantitative data analysis.

3.2 Research Design

The researcher used a cross-sectional survey design which was descriptive in nature. According to Copper and Schindler (2008), descriptive research design deals with finding out, the what, who, when, where and how much. It is also having investigative questions and part formal studies. The use this design is highly acceptable since the survey has great reliability, low on cost and convenient for a large population.

Across sectional study involves analyzing data collected across a population as a whole to provide an in-depth view of that population at a single point in time. Such kind of study was used to enable the researcher to have an insight on how digital technology has contributed to the competitive edge of the tour and travel firms. The study also used qualitative research to uncover the trends in the respondents thought and quantitative research by analyzing the data to numbers that supported the findings.

3.3 Target Population

There are many Tours and Travels operating in Kenya in all the counties. The nature of the business is booming as the Kenyan market environment has open for both local and international tourism. Many firms have founded to cater for this growing demand for the tourism services. In this study however the researcher targeted the companies operating in Nairobi. There are about 117 tours and travel firms operating in Nairobi according to Kenya Association of Tour Operators (KATO), firms operating in Nairobi (KATO, 2018).

The management of these firms are normally who be found operating from their headquarters. Therefore the selection of the tour firms' operators was necessitated by the fact that most of the tour firms have their headquarters in Nairobi. The collection of the data was also fast and effective as most of the businesses were in the CBD and upper market areas like Upper hill, Lavington, Kileleshwa, Karen and Kilimani

3.4 Sampling Design

The study adopted simple random sampling to conduct the survey. According to Harri (2011), a simple random sampling is free from bias and represents the entire population. He furthers notes that a sampling unit has no chance of being selected twice when simple random sampling technique is used as a means of data collection. In this method a starting point is randomly picked and fixed from the larger population then sample members are selected. This mean that every "nth" member stands a chance of being selected from the population. The advantage of this method is that it is fast and convenient to use when a list of the unit population is available.

The researcher took a sample in which every 4th event. It is true that in research at least ten percent (10%) of the population targeted is needed to conduct a study (Mugenda & Mugenda, 2003). The research therefore studied about 65 travel and tours firms in Nairobi. Notably, it is true that getting the right sample size is not only economical due to the amount of time and resources saved but also plays a significant role in accurately producing results that are reflective of the entire population (Cooper & Schindler, 2008). Since the target population consists of a large population to tackle for an academic study, a sample of 10% of the firms was considered in this study. To obtain a sample size that has an adequate size relative to the objectives of the research, Yamane's formula was adopted as: $n = p \times q \left[\frac{z}{e} \right]^2$

Where: n = was minimum sample size required; p = the proportion belonging to the specified category; q = the proportion not belonging to the specified category; z = the value corresponding to the level of confidence required (90% certain=1.65, 95% certain= 1.96 and 99% certain=2.57) and $e\%$ = the margin of error required. When the population is less than 10,000 the sample need to be adjusted according to minimum sample size formula as shown below: $n' = \frac{n}{(1+n/N)}$ where; n' = the adjusted minimum sample size, n = the minimum sample size (as calculated) ; N = the total population.

In this study, $p=10\%$, $q=90\%$, $z=1.96$ (95% certain) $e= 5\%$ (i.e. within plus or minus 5% of the true percentage, the margin of error that can be tolerated), $N=117$;

$$n = 10 \times 90 \times \left[\frac{1.96}{5} \right]^2 = 130$$

$$\text{Adjusted sample size: } n' = \frac{130}{[1 + (130/117)]} = 65$$

3.5 Data Collection

The researcher used information gathered a fresh in the field to form the primary data and secondary data was obtained from online sources. Primary data were collected using questionnaire which was semi- structured. The semi structured questions captured data on how digital technology has enabled the firms to achieve a competitive advantage. There were three parts in the questionnaire with clear instructions to the respondents. Section A-contained general information; section B-contained questions investigating digital adaption by the firms and C-contain information on the competitive advantage achieved by the firms.

3.6 Data Analysis

The researcher adopted qualitative data and some parts had quantitative data analysis. This was done after data is collected using both open- ended and closed ended questions. Quantitative data were coded and entered in the Statistical Packages for Social Scientists which generated statistics relevant for the study. Data was analyzed according to the content the respondents gave in the questionnaire. The researcher found it necessary to group common pattern and similar theme coherently form categories.

