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THE EFFECT OF SEASONAL TOURIST FLOW ON TOUROPERATORS IN ADDIS ABABA

BY:

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Declaration

The researcher hereby declares that the thesis on the title, the effect of seasonal tourist flow on tour operators in Addis Ababa, was his original work and that all sources that have been referred to and quoted have been dully indicated and accepted with complete references.

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This is to certify that the thesis is prepared by Tilaye Tebikew, entitled; the effect of seasonal tourist flow on tour operators in Addis Ababa and submitted to Addis Ababa University, College of Development Studies, Centre for Environment, Tourism Development and Management Program, in the partial fulfilment of the requirements for the award of a master's degree in Tourism Development and Management complies with the regulations of the university and meets the accepted standards with respect to originality and quality.

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Abstract

Seasonality is a universally recognized tourism phenomenon and it has been considered as a crucial problem for the tourism industry. The main objective of this study was to assess the effects of seasonal tourist flow on tour operators in Addis Ababa. The study used mixed (cross-sectional) research design; and descriptive approach was employed to present the results. The target population of the study was tour operators and the total population of the study was 563 tour operators which are based in Addis Ababa. Among these 234 (41.56%) participants were selected using systematic random sampling technique. Data were collected using questionnaire and interview. The data were analyzed using both quantitative and qualitative approaches depending on the nature of data collected. The quantitative data from the questionnaire were analyzed using simple descriptive statistics (frequency and percentage).

The findings indicated that the flow of tourists in Addis Ababa was highly seasonal for the last three and half years (from 2018 -2021). The major causes of tourists' seasonal flow were institutional factors such as public holidays; and resulted in loss of profits, employee turnover, loan load, and loss of business connections. The study concluded that tour operators of Addis Ababa suffered a lot from tourism seasonality that they had to employ a mechanism that reduces the effect. Because, seasonality of tourism is not avoidable; rather reducing it to a significant level was possible. Organizing different events with reasonable prices at low seasons could have reduced the negative effects on tour operators. A*accordingly, the study recommended that tour operators should use four strategies to address seasonality impacts; involving variations in the product mix, diversifying the market, price differentials and state-initiated measures.*

Key Words: Tourist, Seasonality, Effect, Tour Operators, Tourism

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Tourism is a relatively new phenomenon in the world that is rapidly growing and assisting many countries in generating revenue, which in turn helps to create jobs and reduce unemployment. While tourism has the potential to contribute to a destination's economic and social development, the industry's features limit its ability as a development tool. The tourism industry's expanding global power structures have the potential to shift control away from the destination, benefiting only local élites and international businesses. It was also stated that tourists are more concerned with themselves and their needs than with changing their consumption habits to maximize the benefits of tourism to the region (Yimer Ali, 2016).

Tourism as an economic sector in Ethiopia was just recently established, according to the ministry of tourism and culture. Around 1960, the imperial government authorities became interested in the potential of tourism. In 1962, the first tourism agency was founded. During the military government, however, there was a drop in international tourism demand. For two decades, the tourism business has been harmed by a number of factors, including a prolonged civil war, recurring droughts, and limitations on entry and free movement of tourists (World Bank, 2006). Despite the fact that the industry is still in its infancy, it has been steadily developing since 2001. In 2008, the industry's total revenue was roughly 204.9 million dollars. The number of overseas tourists arriving in 2008 was 383,399. However, the sector's contribution to GDP remains insignificant (0.77 percent in 2008).

Throughout Ethiopia's history, successive administrations have supported tourism. For most of the twentieth century, the monarchy that mediated politics, economics, culture, the environment, and technology began to promote, market, and develop tourism as an intrinsic component of the entire dynamics of national growth. For a long time, tourists were intrigued by Ethiopia's existence as an autonomous country for thousands of years, as well as the diversity of its ecosystem and culture. An idea of a proud and intellectual people professing the two major worldwide religions of the world, Christianity and Islam, as well as an ethnic religion of Felasha Jewry, was interjected by the promotional logo of "Thirteen Months of

Sunshine." The timeless architectural wonders of Axum's stele, Lalibela's rock-hewn churches, Gondar's Castles, Harar's medieval walled city, and archaeological sites that traced the origin of homo-sapiens to the Rift valley, where the skeletal remains of Dinkinesh (Lucy) and Selam were discovered, relayed the magnificent material iconographies of Ethiopian culture to the visitor. Marketing and promotion, on the other hand, have been the weakest aspects of tourism development. The bad images that surrounded the country after the famines and political unrest of the 1970s and 1990s shaped tourist impressions of the country to a large extent. Some tour operators have even suggested that viewing Ethiopia through the eyes of tourists is a moralistic experience, (Tadesse Kidane-Mariam, 2015).

However, growth frequently fails to materialize, benefits just the local élite or multinational businesses, or comes at a significant social, environmental, or economic cost. In the developing world, tourism is typically conducted through a top-down planning style, with decision-making mostly centred on government intervention and huge tourism companies, resulting in the dominance of external, frequently foreign capital and the marginalization of local people, (Liu and Wall, 2006).

Developing countries that enter the tourism business will face both positive and bad effects of this globally competitive industry, and the task will be to accept or manage the unfavourable implications in order to reap the long-term benefits of tourism. The difficulties of employing tourism as a vehicle for development, as well as the difficulty that many countries confront in dealing with the unpredictability that tourism provides, have been discussed.
In general, the tourism development process is influenced by the destination's economic, political, environmental, and social conditions, as well as the global political economy. Despite the fact that tourist visits in Ethiopia are on the rise as a result of legislative initiatives, the sector as a whole is underperforming in comparison to neighbouring destinations. The dismal performance of the sector is attributable to a number of domestic and international difficulties. Though the tourism development policy was well-designed, putting it into practice is more difficult than it appears. Poor implementation is caused by a lack of resources, a lack of institutional coordination, and the failure of diverse parties to play their roles.

Seasonal oscillations characterize the industry, resulting in exceptionally high and extremely low seasons for travel and picnics. Seasonality is a key factor that influences the tourism business. The phenomenon is difficult to eradicate or change. Because seasonality is such an

important component of tourism, Butler (1994) and Hartman (1986) see it as an event that is difficult to manage or influence. As a result, it appears that this feature has been considered and treated as a serious problem in the sector by tourism operators all over the world. The most significant difficulty that this component poses in the tourism industry is the possible loss of revenue for most operators. In this regard, much attention has been focused on reducing or eliminating seasonality; many investors, including institutions charged with overseeing and coordinating tourism in various parts of the world, are attempting to implement various strategies and techniques that may help stem the 'year-round' season.

Addis Ababa is the capital of Ethiopia's Federal Democratic Republic and the African continent's political center. Both the African Union (AU) and the United Nations Economic Commission for Africa (ECA) have their headquarters there (UNECA). Addis Ababa also serves as the headquarters for all Embassies and Diplomatic Missions of other governments around the world, particularly in Africa. These characteristics distinguish the city as one of Africa's and the world's main continental and international conference centers. The city's religious landscape is typified by the harmonious coexistence and daily practice of the world's major religions, Christianity and Islam. As a result of this, the city has become a major tourist destination. Due to the presence of Bole International Airport, Addis Ababa is also the main entry point for tourists visiting the country's various attractions. This is one of the main reasons for most tour operators to be based in Addis Ababa, and the study has intended to study the effect of seasonal tourism on tour operators at the city.

1.2 Statement of the Problem

The numerous segments of the tourism business are affected by tourism seasonality in a variety of ways. Seasonality has a big impact in the tourism business. It can have a variety of negative economic, ecological, and socio-cultural consequences for a destination, but it can also provide the environment and the host communities a chance to recover from the stress of peak season (s). Seasonality can have a beneficial or negative impact on tourism destinations. Seasonality, according to Higham (2005), is a disease that needs to be cured or, at the very least, its symptoms regulated.

According to Boniface and Cooper, seasonality has an impact on a destination's profitability and overall well-being (2005). Lee et al. (2008) share this perspective on seasonality, arguing that seasonality jeopardizes tourism investment feasibility. This is because the utilization of

facilities with a higher percentage of fixed expenses is affected by seasonality (Chung, 2009). As a result of this problem, seasonality is frequently blamed for low tourism investment.

Seasonality, as previously said, has a negative impact on destination performance in terms of economic considerations since it restricts the amount of money available to fund operations and generate appealing profits. Seasonality, which is defined as a problem that has a negative impact on performance and is characterized by huge numbers of tourists, especially during peak months, is described as a concern that has a negative impact on performance. Tourist overcrowding during peak seasons is undesirable since it leads in wasteful resource use. Traffic congestion during peak season, according to Roberto and Giuseppe (2012), can have a negative impact on local residents, who may feel overwhelmed by the enormous number of visitors.

Despite being the entry and exit point for international tourists, figures from the Ministry of Culture and Tourism show that the amount of tourists entering the country, and specifically the city, fluctuates, which is regarded to have a negative impact on tour operators operating in the area. In the first quarter of 2020 (January, February, and March), 120, 178 visitors visited the country, followed by 6,939 in the second quarter (April, May, and June), 46,540 in the third quarter (July, August, and September), and 96, 962 in the fourth quarter (October, November, and December) (MoCT, 2021). To the researcher's knowledge, there are no studies about the subject to date. This was the main idea that drew the researcher's attention to the subject and inspired him to do the research. As a result, the study's main goal was to analyze the effects of seasonality on tour operators in Addis Ababa over the course of three and a half years (2018 to half 2021).

Research Questions

The research, specifically, attempted to answer the following questions:

1. What were the main reasons of seasonal tourist flow in Addis Ababa?
2. What were the adverse effects of seasonality on tour operators in Addis Ababa?
3. Were there measures taken by tour operators, the government and other stakeholders to reduce the effect of seasonal tourism at the city?

1.3 Objective of the Study

The main objective of this study was to assess the effects of seasonal tourist flow on tour operators that are based in Addis Ababa.

The Specific objectives included:

- To identify the main causes of seasonal tourist flow in Addis Ababa as a tourist destination.
- To assess the negative effects of seasonality on the performance of tour operators.
- To assess the measures taken or mechanisms put in place to address the problem by tour operators.

Significance of the Study

This study tried to assess the effect of seasonal tourist flow on tour operators in Addis Ababa for three and half consecutive years, and could have significances tour operators, local and federal tourism authorities, other researchers and academicians.

The study could enable tour operators identify the problem of seasonality and tend to devise mechanisms which can reduce the effect in their business operations. On the other hand, local and federal tourism authorities devise strategies that protect tour operators from the adverse effects of seasonality as tourism authorities can have a leading role in coordinating different activities of the tourism sector. It can of course be accomplished through the combined efforts of stakeholders, to reduce the negative effects of tourism seasonality at Addis Ababa city.

The study can also help academicians and other researchers find related literature on the effects of seasonal tourism. Therefore, adding relevant information on the subject matter was another significance of this study. Because, further (advanced) researches are expected on the subject matter as seasonality of tourism is unavoidable characteristic of tourism.

1.5 Scope and Delimitation of the Study

The study was delimited geographically, conceptually, methodologically and time period. Even though the researcher has intention to conduct the study on country level; the researcher selected tour operators that are found in Addis Ababa.

Geographically, the study was delimited to tour operators that work in Addis Ababa as it could be difficult to conduct it on a country level due to time and budget constraints. Conceptually, the study assessed the effects of seasonal tourist flow on the specified tour operators.

Methodologically, the study was limited to the assessment of seasonal tourist flow on tour operators through the use of mixed (quantitative and qualitative) research design. The quantitative approach used likert scale questions for respondents to rate the commonly known variables of seasonal tourism. The qualitative approach was used through interviews with managers of selected tour operators to extract their feelings on the subject matter under study. Timely, the researcher collected the data in 2021 to assess the effect of seasonal tourist flow on tour operators that are found in Addis Ababa. The data collected encompassed three and half years (2018 to half of 2021) to include the periods before, during and after Covid 19 as the epidemic was believed to have a significant impact on the performance of the tourism industry.

