

**COMPETITIVE STRATEGIES ADOPTED BY KENYA ASSOCIATION OF TOURS
AND OPERATORS (KATO) TO SUSTAIN GROWTH & PERFORMANCE IN THE
HOSPITALITY INDUSTRY**

CHARLES DIA MALOWA

**A RESEARCH MANAGEMENT PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE
OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS,
UNIVERSITY OF NAIROBI**

NOVEMBER 2016

DECLARATION

I declare that this research project is original work and has not been submitted to any other university for any award of degree.

Signature :

Date :

DIA CHARLES MALOWA

D16/77160/015

This project has been submitted with my approval as the university supervisor

Signature :

Date :

A.VICTOR MONAYO

SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

DEDICATION

I hereby dedicate this academic write up to my parents who have made it possible for me to succeed. I also dedicate the same to my family members for support.

ACKNOWLEDGEMENT

I deeply acknowledge the contribution of my parents, guardians towards this achievement of post graduate studies from the School of Business University of Nairobi. I sincerely thank my supervisor Mr. Victor Monayo for his guidance, assistance and full support towards my project supplementary acknowledgement goes to all who spared their time and resources. I thank all those who participated in my educational programmes and support.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF FIGURES	vii
LIST OF TABLES	viii
ABBREVIATIONS AND ACRONYMS	ix
ABSTRACT	x
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the study	1
1.1.1 Concept of strategy.....	2
1.1.2 Competitive advantage	2
1.1.3 The hospitality industry.....	3
1.1.4 Organizational performance	4
1.1.5 KATO (Kenya Association of Tour Operators).....	4
1.2 Research problem.....	5
1.2.1 Research objective.....	6
1.3 Value of the study	6
CHAPTER TWO: LITERATURE REVIEW	7
2.1 Introduction	7
2.2 Theoretical Foundations of the Study	7
2.2.1 Porters five Forces Model	7
2.2.2 Resource Based View.....	8
2.3 Competitive Strategies	8
2.3.1 Differentiation Strategy	8
2.3.2 Focus strategy.....	9
2.3.3 Cost Leadership Strategy.....	9
2.4 The Service Triangle Model & Firms Competitiveness.....	10
2.5 Strategic Responses.....	11
2.5.1 Alliances and Network & Strategic Options	12

2.5.2 Marketing Practices & Strategies	13
2.5.3 Information and Communication Technology Capabilities	14
2.5.4 Management of change practices	15
2.6 Capabilities for Sustainable Competitive Advantage.....	15
2.7 Challenges of Application of Competitive Strategic to gain Competitive Advantage ..	16
CHAPTER THREE: RESEARCH METHODOLOGY.....	18
3.1 Introduction	18
3.2 Research design.....	18
3.3. Target Population	18
3.4. Sampling techniques	18
3.5 Data collection.....	19
3.4 Data analysis	19
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATION	20
4.1. Introduction	20
4.2. Response rate.....	20
4.2.1. Years of operation	20
4.2.2. Forms of business organization	21
4.3. Competitive strategies	22
4.4. I/T and Competitive advantage	23
4.5. Porters competitive advantage strategies	24
4.6. Competitive Advantage.....	24
4.7. Challenges of strategy adoption	25
4.8. Firms performance	25
CHAPTER FIVE: SUMMARY, CONSLUSIONS AND RECOMMENDATIONS	26
5.1. Introduction	26
5.2. Summary of findings.....	26
REFERENCES	28
Appendix I: Letter of Introduction	31
Appendix II: List of Kato Members (Kenya Association Of Tour Operators)	32
Appendix III: Questionnaire.....	45

LIST OF FIGURES

Figure 2.1 Service Triangle Model	10
Figure 4.1. Years of operation.....	21

LIST OF TABLES

Table 4.1. Response rate	20
Table 4.2. I/T and competitive advantage	23
Table 4.3. Competitive strategy	24
Table 4.4 Firms performance and growth	25

ABBREVIATIONS AND ACRONYMS

KATO – Kenya Association of Tours Organization

I.T. – Information Technology

ABSTRACT

The objective of the study was to establish competitive strategies adopted by Kenya Association of Tour Operators (KATO) to sustain competitive advantage in the local hospitality industry. The study was conducted through a distribution of questionnaires which were distributed to the target audience which included senior managers, tour firm owners, operators, transport managers. The outcome indicated diverse views and other industry related challenges in the industry. KATO is all umbrella body of tour operators' transporters. The study indicated that various competitive strategies were being adopted by different firms to boost their competitiveness. Among the popular strategies adopted was focus strategy whereby tour operators tend to serve particular clientele more than serving the entire market. Second popular strategy was differentiation whereby the tour firms have developed different package offering for different clientele so that the market offering or service becomes viable and unique. The focus strategy stressed the concept of customization whereas the differentiation strategies convenience. The study identified various challenges associated with the study, the notable challenges were the introduction of modern technology in transport sector "UBER franchise" which has really affected the operations to some level as most clients opt to connect through the internet for service provision. The second challenge was resource based issue whereby the association doesn't have resources to facilitate the modern practices of communication such as "UBER" franchise techniques. The study made recommendations such as the harmonization of policies and procedures to make the services more flexible to client's needs. It also noted the upgrading of technology to serve the customer so that the firm becomes competitive in terms of customer satisfaction and perceptiveness. The study also recommended that the association improves the current outline to cope with current technological innovations and practice.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Hospitality is one of the fastest growing service sectors, Hospitality is closely associated with tourism sector; the growth of tourism industry has fueled the growth of hospitality resulting in its development as a global industry. Service firms cannot and do not exist in isolation through partnerships and collaborations with each other firms, bundles of services are offered to satisfy various needs of individual customers the entire system is internally organized by an interactive web of relationship in which the customer participates at various stages in both the production and consumption of various services (Kanda Pully 2008).

