



**ADDIS ABABA UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
DEPARTEMENT OF MARKETING MANAGEMENT**

**ASSESSING THE PROMOTIONAL PRACTICES OF  
TOUR OPERATORS IN ETHIOPIA**

By: KidaneGeresu

June, 2015

Addis Ababa, Ethiopia

**ASSESSING THE PROMOTIONAL PRACTICES OF  
TOUR OPERATORS IN ETHIOPIA**

By: KidaneGeresu

Advisor: TemesgenBelayneh (PhD)

**A Research Project Submitted to the School of Graduate  
Studies of Addis Ababa University in Partial Fulfillment of  
the Requirement for the Award of Master of Arts in  
Marketing Management**

June,2015

Addis Ababa, Ethiopia

# **ASSESSING THE PROMOTIONAL PRACTICES OF TOUR OPERATORS IN ETHIOPIA**

By: KidaneGeresu

**Approved by Board of Examiners**

---

**Internal examiner**

---

**Signature**

---

**Date**

---

**External examiner**

---

**Signature**

---

**Date**

## **DECLARATION**

I, the undersigned, declare that, this project paper is my original work, has never been presented in this or any other university, and that all resources and materials used herein have been duly acknowledged.

Name: KidaneGeresu

Signature \_\_\_\_\_

Place: Addis Ababa University, Ethiopia

Date of submission: \_\_\_\_\_

### **Statement of Certification**

This is to certify that Ato Kidane Geresu has carried out his post-graduate thesis work on the topic entitled “assessing the promotional practices of tour operators in Ethiopia”.

The work is original in nature and suitable for submission for the award of Master’s Degree in Marketing Management (MA)

Advisor: Temesgen Belayneh (PHD)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **ACKNOWLEDGMENTS**

I am pleased to extend my deepest gratitude and appreciation to my advisor Dr. TemesgenBelayneh for his unreserved assistance and guidance throughout all stages of my research.

I would like to acknowledge all who assisted me a lot when writing this thesis both materially and sharing their valuable knowledge.

My gratitude also goes to the respondents for their kind cooperation to provide information. Without their cooperation, this thesis would not have been possible.

Last but not least, I wish to take this golden opportunity to express my deepest thanks to my students for their great support in collecting the distributed questionnaires from respondents.

## **Acronyms and Abbreviations**

AFDB: African Development Bank

BSC: Balanced Scorecard

DMO: Destination Management Organization

ETO : Ethiopian Tourism Organization

GOE : Government of Ethiopia

GTP: Growth and Transformation Plan

ICT : Information Communication Technology

ILO: International Labor Office

MDGs : Millennium Development Goals

MoCT: Ministry of Culture and Tourism

PASDEP: Plan for Accelerated and Sustained Development to End Poverty

SPSS : Statistical Package for Social Scientists

TTO : Tour and Travel Operator

UNWTO : United Nation World Tourism Organization

WBGs: World Bank Group Study

WTO: World Tourism Organization

WTM : World Travel Market

## Table of contents

No	Contents	Page
	Acknowledgment.....	I
	Acronyms.....	II
	Table of Contents	III
	List of tables.....	IV
	List of figures.....	V
	Abstract.....	VI
<b>CHAPTER ONE:</b>		
1.1	Back ground of the study.....	1
1.2	Statement of the problem.....	2
1.3	Research questions.....	4
1.4	Objectives.....	4
1.4.1	General objective.....	4
1.4.	Specific objectives.....	5
1.5	Significance of the study.....	5
1.6	Scope of the study.....	6
1.7	Limitation of the study.....	6
1.8	Definition of terms.....	6
1.9	Organization of the study.....	7
<b>CHAPTER TWO</b>		
<b>2</b>	<b>REVIEW OF RELATED LITERATURE.....</b>	<b>8</b>
2.1	Introduction.....	8
2.2	Communication model.....	9
2.3	Marketing mix.....	10
2.3.1	Product.....	10
2.3.2	Price.....	10
2.3.3	Place.....	11
2.3.4	Promotion.....	11
2.4	The role of marketing communication.....	11
2.5	Personal marketing communication.....	13
2.5.1	Direct marketing.....	13
2.5.2	Interactive media.....	14
2.5.3	Personal selling.....	14
2.5.4	Word of mouth.....	15
2.6	Non Personal marketing communication.....	16
2.6.1	Advertising.....	16
2.6.2	Sales promotion.....	17
2.6.3	Public relation.....	18
2.7	Tourism industry in Ethiopia.....	20
2.7.1	Tourist Flow.....	22
2.7.2	Domestic tourism.....	23
2.7.3	Tour operators.....	24
2.8	Empirical studies .....	34
2.9	Conceptual framework.....	36

<b>CHAPTER THREE:</b>		
<b>3</b>	<b>RESEARCH METHODOLOGY.....</b>	<b>37</b>
3.1	Introduction.....	37
3.2	Research approach.....	37
3.3	Research design .....	37
3.4	Source of Data Collection.....	38
3.5	Validity and reliability.....	39
3.6	Data Analysis.....	39
3.7	Ethical consideration.....	39
<b>CHAPTER FOUR:</b>		
<b>4</b>	<b>DATA PRESENTATION, ANALYSIS AND INTERPRETATION</b>	<b>40</b>
4.1	Introduction.....	40
4.2	Demographic information.....	40
4.3	Promotion strategy and program.....	43
4.4	Message consistency and reliability.....	52
4.5	Presentation of interview results.....	55
<b>CHAPTER FIVE:</b>		
<b>5</b>	<b>SUMMARY, CONCLUSION AND RECOMMENDATION.....</b>	<b>59</b>
5.1	Summary.....	59
5.2	Conclusion.....	60
5.3	Recommendations.....	61
5.4	Further study.....	63
	<b>REFERENCES.....</b>	<b>64</b>
	<b>Appendix.....</b>	<b>I</b>

### List of tables

	Page No.
Table 2.1, Tourist arrival .....	23
Table 4.1, Demographic information .....	39
Table 4.2, Position and experience .....	41
Table 4.3, mean of promotion strategy . .....	41
Table 4.4, Promotion Strategy .....	42
Table 4.5, Mean of Promotion applicability.....	44
Table 4.6, Promotion applicability.....	45
Table 4.7, Mean of Awareness creation.....	46

Table 4.8, Awareness creation .....	47
Table 4.9, Mean of Appropriate promotion element.....	48
Table 4.10, Appropriate promotion element .....	49
Table 4.11, Mean of Message design.....	50
Table 4.12, Message design .....	51
Table 4.13, Evaluation mechanisms .....	52

**List of figures**

	Page No.
Figure 2.9, Conceptual Framework .....	34

## **Abstract**

*This study was conducted under the title “assessment of tour operator promotional practices in Ethiopia”. The main objective of the study is to examine whether the mix of the promotion elements have been applied effectively by TTO. The study is descriptive in its nature and employed both qualitative and quantitative research methods. The main sources of primary data in the study is TTO. Both structured and unstructured questionnaires were used to collect data which was then coded and analyzed using descriptive statistics. The target population of the study is 333 TTO which are found in Addis Ababa and 181 respondents were selected based on convenience method. One person from each selected TTO filled the questionnaires based on the experience and knowledge in the area. Among the findings, it was revealed that the mixes of the promotional elements are important means of communication with both international and domestic tourists. Though they are not yet effectively combined to use them, the reason could be due to limited tourism product development, high package price for the existing product, poor promotional strategy and program, lack of attention and knowledge on tourism marketing and promotion strategy and limited integration among TTO. It is recommended to customize promotion strategy and program that consists proper mixes of promotional elements to attract more tourists that best suits to tourism resources of the country.*

**Key terms:** -Domestic tourist, International tourist, Promotion, Promotional mixes, Tour operators and Tourism





## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1. Background of the Study**

The use of appropriate promotional mix helps to address the available and unique tourism products to the travelers and to exist in the competitive market environment. The promotional mix is a term used to express the collection of tools that a firm can use to create awareness and try to persuade the benefit and features of products to the customers.

As noted in the Practical Guide to Tourism Destination Management (2006), Promotion is one element of the overall destination marketing mix which is extremely important and visible one. Unless the promotion drive is properly supported by the other elements of the core destination marketing mix, namely product, pricing and distribution channels, the promotional effort will not deliver the required return on investment.

It is also explained in the guide that the potential travelers could be enticed to visit the destination but will be frustrated by a lack of products and attractions, inability or difficulty to book and buy and inconsistent prices and/or poor value for money. Destination promotion could be considered the front face of destination marketing, as it entails all aspects of communicating and enticing customers to visit the destination.

Now where direct and indirect competitions are intensified and buyers are more rational in their buying decisions, promotion becomes unavoidable managerial concern of all companies in all industries of the world. To this end, managers, particularly, marketing managers are so busy in planning promotional campaign, i.e. studying customers' perception, developing the promotional objectives and strategies, media planning, appointing the right spokesperson and budgeting for the campaign implementation. They, therefore, invest from thousand to billions of dollars in marketing communication with the hope that it will enhance company performance by increasing sales, assuring brand recognition, evaluating market share and increasing profit as well.

The tourism sector is essential for the growth and development of nation's economy. According to Nicolas Vaugeois (2013) tourism is an attractive business tool for economic development specifically in the developing world. Many travelers do appreciate Ethiopia for the suitability of the climatic condition, less tourist expense comparing to other African countries, reach with various tourism resources and considered as among the peaceful and stable few African countries. Simply having various tourist products in a destination will not attract international tourists. It is most important to effectively promote all of natural and man-made tourism resources to the target customers.

Designing effective and efficient promotional strategy is basically an important issue. In fact, at its most fundamental level, tour operators' promotional practice should integrate with other marketing mix and work as a single man working. Tour operators have a great power to influence and to direct demand than others do. They also have increased bargaining power in their relations with suppliers of tourist services and are in a position to influence their pricing, product policies and promotional activities(WTO,2007).

To this end, the strategy formulation, implementation and controlling of the promotion is required to be well organized, structured, directed, coordinated, integrated and executed as well. In contrast, unorganized, undirected, unplanned and less integrated promotional efforts would be a source of company's inefficiency. Not only would it be worthless but also it adds little value to the company's performance.

## **1.2. Statement of the problem**

A promotional activity is a business activity that communicates a company's interests and embodies a transmission-reception of a variety of information between internal business processes and external business relationships. Promotion has the roles of informing, persuading, inducing action, and reaching and affecting a diversity of publics.

The UNWTO (2012) has illustrated in its report the importance and challenges of tourism. It can be seen as having many benefits and costs. And also has noted that it generates local employment, both directly in the tourism sector and in various support and resources managements sectors. Tourism stimulates profitable domestic industries - hotels and lodging facilities, restaurants and other food services, transportation systems,

handicrafts, and guide services. Tourism generates foreign exchange for the country and injects capital and new money into the local economy. Tourism diversifies the local economy, particularly in rural areas where agricultural employment may be insufficient. Employment opportunities will be created in the business communities due to the arrival of tourists who need goods and services.

Ethiopia, a country with numerous outstanding tourism resources but a victim of long lived bad image, still lacks studies conducted in the area of promotional practices at a country level in general and tourist destination area in particular. It is evident that the country has long been associated with drought, famine, war and political unrest. Politically, the coming to the power of the Derg regime after the imperial government had messed up every single development concern, thus, contributing to the several damage of the flourishing tourism sector (Yabibal,2010).

Although Ethiopia has many internationally recognized tourist attractions, its share in the tourism market relative to other African countries is very low. The total number of international tourists and total tourism receipt in Ethiopia was 596,341 and 333,236,539 USD respectively in year 2012, which is far less than other African countries, such as Egypt, South Africa, Tunisia, Morocco, Kenya and Zimbabwe (MoCT, 2012). Ethiopia is the first from the continent by having more world heritage sites, but they are not well optimized at the moment. In short, tourism in Ethiopia is at its low level of development and its effect on economic development was not given attention until recent times. The strong initiative of the government of Ethiopia (GOE) is expected to boost the industry in the future as depicted in the manual of Ministry of Urban and Construction development of Ethiopia (2010).

A perception study conducted among Swedish tourists towards Ethiopia revealed that most subjects had no awareness about the country as a tourist destination. Most tourists have lack of awareness and knowledge towards the tourism resources of the country (Teshale, 2010).

Undertaking effective promotional activities by tourism stakeholders is very important to increase tourist volume and creates positive image of the country. Tour operators are one of the major stakeholders in tourism industry and are intermediaries who meet tourists directly and have a great power to change the image and attract more tourists to a country.

Even though they have significant role in promoting the country's tourism resources, as my observation and access to look previous studies in National Archives which has collection of studies conducted by Ministry of culture and tourism and different tourism stakeholders, online portals, and Addis Ababa University libraries, there is lack of study conducted in promotional practices of tour operators in Ethiopia.

Thus, to address the gap between promotion theory and promotion practices; this study assessed the overall promotional practices of tour operators in Ethiopia.

### **1.3. Research questions**

Emanating from the statement of the problem, this study tried to answer the following questions:

1. Are the tour operators 'uses effective promotional strategy to identify the possible segment travelers based on the tourist categories?
2. What are the mix of the promotional elements mostly practiced by tour operators?
3. What are the mix of the promotional tools that are appropriate& relevant to attract more tourists?
4. What promotional activities are undertaken by tour operators to develop domestic tourism?