The researcher used absolute and relative (percentage) frequencies, measures of central tendency and dispersion (mean and standard deviation respectively) to interpret the data. The findings were also illustrated using graphs and tables with detailed interpretation in prose form. Multiple linear regression analysis was used to examine the magnitude of analysis since it includes exploration of a concept with the intention of providing more understanding of a topic. This also aid in the creation of more awareness of the main concepts of the study. The underlying facts gained during the study were also analyzed.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter the researcher presented the analysis of the study elaborating on the findings and results. The study findings presented in this chapter are on the effect of digital technology adoption on competitive advantage of tours and travel firms in Nairobi, Kenya. The data in this study was gathered using a questionnaire as the instrument of the research and it was designed based on the research objectives.

4.2 Response Rate

The population of the study comprised 117 Tours and Travels operating in Nairobi. The study used a sample of 65 as a representative for the population of which all the 58 responded resulting to 89% response rate. The researcher made all the efforts to reach the respondents including making follow up by calling the respondents and visiting their organization to ensure that the questions were filled in and the questionnaire returned back.

4.3 Background Information of the Respondents

The study established it was crucial to gather broader information regarding the respondents. This included the age to gender and age to determine the demographics of the respondent. The study also analyzed educational background and work experience to determine exposure of the respondents. The research relied on this information of the respondents so as to clarify the different results according to their knowledge.

4.3.1 Gender of respondent

The purpose of this profiling was to find out the gender the distribution in tour and firms industry. Gender analysis was crucial in this study especially since there is growing global advocacy for gender representation in all quarters. The primary data retrieved from the questionnaire was analyzed and totals presented in percentages as per Table 4.1

Table 4.1: Gender of the respondents

	Frequency	Percentage	Cumulative Percentage
Male	39	60%	60%
Female	19	40%	100%
Total	58	100%	

Source: Research Data (2018)

From the gender of the respondents, it was evident that 69% of the respondents were males while only 30% of the respondents were females. This is a clear indication that most people working with the tour and travel industry are males. This also indicates that there is inequality of gender representation in this industry.

4.3.2 Age of respondents

Age profiling of respondent was crucial for the study since sought to understand their opinions on digital technology adoption by their firm. The study also found it necessary to gather information on the age group of the respondent. Age analysis is necessary to gauge the maturity level of the respondents. Result findings are shown in the Figure 4.2.

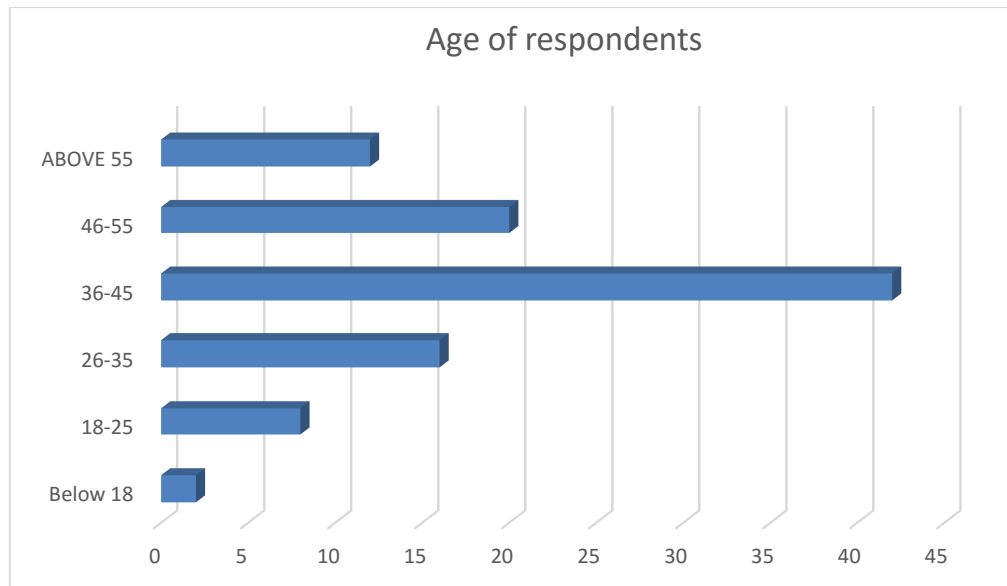


Figure 4.1: Age of respondents

Source: Research Data (2018)

The finding revealed that most of the respondents were within the age bracket of 36-45 years (42%), 20% were aged between 46-55, 16% were between 26-35, 12% were within 55 and above years, 8 % aged between 18-25 years while 2% were aged below 18 years. This implies respondents were mature and therefore information collected from them would be reliable.