Generally, this study was limited to the assessment of the effect of seasonality on tour operators in Addis Ababa for three and half consecutive years (2018 to half of 2021). It encompassed the tour operators based in Addis Ababa city. More importantly, the study was planned to have a big implication to overall tourism performance of the country as most and almost all tour operators of the country are based in Addis Ababa city.

1.6 Operational Definition of Terms

For the clarification of information, the following terms are defined below.

Seasonality is a pattern, variation, or fluctuation that is correlated with a season, day of the week, or other period of time. Seasonality in tourism is all about the fluctuations in the flow of tourists which impacts the operation of tourism enterprises in a certain way.

Low Season: the time of a year when a place receives the fewest visitors, and fares and holiday accommodation are often cheaper.

Tourism System: a complex network of human, geographical, and institutional relationships. Besides the human focal point of the tourist, the destination is the main driver within the industry and the reason of tourism.

Tour Operation: a tourism business system that combines and organizes accommodations, sightseeing and transportation components in order to create a package tour to customers/tourists.

Product Diversification: a business strategy that involves producing and selling a new line of products or product division, service or service division that involves either the same or

entirely different sets of knowledge, skills, machinery, etc., usually undertaken to ensure survival or growth and expansion.

Institutional Factors: the behaviour of an organization that shows how it manages internal and external environment of the working system.

Tax Holidays: a period during which a person or company is allowed to pay no tax or less tax than usual.

Price Differential: the difference in price between two products, or the difference in prices in different places when the same product is sold in more than one place.

Stakeholder: an individual or group that has an interest in any decision or activity of an organization, and it includes employees, investors, customers, etc. who is involved in a business and has an interest in its success.

1.7 Organization of the Paper

This thesis was organized in to five chapters which are sub-divided into small sections. The first chapter dealt with an overall introduction and provides an overview of the entire study. Statement of the problem, research objectives, research questions, scope and significance of the study were presented. The second chapter presented literatures related to the study including meaning of seasonality in tourism, causes and effects of seasonality and the strategies applicable to reduce the effect of seasonality in the tourism system. The third chapter presented the methodology used in this study and included sources of data (target population), sampling design and sample size, data collection and analysis methods, data collection instruments, procedures and validity tests. The fourth chapter presented brief summary of the data presentation, analysis and interpretation with the use of descriptive analysis. Finally, the last chapter (fifth chapter) presented summary, conclusion and recommendations. Conclusions of the results and relevant recommendations based on the findings were forwarded.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter presented related literature from books, journals and other relevant publications. The contents of the literature were inclusive of important issues about the topic of study. Moreover, the issues in the related literature were used as a guideline for the study undertaken.

2.1 Tourism Seasonality

Seasonality can be defined as the seasonal variations in business enterprises that characterize these as recurring movements in a time series during a particular time of the year (Moore, 1989). Hylleberg (1992, p. 4) gives a more complete definition:

> *Seasonality is the systematic, although not necessarily regular, intra-year movement caused by changes in the weather, the calendar, and timing of decisions, directly or indirectly through the production and consumption decisions made by the agents of the economy. These decisions are influenced by the endowments, the expectations and the preferences of the agents, and the production techniques available in the economy.*

The very seasonal character of tourist traffic is a challenge that affects all areas of tourism. Tourism has one of the most seasonal demand patterns of any product, and various factors contribute to seasonality (Baron, 1975), the most notable of which are climate festivals and school holidays, both of which predominantly effect recreational tourism. Seasonality produces varying market circumstances in terms of price and quantity of tourism products traded at various seasons of the year.

Seasonality is a well-known tourist phenomenon all throughout the world (Baron, 1975; Baum & Hagan, 1997; Baum & Lundtorp, 2001). In general, it refers to changes in tourist demand or supply caused by transient movements of people owing to variables such as weather and public and school holidays (Baron, 1972; Allcock, 1989; Cooper et al., 2005). Temporary mobility occurs due to natural factors such as climatic trends that differ from country to country (Baron, 1973). Tourism, according to Baum and Lundtrop (2001), is heavily dependent on seasonal

changes in weather conditions, economic activities, as well as human behavior and the environment.

The majority of tourism sites see seasonal swings in tourism activities (Baron, 1973; Yacoumis, 1980; Higham and Hinch, 2002; Jang 2004), with these oscillations following a predictable pattern. Seasonality, or swings in tourism volumes over the course of a calendar year, must be distinguished from longer-term business cycles and short-term shifts in weekly and daily travel patterns. Seasonal variations are distinguished from other changes in a time series, such as trend, cyclical, and random movements, according to Kuznets (1933). The annual recurrence and limited duration of the swing (e.g. tourism peak season) distinguish seasonal variations clearly from other changes in a time series, such as trend, cyclical, and random movements.

2.2.1 Seasonality Definition

Although many people are aware with the concept of seasonality, there is no one and clear definition of it. Hylleberg supplied the most notable definition (1992). Seasonality, he defines, is the systematic, albeit not necessarily regular, intra-year movement produced by changes in the weather, the calendar, and decision-making timing, either directly or indirectly through the production and consumption decisions made by economic agents. The endowments, the expectations and preferences of the actors, and the production processes accessible in the economy all influence these decisions.

Seasonality, according to Baron (1973), suggests an incomplete and unbalanced use of the means at the economy's disposal, which is related to the imbalance of the economic cycle, in which the economy is either overheated or operating at full potential at different stages of the cycle. Furthermore, seasonality was described by Baron (1975) as the effects that occur every year as a result of climate conditions, public holiday limits, particular attractions (e.g. festivals), or personal lifestyle. Seasonality, defined by Manning and Powers (1984) as the uneven distribution of use over time (peaking), has emerged as one of the most pervasive problems in outdoor recreation and tourism, resulting in inefficient resource use, lost profit potential, strain on social and ecological carrying capacities, and administrative scheduling difficulties. Butler (1994) provides a commonly used definition of tourism seasonality as a temporal imbalance in the phenomena of tourism, which can be depicted in the number of tourists, their expenditure, and traffic on various modes of transportation, employment, and admissions to attractions.

As a result, the seasonality of tourism has an impact on all areas of supply-demand activities, including pricing, occupancy, human resources, supply volume, activities offered, and available attractions. Seasonality, according to Cooper et al. (2005), refers to the daily, weekly, monthly, or annual oscillations in tourism. It's worth noting that all of these definitions emphasize 'the systematic intra-year movement' as one of the most important aspects of seasonality, implying that seasonality may be represented as a yearly visitor pattern.

The majority of seasonality definitions and notions simply describe the phenomenon in broad terms or refer to its causes. There are no measurable criteria of when tourist seasons occur, how tourism seasons can be distinguished, or how seasonality can be compared across different regions or years, as well as different types of tourism.

Seasonality has long been regarded as a critical issue for the tourism industry, and it has been blamed for many of the industry's problems, including difficulties obtaining and retaining full-time staff, low returns on investment, resulting in high risk in operations, and problems relating to peaking and overuse of facilities (Butler, 2001).On the other hand, it has been blamed for the underutilization of these resources and services, which has hampered tourism's acceptance as a viable economic activity in many communities. As a result, both the governmental and private sectors have made significant efforts to eliminate seasonality in tourist destinations.

The most essential component of seasonality, according to Allcock (1989), is that it entails the concentration of visitor flows in relatively short periods of the year. This annual peaking of tourism activity over a few busy weeks or months is likely to result in inefficiencies within the sector, as well as a significant stress on the destination area's physical and social resources, and thus a significant contributor to the carrying capacity problem (Mitchell and Murphy, 1991).It's vital to understand that tourism seasonality is primarily a temporal and spatial issue, implying that particular places experience excessive use of tourist facilities during certain times of the year.

Annual commercial operations can be divided into annual intervals and seasons based on the seasonal trend. Seasonal scenarios such as the ones below are possible. A destination's annual business cycle could include one peak season, two peak seasons, and a non-peak season (Butler and Mao, 1997). The one peak season is the most common example. Most places, particularly seaside leisure destinations with their peak in the summer months or winter snow resorts with their peak in the winter months, are seeing this pattern. The annual business cycle is further divided into off season (January, February, November, and December), shoulder season

(March, April, May, June, and October), and peak season (March, April, May, June, and October) (July, August, September). Corluka, Mikinac, and Milenovska gave an empirical assessment of the length of tourist season intervals and the intensity of economic operations within each period (2016). The writers divided tourist seasons into three categories: low season (January, February, November, and December), mid-season (March, April, May, and October), and high season (March, April, May, and October) (June, July, August, September).A two-peak destination is one that, in addition to a winter snow season, has a second season in the summer months, for example, due to the promotion of mountain nature and sport activity vacations. A non-seasonal pattern is exceptional, implying that the distribution of visitor activities is consistent throughout the year with little variations.

The non-seasonal pattern is most noticeable in tropical places with little year-to-year variation in climate or in city break destinations. Hartmann (1986) emphasizes the tourist phenomenon's consistent recurrence throughout the course of a year. Seasonality, according to Baron (1975), is defined as the impacts that occur each year with roughly the same timing and size. According to Hartmann (1986), the tourist industry's economic foundation has been built by the consistent and predictable recurrence of tourists. The trend is usually consistent over a long period of time. Because seasonality is predictable, businesses, lenders, and investors can foresee many of its consequences. Seasonality has become a natural tourist phenomena as a result of this awareness. Because seasonality is predictable, businesses, lenders, and investors can foresee many of its consequences.

One of the most prominent and significant characteristics of tourism is seasonality. Despite the abundance of studies, there is a broad sense that knowledge about the phenomenon is leaking. Due to a lack of awareness, management options for combating or mitigating tourism seasonality are limited. For the efficient management of tourism facilities and infrastructure, a thorough grasp of seasonality is required. Further research into tourist seasonality is required to ensure a better knowledge of the phenomenon in the case of seasonality causes, measurement of consequences, and viable solutions to reduce the pattern.

2.2.2 Causes of seasonality in tourism

Seasonality is caused by factors in the generating and receiving areas that push and pull tourist demand to behave seasonally. Weather (e.g., temperature, hours of sunshine), calendar impacts (e.g., time of religious festivals such as Christmas, Easter, Eid, or Vesak), and timing decisions are the three primary drivers of seasonality, according to Hylleberg (1992). (e.g. school

vacations, industry vacations, tax years, accounting periods, dates for dividend and bonus payments, etc.). Seasonality occurs for a variety of reasons, including natural and manmade factors (Kolomiets, 2010).As a result, seasonality manifests itself in both natural and institutionalized ways. The most often used seasonality classification divided causes into two categories: natural and institutional. Additional causes were discovered as a result of further research. Further study backed up this approach to cause classification. Seasonality does not refer to sporadic abnormalities in tourism; rather, it refers to predictable and well-established seasonal trends (Ferrante, Lo Magno and De Cantis, 2018; Witt & Moutinho 1995). Some causes are constant over extended periods of time, some fluctuate at discrete intervals, and some vary continually, according to Hylleberg (1992).

Natural seasonality is caused by natural occurrences as a result of nature's forces, such as sunshine, daylight, air temperature, water temperature, snowfall, ice cover, rainfall, wind, humidity, precipitation, cloudiness, and visibility, to mention a few (Butler, 1994). Natural seasonality is associated with annual seasons and is induced by regular temporal variations in natural occurrences (Allcock, 1989; Butler, 1994). Seasonal variations produced by natural variables are foreseeable, according to Hartmann (1986) and Koenig and Bischoff (2005), because they are reasonably stable in a given destination and recur with only minor modifications. These differences, according to Hartmann (1986), indicate that tourist regions have varying seasonal potential and resources, and hence are seen to have distinct seasonal features. Natural causes are outside the decision-makers' control (Cuccia and Rizzo, 2011). Tourists have distinct interests, necessitating the distinction between various sorts of tourism such as bathing, skiing, hiking, or surfing (Bender, Schumacher and Stein, 2005).