The concept of service interrelationship is critical to the management of services; it reflects the importance of all services involved in the relationship, the firms cut across celebrating organizations (Kandal Pully 2008). Successful firms across the industry speed up commercialization of innovative ideas to meet specific business and customer needs. There's need to use relevant techniques structures, and processes systems and devices to be more dynamic productive and innovative. (Rastogi 2008) maintaining competitiveness requires continuous incremental improvement in the function cost and quality, cost effective design, new processes/product technologies, concurrent/ simultaneous re-engineering of ideas, flexibility of operations are quite critical in today's competitiveness. (Rastogi 2008). The following theories relate quite positively with the study the resource based view theory, organizational theory and stake holder theory.

KATO is one of the key stakeholders in the hospitality industry. The organization provides transport popularly known as tour operator's services, travel, Agents, to the clientele of the industry members. KATO as a member organization takes care of the entire sector through organized tour operating packages. The association represents the interest of over 400 of the

most experienced professional tour operators in Kenya. KATO vision is to be a leading tourism trade association in the region offering first class services through its members to the travelling public and its mission statement emphasizes to uphold good reputation of Kenya as a tourist destination by ensuring that Kenyan tour operators maintain the highest possible standards of service and value.

1.1.1 Concept of strategy

Kepner and Tregoe (2001) explain strategy as a four key word framework choices nature and direction as a framework within which choices about the nature and direction of an organization are undertaken. Mintzberg (2009) defines strategy as a plan pattern and position and perspective strategies are part of the strategic process with deliberate attempts to create competitiveness in the organization. Strategy formation undertakes three major steps that formation implementation and re-formulation if targets are not realized. According to Allio Barret 1990, strategy formulation is a process of creation of strategic intent; Identification with core competencies and resources as well as competencies development of firm's foresight and identification of the required new competencies.

1.1.2 Competitive advantage

Competitive strategy is part and parcel of the business strategy that deals with the management plan or enable the firm compete effectively; it also indicates how the firm should build sustainable competitive advantage, how to ouster the competition, how to defend itself from aggressive competitors and pressures (Thompson & Strickland 1948). Competitiveness is acquired to productivity. It relates to a firm's performance against the competition Krugman (1990) argues that competitiveness is simply productivity. It's the firm's ability to take advantage of the opportunities as they arise in the market so as to take charge of the environmental challenges. Thompson (1961) identifies five main determination

of competitiveness, access to markets location relative to raw material, transport costs, availability and cost of energy, resources and labour costs.

Porter (1990) developed a model (diamond model) and explained the different determinants that either promote or inhibit competitiveness. Rastogi (2008) indicates the detail that incorporates competitiveness situations as “tight and loose ends” of structural properties that can only be met by shared values, norms, beliefs, expectations of organization members. Shared values and vision provide a stable context within which open communication, personal responsibility for outcome and commodity of focus. Thompson Strickland (2003) concludes that a firms competitiveness strategy consists of business approaches and initiatives that withstand competitive pressures a strengthen market position; it identifies managements position for competing successfully and providing superior value to its customers.

1.1.3 The hospitality industry

Hospitality industry empasses of a network and alliances of various organization undertaking different business; cumulatively supporting each other in different perspectives. Hospitality is essentially service business enterprise, it analysis is purely a service structure business organizations hospitality as a generic service comprises of three functional areas, accommodation, food & beverages, entertainment. These three functions consist of different individual business like motels, offering accommodation, food and beverage, offering food and drinks and bars and nightclubs, offering entertainment.

Kandapully (2007) explains that hospitality organizations operate within a network of service organizations that are for interrelated and interdependent. These organizations include: - tour operators, travel agents, tourism organizations, travel and operator’s leisure, recreation and entertainment venues, hotels clubs establishments.