4.3.3 Education Background

Education background profiling of respondents was crucial in this study since it revealed the person's attitude and general understanding of the digital technology. The level of education also revealed the general qualification requirements for employees in Tours and Travel firm. The information on respondent education background was analyzed findings indicated in Figure 4.2

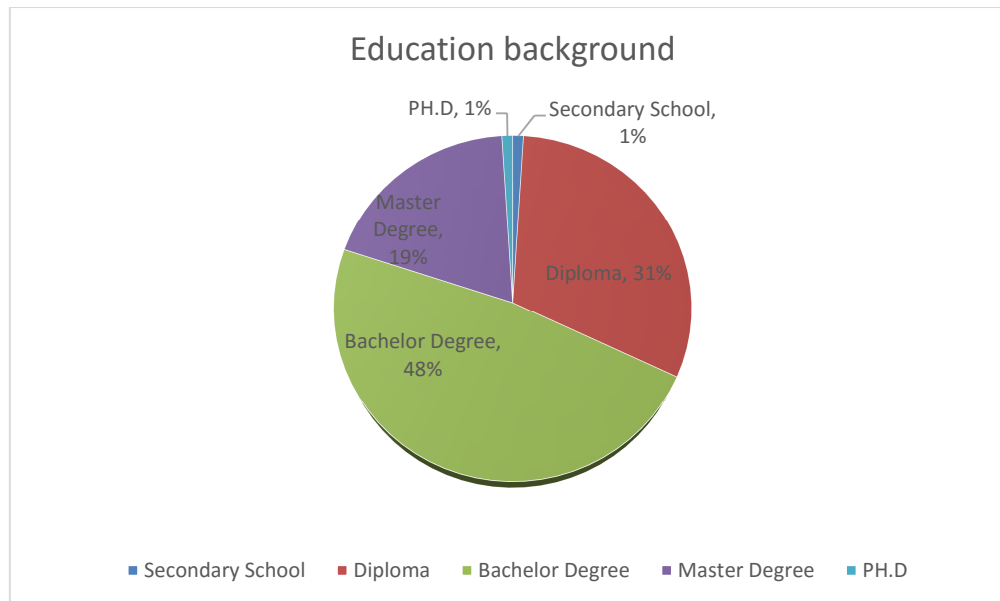


Figure 4.2 Educational Background of respondents

Source: Research data (2018)

The findings revealed that majority (48%) of the respondent had bachelor’s degree, 31 % had Diploma, 19% had master’s degree, 1% had PHD and 1% had secondary. This indicates that majority of the staff at tours and travel firms operating in Nairobi were well trained thus higher chances of giving reliable information.

4.3.4 Working Experience

Work experience generally reveals the level of exposure of the respondents in the subject matter. The analysis of work experience enabled the researcher to ascertain the reliability of the responses given in the respondent. The study sought to evaluate the richness of the respondent view on the subject matter based on level of work experience in the industry. Results findings are as shown in Figure 4.3

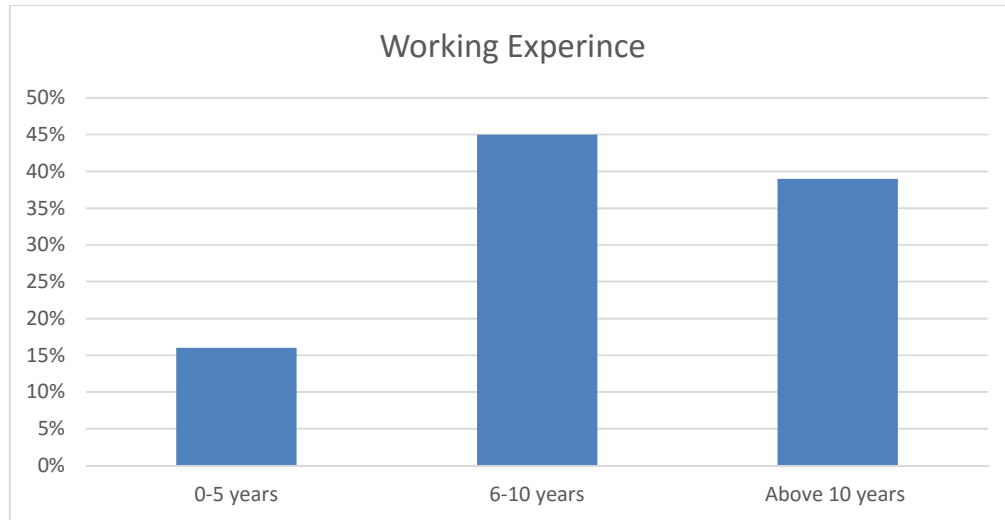


Figure 4.3 Working Experience of the respondents

Source: Research Data (2018)

The finding revealed that Majority (45%) of the respondents served in their current station for 6-10 years, 39% indicated above 10 years, while 16% indicated 0-5 years. This indicates majority has work experience in the Tours and Travel firms. With this result, the study concluded that the information collected were reliable.