As a result, travelers wanting sun and water sports will pick a warm-weather beach resort, while those seeking snow landscapes and skiing will select a ski resort with cold temperatures and plenty of snow (Butler & Mao 1997). The Mediterranean, for example, is famous for beach and summer tourism, while the Alps are a popular winter skiing destination (Duro and Turrion-Prats, 2019; Baron, 1999; Shaw and Williams, 1998).During the attracting season, beach destinations are popular, but during the rest of the year, they are forgotten. While most skinning destinations have managed to attract tourists with outdoor recreational activities in natural surroundings for a second season in the summer months, Higham and Hinch (2002) point out that, despite its importance in drawing visitors, climate is frequently viewed as a barrier to tourism growth. Different climate trends exist in each region. Natural seasonality has a particularly strong impact on remote and outlying sites with large temperature changes across

seasons. Seasons in the Northern Hemisphere, where the most developed tourism countries are located, are reflected in traditional temporal patterns (Butler, 2000). Due to the varying offer of tourist items depending on climate and season, destinations with warm and cold climates are subject to seasonal variations. Because the majority of outdoor tourism activities rely on natural 'climate-dependent' attractions and the extent of tourist activity is dependent on weather and climate conditions, problems caused by natural seasonality are most difficult to overcome at high-latitude destinations, particularly in the peripheral regions (Lundtorp et al., 1999). (Smith, 1990).

Natural seasonality is most likely to have a significant impact on tourism enterprises in destinations that rely mostly on outdoor facilities (Koenig and Bishoff, 2005). Coastal resorts are one example. And tourist sites in the countryside, where the real pattern of tourist activities is heavily influenced by the weather (Smith, 1990; Grant et al., 1997).

Religious, cultural, social, ethnic, and organizational variables all contribute to institutional seasonality (Baron, 1972; Hinch & Hickey, 1996). Holidays and other events at various times of the year produce variations in tourist activities. Business customs are added to institutional reasons by Getz and Nilsson (2004). Christmas, summer vacations at schools, universities, and workplaces are the most notable institutional causes of seasonality (Baron, 1975). Institutional seasonality represents a society's social norms and customs (Hinch and Hickey, 1996), and hence is influenced by social variables and policies about special costumes and legal holidays. Institutionalized seasonality is more complicated because it is based on human behavior and consumer decision-making (for example, deciding when to take vacations) (Lee et al., 2008). The importance of school and industry vacations for tourist seasonality is greatest (Rossello and Sanso, 2017). According to Butler (1994), the customary extended summer school breaks are still the most significant hurdle to reducing seasonality.

Because summer vacations are longer, a family with school-aged children is more likely to take a large trip during this season than during others (Chung, 2009). According to the author, the requirement for children and students to assist during busy agricultural months led to the scheduling of school holidays throughout the summer. Work vacations have an impact on the severity of the seasonal peaking of tourism activities, particularly with the introduction of paid vacations and the closure of several industrial sectors for a few weeks during the summer months (Murphy, 1985).Vacationing in the twentieth century, particularly during the age of mass tourism, was frequently reliant on school, industrial, and public vacations (Bender,

Schumacher and Stein, 2005). Approximately half of the population plans their travel around school vacations. Aside from school and workplace summer vacations, public holidays are one of the most prominent forms of institutionalized seasonality.

According to Butler (1994), public holidays used to be single days, but they have evolved into long weekends and extended off-work intervals, with a growing relevance for tourist activities. Furthermore, major religious festivals such as pilgrimages are one of the most important influences in institutional seasonality (Allcock, 1989; Baron, 1993).Unlike natural seasonality, institutionalized seasonality has more exact dates, as it frequently coincides with school or public holidays, religious events or pilgrimages, and the celebration or conduct of numerous events and festivals (Kolomiets, 2010). Some institutionalized causes of seasonality have fixed dates, while others have changeable dates. Some public holidays, such as Easter or Eid, for example, have varying dates and hence may have different effects on different months from year to year (Baron, 1975). There are also some events that repeat themselves over time.

This is the case for some festivals, celebrations, or sporting events in specific destinations (for example, the Olympic Games, UEFA EURO, and FIFA World Cup), which contribute to seasonal tourist demand concentration in specific years (Frechtling, 2001). In his essay, Butler (1994) believes that societal pressure or trend, the sporting season, and tradition/inertia are all important reasons of seasonality. More specifically, social pressure refers to the practice of imitating others by participating in specified activities at specific locations at specific times of the year. This involves socializing in certain capitals at specific periods, vacationing in spas, and spending the winter season in attractive locations (Koenig and Bishoff, 2005). Hunting, skiing, surfing, and golf season are examples of sport activities that can be done in specific conditions at specific times of the year, and so contribute to tourist seasonality.

Climate and physical elements, as well as the requisite infrastructure, are required for these operations. One of the seasonality aspects is inertia, which indicates that some travelers prefer to travel at a given time of year even if they don't have to (Higham and Hinch, 2002), because they've always done so, and old habits die hard (Butler, 1994). Due to inertia and tradition, the market category senior citizen, sometimes known as the golden oldies, exhibits seasonal behavior. They take their summer vacation between July and August, however they are not bound by job or school vacations to do so.

Frechtling (2001) recognized calendar influences as a significant additional source of tourism seasonality. Such impacts could be caused by variations in the number of days in a month or

the number of weekends in a month, quarter, season, or year, for example (Koenig and Bishoff, 2005). Leisure tourism is mostly concentrated on weekends, with the distribution of weekends and their interaction with holidays causing the well-known phenomena of long weekends having an impact on tourist behavior. Seasonality can also be caused by the supply side, such as when labor shortages and other uses of facilities result in facility closures or changes in target markets. Nilsson and Getz (2004), Butler (1994) added supply-side inertia to the list of factors, alluding to company operators' predisposition to accept the status quo.

In the case of family businesses, many owners may decide to close for a portion of the year, taking advantage of the peak season as a given circumstance to maximize earnings and reaping the benefits the rest of the year. Additional supply side constraints identified by Goulding, Baum, and Morrison (2004) include alternative uses of touristic resources, activity options, physical attractions, licensing restrictions, tourism as a supplementary source of revenue, and trading patterns of other businesses. Destination accessibility, accommodation structure, wet-weather facilities, and destination promotion are further sources of seasonality resulting from supply-side constraints.

All reasons of seasonality were divided into pull and push categories by Lundtorp et al. (1999). Seasonality affects tourist flows in both receiving and generating areas, providing pull and push dynamics (Kolomiets, 2010).In the generating area, institutional, calendar, inertia and tradition, social pressure or fashion, and access act as push factors for leisure travelers, whereas in the receiving area, climate, sporting seasons, events, alternative uses of touristic resources, activity opportunities, physical attractions, licensing restrictions, tourism as a secondary source of income and trading patterns of other businesses, accessibility, accommodation structure, wet-weather facilities, and licensing restrictions act as pull factors for leisure travelers. The push and pull forces interact to create tourism seasonality; they are not mutually exclusive, but they do interact when determining a destination's seasonal nature. It's crucial to understand where seasonality comes from in order to combat tourism seasonality. Tourism seasonality was built into the system and was modeled as a normal feature of the sector.

According to Higham and Hinch (2001), organized mass tourism in destinations such as the Mediterranean is primarily driven by desire for sun, sea, and sand. Tourists select areas with the best weather conditions, allowing them to enjoy their favorite elements. The social framework in terms of school vacations and paid vacations is organized in such a way that the large masses of people who make up organized tourism are mostly oriented during the summer

peak season, which is when work permits are issued. Simultaneously, the tourist supply has been established in such a way and with these characteristics that it almost completely matches to the wants and joys of leisure summer tourism.

The prolongation of the tourism season is an issue. As a result, the issue of tourism seasonality is real and becoming more complex. Confronting tourism seasonality necessitates knowledge and mobilization from all stakeholders in order to plan for a longer visitor season. Climate and institutional factors are the primary drivers of seasonal concentration in coastal summer destinations. In the case of Croatia, most tourist attractions experience severe peaks in demand, with more than two-thirds of overnight stays booked in July and August. Despite favorable climatic circumstances for at least four months, tourist demand patterns show more frequent travel, a shift in market structure with young people traveling without family duties until the age of 35, and a burgeoning third age category.

Finally, the number of tourists who rely on school holidays as a primary source of institutional seasonality is progressively declining. The question is, why do those Croatian summer resorts suffer from such high seasonal density? Natural tourism seasonality will be affected by global warming (Butler and Mao, 1997), and institutional tourism seasonality will be affected by the aging of the population, as the senior population is less constrained in the scheduling of their vacations. Seasonal patterns will shift dramatically. According to Lundtorp et al. (1999), little study has been done to determine which is more important: the desire to travel at specific times of the year or the constraints. This is a question that should be considered. More investigation into the true causes of seasonality in relation to certain destinations is required. In order to solve the problem, the common scheme of identified reasons is insufficient. The research must be relevant to the sort of destination and the types of tourism that are being participated in.

2.2.3 Consequences of seasonal tourism

Seasonality's causes and consequences are both diverse and complex (Koenig and Bischoff, 2005). Most experts agreed that a seasonal pattern is an uncontrollable circumstance that has a variety of negative consequences (Chung, 2009). The effects of tourist seasonality have become more pronounced as mass tourism has grown (Wall and Yan, 2003). Indeed, the consequences of seasonal concentration are inversely proportionate to the growth of tourism. This is because the number of tourist-dependent businesses has grown, and tourism firms have grown in size, in order to meet peak season demand and optimize seasonal income, and so the ability to respond to variations in demand has shrunk. The effects of seasonality vary

significantly depending on the location of the destination and the position of the tourist firms within a destination, according to Baum and Hagen (1999), reflecting in part the variability of physical conditions and the nature of the attractions. Almost all destinations experience tourist seasonality; even London, a destination with all-weather attractions and year-round events, has a summer high and a winter low. Few tourism places are immune to the effects of seasonality in one way or another (Fernandez-Morales, Cisneros-Martinez and McCabe, 2016). According to WTO (1984) analysis, the most specialized destinations are usually the most seasonal, while tourist locations backed by large urban centers have a less marked degree of seasonality due to a more diverse demand. Summer peaking will be most obvious in a peripheral summer destination focused on bathing tourism, whereas the same profile of destination near to an urban zone will be able to lessen the peaking. Although the main concern about seasonality is effective planning and use of resources during the off-peak period, the peak period, which is assumed, also requires special attention, because facilities during the peak period may become overcrowded, causing difficulties in maintaining service quality and satisfying tourists (Koc and Altinay, 2007).The majority of scholarly work on seasonality identifies these persistent demand swings as a problem that has to be adjusted and reduced in magnitude (Butler, 1994). Seasonal demand patterns, according to Goeldner and Ritchie (2003), cannot be avoided, although they can be mitigated. Seasonality's consequences have been investigated from both the supply (tourism operators, staff, and people of the destination region) and demand (tourists) sides (Lee et al., 2008).Economic, environmental, and seasonal employment are three key consequences of tourist seasonality (Koenig & Bischoff, 2005; Chung, 2009). Because seasonal work has an economic impact, the employees and the local community are treated independently from the other effects.

Tourism seasonality has ramifications as a result of overuse of resources during peak season and underutilization of capacity during the off-season. The effects are visible at the enterprise and destination levels. Seasonality's economic effects are mostly seen in off-peak periods, with profits lost due to inefficient use of resources and facilities (Sutcliffe and Sinclair, 1980; Manning and Powers, 1984; Williams and Shaw, 1991) (Sutcliffe and Sinclair, 1980; Manning and Powers, 1984; Williams and Shaw, 1991). Seasonality, according to Baron (1975), causes "seasonal loss," or cost losses. Economic issues stem from a loss of profit owing to improper resource utilization. According to Murphy (1985), businesses and the community need to generate enough income from a few busy weeks in the summer to assure year-round success.