### **1.4. Objectives of the study**

#### **1.4.1. General objective**

The general objective of this study is to assess the promotional practices of tour operators in Ethiopia.

### **1.4.2. Specific objectives**

Specifically the study aimed to attain the following objectives:

- To assess the effectiveness of promotional strategy used by tour operators.
- To identify the mix of the promotional elements practiced by tour operators to address international tourists.
- To assess the appropriate & relevant promotional tools to attract more tourists resources.
- To identify appropriate promotional activities to develop domestic tourism

### **1.5. Significance of the study**

This research study will have the following significance;

- ✓ It will help tour operators to review and evaluate the level of promotional practice performance and its effect in the growth of the country's tourism industry.
- ✓ It will provide a direction for tour and travel managers to examine the effective promotional mix that can attract more tourists.
- ✓ The findings of this research will also contribute to the growth of tourism sector by identifying the problems related to the subject matter and providing information to concerned bodies like policy makers, tourism planners, tourism marketers and academicians.
- ✓ Finally, it is also expected to extend its significance to the society at large as a starting point for further study in the area.

### **1.6. Scope of the study**

The study is limited to promotional practices of tour operators which are found in Addis Ababa. The study is concerned in the areas of promotion strategy, applicability of promotional mix and appropriate promotional tools to attract more domestic and international tourists and did not include other areas of marketing mix, even though they have power in influencing company's performance.

### **1.7. Limitation of the study**

The study is focused on tour operators' promotional practices which are found in Addis Ababa. Lack of published materials and locally conducted studies in the area are among the major limitations. As a result, the student researcher is forced to build up on previous works in other countries. The outcome of the study entirely depends on responses of the respondents included in the study.

### **1.8. Definition of terms**

**Promotion-** is vital element of marketing mix used to pass information, persuasion and influence to audiences.

**Promotion mix-** is a term used to describe the set of tools that a business can use to communicate effectively the benefits of its products or services to its customers.

**Tourism-** is the activity of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, or any other purpose”.

**International Tourist-** is anyone who visits a tourism resource of a country on temporary bases that is not his usual place of residence for at least 24 hours.

**Domestic Tourist-**Any person who travels with in the country where he resides to a place other than his usual place of residence for at least 24 hours or one night.

**Tour operator-** a person or a company that purchase separate elements of transportation, accommodation and other services and combine them into package which they then sell directly or indirectly to consumers(Holloway, 2002).

### **1.9. Organization of the study**

The paper is organized in to five chapters. The first chapter provides general back-ground and introduction information about the study. In this part, Introduction, statement of problem, research questions, objective of the study, and lay out of the paper is included.

The second chapter outlines the review of different literatures related to areas under study. Contain definition of terms and concepts about the effective mixes of promotional elements for tourism.

The third is the methodology part which contains; research design, data sources, sampling technique and data analysis.

The fourth chapter presents and analysis data collected through the primary and secondary means using questionnaires.

Finally, the last chapter summarizes the points raised in the study and gives recommendation and conclusions.

## CHAPTER TWO

### REVIEW OF RELATED LITERATURE

#### 2.1. Introduction

Successful management of an organization's communications with its customers, intermediaries and other publics is essential. Without proper marketing communication, a well-designed and manufactured product could go unnoticed, no matter how agreeable the price. Different marketing communication methods are used to make sure that the product or service being produced is noticed.

Marketing is an essential part of travel and tourism because of the issue of seasonality. Fluctuations in demand have to be overcome since high costs are incurred when products remain unsold. Thus potential clients need to be informed of the tourism products in order for them to be sold.

The combination of marketing communication tools chosen greatly affects the success of the marketing communication effort. It is often extremely difficult to decide which marketing communication tools to choose from since there are many tools, each with numerous strengths and weaknesses.

The aim of this chapter is therefore to discuss each marketing communication method and its application to the tourism industry where possible. The discussion starts with an explanation of the communication model. An exploration of the marketing mix, consisting of product, price, distribution (place) and an introduction to marketing communication (promotion). Since the study focuses on marketing communication, personal communication methods, namely direct marketing, interactive media and personal selling and non-personal marketing communication methods, that is, advertising, sales promotion and public relations, are discussed at length. Tourism industry in Ethiopia is briefly discussed. The chapter concludes with discussing promotional strategy and conceptual framework of the study.

## **2.3. THE MARKETING MIX**

The marketing mix represents the organization's marketing offering and consists of the controllable variables that the organization puts together to satisfy the needs and desires of the target market. The traditional marketing mix has four components, namely, product, price, place and promotion.

### **2.3.1. Product**

Products or market offerings are the basis of any business, which is why the product can be regarded as the reason for marketing. If there were no product (or service), there would be nothing to sell. A company aims to make the product different and better in a way that will cause the target market to favor it and even pay a premium price for it (Kotler, 2012).

The tourism product may comprise a place, service, tangible products or experiences. The tourism product can be thought of either as the total tourism product (the total holiday package consisting of accommodation at various hotels and different types of transport used) or that of the individual producer.

### **2.3.2. Price**

Price is the value the seller and buyer assign to the product. Since pricing information is often a key factor in motivating consumers to act, information about pricing is probably the most important message that can be transmitted to consumers. The main difference between price and the other three marketing mix elements is that it produces revenue, whereas the others create costs (Burnett & Moriarty, 1998).

Communicating affordability constitutes an important pull factor in drawing tourists to particular destinations. When used in tourism, a product package is sold which includes airfare, transport, accommodation, entertainment and meals, usually at a lower rate than if each component were to be purchased separately.

### **2.3.3. Place**

Place is an important consideration because tourists must travel to the destination in order to consume the tourist product. Tasks include making contact with potential buyers, negotiating, contracting, transferring title, providing local inventory, transportation and storage. These tasks may be performed entirely by the manufacturer or entirely by intermediaries. In the case of tourism, since the market offering is a service, inventory and storage cannot take place because, hotel rooms, for example, if not sold for a certain night, cannot be sold again - the concept of perish ability is evident.

### **2.3.4. Promotion**

Promotion or marketing communication is the final element in the marketing mix. It is intended to send marketing-related messages to a selected target audience and to persuade consumers to purchase the product. It therefore covers all those communication tools that can deliver a message to a target audience.

## **2.4. The role of marketing communication in the marketing mix**

Marketing communication is the process of effectively communicating product information or ideas to target audiences. To communicate the marketing message effectively, companies must realize that everything they do can send a message. Product, price and distribution can communicate information to audiences. Marketing communication is therefore the element used to showcase important features of the other three components of the marketing mix to increase the odds that the consumer will purchase a product.

The five factors found in all marketing communication are persuasion, objectives, contact points, stakeholders and marketing communication activities (Burnett & Moriarty, 1998). Since this study focuses on marketing communication activities, they will be discussed at length in terms of tourism where applicable. Firstly, a brief discussion of persuasion, objectives, contact points and stakeholders is necessary.

. **Persuasion.** All marketing communication tries to persuade the target audience to change an attitude or behavior or provide information. Marketers can persuade in a variety of ways, including providing incentives, giving reasons why a product should be purchased or supplying information on a certain product. Marketers also actively listen to the concerns of people in the market.

. **Objectives.** All marketing communication is goal directed. Generally, marketing communication objectives involve creating brand awareness, delivering information, educating the market and advancing a positive image for the brand or company. The ultimate goal is to help sell the product to keep the company in business.

. **Contact points.** These are points where the consumer and product/company come into direct contact with each other. Successful marketing requires managing and coordinating marketing messages at every contact point the brand or company has with its target audience. Although marketers can plan formal contacts (such as advertising or direct marketing), unplanned contacts take place frequently and relay informal messages that audiences infer. To be successful in communicating positive messages, companies need to ensure that messages at every contact point work together so that they persuade consumers to purchase products.

. **Stakeholders.** A stakeholder is anyone who has a stake in the success of a company or its products. Various parties can be regarded as stakeholders, for example, customers, shareholders, employees, distributors, suppliers and the media.

As mentioned previously, marketing communication sends messages, ideas and information to target audiences. To communicate the marketing message effectively, companies must realize that everything they do can send a message. Planned and unplanned messages can be sent into the environment.

Planned messages take the form of marketing communication tools, for example, advertising, sales promotion, public relations, direct marketing or personal selling. Unplanned messages, however, include all the other elements associated with the company or brand which are capable of delivering implicit messages to consumers. Examples of this could be presentation of facilities and equipment, transportation,

response service, crisis management or word of mouth. Planned messages can be further subdivided into personal and non-personal marketing communication.

## **2.5. Personal Marketing Communication**

Personal communication channels involve two or more persons communicating directly with each other (Kotler, 2012). This may be face to face, person to audience, over the telephone or via e-mail. There are many alternatives which will be discussed in the sections to follow. The strength of personal communication lies in the fact that it creates opportunities for tailoring the message to the person to whom it is being delivered, and also that immediate feedback can be received. The discussion begins with direct marketing, followed by interactive media and personal selling.

### **2.5.1. Direct marketing**

Direct marketing is an interactive marketing communication tool that uses one or more advertising media to obtain a measurable response and/or transaction at any location. Using direct marketing, organizations communicate directly with target customers to generate a response (Belch & Belch,2001).

Direct marketing uses a set of direct-response media such as direct mail, interactive television, direct selling, telemarketing, e-mail and the Internet. These media are the tools that direct marketers use to implement the communication process. Direct-response media carry messages to identifiable customers or prospects and can be used to send brand messages to specific geographic and electronic addresses.

Direct marketing communicates directly with customers through targeted media rather than through mass media. Direct marketing relies primarily on media, not a sales person, to generate a lead. According to Pender (1999), direct marketing techniques essentially involve marketing the product directly to the consumer without the involvement of a middleman or intermediary. This allows the marketer to gain direct access to the buyer.

### **2.5.2. Interactive media**

According to Belch and Belch (2001), interactive media allow for a back-and-forth flow of information whereby users can participate in and modify the content they receive. This enables customers to make enquiries, ask questions and make purchases. Interactive media also include CD-ROMS, kiosks and interactive television. Also known as two-way media, interactive media allow both companies and customers to send and receive messages and also permit an instant exchange of information.

Communication tactics are available to maintain and manage ongoing marketing communication activities and relationships (Andersen, 2001). Developments in information technology have made new communication options available, including the Internet, e-mail and e-commerce.

### **2.5.3. Personal selling**

Personal selling is a marketing communication tool used to increase sales directly through personal contact. Personal selling allows face-to-face presentation of a product or an idea to a potential customer by a representative of the company. This one-on-one communication allows immediate feedback, and adjustments to the message can be made immediately.

Personal selling is a form of person-to-person communication in which the seller attempts to persuade prospective buyers to purchase his or her company's product or service. One of the main advantages of personal selling is two-way communication because it allows for greater flexibility in the design of messages and enables salespeople to tailor the message to their customers. Negotiation with prospective customers is also possible.

In almost all instances, personal selling is more effective than other types of promotion (Reich, 1997) because most purchase decisions are based to varying extents on information and persuasion. There is not enough time or space in an advertisement to attempt to supply all answers to target customer's potential questions. The main problem

with personal selling is that it is not as effective at reaching large numbers of decision makers as mass media, because the sales force can only visit a certain amount of clients every month.

#### **2.5.4. Word of mouth**

There are hundreds of occasions when people ask others for referrals. If one has confidence in the person giving the referral, one will probably act upon it. In so doing, the recommender has benefited both the service provider and the service seeker. It is therefore apparent that word of mouth can be an extremely useful means of marketing communication, because it is free and credible.

Two main benefits of developing word of mouth are that such sources are convincing and have low costs (Kotler, 2012). Word of mouth is convincing because it is "of consumers, by consumers, for consumers". Loyal and satisfied customers are not only repeat buyers, but also talking advertisers for the company. When the company is referred to others in this manner, this does not cost it any money. Sometimes, if a company knows that another person or company refers many people to it, it may give the referrer enhanced service, a discount or a small gift to thank him or her for generating business for it.

In the tourism industry, a good way of building word of mouth is not only providing good service, but also ensuring that customers are satisfied at all times. If they are happy, they will tell others about their wonderful experience and hopefully the people they tell will try the service the next time. In terms of tourism, a useful method to receive word of mouth on paper is to ask clients to sign a guest book. This can be used as a means of collecting testimonials which potential clients can read. Such testimonials could be added to the website or the company brochure (Reich, 1997).

One of the strengths of word of mouth is that this type of advertising not only costs the company nothing, but also normally has high credibility because people who listen to other customers know that they are sharing their own experiences and will not benefit personally if the listener decides to buy the product (Duncan, 2002).

## **2.6. Non-person marketing communication**

Non personal communication channels include media, atmospheres and events. Media consist of broadcast media (television and radio), print media (newspapers and magazines), electronic media (CD-ROM, web pages) and display media (billboards, signs and posters). Atmospheres are used to create or reinforce the buyer's credibility (vital to the tourism product) and events are occurrences designed to communicate particular messages to target audiences (such as news conferences, sponsorships or new product launches, arranged by an organization's public relations department). In the sections to follow, the media will first be discussed, followed by sales promotion and public relations.