1.1.4 Organizational performance

Organizational performance signals the firm's degree of achievement of its objectives, it's a measure of good results achieved relative to the plans initiated by the management. Firms can adopt various methodologies to gauge performance these include the balanced score card with an evaluate performance relative to finances, customers and internal efficiency; (Wougrassame et al 2013). Richard et al (2009) indicates that organizational performance comprises of output or results of an organization as measured against its intended outputs (goals and objectives) these consists of three areas of firm's outcomes that is the financial performance (profits) relation investment and (return on assets). Product market performance (sales market share) and shareholder returns (economic added value)

1.1.5 KATO (Kenya Association of Tour Operators)

The KATO is one of the key tourism trade association & representing over 400 professional tour operators in Kenya. KATO offers a wide range of clientele services like air safaris, incentive travel group safaris, custom safaris for individual travellers, company safaris (luxury & budget), Indian ocean & coast holidays, cultural community safaris, golf safaris, agro safaris, special interest safaris (mountaineering/deep sea) fishing horse siding. KATOs main objectives include upholding good reputation of Kenya as a tourist destination by ensuring that affiliated members offer quality service to its clientele in terms of standards and value to recommend certain standards which government might consider vital to provide redress mechanism to its members. The KATO organizations is run by the CEO assisted by the chairman & vice chairman association plus nine committee heads & comprising of transport and car hire, marketing, education & training and ethics and tours safaris. Other members include the Hon treasurer and chairman coast branch.

1.2 Research problem

A central objective of an organization is to establish sustainable competitive advantage. It requires a building of internal strength or capabilities which must cope up with the challenges as well as capitalize on the opportunities. In a turbulent and intensely competitive global market environment requires firms to cope with new and sudden changes continuously; this calls for excellence in productivity and efficiency and innovation flexibility and adaptability. Competitive advantage, is sources and basic needs be enhanced in a pro-active manner, firms need to work a long a time path for improving their internal strength and capabilities that sustain competitive advantage in a changing external environment (Rastogi 2008) KATO as an organization has faced stiff competition from other business; associates who are non-members and its current market share remain threatened. The firm enjoys a greater level of patronage from other alliance's partners like hotels and resorts to promote their presents in the market. (WWW Kato.org.com)

Previous studies have been undertaken in the field of competitive advantage. In hospitality to celly. Muhoro (2014) undertook a study on effects of destination marketing strategies adopted by tour firms in Kenya. Kisienya (2012) studied on strategic responses to competitive environment by mobile telephoning firms in Kenya, results indicated that different companies adapted different strategies as brand names, reduction on prices, offering excellent customer service, investment in advertising, increased research, targeting corporate clientele and outsourcing non-core functions as well as developing customized solutions for different market segments. Ambani(2009) studied on the marketing strategies adopted in the Tour firms to market their services to the tourism sector. It is clear that relatives approach focus on firm tourist relationship and marketability. All the above studies didn't indicate their focus on competitiveness and firms performance and growth; therefore the study seems to

answer the research question what are the competitive strategies adopted by KATO to sustain growth and competitiveness in the industry.

1.2.1 Research objective

The study is guided by the following objective

- (1) To establish the competitive strategies adopted to the KATO to gain competitiveness and growth and performance.

1.3 Value of the study

To the industry the study will be of great help as it will enable participant's identify particular strategies to adopt to help them remain competitive. To the individual tour firms this will make pronounced decisions and changes regarding strategy formulation and implementation.

To the academic study will enable them do more research, publish articles, establish concept papers to guide government on policy issues to regulate the industry.

The study will benefit the industry in terms of regulatory framework. The findings will boost the information industry database in terms of relevant particular issues pertaining to the trade & investment decisions.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter covers the literature review, the relevant theory(s) which underpin the study; these include the resource based view, the organizational theory, Porters five forces perspective. Other topics include strategic responses, challenges of application of competitive advantage.

2.2 Theoretical Foundations of the Study

The study is attributed to the following theory(s) the porters five forces model; the reasons based view; and industrial organizational theory.

2.2.1 Porters five Forces Model

The theory developed by Porter (1985) views competitive advantage as a position of superior performance that a firm acquires through offering cost advantage. The Model attributes competitive advantage to the external environmental forces that most firms have to respond to in case of competition; like the entry of competitors to the industry, product/service differentiation, caporal requirements and buyer switching costs.

Porter (1985) argues that industry structure determines the nature of competitive pressures. The firms can influence the five forces through their own ways and strategic approaches. The five forces framework focuses on the critical areas of concern in terms of importance and enables managers and entrepreneurs direct their action to the affected units. According to this Porters framework achieving of competitive advantage is determined by primarily responding effectively to industry specific requirements the five forces Model constitutes an important approach towards understanding the competitive pressures and how to best respond to the same forces. However critics of the theory didn't mention the role of innovation and de-emphasizes the significance of individual firm differences while putting more emphasis on

the importance of industry and strategic group influence as determinants of Firms Profit margins.

2.2.2 Resource Based View

Resource based view is analysed from a pool of resources and capabilities which determines the strategy and performance of the firm. Barney (1991) argues that for the firm to attain the status of competitiveness the resource and capabilities have to be unique, unimitable and superior (Barney & Clark 2007). More emphasis is put on the resources and capabilities of the firm, they need be valuable efficient and effective (Barney 1997). However the resource based view tends to overlook the implementation of strategies in line with the external environment, which usually tends to examine on what the competition is undertaking. (Peteraf 1993).