4.4 Digital Technology Platforms

The study sought to examine the types of digital technologies that the tour and travel firms were using to promote and improve their services in the society. It was evident that most of the tours and travel firms are using various digital technology platforms such as Facebook, twitter, emails and YouTube to market their services in the society. It was also evident that the firms were also using other digital platforms such as company websites and LinkedIn platforms to promote their products and services and engage their customers. This is shown in the Table 4.2

Table 4.2: Digital Technology Platforms used by tour and travel firms

	Frequency	Percentage	Cumulative Percentage
Face-book	20	30%	30%
Twitter	15	22%	52%
YouTube	10	15%	67%
Company Website	10	15%	82%
Email Marketing	5	9%	91%
LinkedIn	5	9%	100%

Source: Research Data (2018)

Table 4.2 indicate that most of the tours and travel firms are using Facebook at 30% while only 22% of them are using Twitter to market and promote their services. It is also evident that only 15% are using YouTube and Company Website while Email Marketing and LinkedIn take about 9%. This is a clear indication that most of the tours and travel firms are using social media platforms to attract and engage their customers.

4.5 Digital Technology Adoption and Competitive Advantage of Tours and Travel Firms

When asked how the adoption of digital technology is affecting the performance of their firms in terms of promoting competitive advantage, most of the respondents at about 90% indicated that the use of digital technologies has improved the delivery of unique services in their organization. The use of digital technology made it possible to provide variety of services as well on the digital platform. Some of the respondents also agreed that the usage and adoption of digital technology has improved and promoted the delivery of high-quality services and products in their organization.

Some agreed that the adoption of digital technology has reduced the cost of conducting business especially in terms of reducing operational costs due to automation of services thus improving profitability. The respondents also agreed that the adoption of digital technology has improved and increased the speed of services delivery and problem solving in their organization. This is shown in the Table 4.3.

Table 4.3: Extend to which digital technology improves the competitive advantage of their firms

	Frequency	Percent
Very low extent	1	2
Low extent	2	4
Moderate extent	2	4
Great extent	10	20
Very great extent	35	70
Total	50	100

Source: Research Data (2018)

Table 4.3 revealed that respondents at 70% supported the view that the use of digital technology improves the competitive advantage of their firms at a mean score of about 3.4 and this is a clear indication that the use of digital technology is important in the promotion of performance and profitability of tours and travel firms. It can be argued from the above analysis that tours and travel firms should adopt digital technology in their performance and activities to increase their profitability, delivery of unique services and to improve the speed of their services delivery. This is shown in Table 4.4

Table 4.4: Digital Technology and Performance of Tours and Travel Firms

Digital Technology and Performance of Tours and Travel Firms	Mean	Std
Increased the delivery of unique services	3.6	0.9
Increased the customer engagement	3.3	0.9
Increased the delivery of high-quality services	3.4	1.1
Increased the problem solving	3.5	0.9
Increased the speed of services	3.3	0.9
Increased the profitability of the organization	3.3	1.0

Source: Research data (2018)

The findings in Table 4.4 indicated to a very great extent that adoption of digital technology has increased the delivery of unique and high quality services (mean= 3.6), increased the delivery of high speed and customer engagement (mean= 3.3), as well as increased problem solving and profitability of the firm (mean= 3.3). This implies that the adoption of digital technology is important towards improvement of services deliver and customer satisfaction in tours and travel firms.

4.5 Digital Technology and Competitive Advantage Indicators

When asked about the effects of digital technology on the various competitive advantage indicators of their firms. Most of the respondents at 60% indicated that the use and adoption of digital technology has improved the competitive advantage of their firms to a very great extent. This is because the adoption of digital technology has led to high profitability, high operation efficiency as well as high innovation and change in their operations. It was also evident that the adoption of digital technologies has improved the learning and growth of the organizations.

About 60% indicated that the adoption of digital technology has improved the market share and sales volume of their companies. The use of new digital technologies also improved the firm customer's satisfaction levels and the majority of the respondents reported high automation of services after the adoption of digital technologies. This is a clear indication that digital technologies are improving the performance and competitive advantage of tours and travel firms in the society.

Table 4.5: Extent to which use of digital technology improves the performance

	Frequency	Percent
Very low extent	3	6
Low extent	3	6
Moderate extent	4	8
Great extent	10	20
Very great extent	30	60
Total	50	100

Source: Research Data (2018).

Table 4.5 indicates that most of the respondents at 60% supported the view that the use of digital technology improves the performance indicators in the organization in terms of promoting financial stability. The respondents also noted that the use of digital technology improved various activities in the firm and led to increase profitability, increased learning and growth as well as increased innovation and change. This was reported at a mean score of about 3.9. The Figure 4.5 illustrates the scores for every competitive advantage indicator.