### **2.6.1. Advertising**

Advertising is a form of either mass communication or direct-to-consumer communication that is non personal and is paid for by various business firms, nonprofit organizations and individuals who are in some way identified in the advertising message and who hope to inform or persuade members of a particular audience (Shimp, 2000).

Advertising provides information about brands and organizations. Advertising also creates demand for a product in the long run. Advertisements try to change mental states to stimulate consumer awareness and interest. The advertisement may not lead to an immediate sale, but is likely to predispose the audience towards the purchase of the advertised product.

Advertising attempts to develop and change attitudes by providing information or touching emotions to persuade consumers to act. Persuasion is the conscious intent on the part of one person to influence or motivate another through the use of reason, emotion or both. These basic features of advertising should be born in mind when designing an advertisement.

### **2.6.1.1. Communication and Advertising**

In communication through advertising it is crucial to identify clearly the target consumers, the objective expected to meet, the means of achieving the objectives and the right time of implementation. In short this means communication should answer the Who, What, How and When as elaborated below.

- **Who?** Choose the population or target audience.
- **What?** What are the goals of the campaign? Define clear, specific and measurable objectives.
- **How?** What is the key message? Highlight the quality of service as most beneficial for the tourist and a key differentiating factor. Consider relating the quality of the service to the working conditions. The ads should be creative, easily understood and remembered.
- **When?** What is the right time? Define the period in which the impact of the campaign will be most effective, and its duration.

### **2.6.1.2. Managing an Advertising Campaign**

The advertising campaign planning process incorporates an analysis of the current situation (research) and a clear definition of the overall communication objectives, as well as the specific advertising objectives.

The strategy summarizes broadly what to say (message), how to say it (execution, tone or creative strategy), who to say it (target audience), where to say it (media choice or media strategy), when to say it (timing) and sometimes how much it will cost/budget (Smith and Taylor, 2004). The major decisions in advertising are:

#### **Objective Setting**

Although advertising methods may vary from country to country the major advertising objective remain the same (Hollensen, 2007)

- Increasing sales from existing customers by encouraging them to increase the frequency of their purchases.
- Obtaining new customers by increasing customers awareness of the firm's products and improving the firm's corporate image among a new target customer group.

### **Budget Decisions**

Controversial aspects of advertizing include determining a proper method for deciding the size of the promotional budget and its allocation across markets and over time. In practice, it is not possible to set optimum advertising budget. Therefore, firms have developed more practical guidelines. How do companies decide on their promotion budget? There are some methods to set a promotion budget.

- Affordable method
- Percentage of sales method
- Competitive party method
- Objective and task method

### **Media decision**

Hollensen (2007), states that the selection of the media to be used for advertising campaigns needs to be done simultaneously with the development of the message them.

A key question in media selection is whether to use a mass or target approach. The mass media (television, radio, and news print) are effective when a significant percentage of the general public are potential customer. This percentage varies considerably by country for most products, depending on, for example, the distribution of incomes in different countries.

According to Hollenson (2007), the selection of media to be used in a particular campaign starts with some idea of the target market's demographic and psychographic characteristics, regional strengths of the product, seasonality of sales. According to him; the main media types are:

**Television-** is an expensive but commonly used medium in attempting to reach broad national markets. In most developed countries coverage is no problem. However, television is one of the most regulated of communications media.

**Radio-** is a lower-cost broadcasting activity than television. Commercial radio started several decades before commercial television in many countries. radio is often transmitted on a local and therefore national comparisons have to be built up on are by-are basic. Radio advertising must create a sense of visual and verbal message.

**Cinema-** in countries where it is common to subsidize the cost of showing films by running advertising commercials prior to the feature film, cinema advertising has become an important medium. Advertising messages transmitted in a cinema have all the advantages of television-based message. Audio and visual dimensions combine with darkness in the cinema to provide high impact. This means that cinema advertising has greater impact than television advertisements.

**News papers (print)-** most people have access to either a news papers or magazine. Most people, made the same news papers each day and their regular choice of magazine reflects either their business or leisure interests. This means that advertisers, through marketing research, are able to build a database of the main characteristics of their readers. This in turn allows advertisers to focus on those media that will be read by the type of people they think will benefit from their product or service.

**Outdoors media-** consists mainly of billboards/posters, shop signs and transit advertising. This medium shows the creative way in which space can be sold to customers. In the case of transit advertising, for example, a bus can be sold as an advertising medium.

### **2.6.2. Sales promotion**

Sales promotion is a marketing communication function that encourages action by adding tangible value to a brand offering (Duncan, 2002). Sales promotions are thus popular in tourism owing to the intangibility and perish ability of tourism products.

Sales promotions are used to provide strong incentives to purchase and are often used to boost sales. They vary between being extremely subtle and extremely dramatic, depending on the specific promotional activity chosen. There may be a strong element of immediacy inherent in their use, because when a product is bought, the sales promotion accompanies the purchase.

Sales promotion consists of various promotional activities which can be used to target buyers, respond to special occasions and create an incentive for purchase. It stimulates sales by offering an extra short-term incentive to act or justify action. Sales promotion is based on the premise that each brand or service has an established perceived price or value. It changes the accepted price-value relationship by increasing the value, lowering the price, or both (Burnett & Moriarty, 1998). Thus sales promotion offers consumers an immediate inducement to buy a product by the simple step of making the product more valuable.

#### **2.6.2.1. Trade promotion**

Sales promotion can be targeted at resellers and sales forces (called trade promotion) considered using a push strategy. When aimed at consumers, (referred to as consumer promotion), it is regarded as a pull strategy.

#### **2.6.2.2. Consumer promotion**

Consumer sales promotions are directed at the ultimate users of the product. Sales promotion has had a significant role in tourism and hospitality marketing mainly because most offerings are perishable. Marketers are able to use sales promotion techniques to encourage sales or stimulate demand. Sales promotion should be used on a short-term ad hoc basis rather than continuously. It should be used at irregular intervals, particularly if the market is seasonal. The reason for this is that over-use of sales promotions can lead to consumer expectations of additional benefits offered as the norm. A vast array of techniques can be used. In the tourism industry, discounts, sampling, coupons, competitions, promotional gifts, point-of sale materials, patronage awards and trade shows are sales promotion techniques which have proved to work well.

### **2.6.3. Public relations**

Public relations (PR) are a management function which enables organizations to achieve effective relationships with various publics in order to manage the image and reputation of the organization. Public relations are a popular marketing tool in tourism because of the credibility of the message.

Maintaining effective public relations has a number of benefits since a company will receive a reasonable amount of exposure and a positive image will be portrayed. Certainly one of the positive outcomes of publicity is credibility. Experts believe that consumers tend to trust the media more than they do advertisers. Consumers prefer to be informed rather than "sold to" (as in advertising) and will thus possibly take more cognizance of an article written by a newspaper journalist about a product than an advertisement. Editorial comment carries more authority and credibility since readers expect advertisements to support the company placing the advertisement (Rowley, 2001).

One advantage of PR is that there are no advertising costs involved. Publicity usually involves sponsoring an event or conducting a press conference, which costs the company money, but being mentioned in the newspaper the next day is free. Effective PR requires commitment to the company and resources for a planned and focused program.

The costs of public relations activities often appear less than for other types of promotions. This is because articles may appear in newspapers and magazines which are usually expensive to place advertisements into. In addition, such articles tend to have higher credibility because of the lack of an obvious commercial sponsor. This enables public relations to be an effective means of marketing communication.

#### **2.6.3.1. PR's publics**

Public relations must be sensitive to two types of publics, namely internal and external publics. Internal publics are the people with whom an organization normally routinely communicates in the ordinary course of work, such as employees, investors, suppliers,

dealers and regular customers. External publics are the people with whom an organization communicates but does not have regular or close ties, such as the financial community, government officials, special interest groups and the media.

### **2.6.3.2. Public relations tools**

Public relations have certain tools that are used to inform its publics of the company. These tools include crisis management, media relations, corporate relations, customer relations and events and sponsorships.

#### **a) Crisis management**

When negative incidents occur, it is important to use public relations to ensure that the company's version of the event is presented, and thereby attempt to lessen any damage that may have been caused by the unexpected event. It is essential for the company to act quickly and responsively towards the negative incident. Tourism destinations are particularly vulnerable to negative publicity because if something happens at a specific destination, such as floods or terrorist attacks, travelers will be reluctant to visit the area.

#### **b) Media relations**

The aim of media relations is to provide newsworthy information to the press, radio and television to gain publicity. Media relations are imperative for marketing purposes, necessitating development of contacts with local, national and specialist media. PR staff should also be prepared to assist media contacts should they call with any requests for information or interviews. The media relations function of PR is primarily responsible for publicity. Media relations specialists develop personal relationships with the media covering their industry or company. They provide information in the form of story ideas, press releases and other publicity materials, serve as a source or find an expert when a reporter needs to speak to someone knowledgeable.

#### **c) Corporate public relations**

The objective of corporate relations is to promote understanding and a good image of the company both internally and externally. "Corporate public relations" is the term for high-

level counseling with senior management about a company's overall reputation, its image in the eyes of various stakeholders and its response to issues that may affect its success.

#### **d) Special events and sponsorships**

Sponsorship is a viable means to generate publicity, especially by sponsoring a competition or event, even if it is in conjunction with another company. The sponsors are always mentioned and thanked, and goodwill is created for them.

Social events such as company picnics or sports days, can also generate publicity. Such activities may simply be used to create a pleasant atmosphere and build relationships with employees and customers, investors and important stakeholder publics.

#### **2.6.3.3. Public Relations and Communication**

PR was described as one of the most cost-effective ways of promoting the destination brand and product offering is through effective media communication, i.e. providing the various printed and electronic media with interesting and newsworthy stories about the destination, which could then be included as editorial content in the various media. In addition to the obvious cost advantages associated with editorial coverage versus PR, stories about the destination in editorial format carries more credibility as it is the objective view of the writer and not advertising that is designed to influence.

It was depicted that Communication and PR to be promoted with various objectives in mind including:

- Continuous image and brand building, which could include stories, releases and other messages
- Tactical Campaign PR - This includes communication in support of specific campaign messages, events, personalities, special promotions, etc.
- Image defense and crisis management- Communication and public relations are key methods of reducing the potentially negative impacts of crisis events in the destination e.g. criminality, terrorism, natural disasters, health scares, etc.

## **2.7. Tourism Industry in Ethiopia**

Tourism is one of the largest and fastest growing global industries. It is a vibrant in creating significant employment and economic development, particularly in many developing countries. Over the last few decades, tourism has become one of the main sectors of the global economy, not only because of its contribution to the Gross Domestic Product (GDP) of different countries, but also because of the employment it generates (Cooper, Fletcher, Fyall, Gilbert, & Wanhill 2008). So far, many definitions of tourism have emerged as a result of the growth and changes of tourism-related activities, but there is one simple definition that has been accepted for a long time now: It is a temporary movement of people to destinations outside their normal places of work or residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs (Ibid). More importantly, the World Tourism Organization (WTO, 2004) defines tourism as “the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited” (Ibid). Moreover, in 1981 (after the definition adopted by the League of Nations in 1937), the International Association of Scientific Experts in Tourism (AIEST) stated: “Tourism may be defined in terms of particular activities, selected by choice and undertaken outside the home environment. Tourism may or may not involve overnight stays away from home” (De Groote, 1995:28).

In 1973, the National Tourism Resources Review Commission provided more specific definition for tourism as “A tourism is one who travels away from home for a distance of at least 50 miles (one way) for business, pleasure, personal affairs, or any other purpose except to commute to work, whether he/she stays overnight or returns the same day” (McIntosh, Goeldner, & Ritchie, 1998, pp. 11-12). There are many forms of tourism enjoyed throughout the world from the sun, surf and sand (3S) tourism, eco-tourism, adventure tourism, sport tourism, health and spa tourism, cruise tourism, cultural and heritage tourism, festivals, family reunions and business/convention tourism (Ibid).

According to Mill (1990) tourism is not an industry itself, but it contributes to a range of other industries. Tourism is an activity engaged in by people who travel. For many countries tourism is the number one commodity in the international trade market (Mill, 1990).

In countries those endowed with significant tourist attractions, tourism has emerged as a new impetus for economic growth because its ability to generate foreign exchange and employment. A concise analysis of the economic impact of tourism for a developing country is important to guide the policy intended to develop tourism and augment its benefit on the economy (Dwyer and Forsyth, 1993). Tourism impacts on the economy through tourist's expenditure on different (mostly non-traded) goods and services (Hazari and Sgro, 1995:243). Thus, the tourist expenditures may be regarded as an inflow of foreign exchange that can lead to an appreciation of the exchange rate, hence reduction of the domestic price of exports, which acts as a disincentive to exporters. More generally, the economic impact of tourism can be examined by analyzing its impact on the growth of production, use of the factors of production or on the country's balance of payments (Miki ć, 1988: 302). Tourism is a phenomenon that warrants investigation due to its impacts economically and socially to a region or country.