Cash-flow irregularities might occur as a result of seasonal revenue growth, requiring business owners to seek credit or other sources of income. Tourist demand changes may result in a hotel room deficit during the peak season, while tourism resources are constantly at risk of being underutilized during the off-season (Sutcliffe and Sinclair, 1980; Butler, 1994; Jang, 2004; Koenig and Bischoff, 2005; Chung, 2009). Seasonality has a particularly negative impact on physical facilities, which have a higher percentage of fixed costs than other service providers (Chung, 2009).The management decision is whether to close during the off-peak season or to stay open in order to cover the fixed expenditures. Tourism is an industry of intangible things; if products are not sold on the day, they cannot be stored for the following month, whereas if hotel rooms, flight tickets, or festival tickets are not sold on the day, their economic value is zero (Cooper et al., 2005; Goeldner and Ritchie, 2003). Low annual returns on capital are another important issue caused by seasonality (Butler, 1994; Cooper et al., 2005).As a result of the low returns on capital, attracting investors or lenders is challenging (Mathieson and Wall, 1982). Building maintenance is considered as a good economic benefit of seasonality.

Seasonality's effects on employment are primarily tied to off-peak times and are expressed at the enterprise level. The consequences are typically perceived as negative, impacting both the company and the employee. The most serious problem with seasonal work is the difficulty in finding and keeping full-time employees (Yacoumis, 1980). Because there is a disparity in job demand between off and peak seasons, prospective workers are more likely to leave a destination in order to find a stable job, resulting in a smaller population of employees at the location (Chung, 2009), making it more difficult to maintain a certain economic status at a destination (Szivas et al., 2003).Due to a lack of personnel, the level of pay for a specific job post would rise during a peak-season (Chung, 2009), and if employees are hired on a seasonal basis, employers will incur fixed costs for training the workers every peak season (Chung, 2009). (Cooper et al. 2005). Both of these factors contribute to greater operating costs. Seasonal work is sometimes perceived as less "meaningful," and thus tends to attract those on the fringe of the labor market, such as those who are less educated, semiskilled, or unskilled (Mill and Morrison, 1998; Mathieson and Wall, 1982). Murphy (1985) emphasizes that temporary staff typically receive little training. This makes maintaining product and quality standards even more challenging (Baum, 1999). Seasonal work has the advantage of providing temporary occupations to some people, such as students and housewives (Koenig and Bischoff, 2005). Seasonal labor allows employees to rest and recover during the off-season (Commons and Page, 2001).According to Butler (1994), one of the key environmental challenges of tourist

seasonality is the intensity of the pressure on sensitive environments generated by overcrowding and overuse during the summer peak.

According to Hartmann (1986), the off-season, or long 'dead' season, is the only way for the natural and social environments to fully recuperate. As a result of the concentration of tourists during peak season at a place, socio-cultural impacts are linked to the peak season period. Seasonal oscillations have a socio-cultural impact not only on the host community but also on the visitor (Koenig and Bischoff, 2005).Congestion, crowded streets, slower traffic, lack of parking, queues for services, higher prices for services, significant increases in the costs of community services, overcrowding at attraction sites, and pressure on the infrastructure are just some of the negative consequences for local residents that result from the dramatic increases in population during the summer months (Murphy, 1985). Manning and Powers (1984) noted up the issue of the destination's social carrying capacity, which could lead to local community resentment of all tourism operations. Residents can take advantage of local amenities and facilities during off-peak months, which is a positive element of seasonality (Murphy, 1985).The off-season allows the community to de-stress, live a regular life, keep its identity, and prepare for the next peak season (Butler, 2000). As a result, Butler (1994) emphasizes that initiatives to extend the primary season or attract more visitors outside of it require the complete support of host towns.

The peak season's concentration of visitor activities has a comparable effect on the tourists themselves (Koenig and Bischoff, 2005).Overcrowding at attraction sites, a lack of capacity during peak demand periods, pressure on infrastructure, perceived price gouging during peak season, with a negative impact on consumer perceptions of value, and a lack of quality as a result of overcrowding may reduce visitor enjoyment and satisfaction (Jang, 2004; Common and Page, 2001; Krakover, 2000). In contrast, many facilities may be closed during the off-peak season, and the entire variety of services may not be available (Butler, 1994).Seasonality has long been known to have ramifications. Future studies should concentrate on quantifying the consequences. The minimum/maximum number of tourists before the negative consequences of tourism activities overtake the good aspects is sought.

2.2.4 Seasonal tourism management techniques

Seasonality is concerned with patterns that are consistent and well-established rather than with aberrations that occur on a regular basis (Witt & Moutinho 1995). Managers can anticipate consequences and develop plans to alter business operations to any negative effects because seasonal swings in tourist demand are predictable (Getz & Nilsson 2004). Smooth though seasonality will never be completely removed, Mc Ennif (1992) points out that there are several strategies to even out the peaks and troughs. The matching of tourist market segment needs with destination products is a necessity for a successful strategy implementation. Calantone and Johar (1984) noted that different groups of tourism benefits are sought during different tourist seasons. Understanding the specific benefits needs of travelers during each season and completely satisfying them at the period when destination marketers want to attract more tourists is critical. To boost the number of tourists in the off-season, alternative off-season marketing methods must be established, connecting seasonal motivation with tourism products and services offered (Spotts and Mahoney, 1993). Tourism expansion, according to Baron (1975), frequently entails an extension of the main season. When overall visitor numbers are reasonably consistent, attention should be placed on the off-peak season and initiatives to disperse tourism as evenly as possible throughout the year (Butler, 1994).

Destinations with a well-established tourism industry have had the most success in reducing seasonality (Butler and Mao, 1997). The way businesses react to seasonality depends on the type of seasonality and the possibility set for off-season tourism development. Only joint solutions including public and private players can lessen the private and social costs of tourist seasonality (Capo Parrilla, Font and Nadal, 2006). Cellini and Rizzo (2010) claimed that private and public bodies are accusing each other. Private individuals lament the lack of public actions aimed at minimizing demand seasonally. Public initiatives, on the other hand, do not elicit consistent responses from private entities. The development of strategies must be linked to the geographical, as well as the socio-economic patterns of destinations, as distinct spatial attributes of site. Due to their reliance on physical constraints and rigidity in supply patterns, remote and peripheral destinations may face challenges in developing an all-year-season tourism product (Allcok, 1989).The ability of a destination to develop off-season tourism is dependent on the ability of tourism enterprises and infrastructure to overcome problems associated with seasonal demand fluctuations on an individual basis, as well as the desire for collaboration between tourism enterprises and public bodies within the destination and tourism system.

At both the corporate and destination level, several strategies are utilized to address the effects of seasonality. Pricing, diversifying the appeal, market diversification, and state facilitation are the four general tactics mentioned by Lee et al. (2008). Diversifying the product mix, diversifying the market, price differentials, and state-initiated initiatives are the most widely supported techniques, according to Witt & Moutinho (1995). To combat seasonality, Baum and Hagen (1997) proposed four types of initiatives: events and festivals, market diversification, product diversification, and structural and environmental solutions. Diversifying markets, differential pricing and tax incentives on a temporal basis, staggering holidays, increasing domestic tourism in off-season, and providing off-season events such as festivals and conferences are all suggested by Butler (1994).

Butler (2001) also mentioned market diversification, new attractions and events, and differential pricing and taxation as management techniques. Cooper et al. (2005) and Goeldner and Ritchie (2005) propose techniques such as precisely measuring seasonal changes, extending peak seasons by designing a tourism offering that is not seasonal, supporting a pricing differentiation model, and multiple usage schemes (2003). Increase, reduce, and redistribute demand, as well as increase, reduce, and redistribute supply, are the six primary supply/demand matching tactics identified by Weaver and Oppermann (2000).

In the current literature, attempts to overcome seasonality are focused on product and market diversification. Diversified products should be able to suit the demands of many markets. Product diversification refers to the creation of new items for new market categories, whereas market diversification refers to the creation of new market segments for current or new products. Promotional efforts and government assistance are viewed as supporting factors for the successful execution of development strategies. Product diversification strategies must cater to a wide range of market demands. Effective market diversification into shoulder and off-season times must be complemented by an understanding that different seasons demand different items, with varying presentation, packaging, and, yes, pricing Baum and Hagen recommend (1999).Marketing activities are essential for successfully implementing counter-seasonal plans, as customers must be aware of the benefits and availability of off-peak season vacations (Koenig and Bischoff, 2005). The state's facilitation of any area by investing in infrastructure such as transportation to improve accessibility to the location helps to make any location more appealing to visitors, according to Goulding, Baum, and Morrison (2004). Butler also emphasizes the importance of placing product development strategies in the context of the entire development strategy so that new products complement and support one another (1994).

2.5 Conceptual framework

Seasonality of tourism has costs both on the demand and supply side of tourism, (Allcock, 1989). Tour operators are in the supplier side of tourism products. The main implications of this nature are expressed with respect to costs of operation, facilities and manpower utilization. Whenever costs are incurred by the supplier, the tourists are likely to suffer from either poor service quality or increased and very high prices for tourism products. Unstable and seasonal workforce can also have negative results both on the tourism service provider and tourists,. The following diagram addresses this fact.

Diagram1: Seasonality and its effects

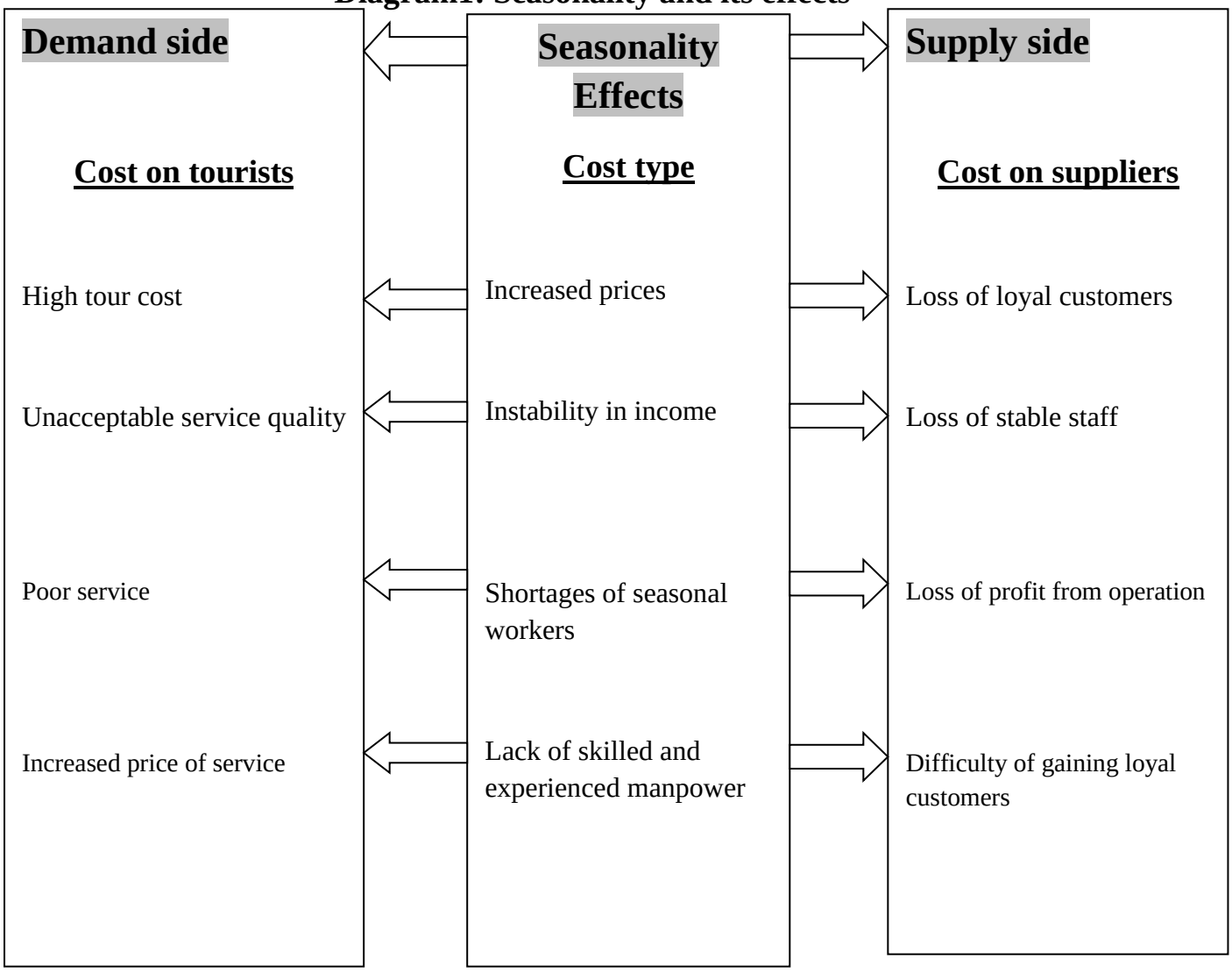

Diagram 1: Effect of seasonal tourism

Source: own modification

The above diagram (diagram 1) illustrates that seasonality brings about effects on both the demand (tourist) side and supply (destination) side of the tourism system. The impacts and implications have been explored from both the supply-side (i.e. tourism operators, employees and residents of the destination) and the demand-side (i.e. tourists) perspectives of seasonality.