Barney (1991) indicates that the basis of resource based view is that successful firms finds their future competitiveness on the development distinct and unique capabilities hence the firms strategy should centre and reflect on the uniqueness aspects. (Davidson 2001) concludes that the firms ability to establish and sustain a profitable market position, critically depends on the rent generating capacity of its underlying resources and capabilities.

2.3 Competitive Strategies

2.3.1 Differentiation Strategy

Differentiation strategy is developed with unique features in terms of quality, firm reputation customer service, innovativeness reliability, durability which will be quite hard to imitate from the rival firms. Porter (1980) indicates that a firm implementating a differentiation strategy must enjoy the benefit of price in elasticity of demand for its products and services, this would in turn benefit the firm from potential severe price competition and enable it charge a premium price leading to higher profit margins.

The effective and successful implementation of the differentiation strategy requires resources, skills and a strong marketing skills, product engineering, corporate reputation, reliable and durable products (Porter 1980). Differentiate strategy is a customization type of approach, where by the product or service is unique and tailor made. (Halavaka et al 2001) The uniqueness of the product draws a high loyalty rate among clients.

2.3.2 Focus strategy

According to Davidson (2001) a focus strategy identifies and serves a particular niche market, of a particular customer clientele or geographical area; Toppinen and Lahtinen argue that a focuser will target a particular market segment in tailor made demands and at the expense of serving the entire industry. The firm tends to achieve competitiveness in its operations. Focus strategy may come along with low cost approach. Cost focus exploits the differences in cost behaviour in some segments of the industry; while differentiation focus exploits special needs of buyers in certain segments. The focusing approach type of strategy can achieve competitive advantage by special dedication to other segments, better served by the firm than the competition. Davidson (2001) explains that focus strategy comprising of these segments may consider certain characteristics such as buyer behaviour and patterns; product specifications; geographic areas; the segment market must be large enough in terms of growth potential. Market penetration and market development are an important focus strategy.

2.3.3 Cost Leadership Strategy

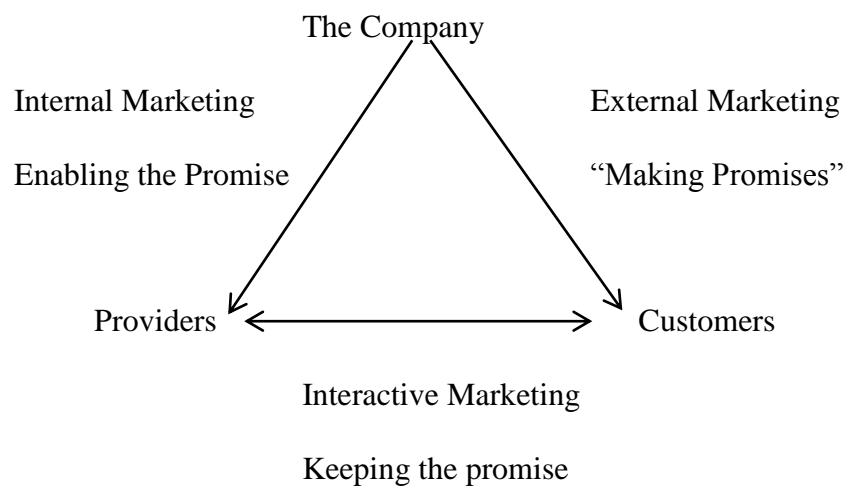
Porter (1980) indicates that for a firm to practice low cost strategy it must be operating under a very efficient production and other productive systems for it to gain a competitive edge. The firms which adopt this approach should have large market which offers economy of scale in operations. Lower cost and firm's advantage, result from process innovations, learning curve benefits, and economies of scale, product / service designs, reduction of some processes and modern technology adoptions. Even material adoption may result to low cost

approach, This approach doesn't result in much loyalty and if price are externally low the firm might fail to breakeven. (Porter 1980).

2.4 The Service Triangle Model & Firms Competitiveness

According to Charlterjee (2008). The services triangle model has three players in the transaction of the service product or offering.

Figure 2.1 Service Triangle Model



Source Charlterjee C. Service sectors Management PP 515.

The company is the original source of the service; The Company makes promises to the customer about a service; for availing the service, the company enables the service provider to provide the service properly to the customer.

The enabling process involves the provision of proper training to enable them meet customer expectations. The Marketing mix model include the product which is the transport service, the brand name signals quality in service legendary. Price consists of the revenue component of the marketing mix, Pricing should be flexible, price level should vary as per client requirements; place includes the destinations part of the process, wide network is critical for sustainability. Promotum, undertaken through advertising methods. The people element signals the customer component in the service provision.

Rastogi (2008) firmly indicates that successful firms across the business frontiers speeds up their commercialization of innovative ideas, to meet specific business and customer needs, this compels the development new tools and techniques structures and processes; be more dynamic, productive, and innovative firms should keep the product/ service line competitive, through continuous incremental improvement in function, cost, quality. Cost effective design, new processes, product technologies, concurrent and simultaneous engineering, flexible manufacturing systems and a higher level of alliances. Competitive success today depends on technology. Further to that Rastogi (2008) observes that failure moulter and respond to environmental trends, may seriously weeken the firms competitive position. New service technologies and ultra-structural facilities have made it possible for firms to compete over wide geographical area. A high degree of value addition in products today can be achieved through the selection of the best technology finance, skills and knowledge. Globalization and its related pressures have changed the nature and texture of the transport and hospitality sectors large.