According to Tourism Towards 2030, UNWTO's recently updated long-term outlook and assessment of future tourism trends, the number of international tourist arrivals worldwide is expected to increase by 3.3% each year on average from 2010 to 2030. This represents some 43 million more international tourist arrivals every year, reaching a total of 1.8 billion arrivals by 2030. Based on the information from countries with data available, tourism's contribution to worldwide gross domestic product (GDP) is estimated at some 5%. Tourism's contribution to employment tends to be slightly higher and is estimated in the order of 6-7% of the overall number of jobs worldwide (direct and indirect). For advanced, diversified economies, the contribution of tourism to GDP ranges from approximately 2% for countries where tourism is a comparatively small sector, to over 10% for countries where tourism is an important pillar of the economy. For small islands and developing countries, the weight of tourism can be even larger, accounting for up to 25% in some destinations.

Tourism was explained again by WTO as the sum of the phenomena and relationships arising from interaction among tourist, business suppliers, host governments, host communities, origin government, Universities, Community colleges, Nongovernmental organization in the process of attracting, transporting, hosting, managing the tourists and others Visitors (Mckercher, 1995). And Tourists are people who travel to and stay in places outside their environment for more than twenty-four hours and but not more than one consecutive year for leisure, business and others purpose but not related to the exercise of an activity remunerated from within the place visited (WTO, 20098). Holloway also defined Tourist as someone who travels to see something different and then complain when things are not the same (Holloway, 1994).

In his study *Tourism In Africa*, Doreen E.(Feb. 2001) has also stated that Given its cross-sectoral nature, tourism can only grow sustainably if it is integrated into the country's overall economic, social and physical planning policies. Where national attractions are shared with neighboring countries, joint or regional promotion and marketing can be effective. National policies must conserve the country's cultural and environmental heritage to preserve the resource base on which tourism is based.

### **2.7.1. History of tourism industry in Ethiopia**

Ethiopia was one of the first African countries to establish a tourist industry and, in the 1960s; tourist arrivals grew at the rate of 12 per cent a year. By 1974, when the Emperor Haile Selassie was overthrown and replaced by a military regime, Ethiopia's tourist sector was on a par with Kenya's. Ethiopia then had actually more to offer than Kenya: both had coastlines, spectacular scenery and abundant wildlife, but Ethiopia also had historic sites and an identity defined by its own history, culture and peoples, rather than by colonialism as depicted in the manual of Ministry Of Urban Development and construction.

Furthermore, it was described in the manual that in common with many other countries (notably Morocco, Tunisia, Egypt and Kenya that also started investing in tourism in the

late 1960s), tourism was considered a key economic growth sector in Ethiopia as early as 1966 when the first Tourism Development Master Plan was developed. Guided by the plan, the government invested heavily in tourism infrastructure in the subsequent decade – including establishing the consultants Arthur D. Little who wrote the Master Plan and who also wrote the plans for Egypt, Kenya and Tunisia.

Ethiopian Airlines for international and domestic air access, building airfields around the country at key tourism sites, building hotels at or near these sites, and establishing a national tourism operation to take tourists to the hotels and attractions. The main attraction was the “Historic Route” which at the time (1968-73) Ethiopian Airlines was servicing with seven flights per day (up to 280 passengers daily). The “Historic Route” took place in Addis Ababa, Lalibela, Gondar, Axum and Asmara as elaborate in the manual of Ministry of Urban Development and Construction (September, 2006).

From 1974 for two decades, the Ethiopian tourism industry suffered from the adverse effects of a prolonged civil war, recurrent drought and famine, strained government relations with tourist generating countries, and restrictions on entry and free movement of tourists during the military government from 1974 to 1991. During this period, apart from periodic upgrades of the infrastructure (such as airports and roads), there has been little investment and successive governments have largely overlooked the sector. The sector is in urgent need of re-investment, in particular, the cultural and natural attractions, and human resources that form the basis of the tourism product, have been completely neglected as mentioned in manual of Ministry Of Urban Development And Construction (September, 2006).

It was illustrated that the linkages to international tourism networks, both for marketing and research purposes, have also been neglected. Lack of coordination between stakeholders and the government resulted in poor infrastructure development and under developed tourist sites as well as a shortage of skilled workers in the sector. Generally, there was lack of marketing and promotional strategy as well as low awareness of tourism by local communities. In addition, the limited share of tourism earnings reaching the local community is affecting the sustainability of the sector and is having a negative impact on the contribution of tourism towards poverty alleviation.

By adding its explanation, the Ethiopian context for developing tourism is somewhat unique in Africa in that the country has been, until recently, closed to foreign investors. This has resulted in an unusual and potentially powerful paradigm where businesses in the tourism sector are almost entirely Ethiopian-owned (either by government, the Ethiopian Orthodox Church or the private sector). On the other hand, this closed and relatively controlled system has stifled the development of a creative and innovative industry in terms of product development, crafts, exploration of new attractions, etc.

Ethiopia has also so many magnificent historical and natural sites and diverse cultural, historic and heritage tourism attractions. And therefore has great potential to develop itself as a tourist destination. However, the country could not get the economic benefits it deserves from the sector as it was stated in the manual of Ministry Of Urban Development And Construction (September, 2006).

Furthermore, Ethiopia is a strategically important country in the Horn of Africa for most countries and therefore, many international meetings and conferences are held in Ethiopia. This creates a huge demand for accommodation at an international standard and even an increase in such a demand is expected in the future because the importance of Ethiopia has been growing and many international organizations have been continuously strengthening their institutions and augmenting their personnel in Ethiopia as described in the manual of Ministry Of Urban Development And Construction (September, 2006).

The supply of accommodation, however, is far below the level needed to meet the demand. There are only limited five-star hotels in Addis Ababa and hotels of an international standard can rarely be found in other urban regions, even where there are international tourism attractions, such as Lalibela. Many hotels and lodges are under construction, stimulated by the initiative of The Government of Ethiopia (GOE) and the sharp rise in demand. Since the hotel industry can create job opportunities for so-called blue collar workers, the development of the hotel industry benefits not only the tourism sector but also poverty reduction. On top of the importance of the industry itself, since hotels are at the center of supply chains, such as food, handicrafts and tour operations, focusing on the hotel industry provides an occasion to overview those associated

industries at the same time. The GOE consider tourism development important as can be seen in its recent reform of ministries.

According to the manual of Ministry Of Urban Development And Construction (September, 2006), the Government of Ethiopia (GOE) has now prioritized tourism development in its development strategy, the Plan for Accelerated and Sustained Development to End Poverty (PASDEP), Millennium Development Goals (MDGs), Growth and Transformation Plan (GTP) and tourism policy to optimize the existing tourism resources as a driving force of economic growth for the whole country. In light of all these, the government planned to make Ethiopia one of the top ten tourist destinations in Africa by the year 2020 with an emphasis on maximizing the poverty reducing impacts of tourism and to change the international image and positioning of the country. The sector should be planned in a comprehensive way to foster the contribution of tourism on the general economic development of the country.

The Tourism Commission was upgraded to the Ministry of Culture and Tourism (MoCT) in 2005. MoCT has, at the same time, the responsibility for cultural issues, which were taken care of by the Ministry of Youth and Sports previously. Tourism development is further given due attention during the period of GTP as an important driving force of the country's economy. Tourism is the third biggest foreign-currency-earning industry in as Ethiopia adapted from the manual of Ministry Of Urban Development And Construction (September, 2006).

Tourism industry is increasingly recognized as a valued mechanism for job creation, economic development and poverty reduction. Emerging economies from Thailand to Kenya to Mexico have benefited over time from this sector. Though growing and diversifying their tourism resources they have leveraged them into economically productive assets. Similarly, Ethiopia is well-positioned to leverage its vast tourism potential through integrated mix of the promotion elements to address its tourism resources. The potential for growth of attracting international travellers may be promising too due to improvements and great attention of the GOE and the stakeholders.

**Table 2.1: Tourist Arrivals (2004-2011)**

<b>Year</b>	<b>Arrival</b>	<b>USD</b>
2004	184,078	114,627,850
2005	227,398	138,599,940
2006	330,020	169,975,086
2007	357,841	213,936,063
2008	383,399	204,855,489
2009	427,286	246,415,374
2010	468,305	333,236,539
2011	523,438	333,352,000
2012	596,341	411,638,987

**Source: MoCT, 2012**

### **2.7.2 Domestic Tourism**

Domestic tourism helps to create a more sustainable foundation for tourism development because it helps to diversify the segments and to counter balance seasonality, volatilities and the dependency on international tourist flow. Previous studies estimated that domestic tourism in Ethiopia may account for roughly 20 percent of total arrivals. Domestic tourism is believed to be predominantly business oriented and concentrated mainly in Addis Ababa, but it also believed to increasingly have a leisure and religious dimension (Mitchel and coles, 2009).

Ethiopia is expected to be one of the African countries, together with Nigeria and South Africa, which will have the largest middle class by year 2030(AFDB, 2010). In, Ethiopia, as in the majority of African countries, the largest portion of the middle class (61.4%) is composed of the unstable and vulnerable floating subclass, whose daily per capita consumption is between \$2 and \$4. However, Ethiopia has a considerable upper -middle

class, both in relative terms (3% of the total population) and in absolute terms (2.4 million), more sizeable than those of close competing destinations such as Tanzania and Kenya. The upper-middle class is especially important for domestic tourism development because it is supposed to be the most likely both to save and to consume goods and services (WBGs, 2012).

### **2.7.3. Tour operators in Ethiopia**

Tour operators perform a distinct function in the tourism industry. They purchase separate elements of transportation, accommodation and other services and combine them into package which they then sell directly or indirectly to consumers. They are sometimes called as wholesalers in the sense that they purchase services and break bulk (buy in large quantities in order to sell in small quantities).

Tour operators – sometimes called packagers or tour wholesalers – offer consumers their selection of tourism products that form complete packages of holiday services in destinations selected by the company. These services can include for example transportation, accommodation, possible day trips, sightseeing tours and meals. Most often holidays organized by tour operators are not longer than one to two weeks in length and include only one destination, but exceptions occur, such as trekking tours and other tour packages where tourism services in several locations are included (Holloway, 2002).

And they often own their own charter airline and their tours are divided into two seasons, winter and summer. Specialist tour operators offer tour packages which all have a unifying factor, such as same type of accommodation or transportation, same theme or same country of destination.

Domestic operators sell domestic customers tour packages taking place in their own country. Incoming operators organize and sell trips to incoming tourists taking place in a specific country or area, but some of them may organize only accommodation for a foreign tour operator or work as a guide service for other tour operators (Bhatia, 2012).

Tour operators aim to create packages that can be sold to the consumers with a compatible and attractive price while at the same time making enough profit to run the business. This is assured by the concept called ‘bulk buying’, which means that the tour

operator buys a large number of e.g. hotel rooms and airline seats to get discounts and be able to offer their packages to consumers at an attractive price. Other things often bought in bulk are airport transportation, taxi transportation and local entertainment that can be sold to the customers in advance or on site. The tour packages are sold to the public using different types of marketing tools, such as paper form (leaflets and brochures), TV advertising or online advertising (Holloway, 2002).

In Ethiopia, most of tour operators offer a very familiar range of tour, including the one-day or half day Addis Ababa tours, the one-day Excursion from Addis Ababa and range of two-thirteen day tours to historic sites, national parks, and other tourist circuits of the country. Still, a number of tour operators are beginning to diversify other unique tours that exploit the full diversity of Ethiopia, including hiking tours, birds watching, hunting, etc. are emerging. Besides, there are many individuals and companies with Tour Operation licenses but have not yet fully started the business. Instead of this, they use the license for other purpose and sometimes for speculating in the sector so that they escape the government taxation. These need thorough inspection activities in order to suspend the illegal action. There are 333 registered tour operators which are currently working in Addis Ababa (Ministry of culture and Tourism, 2012).

## **2.8. Categories of tourism products**

The International Labor Office (ILO) has noted in the teaching guide for tourism promotion, the tourism products have been categorized into the following lists:

**Nature tourism:** exploring conservation areas by walking or riding in the forest, or on the mountain or beach, navigation in rivers, lakes and the sea, observation of flora, fauna and other natural attractions such as waterfalls, caves, etc.

**Experiential cultural tourism:** living with native communities, including participation in daily life activities and various cultural events, such as music, dance and arts, religious holidays, etc.

**Agri-tourism:** visiting rural communities to participate in agricultural production, livestock, and handicrafts other traditional agricultural activities.

**Historical tourism:** visiting special sites to see monuments, sculptures, architecture, civil, military or religious artifacts', archaeological remains of ancient cultures, local museums and sites of paleontological interest.

**Health and wellness tourism:** today, increasing interest in fitness, disease prevention, maintaining good health, new age remedies and alternative treatments to alleviate various types of stress are key tourism motivators. Such tourism may include visits to holy sites with communities; participation in rituals and treatments with healers and shamans.

**Medical tourism:** this has been defined as the practice of travelling across international borders to obtain health care.

**Religious tourism:** also commonly called “faith tourism”, this involves travel for reasons of faith, for pilgrimage, missionary and other related purposes.

**Sports tourism:** recreational fishing and hunting, sports that require specialized training and equipment: canoeing, climbing, rappelling, etc.

**Scientific tourism:** observation and study of flora, fauna and geology, local food plants and ancestral medicinal knowledge and its applications in the conservation of biodiversity.