A summary of the adverse effects of seasonality on both sides is presented in Diagram1. The supply side includes business managers, suppliers, employees and local residents, whilst the demand side refers to tourists or visitors to the area. The diagram highlights a number of important points. Increased prices set by the supply side to cover low season costs forces tourists to pay extra money for services at tourist destinations, and which in turn costs the supplier as loyal customers may search for another comparatively cheap alternatives. This can again bring about income instability for the supply side as the number of tourists is inconsistent. More importantly, suppliers cannot provide a good salary to their staff which results in unstable staff, (Goeldner and Ritchie, 2003).

Another significant aspect of seasonal tourism is that it could be difficult to find workers regularly as they seek stability in their carrier. Organizations, hence, lose experienced workers due to unstable work environments. Casual workers even lose interest to work tour operators as they cannot receive acceptable payments. Organizations hence cannot provide quality service to their guests as service providers are likely to be less experienced. This further causes tour operators to lose loyal customers. Generally, tourism seasonality brings about unhealthy fluctuations in many services of the tourism system that can negatively affect the supplier (tour operator) and the tourists, (Nadal et al, 2004).

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter presented the methods of the research used. The chapter provided information on the research design used, determination of sample size, sampling techniques and instruments used, the data gathering procedure and finally the statistical tools used in interpreting the data collected.

3.1 Description of the Study Area

Addis Ababa, located in East Africa, is the capital city of Ethiopia and one of the largest cities on the African continents, with a few millions of peoples from various origins. Addis Ababa is located in the very central part of the country and it is a key center of transportation, logistics and commerce. The study was conducted on the effect of seasonal tourist flow on tour operators of Addis Ababa. Hence, the main subjects of the study were selected from concerned bodies (tour operators) of the subject under the study area.

3.2 Research Design and Approach

The major focus of this study was on the assessment of effects of seasonal tourist flow on tour operators in Addis Ababa. The research design used in this study was descriptive approach for acquiring the intended research theme. Moreover, the study also employed cross-sectional type of survey research design for the purpose of collecting quantitative data and finding further explanations through the use qualitative approach in the form of interviews with managers of tour operation firms. In simple terms, the researcher used mixed (both quantitative and qualitative) research design to analyze data that collected from various sources in the study area.

3.3 Research Methods

This study utilized quantitative research method. Quantitative research method placed greater emphasis on the numerical data and statistical test to draw conclusions. Therefore, quantitative research method was used to arrive at the conclusions and for testing the research objectives. Quantitative research method was used because the questionnaire included structured and closed ended items.

3.3 Data Sources

The researcher obtained relevant data from 234 tour operators. The total number of people who served as a source of information for statistical data was 234 subjects. Moreover, secondary sources were used to obtain from published materials such as tourism statistics, tourism journals and articles, text books on the subject matter.

3.4 Target Population or Subjects of the Study

The subjects of the study were tour operators. According to statistics from Ethiopian Ministry of Culture and Tourism, currently there are 563 tour operators in Addis Ababa, and the study focused on these tour operators that are registered under Addis Ababa City. Therefore, among the 563 tour operators used as the total population of the study, 234 (41.56) were selected using the formula put under 3.4 below.

3.5 Sample Size and Sampling Technique

The sample size of this study were determined using Yamane (1967) formula, at 95 % of confidence level and ± 5 % level of precision (e =0.05).

Therefore, Yamane (1967) formula: $n = \frac{N}{1 + N(e)^2}$ where: n = Sample size, N = Total population, e = margin error (Precision)

Thus: $n = \frac{563}{1 + 563 \text{ x } (0.05)^2}$

$$n = \frac{563}{1 + 563 \text{ x } 0.0025}$$

$$n = \frac{563}{1 + 1.4075}$$

$$n = \frac{563}{2.4075}$$

$$n = 233.85 \approx 234 \text{ (41.56 \%)}$$

Thus, 234 tour operators were selected using systematic random sampling method. On systematic random sampling technique (i.e. $K^{th} = \frac{N}{n}$), where N = Population and n = sample size (Naing, 2006). Which means $K^{th} = \frac{563}{234} \approx 2.5$; thus, every 2nd and 3rd (by two and three

difference repeatedly) tour operator was recruited as study sample until the total sample size for this study was obtained. These K^{th} orders were obtained from the registration list of tour operators in Addis Ababa city. The registration list was taken from the Ministry of Culture and Tourism statistics.

3.6 Data Collection Methods

The research instruments used by the researcher were questionnaire and interview. The data collection used 234 informants. Among them, some of the purposely selected tour operation firm managers were used for interviews.

The questionnaire designed included relevant items from books, journals, magazines and other publications. It also consisted of two parts: the first part aiming at gathering information on the respondent's personal information and the second one on the intended topic of study. The questionnaires were printed and distributed to 234 tour operators and more than 96% of the papers were returned to the researcher with relevant responses, and the rest 4% were not either filled appropriately or the paper itself was lost.

After the collection of relevant data through questionnaires, interviews with the purposely selected tour operation mangers took place to extract the full fledged responses from the respondents in a cross sectional way.

3.7 Data Analysis Techniques

The data analysis technique employed was using quantitative approach.The quantitative data from the questionnaires were entered to SPSS version 26.0 statistical software and analysed using descriptive statistics like frequency and percentage. The quantitative data was fed to the SPSS version 26.0 statistical software and the results were categorized in a way that can be used to answer the research questions through descriptive statistics. Variables fed to the software were intentionally made to include the causes of seasonality, negative effects of seasonality and relevant measures taken to address such effects by tour operators of Addis Ababa. Finally, the results obtained from the software were used to analyze in a descriptive statistics; mainly frequency and percentage.

Mean and standard deviation were used to represent statistical data. Because, the mean (M) can represent the average value in a dataset while the standard deviation (SD) was used as an

important measurement for figures at the top and bottom of it to denote findings that are free from simple generality.

3.8 Validity and Reliability

Assessing reliability and validity of data gathering tools were essential to ensure the obtained meaningful data. Before starting the actual data collecting process, the pilot test was conducted. Therefore, 20 questionnaires were distributed. It helped to avoid ambiguities, poorly worded questions and unclear items. Additionally, the pilot study was allowed to assess the vague and inadequately presented questionnaires and re-write it, so that the items were administered precisely for respondents. In addition with that to ensure validity the questionnaires were submitted to the advisor for expert judgment. Thus, the sequence of the items and questions that combine two or more issues in a single question (double-barrelled questions) were improved based on the comments of the advisor.

Besides, Cronbach's alpha was used to measure the survey validation process. Cronbach's alpha reliability coefficient normally ranges between 0 and 1. The coefficients were the following:

Table 3.1 Reliability statistics of the questionnaires

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.884	.871	26

According to the rule of (George & Mallery , 2003), the figure of >0.8 interpreted as good level of reliability. Therefore, the reliability of 26 items in this study was reliable.

CHAPTER FOUR

DAT PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presented result and discussion of the study. Demographic data of respondents, main causes of seasonal tourist flow, the effect of seasonality on the performance of tour operators, and the measures taken or mechanisms put in place to address the problem by tour operators were analysed and presented.

4.1 Demographic Data of Respondents

Though various personal characteristics of respondents may exist, this study focused solely on a few factors for the study's subjects, primarily tour operators, such as sex, age, year of experience, and educational level. As a result, the following table summarizes the respondents' personal characteristics by sex, age, year of experience, and educational level.

Table 4.1 Demographic Data of Respondents

Variables		**Frequency**	**Percentage (%)**
Sex	F	72	30.8
	M	162	69.2
	Total	234	100.0
Age	18 - 30 years old	115	49.1
	31-40 years old	89	38.0
	41 – 50 years old	22	9.4
	Above 50 years old	8	3.4
	Total	234	100.0
Educational Level	Diploma	44	18.8
	Degree	93	39.7
	Masters and above	97	41.4
	Total	234	100.0
Work Experience	1 - 5 years	55	23.5
	6 - 10 years	133	56.8
	10 - 15 years	37	15.8
	Above 15 years	9	3.8
	Total	234	100.0

Source: Computed by the researcher (2021)

As shown on the above table 4.1, among the total of 234 (100%) respondents 72 (30.8 %) were female and 162 (69.2 %) were males. Accordingly, regarding their age 115 (49.1 %) of respondents were between the age of 18 – 30 years old, 89 (38 %) were between 31– 40, 22

(9.4 %) were between 31 -40, and 8 (3.4%) above 50 years old. This has an implication on the reasonability of respondents to understand and provide relevant answers to the questions presented to them. Regarding their educational level, 44 (18.8%) were diploma certified, 93 (39.7 %) were degree holders and the rest 97 (41.4 %) were masters and above. 81% of the respondents hold bachelor degree and above, which implies that they are capable to fully understand the questions and give pertinent response.

The above data also revealed that respondents work experience that, 55 923.5 %) had 1 – 5 years of experience, 133 (56.8 %) of respondents had 6 – 10 years of experience, 37 (15.8 %) of respondents had 10 – 15 years of experience, and 9 (3.8%) of respondents had more than 15 years of experience. The work experience of the respondents has also implications on their understanding of the subject matter under study, seasonality.

4.2 The Causes of Seasonal Tourist Flow

A wide range of causes are available for seasonal tourist flow to a certain destination. This study has given an emphasis on natural and institutional seasonality factors, tourists' decision making patterns, public holiday seasonality, poor product diversity, price instability at destinations, inadequate visitor information and poor ease of access to destinations as reasons for seasonal tourist flow to Addis Ababa.