4.6 Challenges associated with the Adoption of Digital Technology

The respondents indicated various challenges that affect the adoption of digital technology in their organization. For example, about 70% of the respondents noted that lack of enough funds to implement digital technology policies and tools was a big challenge in their operations. They argued that getting funds to automate the services was a big challenge in the firm. There are also some respondents who indicated that there is a high lack of technical skills to operate some of the digital technological tools in their firms.

Additionally, lack of management support was also considered as part of the challenges that majority of the firms face in the process of adopting digital technology in their operations. Most of the top leadership and management in many organizations is old people who do not see sense in the adoption of digital technologies. Other major challenges that were noted during the study towards the adoption of digital technology by tours and travel firms include lack of compatibility of the new digital technologies and the organization policies or systems. Moreover, some of the digital technological tools adopted were not fully secure and pose some health and transaction threats to the users.

Table 4.6 Challenges associated with Digital Technology Adoption

	Frequency	Percentage	Cumulative Percentage
High Cost/Expensive	30	48%	48%
Lack of Technical Skills	15	22%	70%
Incompatibility of Systems	10	15%	85%
Security Threats	10	15%	100%

Source: Research Data (2018).

4.6.1 Multiple Regression Analysis

The study involved multiple regression analysis to predict the effects of digital technology adoption on the competitive advantage of tours and travel firms in Nairobi. Several dependent variables used to test relationship whether the adoption of digital technology promotes competitive advantage of tours and travel firms. The researcher applied the use of the statistical package for social sciences (SPSS V 21.0) to compute the multiple regression analysis used in the study.

The coefficient of determination was used to explain the extent to which changes competitive advantage was achieved after the adoption of digital technology platforms and this was explained by various independent variables. These independent variables include the adoption e-product, social media marketing, social media promotions, use of company website and emailing marketing procedures. The Table 4.7 indicates the information about the multiple regression models and the variation that was achieved on the dependent variable.

Table 4.7 Multiple Regression Analysis Model Summary

Variables entered in Successive Steps	R	R Square	Adjusted R square	F	df	Change
Facebook	.298	0.88	.088	66.54	1,658	.001
YouTube	.356	.125	.098	56.71	1,654	.000
Twitter	.367	.134	.012	33.71	1,656	.000
Email Marketing	.368	.136	.014	44.15	1,654	.003
Company Website	.369	.143	.013	33.18	1,451	.001
LinkedIn	.412	.124	.015	56.17	1,461	.006

Source: Research Data (2018)

The six independent variables that were studied, explain that an average of 88% adoption of digital technology led to high competitive advantage of tours and travel firm in Nairobi as represented by the R^2 . This indicated about 12% of the factors not studied in this research contributed to the competitive advantage of the tour and travel firms in Nairobi. Therefore, other researchers can investigate these remaining factors that affect competitive advantage of tours and travel firms in Nairobi, Kenya.

The model statistically predicted how the adoption of digital technologies such as Face-book, Twitter, YouTube, Emailing, LinkedIn and Company Website product improve the competitive advantage of tours and travel firms within Nairobi. Notably, it is evident that the multiple regression analysis applied to evaluate the effects of digital technology adoption on competitive advantage of tours and travel firms in Nairobi. This is shown based on the coefficient of correlation shown in Table 4.8.

Table 4.8 Coefficient of Correlation

Constant	B	Std. Error	Beta	t	Sig.
Constant	3.71	0.541		8.211	1.22E-08
Twitter	0.791	0.122	0.146	8.3592	6.04E-09
Facebook	0.784	0.111	0.136	7.9202	4.40E-06
YouTube	0.901	0.011	0.112	5.3920	5.65E-05
Website	0.981	0.182	0.126	4.3099	3.34E-06
LinkedIn	0.771	0.071	0.121	5.1102	3.57E-01
Email Marketing	0.776	0.051	0.046	6.3122	2.57E-03

Source: Research Data (2018).

The regression equation computed established that the adoption of Facebook, twitters, YouTube as well as Emailing promoted competitive advantage of tours and travel firms at a constant zero and this led to competitive advantage of about 3.71. The data findings analyzed indicated when other independent variables were zero, then the use of digital technology platforms led to a competitive advantage of averagely 0.145 of the tour and travel firms. This implies and infers that the adoption of digital technology platforms improve the competitive advantage of travel and tours firms at 7% level of significance and 93% level of confidence and this is significant in promotion of high competitive advantage of tours and travel firm in Nairobi, Kenya.