## **2.9. Designing the Promotional strategy**

According Kotler (2012), designing a promotional strategy and program involves the following stages:

### **1. Identifying target audiences**

Targeting was considered as the most critical components of a successful tourism destination marketing strategy. It has been advised that to clearly defined and profiled target market segments which ensures the most immediate results and best return on investment. Hence, the existing target market profiles could be further enhanced by analyzing their characteristics (e.g. lifestyles, benefits sought, purpose of trip, etc.) where to reach them (where they live, shop, exercise, socialize, etc.) and how to reach them

(what they read, watch, how they buy, etc.). This clearly requires thorough market research.

### **3. Determining the promotional appropriation**

It has been mentioned in determining the promotional budget, the challenge is to find out a balance between the scope of the objectives set and the available budget and affordability to achieve these. Meaning that every element of the potential promotional mix should be critically evaluated and monitored in terms of return on investment e.g. cost per contact/enquiry, conversion cost, circulation (reach and penetration) achieved, life span of the medium used, profile of the audience reached and whether it fits the brand personality and enhances the credibility of the brand.

### **4. Establishing the mix of promotional elements**

There is no clear distinction between generic promotion and sales conversion-directed promotion. However; there is a growing trend to establish joint marketing agreements and partnerships with private operators to facilitate immediate conversion and customer ratification.

## **2.10. Main Distribution and Promotion Channels**

### **a) Sales through travel agencies**

Sales through travel agencies were stated as distribution channel related to domestic and foreign travel agencies and aimed at two generic segments: foreign tourists who buy travel packages and domestic tourists who make use of package tours.

### **b) Trade and tourism exchanges**

Fairs and exhibitions – at different levels – are an alternative form of presentation and sale of products to intermediaries and the general public. Their main advantage is the potential for establishing personal contact between different private and public tourism businesses according the explanation in the guide.

### **c) Professional associations**

Professional associations were mentioned as an important vehicle for unifying their members' offerings, creating a corporate image, promoting public relations and participating in order to expand their presence in the domestic market, and to enter into agreements with new distribution channels or institutional customers.

#### **d) Notes and press releases**

It was suggested that to make use of this resource; select the media best suited to your product and your target audience; consider as well as the strategy used by competing destinations.

#### **e) Internet**

The Internet was described as one of the most effective communication, information and promotion tools in today marketing activities. It was advised to depend on accessibility and knowledge, explore and use different options (web sites, emails, web advertising) to contact your former clients to keep them updated, communicate with travel agencies and publicize on different web pages, among other things.

### **2.11. Empirical Studies on tour operators business**

There are some papers conducted in tour operators business. However, because of more relevance to the current study and the papers are supposed to give more recent information, two papers were selected. The papers are analyzed on the basis of their objectives and findings; and their contribution to the current study.

The first study was conducted on the topic entitled as "assessing on the effectiveness of integrated promotion to attract international tourists to the city of Addis Ababa". The general objective of the study was to assess on effective mix of the promotional schemes undertaken by the city tourism authorities and its stakeholders to aware and attract international tourists.

The findings of the paper implied that that there is average integration and cooperation of tourism stakeholders to promote the city tourism products and potentials to the international levels. The stakeholders have attempting to promote together heavily through the use of Professional associations, Trade and tourism exchanges activities, web/Internet, and international bench marking. This may indicate that individual promotion efforts are more dominate to assure one's own benefits from the tourism actors. The Tourism authorities have no clear promotional strategy and program which can be used as a guide. It also described that there is an attempt to promote the country

and the city together with the Tour and Travel Operators, regional tourism bureaus and offices, and the city government. However, there is no strong integration yet. There is no clear cut strategy of promotion to promote integrally with effective mix of promotion with TTO and others. The TTOs are at the front for harvesting the benefits of tourism, but they have less interest to cover the required amount of promotion cost (Girmay, 2014).

This paper is used as a foundation for the current study. It showed that there is no integration among stakeholders in promoting the country. . But it did not state the integration of tour and travel operators and their promotion strategy and program. The current study analyzed the tour operators promotional practices status specifically.

Another study was conducted on the topic entitled as assess the use of social media as a marketing tool for Tour operators located in Addis Ababa.

The objective of the study was to:

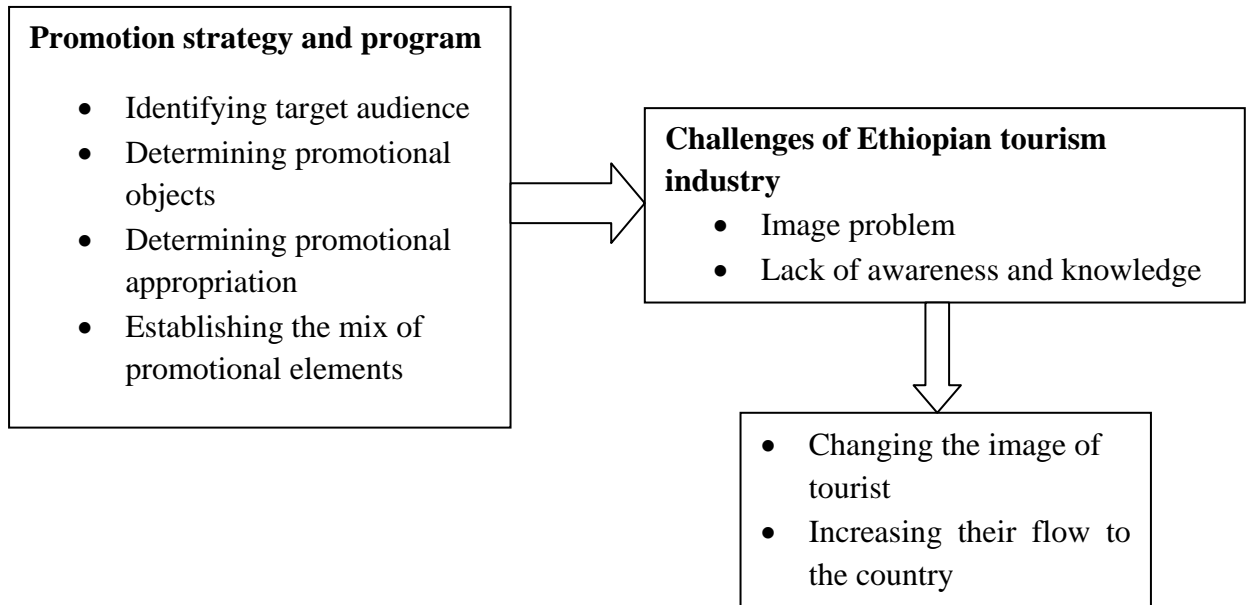
- 1) To assess the extent to which Tour Operators in Addis Ababa are using Social Media to reach target customers.
- 2) To evaluate the potential of using Social Media as marketing tool for Tour Operators.
- 3) To identify benefits of using social media as marketing tool.
- 4) To analyze the disadvantage of using social media as a marketing tool.

The results of the study indicated that most of the Tour Operators in Addis Ababa are not using social media through developing social media strategy and the resulting SWOT analysis for effectively utilizing the existing potential of social media as a marketing tool (Abiy, 2014).

This study is also used as a bench mark for the current study in that it shows that Tour Operators in Addis Ababa are not using social media through developing social media strategy. But the paper did not comprehensively analyzed the overall promotional practices of tour operators in Ethiopia. On the other hand, the current study comprehensively analyses the overall promotional practices of tour operators in Ethiopia.

## 2.12. The conceptual framework

The conceptual framework for this research revolves around promotion and its role.



**Fig. 2.9. Conceptual framework of the study**

**Source: - Researcher own compilation (2015)**

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. Introduction**

In order to achieve any goal, finding the approach is the most important stage of the work. Thus, this chapter outlines the methodology that was used for research and the theoretical foundations behind the approaches and their definition. It also contains research approach, data collection, method, and credibility of the research findings. Finally a summary of research methodology is presented.

#### **3.2. Research approach**

Yin (1994) suggests that the best research method to be used for a study depends on that study's research purpose and the accompanying research questions. Mainly, qualitative or quantitative or both. The quantitative and qualitative refers to the means through which one chooses to discuss and analyze the selected data. The study attempted to quantify the results through statistical summary or analysis as well as described the results that are not expressed in numbers. Therefore, both qualitative and quantitative research approach are applied.

#### **3.3. Research type**

Research can be classified as descriptive, explanatory and exploratory depending on the specific purpose that the research tries to address. The researcher has interacted with tour operators to obtain facts, opinions and attitudes on their promotional practices.

As a result, descriptive research is the research design chosen for this study. The researcher tried to describe and interpret promotional strategies and promotional mix being adopted, promotional message appropriateness and consistency as being obtained from tour operators.

The study has been made through the use of available literatures which are relevant to this study and in this study the survey method was utilized effectively to collect data. The key variables measurements which are appropriate for the study were identified carefully.

Different factors or mixes which have an impact on attracting international tourists and applicable only to this study were adopted.

### **3.4. Data Source and Collection**

Both primary and secondary source of data were used for the purpose of this study so as to make the research more organized and rich with important information.

This study has dealt mainly with the primary data that was collected with the help of questionnaires. Primary data encompass the original research conducted on a topic (Cooper &Schindler, 1998). These data are collected if information needed for a specific purpose is not available, or if the information is not already available in published form and primary data ensures that they provide unbiased information that is relevant, clear and accurate.

Unstructured and structured questions were prepared and distributed to the tour and travel operator found in the city based on self-administered questionnaires. Questionnaires for the purpose of this study were prepared based on different literature reviews related to the objectives of the study. The structured questionnaires have four parts. The first and second parts contain questions regarding respondents' demographic profile. The third and fourth parts included questions regarding promotional strategy and promotional message appropriateness and respondents were asked to rate according to their choice.

A five-point Likert's scale was considered to measure the promotional mix used or applied by tour and travel operators.

Secondary data are historical data previously collected and assembled for some research problem or opportunity situation other than the current situation (Cooper &Schindler, 1998). The secondary data was collected using magazines, manuals, various studies and tourism actors' official web-sites.

### 3.4.1. Target population

The population can be defined as the entire group under study as specified by the objectives of the research (Cooper &Schindler, 1998). The main objective of this study is to examine the promotional practices of tour operators in attracting tourists. Therefore, the populations of this study are 333 tour and travel operators which are found in Addis Ababa (MoCT, 2013).

### 3.4.2. Sampling size and techniques

A sample is a subset of the population being studied. It represents the larger population and is used to draw inferences about that population.

Among the total number of tour operators, 181 is calculated as sample size using the formula described here under (Israel, 1992). After the determination of sample size using the below mentioned formula, convenience sampling will be employed for individual observation.

$$n = \frac{N}{1 + N(e)^2}$$

Where;

N= number of total population

n= required sample size

e= level of confidence = 95 %( 0.05)

A non-probability convenience sampling method was used to select each respondents. The selected TTO operators assigned one person from their respective company to fill both close ended and open ended questions. So the total of 181 persons which have more knowledge and experiences in the subject filled both type of questionnaires. The study is considered Bole, Mecixo, Piasa and Meskel Square surrounding areas because these are places where many tour and travel operators are found and easily accessible and proximity to the researcher's place of work.

### **3.5. Validity and Reliability of Instruments**

#### **3.5.1. Validity**

All the survey questionnaire items in this study have shown to be valid and reliable. Face and content validity of the items were reviewed by two instructors who have expertise in research on tourism and hospitality industry. Comments made by these individuals were incorporated to make better of the survey items.

#### **3.5.2. Reliability**

On the basis of the comment from the experts, lengthy items were excluded and only the selected items were used. These items were selected based on item total correlation found among experts. The criterion was that the item-total correlation being more than 0.7. In addition, using the Cronbach's alpha criteria, the reliability estimates of the items indicate adequate level of internal consistency (i.e. 0.867).

### **3.6. Data analysis**

In order to address the research objectives, the descriptive research method has been adopted. A descriptive statistical tool has been used effectively in order to address the research objectives. To do so, SPSS software was used to analyze the data that was obtained through questionnaire from the respondents.

### **3.7 Ethical consideration**

Ethics are norms or standards of behavior that guide moral choices about behavior and relationships with others (Cooper and schinder, 1998). The goals of ethics in research are to ensure that no one is harmed or suffers adverse consequences from research activities. Responsible research anticipates ethical dilemmas and attempts to adjust the design and procedures during the planning process rather than treating them as an afterthought.

To research the respondents, the student researcher provided formal letter to get accurate information from different tour operators which are found in Addis Ababa. The respondents were given privileges of not writing the names, company and no one was forced to fill the questionnaires unwillingly and without making clear the actual purpose of carrying out the research to him/her.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.1. Introduction

This section has two parts: the first part is on the presentation of data resulted from the mainly closed ended structured questionnaires related to the practices of promotion efforts by tour operators. The structure of the section is based on the sequential order of the questionnaire in order to present the data at hand and provide the empirical results of the survey.

The second part is on the presentation of data resulted from open ended questions. Based on the proposal, the student researcher prepared four open ended questions to examine/ assess the problem that affect the growth of domestic tourism, the possible measures to be undertaken by tour operators to increase domestic tourism, the integration of tour operators as well as the general strength and weakness of tour operators.