2.5 Strategic Responses

Organizations operate in an open environment (Ansoff and McDounel (1990). Strategic responses involve changes to organizations change behaviour to assume success in transforming the current environment to fit the firms operations. Johnson and Scholes (1999) argue that a strategic response emphasis should be on developing a strategy on the basis of the environment plus the nature and capability of organizations resources as well as competency to undertake the strategy. Some notable strategy options include alliances and partnerships, new markets, new strategies of market entry, LA formation technology, leadership and culture change.

2.5.1 Alliances and Network & Strategic Options

According to Hargreaves et al (2011) alliances are viewed as mechanisms for producing a more powerful and effective mode for competing in the global market place. A strategic alliance is a formal and mutually agreed partnership between two or more enterprise / organizations; The partners in the alliance pull up resources and skills for mutual benefit of all. It's a cooperative assignment will, can be visited later alliances attract a lot benefit to the firm, cost reduction, convenience, customer satisfaction.

Mergers may also signal prime concern in the business. The current business environment has dictated needs for mergers and partnerships, firms need to combine their resources to the preferred person. Johnson and Scholes (2010) indicates that for firms to create alliances the must conceive the idea fresh; alliances are seen as purposeful tactical arrangement between two or more independent organizations. Porter (1990) outlines the various dimensions of alliances, these include the joint venture alliances where by two or more firms form legally independent firm to share their collaborative capabilities and resources to achieve competitive edge and advantage in the market joint venture are permanent relationships which transfer knowledge from one firm to another. Joint venture share resources and participate fully in the operations management (Osbon and Marwn 2009)

Other form of alliances include an equity strategic alliance, where the ownership percentage of each firm is not equal, they share as per their contribution of resources. The purpose of strategic alliances is to focus on linkages of management capabilities and operations of two or more firms. (Harzing 2002) Kale & Singh (2009) indicates that the higher the level of complementarily in resources between partners the higher level of success. Its this & complementarity of resources that make a vital requirements in alliances, since firm have to gain what they don't actually possess, the same view has been shared by Shah and

Shaminathan (2008). Synergy and Competitive advantage may also be a motivation to form business ventures (Otieno 2012).

2.5.2 Marketing Practices & Strategies

Firms should embrace the marketing philosophy and become customer centric in their approach to marketing practices, Drummoond and Tusor (2001) indicates that the process of marketing involves understanding the customer needs and meeting their expectations. The marketing strategy should focus on the following critical areas, the business definition, core competencies, an integrative approach and constituency in approach. Marketing is an organization function and a set of process for creating, communicating and delivering value to customers and for managing customer relationship & in ways that benefit the organization and its stake holders. (American Marketing Association).

Koller and Keller (2000) defines “Marketing management as the art and science of choosing target markets and getting, keeping and growing customers through creating delivering and communicating superior customer value .” Marketers must identify the causes of underlying demand fluctuations and take necessary action to alleviate the problem which arise out of these trends. Marketers need to understand new marketing realities in the market place such as network information technology, globalizaton, privatization, heightened competition, industry convergence consumer resistance. Keller et al (2002) outlines that there are new consumer capabilities in the market place, these includes substantial increase in buying power; a greeter variety of available goods and services, a great amount of information about practically all issues; greeter case in interaction and placing receiving orders and ability to compare products and services.

Firms must define and keep on re-defining them target markets through segmentation practices to make viable marketing programmes and activities. There’s need to coordinate all

marketing functions, firm research, sales branding among others to the overall strategy outfit. Ansoff and McDonnell (1990) indicate that the strategic options and strategy should be accommodative of organizational resources and competencies. Firms need to have new market, product, development if they opt to remain competitive. Market penetration involves company's entry into new market with current products, it should also identify new product uses, identify new segments or territories to serve. Strategic marketing options include relationship building, diversification among other promotional blend alternatives.

2.5.3 Information and Communication Technology Capabilities

The first and foremost requirement for firm's excellence in the current business environment as the adaptation of ICT elected practices. Technology management is concerned with planning and coordination of efforts pertaining to incremental innovation in existing technologies; development of new and emerging technologies as the business demands, combining older technologies (technology fusion) to create powerful hybrid technology; and acquire, absorb, and use strategically relevant technologies with minimum tag when these can be developed internally (Rastogi 2008). Firms face resource constraints as they try to adopt existing technologies coupled by high costs of research and development; Sound constraint is the inherent and market uncertainties and risks associated with technovation; hence need for incentive provision to accelerate the up take.

According to Rastogi (2008) technology management in a firm is to assure that the firm gains and maintains a strong position in the technologies relevant to its product market relationship, and that these technologies support the firm complete strategy. Technology management takes cognizance of emerging technological developments that may endanger the new opportunities of the firm; the interaction between firm business strategy and technology management in one of reciprocal influence. This interaction leads to regular review and revision of the strategic targets of the firm and the goals of technology management. It

becomes mandatory to have a requisite support between business strategy and technological management.