4.7 Discussion of the Findings

The study sought to determine the effects of digital technology adoption on the competitive advantage of tours and travel firms in Nairobi Kenya. From the respondents given, it is evident that the adoption of digital technology improves the competitive advantage of tours and travel firms in the society. This is because it was evident that the adoption of digital technology improved and increases the service delivery in almost all the tours and travel firms involved in the study.

Moreover, it was also evident that the adoption of digital technology improves the customer satisfaction levels, led to the delivery of unique and rare services in the firm. Additionally, some of the respondents indicated that the adoption of digital technology in their operations improved profitability to a large extent. The adoption of digital technology also improved problem solving as well as automation of services within the tours and travel firms (Caner et al., 2017). According to the knowledge-based theory, global firms should use their resources including the digital technology available to improve the performance and competitive advantage of their firms (Grant, 1996).

Therefore, this study is in line with knowledge-based theory since it indicated that the use of digital technology improves the general competitive advantage of tours and travels firms in Nairobi, Kenya. A close analysis of the study findings also revealed that the adoption of digital technology was associated with increased learning as well as growth in the organization. This is in support of the systems theory which supports the use of various systems and digital platforms to improve the organization success (Malecic, 2017).

The study collaborated with Gakure et al (2013) which has revealed that there is a significant positive relationship between innovation and firm competitiveness. The tour firms that adopted the use of digital platform to engage their customers improved their service delivery and more importantly increased their profitability. The study also agreed with Lin & Chen (2007) that indeed innovation and performance increases productivity. The study improved the pull of information on digital technology adoption which be used by other scholars for literature review.

Despite the high growth rate and speed associated with the adoption of digital technology in tours and travel firms in Nairobi, Kenya, it should be noted that there are some challenges which negatively affects its adoption. For example, the top management of organizations failed to support the adoption of digital technology. Other challenges identified during the study included lack of compatibility between the travel firm's management systems or structure and some of the modern technological tools in the society.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter mainly discusses the summary of findings and includes the conclusions drawn from the study. The chapter also provides some of the suggested recommendations that global firms can adopt to improve their competitive advantage after the adoption of digital technology in their operations. The limitation of the study is also provided.

5.2 Summary of Findings

From the study, it was evident that the adoption of digital technology improves the competitive advantage of tours and travel firms. From the data analysis it was clear that all the tour firms had adopted the use of digital technologies in their operations. The use of face book, twitter, you tube and Company website presented the most used platforms by these companies. This indicated that the firms were in-touch with the customers online therefore were able to offer superior services by providing faster response time and posting content that were useful for the customer to make purchasing decision.

The level of customer satisfaction was increased using the different digital touch points for they were able to reach the firms faster by a click of button. The firms also realized growth in the customer base which translated to increase in the sales volume. This was capitalized by the wider customer reach available on the digital platforms that proactively source for information online. This increased the profitability of these firms and shareholders wealth which are the key reasons why firms operate.

By adopting the use of digital technologies, the firms were also able to increase the speed of their service delivery since decision making by management were done online, the payment made by the customers were online meaning that transaction were conducted and concluded online. The management was able to listen to the voice of the customers through the chats and posting which gave them the chance to tailor make the service offered to these customer. The digital platforms also enabled the firm to gather market intelligence by checking what the competition was offering and generally observe the market trends within and without the country.

The study findings also revealed that the adoption of digital technology enabled the firms to increase their market share. The firms that fully adopted the digital technology were able to stand out, making the product offering visible which translate into increase of product off take and a bigger share of the market. The studies revealed that digital technology enabled the firms to reduce cost associated with the use of paper, posting of receipts, reduce floor space for accommodating the walk-in customers. The study therefore conclusively revealed that indeed digital adaptation increases the competitive advantage of the Tour and Travel firms.

5.3 Conclusion

Based on the findings, the study concluded that most of the tours and travels firms in Nairobi adopted digital technology. In addition the study revealed that digital technology has a great influence on profitability of the firm, increased the sales volume and generally the market share of the early adopters. It was also revealed that adoption of digital technology improves the learning and automation, innovation and change as well as the delivery of services that meet the customer's needs.

The study also revealed various challenges such as lack of training, high cost of implementing digital technology and lack of support from the organization's top management. To control these challenges, tour and travel firms should provide enough budgets towards implementation of digital technology. There is also the need for hiring techno- savvy individuals to implement the digital technology programs of the firms.

5.4 Recommendations

From a close analysis of the study findings, it is true that the adoption of digital technology improves and promotes the competitive advantage of tours and travel firms. However, there are various challenges such lack of management support to fully utilize the different digital platforms available for use. Most firms still focused on the traditional offline channels to promote their products and service. With the growing numbers of internet user, it imperative that firms take advantage of all the digital touch points to reach the changing needs of the consumers.