The student researcher distributed and collected 181 questionnaires from the respondents. By relying on the data obtained through questionnaires, the data was analyzed by frequency distribution as follows.

#### 4.1. Demographic information

Demographic information about respondents is summarized by descriptive statistics below:

From the respondents' personal information table, it is possible to describe that from the whole 181(100%) respondents: 87(48.1%) of them are males and 94(51.9%) of them are female; and 51(28.2%) are under 25 years, 99(55.7%) are in between 25 to 45 years, 31(17.1%) are in between 46 to 65 years and 2(3.2%). Their education levels are from diploma to post graduates; 159(87.8%) of them have diploma & degree and the rest 22(12.2%) are post graduates.

**Table 4.1: Respondent's personal information**

<b>Variables</b>	<b>Description</b>	<b>Frequency</b>	<b>Percentage</b>
Gender	Male	87	48.1
	Female	94	51.9
	Total	181	100
Age	<25 year	21	28.2
	25-45 year	99	54.7
	46-65 year	31	17.1
	Above 66	0	0
	Total	181	100
Education	12 complete	0	0
	Diploma	59	32.5
	First degree	100	55.3
	Post graduate	22	12.2
	Total	181	100

From the respondents position and experience table: 41(22.7%) of them are General Managers, 38(21%) are Marketing Mangers, 4(2.2%) are Marketing Experts and 98(54.1%) are tourism professionals, i.e. tour operators/tour guide ; and regarding their work experiences: 11(6.1%) are less than one year, 65(35.9%) are in between 1 to 3 years, 56(30.9%) of them are between 3 to 6 years and the rest 49(27.1%) have above 6 years of working experience in various tourism sector.

According to the data obtained, the respondents' positions are general managers, marketing managers and tourism professionals. This can ascertain the reliability of the data collected because they are in a right position for promoting the tourism destination and their company. The researcher tried to select each respondents based on their knowledge and experience in the subject.

**Table 4.2: Respondent's position and experience**

<b>Variables</b>	<b>Description</b>	<b>Frequency</b>	<b>Percentage</b>
Position	General manager	41	22.7
	Marketing manager	38	21
	Marketing expert	4	2.2
	Tour operators/tour guide	98	54.1
	Total	181	100
Experience	< 1 year	11	6.1
	1-3 year	65	35.9
	4-6 year	56	30.9
	Above 6 year	49	27.1
	Total	181	100

### **4.3. Promotion strategy and program**

This section summarizes tour operators' promotion strategy particularly in identifying target audience, determining promotional objectives, determining promotional appropriation and establishing the mix of promotion elements, applicability of promotional mixes and creating awareness, and most appropriate elements in attracting more tourists.

**Table 4.3. Mean of promotion strategy**

<b>Item</b>	<b>Mean</b>
Identifying target audience	2.82
Determining promotional objectives	2.88
Determining promotional appropriation	2.72
Establishing promotional mixes	2.72

**Source:- own survey(2015)**

**Table 4.4: Effectiveness of promotion strategy**

Promotion strategy	Not effective		Less effective		Neutral		Effective		Very effective	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Identifying Target Audiences	15	8.3	67	37	51	28.2	32	17.7	16	8.8
Determining Promotional Objectives	31	17.1	52	28.7	35	19.3	34	18.8	29	16
Determining Promotional Appropriation	36	19.9	42	23.2	59	32.6	25	13.8	19	10.5
Establishing the mix of Promotional Elements	30	16.6	63	34.8	37	20.4	30	16.6	21	11.6

**Source: - own survey (2015)**

As shown in table in 4.4, the respondents have been asked whether they have designed promotional strategy particularly in identifying target audience, determining promotional objectives, determining promotional appropriation and establishing the mix promotion elements to put their level of effectiveness using Liker's five scale options. Accordingly, whether they have properly identified target audience: 15(8.3%) replied not effective at all, 67(37%) replied less effective, 51(28.2%) of them are neutral, 32(17.7%) are effective and the rest 16(8.8%) replied very effective; whether they have determined promotional objectives: 31(17.1%) replied not effective at all, 52(28.7%) replied less effective, 35(19.3%) of them are neutral, 34(18.8%) are effective and the rest 29(16%)

replied very effective; whether they have determined promotional appropriation: 36(19.9%) replied not effective at all, 42(23.2%) replied less effective, 59(32.6%) of them are neutral, 25(13.8%) are effective and the rest 19(10.6%) replied very effective and whether they have established the mix of promotional elements: 30(16.6%) replied not effective at all, 63(34.8%) replied less effective, 37(20.4%) of them are neutral, 30(16.6%) are effective and the rest 21(11.6%) replied very effective. As described above, their entire promotion strategy effectiveness is below 50%.

As shown in table 4.3 and 4.4, the promotion strategy and program is not effective. This means that most of the respondents firms have not identified their target tourists, determined promotional objectives and appropriation as well as not established the mix of promotional elements.

According to Kotler and Armstrong (2009), a marketing communicator starts with a clear target audience in mind. After identifying the target audience, marketer must the desired response. The marketing communicator needs to know where the target audience now stands and to what stage it needs to be moved. Having defined the desired audience response, the communicator then turns to developing an effective message. Then, every element of the potential promotional mix should be critically evaluated and monitored in terms of return on investment. Finally, the communicator must select the channel of communication. Each promotion mix should smoothly integrate and must deliver consistent message and positioning.

This implies that tour operators' promotional strategy is inconsistent with the marketing theory. Majority of them are not applying effective promotional strategy. They have not clearly identified target audience, have not developed effective message, and are not applying effective integrated promotion mix.

**Table 4.5. Mean of promotion applicability**

<b>Item</b>	<b>Mean</b>
Sales promotion	2.52
Public relations	2.02
Advertising	2.66
Personal selling	2.07
Direct marketing	2.77
Official website	4.49
Word of mouth	3.27
Trade show	3.46

**Source: - own survey (2015)**

As shown in table 4.5 and table 4.6, the respondents have been asked whether they apply the mix of the promotional elements to communicate well with the target tourists. Accordingly, they have been asked how often they applied sales promotion:36(19.6%) replied never applied, 65(35.9%) replied less applied,40(22.1%) applied averagely,30(16.6%) applied many times, the rest 10(5.5%) applied always; how often they applied sales public relation: 74(40.9%) replied never applied, 52(28.7%) replied less applied, 33(18.2%) applied averagely,21(11.6%) applied many times, the rest 1(0.6%) applied always; how often they applied advertising:2(1.1%) replied never applied, 79(43.6%) replied less applied,83(45.9%) applied averagely, 12(6.6%) applied many times, the rest 5(2.8%) applied always; how often they applied personal selling: 61(33.7%) replied never applied, 80(44.2%) replied less applied, 22(12.2%) applied averagely, 3(1.7%) applied many times, the rest 15(8.3%) applied always; how often they applied direct selling: 52(28.7%) replied never applied, 20(11%) replied less applied, 63(34.8%) applied averagely, 10(5.5%) applied many times, the rest 36(19.9%) applied always; how often they applied official website: 5(2.8%) replied never applied, 3(1.7%) applied averagely, 66(36.5%) applied many times, the rest 107(59.1%) applied always; how often they applied word of mouth: 38(21) applied less, 88(48.6%) applied averagely,

24(13.3%) applied many times, the rest 31(17.1%) applied always; and how often they applied trade show: 20(11%) replied never applied, 6(3.3%) replied less applied,51(28.2%) applied averagely, 78(43.1%) applied many times, the rest 26(14.4%) applied always.

**Table 4.6. Applicability of the mix of the promotional elements**

Promotional elements	Never applied		Less applied		Averagely applied		Many times applied		Always applied	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Sales promotion	36	19.6	65	35.9	40	22.1	30	16.6	10	5.5
Public relation	74	40.9	52	28.7	33	18.2	21	11.6	1	0.6
Advertising	2	1.1	79	43.6	83	45.9	12	6.6	5	2.8
Personal selling	61	33.7	80	44.2	22	12.2	3	1.7	15	8.3
Direct marketing	52	28.7	20	11	63	34.8	10	5.5	36	19.9
Official Website	5	2.8	0	0	3	1.7	66	36.5	107	59.1
Word of mouth	0	0	38	21	88	48.6	24	13.3	31	17.1
Trade show	20	11	6	3.3	51	28.2	78	43.1	26	14.4

**Source: - own survey (2015)**

Most of them responded that they apply the promotion mix elements mainly through official web-site, participate in trade show, and focus on word of mouth, direct marketing, advertisement, sales promotion, personal selling and public relation in order.

Tour operators' promotional practices is limited only to a certain promotional elements. They are not working effectively on the promotional elements which create more public awareness and reach more people at the same time.

According to Rabaah (2012), consumer awareness towards products increases through sales promotion and public relation. In addition, Armstrong and Kotler (2009) claimed that public relations have a strong impact on public awareness toward products.

Tour operators are not using a variety of promotional tools. They are less working in it, rather their dominant promotional practices is official website and trade show. Such tools have limitation to reach the vast number of tourists who are living in different areas of the world and it creates less awareness to the public as well as less effective in changing the images of tourists towards the country.

**Table 4.7. Mean of Promotional elements in creating awareness**

<b>Item</b>	<b>Mean</b>
Sales promotion	3.05
Public relations	2.10
Advertising	2.25
Personal selling	1.67
Direct marketing	2.22
Official website	4.18
Word of mouth	2.52
Trade show	4.10

**Source: - own survey (2015)**

**Table 4.8. Effectiveness of Promotional elements in creating awareness**

Promotional elements	Not effective		Less effective		Neutral		Effective		Very effective	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Sales promotion	35	19.3	22	12.2	53	29.3	41	22.7	30	16.6
Public relation	67	37	61	33.7	26	14.4	21	11.6	6	3.3
Advertising	35	19.3	100	55.2	16	8.8	25	13.8	5	2.8
Personal selling	11	60.8	36	19.9	24	14.9	1	0.6	7	3.9
Direct marketing	53	29.3	76	42	23	12.7	18	9.9	11	6.1
Official Website	0	0	11	6.1	24	13.3	67	37	79	43.6
Word of mouth	25	13.8	94	51.9	15	8.3	37	20.4	10	5.5
Trade show	0	0	1	0.6	62	34.3	36	19.9	82	45.3

**Source: - own survey (2015)**

As shown in table in 4.7 and 4.8, the respondents have been asked which Promotional elements are creating better awareness to the target tourists:-according to their response, the next list of promotional elements create better awareness in their proceeding order for the target tourists; Official Web-Site, Trade Show/Event, Sales promotion, Word of Mouth, Advertisements, Direct Marketing, Public relation, and personal selling creates awareness to the target tourists in proceeding order.

This implies that the official website is the first to influences international tourists followed by trade show and word of mouth. The Public relation and personal selling creates less.

**Table 4.9. Mean of promotional appropriateness**

<b>Item</b>	<b>Mean</b>
Sales promotion	3.99
Public relations	4.10
Advertising	4.41
Personal selling	3.46
Direct marketing	3.86
Official website	4.65
Word of mouth	3.66
Trade show	4.46

**Source: - own survey (2015)**

As shown in table in 4.10, the respondents have been asked which mix of Promotional elements are most appropriate to reach the target tourists. Accordingly, their response to sales promotion effectiveness is: 22(12.2%) are neutral, 139(76.8%) replied as appropriate, 20(11%) replied as most appropriate; their response to public relation effectiveness is: 5(2.8%) replied as less appropriate, 34(18.8%) are neutral, 79(43.6%) replied as appropriate, 63(34.8%) replied as most appropriate; their response to advertising effectiveness is: 18(9.9%) are neutral, 70(38.7%) replied as appropriate, 93(51.4%) replied as most appropriate; their response to personal selling effectiveness is: 51(28.2%) replied as less appropriate, 22(12.2%) are neutral, 82(45.3%) replied as appropriate, 26(14.4%) replied as most appropriate; their response to direct marketing effectiveness is: 10(5.5%) replied as less appropriate, 57(31.5%) are neutral, 63(34.8%) replied as appropriate, 51(28.2%) replied as most appropriate; their response to official website effectiveness is: 11(6.1%) are neutral, 41(22.7%) replied as appropriate, 129(71.3%) replied as most appropriate; their response to word of mouth effectiveness is: 60(33.1%) replied as less appropriate, 8(4.4%) are neutral, 46(25.4%) replied as appropriate, 67(37%) replied as most appropriate and their response to trade show

effectiveness is: 1(0.6%) replied as less appropriate, 20(11%) are neutral, 54(29.8%) replied as appropriate, 108(58.6%) replied as most appropriate.

**Table 4.10. Appropriateness of promotion mix**

Promotional elements	Not appropriate		Less appropriate		Neutral		Appropriate		Most appropriate	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Sales promotion	0	0	0	0	22	12.2	139	76.8	20	11
Public relation	0	0	5	2.8	34	18.8	79	43.6	63	34.8
Advertising	0	0	0	0	18	9.9	70	38.7	93	51.4
Personal selling	0	0	51	28.2	22	12.2	82	45.3	26	14.4
Direct marketing	0	0	10	5.5	57	31.5	63	34.8	51	28.2
Official Website	0	0	0	0	11	6.1	41	22.7	129	71.3
Word of mouth	0	0	60	33.1	8	4.4	46	25.4	67	37
Trade show	0	0	1	0.6	20	11	54	29.8	108	58.6

**Source: own survey(2015)**

It can be observed from table 4.9 and 4.10: - Official Web-site, Trade Show/Event, Advertisements, Public relation, Sales promotion, Direct Marketing, Word of Mouth and personal selling as most appropriate in proceeding orders.