2.5.4 Management of change practices

Change management can be analysed as the use of systematic methods to ensure that organizational changes is guided by the planned direction, conducted in cost effective manner and undertaken in an agreed framework of period of time. Change can be operational and strategic in nature. Strategic change involves fundamental changes the business organization and future direction. Successful strategic change is built on the overall strategic management systems of the organizations. Operational change is the change practice aimed at ensuring smooth operation of organizational activities. (Pearce and Robinson 2009). The strategy of the organization legitimizes the change programme to manage strategy frequently to manage change to recognize when a shift in strategic nature is possible, desirable vital and when management should respond. (Minturbe et al 2003)

2.6 Capabilities for Sustainable Competitive Advantage

Johnson and Scholes (2008) Indicates various capabilities required for organizations sustainable advantage forms leeks seek to build competitive advantage through meeting the needs and expectations of its customers firms and should also have the characteristics of rareness of the strategic capabilities that is, the capabilities should be unique in terms of resources, this can be achieved through experience, brand management, building relationships. Robustness as a feature is also critical in sustainment of capability. Finally the resources should not be sustainability. Firms should always take care of those factors subject to vulnerable to substitution. Porter (1985) positively argues that competitive advantage stems from discrete activities a firm user firms in designing producing, marketing, delivering and supporting its product. Each of these activities contribute differently to firms relative cost

and create a basis for differentiation. Three generic competitive strategic apply the cost position, differentiation and focus porter 1998.

2.7 Challenges of Application of Competitive Strategic to gain Competitive Advantage

According to research findings of Mbaya (2007) on competitive strategies, emphasized his private schools in Kenya. It indicates that schools face challenges in implementing Porter's generic strategies of cost leadership, differentiation and focus these challenges include lack of financial capabilities which and government policies and guidelines on school administration. The firms find it difficult to implement focus strategy as reins calls for selective segmentation practices. Kolter (2000) indicates that a market segment needs to be large enough to be viable in terms of Marketing offering segmentation considers multiple variables which under most segments unprofitable. The firm may focus to gain cost advantage or differentiation. The target market attractiveness might vary hence the strategy. According to Drummond and Ensor (2001), market attractiveness has the following features, the segment size, segment rate of growth in terms of real revenue growth adapter inflation; Segment profitability, competitors price sensitivity, stage of the product life cycle, predictability, patterns of demand and potential for substitution.

Further the challenges of implementation of the differentiation also arise within the industry. Drummond and Ansor (2001) outline some of the nature of competition in the target market and underlying industry structure which makes if difficult to implement the strategy. These include the quality of competition; potentiality of creating a differentiated position, likelihood of new intrants, bargaining power of suppliers, barriers to entry into market segments, barriers to exiting the market segment.

Graut (1998) indicates that growth of international competitions has revealed fragility of seemingly well-established positions of domestic cost leadership, movements in exchange

rates can cause rapid shifts in cost competitiveness in international firms, the embodiment of new technology in new equipment and increased intercompany mobility of personnel speeds the transfer between firms. Porter (1985) states that it's very difficult to attain cost leadership as a strategy with the industry in the competition offers the same product at the same cost, for its strategy to work the firm must be an above average performer in the industry provided it can command prices at or near industry average. The cost leader can adapt differentiation to distinguish its product from the competition and discount prices well below the competitor in order to gain sales.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the processes the research used to undertake the study. It covers research design, data collection and data analysis. The decisions on this section reflects about how research was undertaken and which respondents were used plus techniques or data collection analysis.

3.2 Research design

Dooley (2001) explains that a research design is a structure of research .It holds together all the elements in a research project together. Creswell (2003) outlines a research design as a scheme, an outline, or program that is utilized to give solutions to research questions. The study adopted a descriptive survey. Descriptive survey is done to describe the present situation, current status in believes, current actions, research design, decision regarding where, when and how (Seraram 2011)

3.3. Target Population

Burns and Grove (2003) indicated that a population is all the element that meet a criteria for inclusion in a study, population is therefore an entire group of individuals events or objects having common observable features. Units of analysis will be a sampled number of members of (KATO) Kenya Association Tours Operators. Total population of KATO to members are 300 members firms.

3.4. Sampling techniques

A sample is defined as a unit of population (Hyndman 2008). Sampling involves choice of a subset of individuals from within a population to yield some information about the whole population purpose of predictions. According to Mugenda and Mugenda (2003) and Kathari a

sample size of 10% is adequate for descriptive study which has a small population therefore the sample size. A sample size of 30 firms were selected.

3.5 Data collection

Data collection involves contacting respondent in order to collect the required information about the study. (Cooper and Schindler) The data collection utilized questionnaire through drop and pick method. The respondents were owners / managers, the chief executive officer, and transport managers.