Table 4.2 Causes of seasonal tourist flow

No.	Variables		Frequency	%	Mean	SD
1	Natural factors like climatic conditions, wildlife behavior	Very low	9	3.8	2.28	.528
		Low	151	64.5		
		Average	74	31.6		
		Total	234	100.0		
2	Institutional factors such as religious, cultural and social events	High	70	29.9	4.70	.459
		Very high	164	70.1		
		Total	234	100.0		
3	Tourists' decision making being with respect to school and industrial holidays	Average	61	26.1	3.79	.525
		High	160	68.4		
		Very high	13	5.6		
		Total	234	100.0		
4	Seasonality of public holidays	Average	30	12.8	4.52	.713
		High	52	22.2		
		Very high	152	65.0		
		Total	234	100.0		

Source: Computed by the researcher (2021)

The above table 4.2 item (1) shows that, natural factors like climatic conditions and wildlife behaviour mean result was m = 2.28 and SD = 0.528. Accordingly, 9 (3.8%) of respondents replied that the effect of natural factors were 'very low', 151 (64.5%) replied 'low', while 74 (31.6) replied 'average'. The above table on item (2), institutional factors such as religious, cultural and social events mean result was m = 4.7 and SD = 0.459. On this item, most of the respondents 164 (70.1%) replied 'very high' and the rest 70 (29.9%) replied 'high' as institutional factors such as religious, cultural and social events were causes for seasonal tourist.

On item (3), the above table also shows that, tourists' decision making being with respect to school and industrial holidays mean result m = 3.79 and SD = 0.525. As a result, most of the respondents (160, 68.4%) replied 'high', 61 (26.1%) replied 'average', whereas, 13 (5.6%) replied 'very high'. On the other hand, on item (4) the mean value of seasonality of public holidays are m = 4.52 and SD = 0.713. Thus, 30 (12.8%) replied 'average', whereas, 52 (22.2%) replied 'high' and most of the respondents '152 (65.0%) replied 'very high'. This implies that most of the respondents believed that seasonality of public holidays highly affected the tourists' movement.

Table 4.3 Contributions of variables for seasonal tourist flow

No.	Variables		Frequency	%	Mean	SD
5	Poor product diversity	Average	93	39.7	3.75	.698
		High	106	45.3		
		Very high	35	15.0		
		Total	234	100.0		
6	Price instability at destinations	Very low	13	5.6	3.15	.895
		Low	39	16.7		
		Average	81	34.6		
		High	101	43.2		
		Total	234	100.0		
7	Inadequate visitor information	Low	24	10.3	3.47	.731
		Average	84	35.9		
		High	117	50.0		
		Very high	9	3.8		
		Total	234	100.0		
8	Poor ease of access to destinations	Average	69	29.5	3.86	.656
		High	129	55.1		
		Very high	36	15.4		
		Total	234	100.0		

Source: Computed by the researcher (2021)

As shown on the above table 4.2 item (5), the mean value poor product diversity was m = 3.78 and SD = 0.698. It implies that most of the respondents believed that one of the major causes for seasonal tourism was poor product diversity. On the same table (item 6) shows that the mean value of price instability at destinations was m = 3.15 and SD = 0.895. It implies that most of the respondents believed that price instability at destinations were one of the reason for seasonal tourist flow. On the above table item (7) revealed that inadequate visitor information mean value m = 3.47 and SD = 0.731. It implies that 89.7 % of respondents believed that inadequate visitor information is one of the reasons for seasonal tourist destination. Item (8) revealed that the average value of poor ease of access to destinations was m = 3.86 and SD = 0.656. It implies that all of the respondents believed that poor ease of access to destinations as one of the reasons for seasonal tourist flow.

4.3 The Effect of seasonality on tour operators

Seasonality of tourism has a big effect on actors of the industry, and tour operators in this case. Among the effects, Loss of profits due to inefficient use of resources and facilities at low seasons, unemployment and employee turnover due to low number tourist arrivals, bankruptcy or loan load to tour operators due to cash flow discontinuity, loss of business connection among tourism enterprises such as tour operators, hotels, event organizers, car rentals, media, and inconsistent service provision to guests at hotels and similar establishments are summarized under the tables below.

Table 4.4 Effect of seasonality on tour operators

No.	Variables		Frequency	%	Mean	SD
9	Loss of profits due to inefficient use of resources and facilities at low seasons	High	55	23.5	4.76	.425
		Very high	179	76.5		
		Total	234	100.0		
10	Unemployment and employee turnover due to low number tourist arrivals	High	69	29.5	4.71	.457
		Very high	165	70.5		
		Total	234	100.0		
11	Bankruptcy or loan load to tour operators due to cash flow discontinuity	High	53	22.6	4.77	.419
		Very high	181	77.4		
		Total	234	100.0		
12	Loss of business connection among tourism enterprises such as tour operators, hotels, event organizers, car rentals, media, etc.	High	43	18.4	4.82	.388
		Very high	191	81.6		
		Total	234	100.0		
13	Inconsistent service provision to guests at hotels and similar establishments	High	45	19.2	4.81	.395
		Very high	189	80.8		
		Total	234	100.0		

Source: Computed by the researcher (2021)

As shown on the above table 4.4 item (9), the mean value for loss of profits due to inefficient use of resources and facilities at low seasons was m = 4.76 and SD = 0.425. On this item, all of the respondents responded more than average. It implies that all of the respondents believed that one of the effects of seasonality on the performance of tour operators was loss of profits due to inefficient use of resources and facilities at low seasons.

On item no (10) the mean value of unemployment and employee turnover due to low number tourist arrivals was m = 4.71 and SD = 0.457. It implies that most of the respondents strongly believed that one of the effects of seasonality on the performance of tour operators was unemployment and employee turnover due to low number tourist arrivals.

On item no (11)the mean value of bankruptcy or loan load to tour operators due to cash flow discontinuity was m0 = 4.77 and SD = 0.419. It implies that one of the effects of seasonality on the performance of tour operators was bankruptcy or loan load to tour operators due to cash flow discontinuity. On item (12) the mean value of loss of business connection among tourism enterprises such as tour operators, hotels, event organizers, car rentals, media… was m = 4.82 and SD = 0.388. It implies that one of the effects of seasonality on the performance of tour operators was loss of business connection among tourism enterprises such as tour operators, hotels, event organizers, car rentals, and media.

On the other hand, item (13) revealed that the respondents' mean value on inconsistent service provision to guests at hotels and similar establishments was m = 4.81 and SD = 0.395. This implies that all of the respondents strongly believed that one of the effects of seasonality on the performance of tour operators was inconsistent service provision to guests at hotels and similar establishments.

4.4 The measures taken to address the effect of seasonality

The effect of seasonal tourist flow needs to be managed through the development of different strategies by actors of the sector. The measures taken by tour operators and the government were presented here.

Price differentiation, product diversification, encouraging domestic tourism in low seasons, developing off-season events such as festivals and conferences by tour operators, tourist market segmentation, collaboration between tourism enterprises and public bodies within the tourism system, receiving compensations from tourism authorities, the state and other

stakeholders, forming awareness creation forums with the community and other relevant institutions was assessed with respect to tour operators.

While tax holidays/tax exemption at low seasons, infrastructural development around tourist attractions, promoting attractions of the country in low seasons, developing alternative tourism projects, providing loan and incentives for tour operating firms working in difficulty low seasons were presented with respective valuation on the government side.

Table 4.5 Measures taken by tour operators to reduce tourism seasonality

No.	Variables		Frequency	%	Mean	SD
14	Price differentiation i.e. setting low price in low seasons to attract more tourists	Low	34	14.5	3.86	.994
		Average	32	13.7		
		High	101	43.2		
		Very high	67	28.6		
		Total	234	100.0		
15	Product diversification like culture shows	Very low	34	14.5	2.44	.912
		Low	97	41.5		
		Average	69	29.5		
		High	34	14.5		
		Total	234	100.0		
16	Encouraging domestic tourism in low seasons	Very low	66	28.2	2.14	.888
		Low	82	35.0		
		Average	74	31.6		
		High	12	5.1		
		Total	234	100.0		
17	Developing off-season events such as festivals and conferences	Very low	80	34.2	1.92	.801
		Low	98	41.9		
		Average	51	21.8		
		High	5	2.1		
		Total	234	100.0		

Source: Computed by the researcher (2021)

The above table 4.5 item (14) shows that the mean value of price differentiation i.e. setting low price in low seasons to attract more tourists m = 3.86 and SD = 0.994. It implies that most of the respondents believed that their decision on price differentiation i.e. setting low price in low seasons to attract more tourists was more than average. As well as, on item (15) the average value on product diversification like culture shows was m = 2.44 and SD = 0.912. Here, respondents' response were diversified but more than half of the respondents work on product diversification like culture shows was below average and it might be one of the effects of seasonality on the performance of tour operators.

On the other hand, on item (16) the mean value on encouraging domestic tourism in low seasons was m = 2.14 and SD = 0.888. It implies that more than half of the respondents believed that their work on encouraging domestic tourism in low seasons was below average and it may be one of the reasons to affect the performance of tour operators. Item (17) refers to developing off-season events such as festivals and conferences and its mean value was m = 1.92 and SD = 0.81. It implies that more than three fourth (¾th) of the respondents believed that their work on developing off-season events such as festivals and conferences was below average. Therefore it may be one of the reasons to affect seasonal tourist flow.

Table 4.6 Measures taken by tour operators to reduce tourism seasonality

No.	Variables		Frequency	%	Mean	SD
18	Tourist market segmentation i.e. finding ways to get potential tourist generating areas at low season	Very low	45	19.2	2.19	.765
		Low	104	44.4		
		Average	80	34.2		
		High	5	2.1		
		Total	234	100.0		
19	Collaboration between tourism enterprises and public bodies within the tourism system	Very low	105	44.9	1.63	.630
		Low	110	47.0		
		Average	19	8.1		
		Total	234	100.0		
20	Receiving compensational facilitation from tourism authorities, the state and other stakeholders	Very low	163	69.7	1.30	.461
		Low	71	30.3		
		Total	234	100.0		
21	Forming awareness creation forums with the community and other relevant institutions	Very low	13	5.6	2.72	.836
		Low	84	35.9		
		Average	92	39.3		
		High	45	19.2		
		Total	234	100.0		

Source: Computed by the researcher (2021)

As shown on the above table item (18), the mean value on tourist market segmentation i.e. finding ways to get potential tourist generating areas at low season was m = 2.19 and SD = 0.765. Therefore, most of the respondents believed that tourist market segmentation was below average. On item (19), the mean value of collaboration between tourism enterprises and public bodies within the tourism system was m = 1.63 and SD = 0.63. It implies that most respondents believed that collaboration between tourism enterprises and public bodies within the tourism system was poor.

Accordingly, the mean value of receiving compensational facilitation from tourism authorities, the state and other stakeholders was m = 1.30 and SD = 0.461. On this item all of the

respondents (100%) replied below average. On item (21) the average value of forming awareness creation forums with the community and other relevant institutions was m = 2.72 and SD = 0.836. This indicates that the effort of awareness creation by tour operators was poor.

On the other hand, multinomial logistic regression was used to predict a dependent variable (tour operators) and to identify interactions between independent variables (seasonal flow of tourists)

Table 4.7Measures taken by the government to address the effect of seasonal tourism

No.	Variables		Frequency	%	Mean	SD
22	Tax holidays/tax exemption at low seasons	Very low	56	23.9	1.77	.449
		Low	175	74.8		
		Average	3	1.3		
		Total	234	100.0		
23	Infrastructural development around tourist attractions	Very low	66	28.2	1.79	.553
		Low	152	65.0		
		Average	16	6.8		
		Total	234	100.0		
24	Promoting attractions of the country in low seasons	Very low	45	19.2	2.22	.797
		Low	102	43.6		
		Average	78	33.3		
		High	9	3.8		
		Total	234	100		
25	Developing alternative tourism projects	Very low	38	16.2	2.16	.697
		Low	124	53.0		
		Average	69	29.5		
		High	3	1.3		
		Total	234	100.0		
26	Providing loan and incentives for tour operating firms working in difficulty low seasons	Very low	78	33.3	1.80	.671
		Low	126	53.8		
		Average	28	12.0		
		High	2	.9		
		Total	234	100.0		

Source: Computed by the researcher (2021)

As indicated on table 4.12 item (22), the mean value on tax holidays/tax exemption at low seasons was m = 1.77 and SD = 0.449. Here, most of the respondents' responses were below average. It implies that most of tour operators did not undertake the measures to address the effect of seasonal tourism.