The Chartered Institute of marketing (2009) described that successful promotional mix uses a balance of its five tools i.e. advertisement, public relation, sales promotion, direct marketing and personal selling. Though the response of tour operators shows the appropriate promotional elements to promote the country and attract more tourists to the country, their actual promotional practices contradicts what the Chartered Institute of marketing (2009) described.

#### **4.4. Promotion message appropriateness and reliability**

This section summarizes the appropriateness, consistency and reliability of promotion message, evaluation mechanisms and how often tour operators collect feedback from tourists.

**Table 4.11. Mean of message design, consistency and reliability**

<b>Item</b>	<b>Mean</b>
Message design	2.42
Message consistency	2.57
Message reliability	2.39

**Source: - own survey (2015)**

As shown in table in 4.11 and 4.12, the respondents have been asked whether they design appropriate, consistent and reliable message. Large number of respondent's have a less appropriate messages that don't coincide to the tourism products of the country and messages transferred through the different means of promotion elements are less consistent and information disseminated to the tourists are not reliable.

**Table 4.12. Appropriateness of message design, consistency and reliability**

Message Design	Not Appropriate		Less Appropriate		Neutral		More Appropriate		Very Appropriate	
	Frequency	%	Frequency		Frequency	%	Frequency	%	Frequency	%
	44	24.3	60	33.1	45	24.9	21	11.6	11	6.1
Message Consistency	Not Consistent		Less Consistent		Neutral		Consistent		Very Consistent	
	23	12.7	76	42	47	26	26	14.4	9	5
Message Reliability	Not Reliable		Less Reliable		Neutral		Reliable		Very Reliable	
	54	29.8	64	35.4	16	8.8	33	18.2	14	7.7

**Source: - own survey (2015)**

Messages transferred through various promotional tools such as magazines, tourist map, tourist guide, web-site etc. lacks consistency and reliabilities. The message in one promotional tool about the same idea is different in another. The various tour operators design the message individually from their own understanding and interest. There is no means of formal evaluation and control system to assure whether the messages transferred are correct and repeat every time with true information.

According to Kotler and Armstrong (2009), customers today are bombarded by commercial messages from a broad range of sources. In consumer's mind, messages from different media and promotional approaches all become part of a single message about the company. Conflicting messages from these different sources can result in confused company images, brand positions, and consumer relationships. Mixed communications from different sources result in blurred brand perceptions by consumers. Company who adopts integrated marketing communication delivers a clear, consistent and compelling message about the organization and its brand.

**Table 4.13. Evaluation (Feed-Back) mechanisms**

Mechanisms	Not Practiced		Less Practiced		Neutral		More Practiced		Extremely practiced	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Tourist Direct Feed-Back	6	3.3	3	1.7	7	3.9	35	19.3	130	71.8
Tourist Comment Card	10	5.5	34	18.8	12	6.6	94	51.9	31	17.1
Tourist Comment on Official Web	10	5.5	16	8.8	19	10.5	75	41.4	61	33.7
Professionals Feed-Back	41	22.7	35	19.3	21	11.6	27	14.9	57	31.5

**Source: - own survey (2015)**

As shown in table in 4.8, the respondents have been asked whether they use evaluation mechanisms to assure the appropriateness of the promotion tools. All the respondents replied that they have evaluation mechanisms. They have been also asked whether they use various evaluation mechanisms to assure the appropriateness of the promotion tools.

It is observed from the table: tourist direct feedback is given prime importance and the next is tourist comment on official website followed by tourist comment card and professionals feedback.

The respondents' have been asked how often they collect tourists feed-back using the various means; 5(2.8%) of them daily, 30(16.6%) of them weekly, 41(22.7%) of them monthly, 15(8.3%) of them every 6 months, 1(0.6%) of them yearly and 89(49.2%) of them at the end of each tour. It implies that majority of tour operators collect feedback

from tourists at the end of specific tour as well as immediate interval periods and very few of them at long intervals.

#### **4.4. Presentation of open ended questionnaires results**

The main focus of this part is the presentation of data resulted from open ended questions. Based on the proposal, the student researcher prepared four open ended questions to examine/ assess the problem that affect the growth of domestic tourism, the possible measures to be undertaken by tour operators to increase domestic tourism, the integration of tour operators as well as the general strength and weakness of tour operators.

1.The respondents have been asked have evaluated the growth of domestic tourism in Ethiopia.

The growth of domestic tourism in Ethiopia is at very infant stage. They mentioned the core problems that affect the growth of domestic tourism in Ethiopia and is summarized as follows:-

- Almost all the community of the country does not have the interest to know about the environment they are living and the tourism resources of the country. The people of Ethiopia does not have the culture of visiting the tourist attraction sites which are found around themselves. The children and youngsters are imitating western culture rather than promoting their own culture to others. This is due to lack of strength and dignity of what is on their hand. Thus, unknowingly the people hate the tourism activity because of their zero level of knowledge on domestic tourism.
- Tourism stakeholders such as ministry of culture and tourism, tour operators, airline, hotels, different regional and local tourism offices are not promoting domestic tourism effectively and in organized way. There is no adequate printed materials which is targeted to domestic tourism and stakeholders are not using promotional mixes to encourage domestic tourism. Tour operators in Ethiopia are focusing only on foreign tourist. They concluded that promotion is at zero level.
- Traveling is an expensive activity. As it is known that the majority of Ethiopian society has poor economic capacity to spend on accommodations, transportation,

food and beverages. In addition, the tour operators are not arranging tours to domestic tourist that matches with their capacity. They are not interested in working on domestic tourism because their primary focus is getting more money.

- The attention given by the Ethiopian government to tourism industry in general is very low, though there is some promising activity in the sector. The government is responsible to build the necessary infrastructures and facilities such as road, railways and accommodations to support domestic tourism. In most developed countries, government involve in the investment of accommodation, transportation and others so as offer in low cost for domestic travelers. There is also no well-organized tour clubs established by the government that encourages people to know their country. The government is not working together with tour operators and not encouraging them to develop domestic tourism as well as there is no clear strategy set up by the government. As a result, the budget and attention given by the government is still at very low level.

2. The respondents have been asked to suggest possible promotional and related measures to develop domestic tourism. Accordingly, they all believed that they are not working on domestic tourism and suggested possible measures to develop domestic tourism and is summarized as follows:

- The first and foremost measure should be taken by Ethiopian tour operators is creating public awareness through various promotional tools. They said we have to advertise tourism resources of the country by using printed and non-printed medias such as TV, radio, flyers, folders, magazines as well as using social medias such as face book, Google+, twitter, etc. in local language to introduce the product. The other important promotion tool that should be applied is using different public relation tool like news to create favorable news about the company and its product, preparing special events like news conferences, press tours, educational programs designed to reach the targeted publics, special event sponsorship, community activity participation, public affairs activities, etc. Sales promotion tools such as frequency programs, event marketing, contests, etc. are also should be applied. In general, they concluded that a balance of promotion tools that is targeted to local community should be used.

- There is no tour program that matches the economic capacity of local people in most of Ethiopian tour operators. Their price is directed only to foreign tourist. So the operators should use reduced price or make it affordable to local people. During the low season period, organizing specially designed tours to local people.
- They said that there should close integration among tour operators, government tourism offices, hotels, airline, tourism associations, etc. In other word, the total combined effect will be greater than we might expect by adding-up the individual effects-the whole is greater than the sum of its parts (Wilmshurt; 1995).

A country where domestic tourism is at good standing, international tourism is also at its highest level". A country in which domestic tourism is growing, international tourism is also growing effectively. A country having people with adequate awareness, knowledge and experiences towards his/her country is a powerful promotion weapon. They promote their country through word of mouth communication while they are in their country or out of the country. This is true for countries that are generating highest number of tourists and earning large sum of revenue from tourism. They also mentioned that the largest number of tourist flow and income comes from domestic tourism in countries where tourism developed in good condition. As a result, the growth of domestic tourism is base for the growth of international tourism.

3. Tour operators have been also asked how they evaluate their integration in promoting the country. Almost all tour operators have answered that there is less integration among tour operators because they focus on their own income rather than on the country's image. They explained that there is an attempt to work together through Ethiopian tour operators association. It has no much progress to the required level and there is no strong integration yet. They told that there is no clear cut strategy of promotion at higher level to promote integrally with effective mix of promotion with each other. They also commented that Ethiopian tour operators association is spending more time to protect its very existence on matters of giving privileges and financial matters rather than making integration among tour operators and promoting the country. They summarized that tour operators in Ethiopia only give emphasis in promoting their respective company. They just focus on getting clients and selling maximum of their products than the country's tourism product as a whole.

4. Tour operators have been also asked to mention the general strength and weakness in promoting the country. Their response to strength is summarized as follows:

- Participating in international trade fairs. Fairs and exhibitions are an alternative form of presentation and sale of products to intermediaries and the general public. Their main advantage is the potential for establishing personal contact between different private and public tourism businesses.
- Being member of Ethiopian tour operators association. The association is an important vehicle for unifying their members' offerings, creating a corporate image, promoting public relations and participating in order to expand their presence in the market, and to enter into agreements with new distribution channels or institutional customers.

Their response to weakness is summarized as follows:

- Lack of product knowledge and skilled manpower. Tour operators should have good product knowledge and presentation skills. He/she should be clear about product which he/she wishes to sell. For example, whether the company wants to handle domestic tours, inbound tours, outbound tours, or all of these, has to be decided in advance. The staff to be employed should be trained properly to handle the queries asked by tourists. Qualified and trained staff should be hired. However, most of the tour operators have inadequate tourism product knowledge and unskilled staff in the sector.
- Focusing only on certain promotional tools such as official website and trade fair. There is no effective single promotional element but the combinations of the elements are important. Single promotion elements such as advertisement have its own advantage and disadvantage. The same is true with PR and other elements. They said that advertisement in our case can address more international tourist targets by using BBC/CNN, but it will be too expensive to perform promotion. They described that they are trying to promote using what they assumed are appropriate.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATION

#### 5.1. Summary of major findings

The main findings are summarized as follows:

- Based on the majority tour and travel operators' response, it can be assumed that they have no effective promotion strategy and program. This can imply that they have not effectively identified target tourists, determined promotional objectives and established the mixes of promotion elements.
- From the responded survey, it is found that they apply the promotion mix elements mainly through official web-site, participate in trade show, and focus on word of mouth. It implies that they have not planed and determined the promotional mixes in their promotional strategy and program.
- On the other hand, the mix of the promotional elements; Official Web-Site, Trade Show/Event, Advertisements, Sales promotion, Public relation, Direct Marketing, Word of Mouth and personal selling are considered by the Tour and Travel Operators as most appropriate tools to reach large target tourists and they have choose them in order of their importance in ascending orders.
- A lot of tour and travel companies have also indicated that they have not designed appropriate messages that coincide to the tourism products of the country and have inconsistency through the different means of promotion elements and unreliable information is disseminated to the international tourists.
- Almost all tour operators' collects feedback using tourists comment on their official web, tourist comment card, direct on site comment and through professionals at various intervals. Many of them gather the feedbacks from daily, weekly to monthly bases, some of them every 6 months and yearly. It may mean that many of them understood the importance of tourists' feedback to improve their company future performance.
- They have also evaluated the growth of domestic tourism in Ethiopia and mentioned the major problems affecting domestic tourism such as lack of public

awareness and interests, poor economic capacity of the society, zero promotion activity conducted to motivate local people, and less government attention as well as they suggested measures to be undertaken to minimize the problems and develop domestic tourism such as aggressive promotion and publicity, price reduction and seasonal discounts, working in integration with various stakeholders, etc.

- The majority of tour operators have less integration among each other because they focus on their own income rather than on the country's image, lacks product knowledge and skilled manpower, there is no clear promotion strategy for most of the company, focusing only on certain promotional, messages transferred through various promotional tools lacks consistency and reliabilities are the major weaknesses of tour operators.

## **5.2. Conclusion**

The main sources of the data in the study were 181 TTOs. Both close ended and open ended questionnaires were used to collect data and which was analyzed using SPSS. In line with the objectives of the study, the main findings are concluded as follows:

The majority of tour operators have revealed that the mix of the promotional elements; official web-site, participate in trade show, focus on word of mouth, direct marketing, advertisement, sales promotion, personal selling and public relation are mostly applied in proceeding order. On the other hand, the majority of the tour operators believes that the mix of the promotional elements; Official Web-Site, Trade Show/Event, Sales promotion, Word of Mouth, Advertisements, Direct Marketing, Public relation, and personal selling creates awareness to the target tourists in proceeding order. However; the mix of the promotional elements; Official Web-Site, Trade Show/Event, Advertisements, Sales promotion, Public relation, Direct Marketing, Word of Mouth and personal selling are most appropriate or effective means to address the target tourists in proceeding order. This implies that the majority of the tour operators use of the mix of the promotional elements in terms of their application, awareness creation and appropriation brings varying result.