3.4 Data analysis

Data analysis consists of analyzing; examining, categorizing, tabulating or otherwise recombining the elements of evidence to the initial prepositions of the study (Yin 1994).after collection of questionnaires; data was analyzed using descriptive statistics. This included the use of frequencies and percentages to describe measures of central tendency of the variables involved likert scale questions were also used to determine the extent of influence of different competitive strategies. Findings were presented in tables, charts and diagrams.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATION

4.1. Introduction

This section highlights the findings, analysis and interpretations of the study. The purpose of the study was to establish the competitive strategies adopted by members of Kenya Association of Tours Operators (KATO) to sustain growth and performance in the hospitality industry. The study utilized the descriptive approach to collect data and findings here by indicated.

4.2. Response rate

The study established the response as follows, the respondents and non-response category. The study distributed 90 questionnaires, 70 questionnaires were returned which constituted 63%, response rate 27% non-response this means that the participants responded positively towards the intended study, the well prepared number of respondent and the researcher also facilitated the good response.

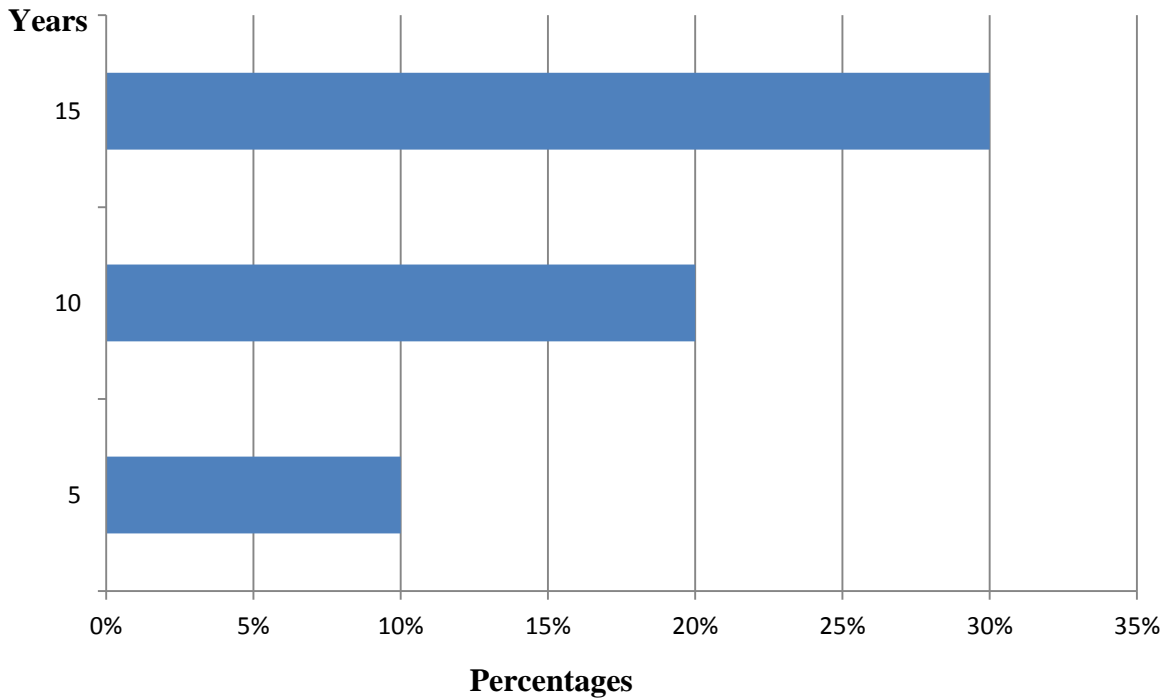
Table 4.1. Response rate

	Category	Percentage
Responded	70	63%
Non-response	20	27%

4.2.1. Years of operation

The study sought to know the number of years the firms have been in operation, results indicate that 15 out of 30 firms have been involved in operation for more than twenty years. 10 firms have been in operation for a period of ten to twenty years, the balance of 5 firms have been in operation for up to ten years.

Figure 4.1. Years of operation



Source: Researcher 2016

The implications there in is that those firms who have been longer in the industry and have wealth to experience in industry logistics competitiveness and even understands the constraints involved.

4.2.2. Forms of business organization

The study sought to examine the various forms of business formats undertaken by these businesses. Most of the firms were registered as private companies, others registered as partnership and some are family businesses, and also sole proprietorship type of business organization. The analysis indicators that most of these businesses have formal organizational structures which makes them more relevant in terms of applying modern methods of management practices. Another implication of a well formulized system is that strategies and procedures are easily discussed and implemented. Most if these firms are small and medium sized in size.

4.3. Competitive strategies

The researcher inquired into the practice of application of competitive strategies among the firms, within the industry, the respondents replies indicated most firms had adopted a mixed approach to various strategies they adopted. It revealed that most of these firms adopted a contribution of focus, cost, and differentiation to improve their operations. The focus strategy enables the firm to serve particular clientele needs rather than serving the entire hospitality industry. This translates to specialization and customization of all services; some firms adopted a differentiation approach in terms of their activities. This strategy tends to put them different from the other market segments. The differentiation approach tends to offer unique services to particular clientele depending on their destinations; the respondents indicated tour activities which involved transportation of tourists to particular destinations as part of the differentiation strategy.