Therefore, it is important that the top management of tours and travel firms embrace the new way of doing business and take advantage of these platforms and create content that will appeal to the targeted customers. This would increase the visibility of the firms and availability of the information online that will greatly assist the consumers during purchase journey. The digital platform offers firms the opportunity to gather market intelligent by listening to the customer voice through the posting, shares, likes, downloads and tweets as well as competitor activities. The researcher recommends the needs for providing effective systems, the use of metric to measure and controls the firm's activities in the digital platforms.

Secondly, the policy makers should continuously improve the ICT infrastructure to enable the internet user to have cheaper and easy access of the data that would promote the adoption of digital technology. The adoption of digital technology should be part of short term as well as long term strategies of tour and travel firms. Tours and travel firms should seek to train young innovative employees who understand the dynamics associated with digital technology.

5.5 Limitation of the Study

One of the main limitations of the study was that it was challenging to collect the data collection using the questionnaire method. This is because some of the managers within the companies were busy and in some cases out of the office. Secondly, some managers did not want to provide data due to fear of leaking their company secrets, the researcher informed them that the data was only meant for academic purposes. They later provided information although it may be challenging to determine the truthful nature of the information provided as well. However, a close analysis of the responses given indicates that data given were accurate and valid to some extent.

Additionally, the study also used secondary data and it was challenging to determine their accuracy since the number of the Tours and Travels were growing. The number of the sample was large and due to time constraints of time, the researcher did not manager to get responses from the entire sample target. The study only focused on the tour companies in Nairobi leaving out Mombasa which is another hub for large tour firms.

5.6 Suggestions for Further Research

This study sought to understand the main influence of the adoption of digital technology on the competitive advantage of tours and travel firms in Nairobi. A study of the entire country will be usefully for future study to establish how other parts of the country perceive digital adaptation. It is important that future studies focus on the impact of internet usage specifically towards marketing of the tours and travel firms in Kenya. Future studies should also determine the relationship between online marketing and the competitive advantage of tours and travel firms in Kenya.

It is imperative that future studies consider the analysis of factors that reduce the implementation of digital technology by firm. This may help to reduce and control the main challenges associated with digital technology in the society. Finally, a study should be done on how global companies can use digital technology to reach the growing global market without setting offices overseas.

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APPENDICES

Appendix I: Letter of Introduction


UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE.....

TO WHOM IT MAY CONCERN


The bearer of this letter EUNICE OKIRI ONG'ELE
Registration No. DCI/ST/BA/2014


is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.


08 NOV 2016


| **PROF. JAMES M. NJIHIA**
| **DEAN, SCHOOL OF BUSINESS**

Appendix II: Research Questionnaire

SECTION A: GENERAL INFORMATION

Department:

Job Title:

1. What is your gender?

Male [] Female []

2. What is your age group?

Below 18 [] 18-25 [] 26-35 [] 36-45 [] 46-55 []

3. What is your highest level of education?

Primary school [] Secondary School [] Diploma []

Bachelor Degree [] Master Degree [] PH.D []

4. For how long have you served in the current station?

0-5 years []

6-10 years []

Above 10 years []

SECTION B-DIGITAL TECHNOLOGY ADOPTION

5. Which digital platform does your company use?

Company website [] Facebook [] Twitter [] Instagram [] LinkedIn [] others []

6. To what extent do you agree that the adoption of digital technology has improved the competitive advantage of your organization?

1=strongly disagree []

2=Disagree []

3=Neutral []

4=Agree []

5=Strongly Agree []

7. Please indicate to what extent you agree with the statement by ticking appropriately against given alternatives

KEY:

1= no extent at all []

2 =to a low extent []

3 =to a moderate extent []

4 =to a great extent []

5 =to a very great extent []

Adoption of digital technology has increased:

	1	2	3	4	5
Delivery of unique services					
Customer engagement on digital platform					
Delivery of high-quality services					
Problem solving					
Speed of services					
Profitability of the organization					

**SECTION C: COMPETITIVE ADVANTAGE DUE TO ADOPTION OF
DIGITAL TECHNOLOGY**

9. Please indicate to what extent you agree with the statement by ticking appropriately against given alternatives

KEY:

1= no extent at all []

2 =to a low extent []

3 =to a moderate extent []

4 =to a great extent []

5 =to a very great extent []

To What Extent has the adoption of digital technology has improved the success of your organization in terms of the following competitive advantage indicators

	1	2	3	4	5
Financial indicators					
Service Delivery					
Customer Satisfaction					
Innovation and Change					
Automation of Processes					
Leaning and Increased growth					
Operating Efficiency					
Low Cost operations					

10. List some of the digital technology changes that your organization has adopted to improve its competitive advantage

.....
.....