A single means of promotion element is not effective to aware, influences, persuade and attract target tourists. They described that the mixes of promotion elements identified and mostly applied are according to their importance, the desired result and budget implications; participation of selected trade faire all over the year, various arrangements of familiarization trips (for international media and tour companies), various means of printing media and the official web-site.

A good promotional activity and measures are inevitable to develop domestic. A country where domestic tourism is at good standing, international tourism is also at its highest level. A country in which domestic tourism is growing, international tourism is also growing effectively. A country having people with adequate knowledge, awareness and experiences towards his/her country is a powerful promotion weapon. They promote their country through word of mouth communication while they are in their country or out of the country. This is true for countries that are generating highest number of tourists and earning large sum of revenue from tourism. As a result, they have to work hard and together to develop domestic tourism, they said.

In general, appropriate use of promotional strategy, balanced application of promotion mix elements, message consistency and reliability helps to address and attract international tourist.

### **5.3. Recommendations**

The student researcher suggests the following points to have effective promotional practices to increase domestic and international tourism in the country:

- There should be appropriate promotional strategy and program to address and attract more tourists. In order to stay competitive, it is recommended that the TTOs shall use effective marketing and promotion strategies. This can be achieved by hiring well trained professionals, building their capacity in short or long term training and share experience from well-developed and utilized their tourism resources efficiently and through market research. The promotional efforts have to focus on promotional strategy that concentrates on the common interests of the international tourists towards the target market. It is crucial to identify the target

tourists, determine promotional objectives, and determine the promotional appropriation by establishing right mix of promotion elements to increase the international tourists.

- Effective mixes of the promotional elements, i.e. advertising, personal selling, sale promotion, public relations and direct marketing play great role to aware, influence, persuade and attract tourists when they are used effectively. Focus must be given to the good word of tourists and to intensive and well planned use of e-marketing. The scholars have approved that consumers are seeking advice from other consumers through the Internet (e.g. blogs). Therefore, the tour operators should use common interest groups, communities and social networking sites like Trip Adviser, Expedia, Real Travel and I go U go as the main resource for awareness creation and means of influencing. Since word of mouth is considered to be one of the most crucial marketing communication methods for tour operators, it should be carefully managed to prevent negative word of mouth. It is thus vital for tour operators to have good internal marketing to build positive relationship with their employees, if they are treated positively, will send out positive messages to the public.
- Rather than trying to promote at their own, they have to integrate with each other and with international tour operators and tourism authority so that they can minimize costs and get rewarding return on investment.
- There should be a means of formal evaluation and control system to assure whether the messages transferred are correct and repeat every time with true information. Tourism promotion messages shall be exchanged after their experiences in the tourism attractions to share their feelings on the importance of their travel decisions to the country.
- Strong attention should be given to domestic tourism. The growth of domestic tourism is a base for the growth of international tourism. They have to use different promotion media designed to meet local tourists to maximize their knowledge and awareness as well as customize their pricing strategy to their capacity. They have to work together with various tourism stakeholders to develop domestic tourism.

#### **5.4. Implications for further study**

While developing and completing this study, the researcher has looked to certain topics emanating from this study which have not yet been studied. A few suggestions for future research are indicated below:

- Market research should be conducted on what exactly domestic travelers are looking for and how tour operators could assist them with their travel arrangements.
- No research has been done to determine what tour operators do to obtain positive word of mouth.
- Another possible future study could involve the design of Printed Medias and how it affects tourist's choice of destination.

## References

- Amalia, J. (2012). How Tour Operators Promote Mauritius as a Tourist Destination, Turku University of Applied Sciences.
- Ambler, G. (2000). Marketing Metrics and Business Strategy Review. London Business School, Vol. 11, No. 2.
- Andersen, P. (2001). Relationship development and marketing communication: an integrative model. *Journal of Business and Industrial Marketing*.
- Archer, H. & Fletcher, E. (1990). Tourism in developing countries: refining a useful tool for economic development.
- Armstrong, G. & Kotler, P. (2009). *Marketing an Introduction*. New Jersey: Prentice Hall.
- Belch, E. & Belch, M. (2001). *Advertising and promotion: an integrated marketing communication perspective*. 5th Edition. Boston, Mass: Irwin/McGraw-Hill.
- Burnett, J. & Moriarty, S. (1998). *Introduction to marketing communication: an integrated approach*. Upper Saddle River, NJ: Prentice Hall.
- Cooper, R. & Schinder, J. (1998). *Research Methodology: Methods and Techniques*. 2nd Edition. New age International Ltd., publisher.
- Cravens, D. (2000). *Strategic marketing*. 6th Edition. New York: McGraw-Hill.
- De Groote, P. (1995) *Panorama (Panorama on tourism)*. Leuven, Belgium: Garant.
- Doreen, E. (2001). *Tourism in Africa*; World Bank. Paper Series No. 12.
- Dwyer, L., and P. Forsyth (1993). *Assessing the Benefits and Costs of Inbound Tourism* Annals of Tourism Research.
- Duncan, T. (2002). *IMC: Using Advertising and Promotion to Build Brands*. Boston, Mass: McGraw-Hill.

- Dunn, L. and Barban, A. (1987). Advertising's Role in Modern Marketing. U.S.A. Dryden Press.
- Dwyer, L., and P. Forsyth (1993). Assessing the Benefits and Costs of Inbound Tourism Annals of Tourism Research.
- Hannah, M. (2012). Ethiopia's Tourism Sector: Strategic Paths to Competitiveness and Job Creation by World Bank and Ministry of Culture and Tourism. Addis Ababa
- Hazari, B. And P.M Sgro (1995). Tourism and growth in a dynamic model of trade Journal of International Trade and Economic Development.
- Holloway, C. (1994). The Business of Tourism. Plymouth: Pitman
- Hutt, M. & Speh, T. (1998). Business marketing management: a strategic view of industrial and organizational markets. 6th Edition. Fort worth, USA: Dryden Press.
- Kotler, P. (1999). Kotler on marketing: how to create, win and dominate markets. New York: Free Press.
- Kotler, P. (2000). Marketing management. 10th Edition (Millennium edition). Upper Saddle River, NJ: Prentice Hall.
- Kotler, P. & Keller, L. Marketing Management. 14th Ed, Pearson Education, USA.
- McIntosh, R., Goeldner, C., & Ritchie, J.R. B. (1998). Tourism: Principles, practices, Philosophies, 7th Ed, (pp. 11-12). New York: John Wiley & Sons, Inc.
- Miki, M. (1988). Tourism's Contribution to the Yugoslav Economy.
- Ministry of Culture and Tourism (2012). Visitor's exit survey report.
- Ministry of Urban Development and Construction (2006.) Manual.
- MoCT (2012). Ethiopia's tourism sector: Strategic paths to competitiveness and job creation, pp-12.
- MoCT (2013). Tourism Statistics Bulletin.

- Nicolas, V. (2013). Tourism in developing countries: refining a useful tool for economic development.
- Pender, L. (1999). Marketing management for travel and tourism. Cheltenham, UK: Stanley Thornes.
- Rabaah, T. (2012). Promotion mix: level of awareness and purchase likelihood. University Malaysia Sarawak.
- Reich, A. (1997). Marketing management for the hospitality industry strategic approach. New York: Wiley.
- Rowley, J. (2001). Information marketing. Aldershot, Hants, UK: Ashgate.
- Shimp, T.( 2000). Advertising, promotion and supplemental aspects of integrated marketing communications. 5th Edition. *Fort Worth: Dryden Pres*
- Sweeney, S. (2000). Internet marketing for your tourism business: proven techniques for promoting tourist-based businesses over the Internet. Gulf Breeze, FL: Maximum Press.
- Teshale, B. (2010). Ethiopia as a Tourist destination. An Exploration of Swedish Tourists Market Demand.
- UNWTO, (2012). Global report on city tourism (volume 6).
- Weaver, D. & Oppermann, M. (2000). Tourism management. Brisbane, Australia: Wiley.
- Wells, W., Burnett, J. & Moriarty, S. (2000). Advertising: principles and practice. 5th Edition. Upper Saddle River, NJ: Prentice Hall.

World Tourism Organization, (2007). A Practical Guide to Tourism Destination Management. Published and printed by the World Tourism Organization, Madrid, Spain, first printing.

Yabibal, M. (2010). Tourist flows and its determinants in Ethiopia. Addis Ababa, Ethiopia.

Yin, K. (1994). Case Study on Research Design and Methods; Applied Social Research Methods Series. Volume 5, 1994.



**Appendix**  
**Addis Ababa University**  
**School of Commerce**  
**Department of Marketing Management**  
**(Regular program)**  
**A Master of Art in marketing management Candidate**

To \_\_\_\_\_

I would like to thank you in-advance for your kind cooperation and take part in my research entitled “**Assessing the Promotional practices of tour operators in Ethiopia: the case of Addis Ababa.**”

Your participation is absolutely voluntary & anonymous and the data gathered through this research will be used only for academic purpose & will be kept confidential. There are close ended and open ended questions in this research. Try to attempt all the questions.

Thank you again for your kind cooperation. If you have any question or would like to have the research result at the end, you are more than welcome for inquiring and use the address below.

 **KidaneGeresu**

- Mobile\_ 09-32-48-96-21/09-33-71-37-48
- Email [Kidanelove@gmail.com](mailto:Kidanelove@gmail.com)

Sincerely yours,

KidaneGeresu



2. Which of the promotional mix does your firm **apply** to communicate well with the target tourists?  
Please, put them orderly or sequentially in terms of their applicability.

Promotion mix	Never applied	Less applied	Averagely applied	Many times applied	Always applied
	1	2	3	4	5
Sales Promotion					
Public Relation					
Advertisement					
Personal selling					
Direct marketing					
Official Website					
Word Of Mouth					
Trade Show/ Event					

3. Do you think the **identified promotional elements** are creating awareness & attract international tourist to the country?

Promotion mix	Never aware /attract	Aware /attract Less	Aware /attract Averagely	Aware /attract more	Aware /attract Extremely
	1	2	3	4	5
Advertisement					
Public relation					
Sales promotion					
Direct marketing					
Personal selling					
Word of mouth					
Official Website					
Trade Show/Event					

4. Which of the promotion methods do you consider as **most appropriate** to promote the country's tourism resources?

Promotion mix	Not appropriate	Less appropriate	Neutral	Appropriate	Most appropriate
	1	2	3	4	5
Advertisement					
Public relation					
Sales promotion					
Direct marketing					
Personal selling					
Word of mouth					
Official Website					
Trade Show/Event					

**Part.4 (Promotion Message Appropriateness, Consistency and Reliability)**

The following Questions are concerning promotion message appropriateness, consistency and reliability transferred by your establishment. Please tick/select your answer on the give box

1. Do you have a means of **evaluation** to determine the effectiveness of the promotion methods?

- A. Yes
- B. No

2. If yes, which **evaluation** mechanisms does your company apply to **assure** the **appropriateness** of the promotion tool/s?

Evaluation mechanisms	Not Effective	Less Effective	Neutral	Effective	Very Effective
	1	2	3	4	5
Tourist Direct feed back					
Tourist comment card					
Tourist comment on official web					
Professionals feed back					

3. How frequently do you get **tourist feedback** concerning implementation of effective promotion mix?

- A. Daily
- B. Weekly
- C. Monthly
- D. Every 6 months
- E. Yearly
- F. Not at all

4. How do you see the **appropriateness of message design** to inform, motivate & attract international tourists to the country ?

- |                     |                          |                     |                          |
|---------------------|--------------------------|---------------------|--------------------------|
| A. Not appropriate  | <input type="checkbox"/> | D. Appropriate      | <input type="checkbox"/> |
| B. Less appropriate | <input type="checkbox"/> | E. Very appropriate | <input type="checkbox"/> |
| C. Neutral          | <input type="checkbox"/> |                     |                          |

5. Do you believe the message transferred through various methods of promotions have consistency/uniformity?

- |                    |                          |                    |                          |
|--------------------|--------------------------|--------------------|--------------------------|
| A. Not consistent  | <input type="checkbox"/> | D. Consistent      | <input type="checkbox"/> |
| B. Less consistent | <input type="checkbox"/> | E. Very-consistent | <input type="checkbox"/> |
| C. Neutral         | <input type="checkbox"/> |                    |                          |

6. How about the message reliability transferred through various methods of promotions method/s?

- |                  |                          |                  |                          |
|------------------|--------------------------|------------------|--------------------------|
| A. Not reliable  | <input type="checkbox"/> | D. Reliable      | <input type="checkbox"/> |
| B. Less reliable | <input type="checkbox"/> | E. Very-reliable | <input type="checkbox"/> |
| C. Neutral       | <input type="checkbox"/> |                  |                          |

## *II. Open ended questions*

**These are the question items used to collect basic information on domestic tourism.**

1. What are the major problems that affect the growth of domestic tourism in Ethiopia?
2. What promotional and related measures should be undertaken by the Ethiopian tour operators to develop domestic tourism?
3. How do you evaluate the integration of tour operators in Ethiopia in promoting the country?
4. Would you generally mention the strength and weakness of the tour operators promotional practices in Ethiopia to compete at international level?

**Thank you for taking your kind cooperation!!!**