Moreover, on item (23) the average value of infrastructural development around tourist attractions was m = 1.79 and SD = 0.553. Here, on this regard most of the respondents'

response was below average. This implies that most of tour operators' measure towards infrastructural development around tourist attractions was low.

On item (24), the above table revealed that the mean value on promoting attractions of the country in low seasons was m = 2.22 It implies that most of respondents believed tour operators' work on promoting attractions of the country in low seasons was below average. On item (25) the mean value of developing alternative tourism projects m = 2.16 and SD = 0.697. It implies that most of tour operators were not developing alternative tourism projects.

The above table 4.12 item (26) shows that the mean value on providing loan and incentives for tour operating firms working in difficulty low seasons was m = 1.80 and SD = 0.671. It implies that most of the respondents believed that the government's measure on providing loan and incentives for tour operating firms working in difficulty low seasons were below average.

4.5 Analysis of data collected from tour operation company managers through interview

Under this section, results of personal interviews with tour operation firm managers are presented. The results were cross-examined to establish an agreed set of themes that were thought to appropriately represent the views all the managers involved in the interview.

1. What were the main reasons of tourism seasonality in Addis Ababa city?

A wide range of reasons can determine the flow of tourists to a certain destination. It includes a change in the demand of travellers, the amount of traffic on various modes of transport, the levels of related facilities and the admission to attraction sites (Cuccia & Rizzo, 2011). In other words, tourists' destinations are overflowing with the above activities during certain times of the year and close to nil in other times of the same period (year). In this regard, tour operation firm managers were asked to provide their views about the reasons that caused seasonal tourist flow to Addis Ababa city during the years under study. The responses were summarized as follows:

Addis Ababa is the capital city of the country and is also the passage center of tourists to different destinations of the country. This was highly intensified by the existence of Bole International Airport. Being a passage center of tourists to different destinations throughout the country, the respondents believed that almost 90-95 percent of international tourists had the

practice of staying at the city at least for two days; the one is when they enter the country and the other when they depart from Bole International Airport. Some tourists even stay more than three days visiting different tourist attraction sites in Addis Ababa.

More importantly, tourists who visited attractions of Addis Ababa did not take the city as a tourist destination itself. It is redundantly mentioned that tourists who intentionally come to visit the city were those who arrived for national and international conferences. The main intention of making visits in Ethiopia was directed towards other attractions in the country side. The Aksum stelae, Rock-hewn Churches of Lalibela, Fasiladas Castle, Semien Mountain National Park, Lake Tana Monastries, Tis-Isat falls, Gishen Mariam, Harar, Sof O'Mar cave, Bale Montain National Park and the cultures of South Omo zone were taken as the main targets of tourists to come to the country. Attractions of Addis Ababa were, usually, visited due to their location being at the main entry and exit point of tourists.

Having said that, the flow of tourists to the city was fluctuating in different seasons, and the main reasons presented from the interviewees outlined that most of the tourist attractions that the country was promoting were cultural in nature. Different festivals and events like Timket, Meskel, Irrecha, and Fiche Chambalala took place at certain periods of the year. The rest historical and cultural attractions could not be visited all year round due to poor infrastructure and road networks in particular even before the demand of tourists to come and visit is considered. This shows that the seasonal flow of tourists to the city is highly connected with the seasonality trend of tourist flows throughout the country.

2. What were the adverse effects of seasonality on your tour operation firm?

Most experts agreed that a seasonal pattern of tourism is an uncontrollable circumstance that has a variety of negative consequences (Chung, 2009). The data collected from the interviewees approved this fact; and is presented as follows.

The seasonal nature of tourism in the Ethiopian tourism sector had adverse effects on different actors of the sector including tour operators. Most of the tour operators of Addis Ababa have experienced loss of benefits due to the fluctuations in the number of tourists visiting the country. One of the challenges faced by tour operators was expressed to be inability to pay rentals and loan loads from the usual business operation. Only a very few tour operators were

able to reduce their loss by providing car rental and room services at different destinations. Green Land Travel and Tour Company was a big example in doing so as it owns different resorts at Arba Minch and other destinations.

Another adverse effect of tourism seasonality on tour operators was loss of business connection among different tourism enterprises. Many travel agents practiced closing their offices in low seasons and engaged in other non-tourism activities to lead their lives. Hotels of the city were highly dependent on local tourists and conference related arrivals only. Tour operators were, hence, suffering a lot to build their usual relationship with the hotels, retailing travel agents and car rental companies when the number of tourists increased after a while.

3. What were the strategies developed by your firm to reduce the effect of seasonal tourism at the city?

Managers can anticipate consequences and develop plans to alter business operations to any negative effects because seasonal swings in tourist demand are predictable (Getz & Nilsson 2004). When asked about the measures they took to reduce the effect of seasonality, interviewees had the following summarized thoughts.

Respondents of this study explained that there were attempts to fight against difficulties of seasonal tourism at times although it failed to materialize. The main action taken to reduce the adverse effect of seasonal tourism was promoting some tourist attractions of the country through the combined efforts of some tour operators and hotels. Another important attempt was asking the government to outsource some public events to tour operators in low seasons although it did not have the intended result due to conflict of interest. There were also attempts to convince the government to provide incentives and tax holidays at low seasons.

One of the key respondents emphasized that although the measures taken were not satisfactory enough, efforts to have a common understanding to the problem has resulted the formation of different tourism associations such as Ethiopian Tourism Professionals Association and Ethiopian Tour Operators Association. The only thing left to achieve the objective seemed to be practical functionality.

Generally, the measures taken to reduce the negative effects of seasonal tourism were not satisfactory. Firms were often trying to fight against seasonality without having coordinated efforts with similar tourism enterprises. It was highly limited to providing car rental services.

4.6 Discussion

In the present study, most of the respondents (69.4%) replied that the natural factors were not the main causes for tourists' seasonal flow to Addis Ababa. However, most of the respondents believed that institutional factors such as religious, cultural and social events were the main reasons for tourists' seasonal arrival. As well as, tourists' decision making with respect to school and industrial holidays were other reasons for tourist's seasonal flow. All of the respondents believed that public holidays were the major reasons for tourists' seasonal arrival in the country. Alshuqaiqi & Omar also advocate the major causes of tourist flow into three, that is, the weather, timing decisions, and during the religious festivities (Alshuqaiqi & Omar, 2019). As Lee et al (2012) stated religious, cultural and social factors also dictate when people travel, with one or more of these dimensions often determining the timing of holidays (Lee et al., 2012).

Institutional factors, hence, were the main reasons for the seasonal flow of tourists to the city. More importantly, most cultural events of the country took place in January and September. The rest events took place in a long interval over a year. This could have a big effect on the seasonality pattern. Findings of the study indicated that the average number of tourists was high during Gena, Timket & Meskel. The rest cultural and religious events were not significant in attracting tourists to the city and the country.

Another important point indicated in this study was that the contribution of natural attraction sites in attracting tourists to Ethiopia was far below what cultural attractions did. Most tourists often targeted to visit the attractions of the country during the periods when cultural events took place. However, natural attractions had to be visited in most seasons except in the main rainy season of the country which takes place in June, July and August. Of course, May and September sometimes have rains that could have effects on the movement of tourists to different natural attraction sites of the country. This calls for the need to implement a system that could help the utilization of natural attractions to avoid too much dependence on cultural ones.

On the other hand, the findings of the study revealed that most of the respondents (60.3%) believed that poor product diversity is one of the reasons for seasonal tourist flow. The study by Corluka & Milenkovska (2016) point out that products and services that have a seasonal character require the use of performance-based adjustments on the seasonal effects (Corluka & Milenkovska, 2016). Whereas, most of the respondents (77.7 %) believed than price instability at destinations are one of the reason for seasonal tourist destinations and 89.7 % and 100% of respondents believed that inadequate visitor information and poor ease of access were another reason for seasonal tourist flow.

The poor product diversity and price instability of tourism products can also have impacts on the satisfaction level of tourists. Social tourism is usually practiced by the poor and students, which forces the participants to be price sensitive. Those who involve in social tourism could not visit a certain destination during high price seasons. The attempt of high price setting in low seasons to refund loses could force these tourists to be cautious in their spending. Diversifying tourism products can provide tourists to have a wide range of choices, and tour operators need to practice it with a strong effort. Setting high prices to tourism products is usually recommended in peak seasons to de-market a certain destination. For example, setting a very high price on tourists during the Timket festival in Addis Ababa and organizing another event in Hawassa can force tourists to visit the later as an alternative. Therefore, diversifying tourism products and setting different prices in different seasons need to be managed in a way that the two approaches complement each other.

The findings of this study showed that all of the respondents experienced and believed that one of the effects of seasonality on the performance of tour operators was loss of profits due to inefficient use of resources and facilities at low seasons. Regarding this, Zhang and Xie (2021) stated that Economic sustainability and profit generating are critical and fundamental factors influencing the tourism operator firms development and it's the most affected (Zhang & Xie, 2021). Also, the study by Meng (2010) revealed that seasonal tourism impacts are generally focused on three areas; these are employment, costs and facilities (Meng, 2010).

Accordingly, 70.5 % of tour operators were affected by employee turnover due to seasonal flow of tourists and 77.4 % of tour operators believed that seasonal tourists flow caused bankruptcy or loan load to tour operators due to cash flow discontinuity. Parallel with this study employment situation is adversely affected by seasonality of tourist flow as found out by Alshuqaiqi & Omar while studying the challenges and opportunities in managing seasonality in

tourism. They concluded that there is often seasonal unemployment during off-peak season (Alshuqaiqi & Omar, 2019).

Unemployment of resources, including human resource, and the rental and facility costs incurred by tour operators needed to be managed through the implementation of alternative mechanisms such as; organizing cultural events at low seasons. Reducing employees and trying to escape loan loads with the implementation of high rental prices to facilities during peak season is not advisable. Employees who adapted well with the working system of the firm could be the biggest assets of the organization for future business operation. Imposing high price on low season clients can also have a big negative consequence on the firm's image at the eyes of the user.

As well as, loss of business connection among tourism enterprises such as tour operators, hotels, event organizers, car rentals, media and inconsistent service provision to guests at hotels and similar establishments were another effects of seasonal tourism. Regarding this Corluka (2019) concluded that seasonal fluctuations in tourism volumes over the calendar year have a direct impact on longer-term business cycles and short-term changes of connections with different firms (Corluka, 2019).

Different stakeholders of the tourism system need to form a plat form that could not be cut in low seasons of the year. Tour operators can organize events that could involve other mini event organizers, car rental companies, hotels and different media outlets so as to keep business connection among them. The practice of working together need to have a long lasting future as good will is one of the most important factors that build business connection among tourism stakeholders. Inconsistent business relationship is more difficult to manage work operations.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The main objective of this study was to assess the effects of seasonal tourist flow on tour operators in Addis Ababa. Therefore, the study was geographically delimited on tour operators that are based in Addis Ababa and the data included the last three and half years (2018, 2019, 2020, and first half of 2021). The research design was descriptive supported by quantitative approach for acquiring the intended research theme. Target population of the study were tour operators. The total population of the study were 563 tour operators based in Addis Ababa. Among these 234 (41.56%) were selected using systematic random sampling method. The research instruments were questionnaire and interview. The data was analysed using a quantitative and qualitative approach. The quantitative data from the questionnaires were fed to SPSS version 26.0 statistical software and analysed using descriptive statistics of frequency and percentage.