11. List some of the challenges associated with the adoption of digital technology in your organization?

.....
.....

12. What recommendations can you give to your organization to promote the use and adoption of digital technology and help to improve its competitive advantage?

.....
.....

Appendix III-List of Tours and Travel Firms in Nairobi

- 1 Abercrombie & Kent Ltd
- 2 African Grand Expeditions Ltd
- 3 African Eco safaris
- 4 African Horizon Travel and safaris
- 5 African Quest Safaris
- 6 African Service Safaris and tours
- 7 Allamanda Safaris
- 8 Amazing Tours and travel
- 9 Animal World safaris
- 10 Apollo Tours and Travel
- 11 Archers Tours and Travel
- 12 Asili Adventures
- 13 Baloon Safaris Ltd
- 14 Basecamp Travels
- 15 Bellafrika Expedition
- 16 Big Five tours and Safaris ltd
- 17 Bonfire adventures
- 18 Boma Travel services
- 19 Buena Vista Tours and Safaris
- 20 Bunson Travel services
- 21 Bush and Beyond Ltd
- 22 Bush troop Tours and safaris
- 23 Call of Africa ltd safaris
- 24 Charleston Travel ltd
- 25 Cheettah Tours
- 26 Chelis and peacock ltd

27	Chronicles Tours and Travel
28	Coast Adventures safaris
29	Concorder Car hire and safaris
30	Cotts Travel and Tours
31	Dallago Tours and Safaris
32	Destination K ltd
33	Destination Connect co. Ltd
34	Discover Kenya Safaris
35	Dotcom Safaris
36	Dream Kenya Safaris
37	East African Safaris Ventures
38	East African Wildlife Safaris
39	Eastern and Southern safaris
40	Eco Adventures Ltd
41	El Molo tours and Travel
42	Elite Travel Services
43	Elsa Ltd
44	Exclusive African Treasures
45	Expedition African Safaris
46	Exotic Golf Safaris
47	Eyes on Africa Adventures Safaris
48	Finch Travels ltd
49	First Choice Tours and travel
50	Flight and Safaris International
51	Game Viewers Adventures
52	Game trackers
53	Game watchers Safaris
54	Go Africa Safaris and Travel

55	Helinas Safaris
56	HTT holidays and Incentives ltd
57	Ibis Tours and Travels
58	Impact Adventures Travel
59	Incentive Travel Ltd
60	Jade Sea Journeys
61	Jambo Travel House ltd
62	Jungle Beach safaris
63	Kairi Tours and Travel
64	Kenia Tours and Travel
65	Kentan Safaris Ltd
66	Ketty Tours and Travel
67	Kisima Tours & Safaris
68	Kobo Safaris ltd
69	Leading expedition Safaris
70	Lers Go Travel
71	Liberty Africa Safari
72	Mainago Safari
73	Marbles Travel
74	Masimba Hills safaris
75	Menengai Holidays ltd
76	Moige tours and Travel
77	Muthaiga Travels ltd
78	Naked Wilderness Africa
79	Napenda Africa safaris
80	Nature Expeditions Africa
81	Ontdek Kenya Ltd
82	Ostrich Holidays

- 83 Out of Africa Collections Ltd
- 84 Pacific Blue Travels and Tours
- 85 PAWS Africa Safaris ltd
- 86 Phoenix Safaris (K) ltd
- 87 Pinnacle (K) Travels and Safaris
- 88 Private Safaris
- 89 Ramogi Tours and Travel
- 90 Raydolls Tours and travel
- 91 Rhino safaris
- 92 Safari Trails Ltd
- 93 Safaris In Style
- 94 Scenic Adventures
- 95 Shades of Africa Tours and Safaris
- 96 Silverbird Adventures
- 97 Somak Travel
- 98 Southern Cross Safaris ltd
- 99 Southern Sky Safaris
- 100 Speedbird Travel and Safaris
- 101 Suntrek Tours and travel
- 102 Tekko Tours and Travel
- 103 Tours Africa Safaris
- 104 Trails of Africa Tours and Safaris
- 105 Travel in style
- 106 Travel connection
- 107 Tripple Tours and travel
- 108 Twiga car Hire & Tours
- 109 Uniglobe Northline Travel ltd
- 110 Venture Africa safaris

- 111 Vintage Africa ltd
- 112 Wildlife Sun Safaris
- 113 Wildtrek Safaris
- 114 Woni Safaris
- 115 Xcellent Wildlife paradise
- 116 Zaruma safaris
- 117 Zoar Tours and safari

Secondary Source (KATO website 2018)