The major findings of the study were summarized as follows:

5.1.1 Causes of seasonal tourist flow in Addis Ababa

In the present study for the last three and half consecutive years, from 2018 to 2021 (half year), only 30.4 % of tour operators replied that the natural factors were not the main causes for tourists' seasonal flow. However, institutional factors such as religious, cultural and social events were the main reasons for tourists' seasonal arrival for all tour operators. As well as, tourists' decision making with respect to school and industrial holidays were another reason for tourists' seasonal flow. Public holidays were the major reasons for tourists' seasonal arrival at Addis Ababa. To sum up this, the main reasons for tourists' arrival in Addis Ababa were business, conference, leisure /holiday/, transit, visiting friend /relatives/, and some not stated reasons. On the other hand, 60.3% of tour operators believed that poor product diversity, (77.7 %) believed than price instability at destinations, and 89.7 % inadequate visitor information were the reasons for seasonal tourist flow in Addis Ababa.

The findings of the study clearly indicated that the main reasons of seasonal tourist flows in Addis Ababa were associated with institutional factors such as festivals, tourists' decision making being in line with school and industrial holidays, poor product diversity that could

attract tourists all over the seasons of the year and unstable price setting at tourist destinations to generate profits.

5.1.2 The effect of seasonality on tour operators

The first effect of seasonal tourism on tour operators was loss of profits due to inefficient use of resources and facilities at low seasons. They were incurring costs during low seasons as they paid salary to employees and rentals to offices, cars and similar facilities.

Secondly, 70.5 % of tour operators were affected by unemployment and employee turnover due to seasonal flow of tourists. The employees of the organization had the experience of shifting jobs when their additional income decreased. Others used to stay at offices without having customers for a long time.

Thirdly, 77.4 % of tour operators faced bankruptcy or loan load due to cash flow discontinuity. They were forced to pay loan loads even though generating profit was too difficult at low seasons.

Fourthly, loss of business connection among tourism enterprises such as travel agencies, hotels, event organizers, car rentals, media were the other effects of seasonal tourist flow and inconsistent service provision to guests at hotels and similar establishments were other effects of seasonal tourism. Most of the tour operators and other stakeholders had the practice of working together whenever the tourist number was high. But, they tried to work independently in low seasons during the years of this study.

5.1.3 Measures taken by tour operators to address the problem

Seasonality could not be reduced without taking necessary actions from stakeholders of the tourism system. Of the different measures taken to fight against seasonality effects, there was almost no tax exemption practice from the government. 98.7 % of tour operators did not get tax holidays/ tax exemption/ at low seasons. Additionally, 93.2 % of tour operators believed that infrastructural development around tourist attractions which would allow them to produce other tourism products was low.

On the other hand, only 37.1 % of tour operators employed promotion of tourist attractions of the country in low seasons. This was a very poor effort of tour operators with respect to selling tourism products at low seasons. More surprisingly, 68.2% of tour operators were not developing alternative tourism projects to escape the adverse effect of seasonality. This shows that tour operators themselves were not taking necessary measures to reduce the effect of

seasonal tourist flow adequately. Moreover, the government was not providing loan and incentives for tour operating firms working in difficulty low seasons insufficient as 87.1 % of the respondents replied. This showed that the effort of reducing the adverse effects of seasonal tourism from both the tour operators and the government was insignificant.

From this, we can conclude that the main reasons of seasonal tourist flow were mainly institutional, and tour operators faced loss of benefits, unemployment and related costs as a result. However, the attempts to reduce the negative effects of seasonal tourism were very poor during the years of this study.

5.2 Conclusion

Based on the major findings of the study the following conclusions were drawn;

Statistics from the Ministry of Culture and Tourism (MoCT) indicated that in the last consecutive three and half years, from 2018 to 2021 (half year), 671,858 females and 1,471,524 males totally 2,143,382 tourists have arrived in Addis Ababa. This is a significant number had it not been inconsistent across different seasons. (Appendix-III)

The reasons for seasonality of tourism in Addis Ababa were highly associated with institutional factors such as religious, cultural and social events. The findings clearly indicated that most tourists visit Ethiopia when different cultural events took place. This calls for the need to implement a certain approach in order to attract tourists in other seasons. Another significant reason for seasonal tourist flow to the city was tourists' decision making with respect to school and industrial holidays. The second reason is something difficult to amend from the side of the suppliers (tour operators). The rest reasons laid on poor product diversity and instability at setting prices for tourism services at different destinations of the country.

The seasonal flow of tourists to the city, Addis Ababa, had a significant effect on tour operators. Loss of profit at low seasons, high employee turnover and loss of business connection among different stakeholders of the tourism system were highly practiced by tour operators. More importantly, all these negative effects were interdependent and hence they were difficult to manage at one point of operation as long as seasonality of tourism exists.

Although tour operators were negatively affected by the seasonality of tourism during the specified years of this study, there were no significant measures taken to reduce the effect. It

was very difficult to operate a tour business at times when very low tourist arrivals were recorded; particularly during the Covid 19 epidemic.

Generally, tour operators of Addis Ababa suffered a lot from tourism seasonality that was caused by different factors. Tour operators needed to have employed a mechanism that reduces the effect. Because, seasonality of tourism is not avoidable; rather reducing it to a significant level was possible. Organizing different events with reasonable prices at low seasons could have reduced the negative effects on tour operators.

5.3 Recommendations

, Based on the major findings of the study, the following recommendations were forwarded:

Since seasonality of tourism is predictable and a common feature of the tourism industry, tour operators should adjust themselves to anticipate its impacts and to implement strategies that minimize its negative effects. In this regard, management strategies ought to focus on a number of key areas: facilities, employment, costs and the environment. Because, the low seasons of tourist flow to Addis Ababa was clearly identified and strategies that could revert it could be employed. Of course, it calls for the need to take part in devising strategies from each stakeholder of the tourism system.

To minimize the effect of seasonality, tour operators should use the most commonly advocated strategies that include variations in the product mix, diversifying the market, price differentials and state-initiated measures. Diversifying products at the city and the country need to be applied. Addis Ababa is the home for different national and international organization with diversified cultures too, and hence one can develop culture show days and other similar events to attract tourists from different corridors of the globe. Setting low prices on tourism products could also be used as a means of attracting tourists at low seasons. More importantly, the government need to take the biggest responsibility to support tour operators in a number of ways including tax exemption at low seasons and promoting local tourism products in cooperation with other stakeholders of the tourism system. This is to mean that the Ethiopian government, and Ministry of Culture and Tourism (MoCT) in particular should participate in supporting tour operators during low seasons by presenting management strategies in taxation, developing new attractions and events, and facilitating market diversification practices.

Generally, reducing the negative effects of seasonal tourism on tour operators at Addis Ababa needs to be done with combined efforts of tour operators themselves, the government and other stakeholders of the tourism system. Trying to reduce such an unavoidable problem independently could not bring about the much needed results as the nature of the tourism system could not help to do so. Tourism in its nature is known to be a multi-sectored economic activity that needs strong cooperation among its units.

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Addis Ababa University

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Appendix I: Questionnaires

Section I: A questionnaire to be filled by managers/owners of tour operators.

Dear Respondents;

The aim of this survey questionnaire is to gather pertinent information for enable the researcher to carry out a research for carried out as a partial fulfilment for Master's Degree (MA) in Tourism Development and Management at Addis Ababa University. The research focuses on assessing "The Effect of Seasonal Tourist Flow on Tour Operators in Addis Ababa City". The questionnaire is designed to collect data from tour operators found in the capital city, Addis Ababa. To ensure the success of the research, I seek your support and cooperation in answering the questionnaire by providing your honest and most accurate responses. The information that you give in this questionnaire is used only for academic purposes and will be kept strictly confidential. The findings from this questionnaire will be reported only on aggregate level and anonymity of individuals that respond to this questionnaire is guaranteed. *Thank you in advance for your kind cooperation and valuable contribution!*

Note that:

- You can give more than one answer for a single question if it is required.
- If you have any query, you can contact the researcher via mobile phone number: _____.

Part –I: Demographic information of respondents.

Direction: Please select the appropriate response category by making a **"√"** markon the space provided against each question.

1. Sex: Male ☐ Female ☐

2. Age: 18 – 30 years ☐ 30-40 years ☐ 40-50 years ☐ above 50 years ☐

4. Educational level: 1-8 grades complete ☐ 9-10 or 12th grades complete ☐

Certificate ☐ Diploma ☐ Degree ☐ Master's degree and above ☐

5. Work experience as a tour operator: 1-5 years ☐ 5-10 years ☐ 10-20 years ☐

Part II: Likert scale questions.

Direction: Rate the following factors of seasonal tourist flow with respect to their significance in your tour operation. Use "√" mark to your choice as scales 1= very low, 2= low, 3= fair, 4= high, 5= very high

1. How do you rate the following factors with respect to their significance in resulting in seasonal tourist flow in Addis Ababa?

No	Seasonal tourist flow factors	Scales				
		1	2	3	4	5
1	Natural factors like climatic conditions, wildlife behaviour					
2	Institutional factors such as religious, cultural and social events					
3	Tourists' decision making being with respect to school and industrial holidays					
4	Seasonality of public holidays like Timket&Meskel festivals					
5	Poor product diversity					
6	Price instability at destinations					
7	Inadequate visitor information					
8	Poor ease of access to destinations					

2. How do you rate the negative effects of tourism seasonality in your tour operation business?

No	Effects of tourism seasonality	Scales				
		1	2	3	4	5
1	Loss of profits due to inefficient use of resources and facilities at low seasons					
2	Unemployment and employee turnover due to low number tourist arrivals					
3	Bankruptcy or loan load to tour operators due to cash flow discontinuity					
4	Loss of business connection among tourism enterprises such as tour operators, hotels, event organizers, car rentals, media, etc.					
5	Inconsistent service provision to guests at hotels and similar establishments					

3. How often your tour operating firm tries to cope up with the effect of tourism seasonality on its performance?

No	Strategies to reduce tourism seasonality	Scales				
		1	2	3	4	5
1	Price differentiation i.e. setting low price in low seasons to attract more tourists					
2	Product diversification like culture shows					
3	Encouraging domestic tourism in low seasons					
4	Developing off-season events such as festivals and conferences					
5	Tourist market segmentation i.e. finding ways to get potential tourist generating areas at low season					
6	Collaboration between tourism enterprises and public bodies within the tourism system					
7	Receiving compensational facilitation from tourism authorities, the state and other stakeholders					
8	Forming awareness creation forums with the community and other relevant institutions					

4. How could do rate the measures taken by the stakeholders to reduce the effect of seasonal tourism on your tour operation business?

No	**Stakeholder measures to reduce tourism seasonality**	**Scales**				
		1	2	3	4	5
1	Tax holidays/tax exemption at low seasons					
2	Infrastructural development around tourist attractions					
3	Promoting attractions of the country in low seasons					
4	Developing alternative tourism projects					
5	Providing loan and incentives for tour operating firms working in difficulty low seasons					

Appendix II: Interview Questions

Direction: The following questions are designed to collect relevant data from the purposely selected key informants of the subject matter under study. And hence, dear respondents are expected to provide honest answers to the following questions as a means of contributing to the solution for the problem.

1. What are the main reasons of tourism seasonality in Addis Ababa city?

   _____

   _____

   _____

2. What are the adverse effects of seasonality on your tour operation firm?

   _____

   _____

   _____

3. What are the strategies developed by your firm and the government to reduce the effect of seasonal tourism at the city?

   _____

   _____

   _____

Appendix III: Tourist Flow Patterns

The flow of tourists to Addis Ababa has a fluctuating nature as of tourism trends elsewhere. The following data shows this fact.

Table 4.7 Annual tourist arrivals in Addis Ababa from 2018 – first half of 2021

Years		Female	Male	Total
2018	Frequency	265,184	583,946	849,130
	%	31.23%	68.7%	100.00%
2019	Frequency	248,188	563,416	811,604
	%	30.57%	69.43%	100.00%
2020	Frequency	96,005	174,614	270,619
	%	34.48%	64.52%	100.00%
2021(only 1st and 2nd Quarter)	Frequency	62,481	149,548	212,029
	%	29.47%	70.53%	100.00%

Source: Ministry of Culture and Tourism (2021)