The respondents continues to explain that much as the firms operate in a dynamic environment, multiple forces combine to affect their operations and influence their competitiveness, they indicated that management need to identify unique environment influences and challenges to adopt specific tailor made strategies to enable the firm operate successfully. Another responded indicated that competitive strategies differ from industry to industry but some are universal applications. This explanations links with Pearce and Robinson (2003) who contends that executives need recognize the industry based competition, hence facilitate their firms to identify their positions relative to the industry and the entire market.

Further to that the respondent indicated that there was dynamism in both global and local industry and the transportation scene/sector is difficult in terms of service providers service provision, there is also lack of adequate policy legal and regulatory framework with these industry. The competitiveness factors among KATO members is quite challenging, these

concerns with Mintzberg et al (1999) which states that the strategy of an organization must cope up with the competitive pressures so that individual firms develop strategies that can handle competitive position they face, the respondents indicate that to guarantee competitive edge organizations have to continually scan the business environment and develop appropriate strategies.

4.4. I/T and Competitive advantage

The study sought to understand the relationship between I/T and competitive advantage in the industry. The respondents indicated the relationship a liker scale of one to five was adopted to undertake the exercise (s), the results are indicated below.

Table 4.2. I/T and competitive advantage

Statement	MD	SD
Increased customer service	4.03	0.90
Service education awareness	3.62	0.88
Good linkage with stakeholders	3.54	1.2
Good industry infrastructure through ICT	3.86	0.85

Source: Researcher (2016)

From the analysis its indicated that factors contributing to competitiveness include in the I/T related strategies include increased customer service (MD=4.03, SD=0.9); Good industry (MD=3.86, SD=0.85); Good linkage with stakeholders theory (MD=3.54, SD=1.2); service education awareness (MD=3.62, SD=0.88); these results clearly indicate that I/T has a significant input to competitiveness.

4.5. Porters competitive advantage strategies

The study also analyzed the relationship or linkage of Porter's competitive strategy and the firms competitiveness. Results are hereby indicated below.

Table 4.3. Competitive strategy

Statement	MD	SD
Focus strategy	3.55	.086
Differentiation	3.55	.89
Cost leadership	3.49	.88

Source: Researcher (2016)

From the analysis all competitive strategies carry the same weight in terms of application to various marketing situations. Focus strategy with a (MD=3.55, SD=0.86); Differentiation strategy (MD=3.55, SD=0.89); and cost leadership (MD=3.49, SD=0.88). Tour operators can make a choice depending on their need to either penetrate the market or entre the market.

4.6. Competitive Advantage

The study sought to determine the competitive advantage position of these various firms in the industry the results below indicate:-

	MD	SD
Strength of firms resources	3.70	0.85
Technology adoption to serve the customer	3.81	0.86
Competitive advantage through greater customer value	4.62	0.66
Other factors contributing to competitiveness	3.78	0.88
Competitive, reputation service quality and image of the firm	3.61	0.89

Source: Researcher 2016

From the investigations competitive advantage through customer value has more weight (MD=4.62, SD=0.66); followed by technology adoption of service sector (MD=3.81, SD=0.86). It was revealed that other factors have also earned weightage factors.

4.7. Challenges of strategy adoption

The study sought to establish challenges of strategy adoption among the member partners. The ratings indicated in terms of priority are inadequacy resources (MD=4.2, SD=0.91); high cost of networking (MD=3.86, SD=0.87); lack of effective collaboration was least stated (MD=4.0, SD=3.88); lack of company policies also featured (MD=3.8, SD=3.78). From the above it was noted that particular competitive strategies have more effects than other relative to the market situations challenges abound in every sector. The magnitude of the challenge depends on the individual firms.

4.8. Firms performance

The study sought to understand the firms performance, the ratings and indicate that all the indices the ratings seems to be quite close to one another in terms of performance. Profitability factors (MD=3.66, SD=.705); followed by sales volume (MD=3.71, SD=.811); market share (MD=3.61, SD=.665); and market share (MD=3.615, SD=.661); the least indicators were client participation and satisfaction because they variable could are not directly linked with the firms performance.

Table 4.4 Firms performance and growth

Statement	MD	SD
Profitability	3.66	.705
Sales volume	3.71	.811
Client satisfaction		
Customer retention and loyalty	3.61	.661
Market share	3.70	.811

Source: Researcher 2016

CHAPTER FIVE: SUMMARY, CONSLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter outlines the summary of the findings of research. The purpose of the study was to ascertain the competitive strategies adopted by Kenya Association of Tours and Operators (KATO) to sustain growth and competitive growth performance in hospitality industry.

5.2. Summary of findings

The study found the following findings, it indicated that the tours operators adopt a combination of competitive strategies in order to remain competitive in the industry; it revealed that some strategies were more adoptive and had more weightage than others. Focus strategy which enables the tour firms focus their service on particular clientele and operations so that they can be competitive and achieve their respective goals. The differentiation strategy indicated the difference in terms of firms approach to the market. Differentiation also means that the tour firms and any involved business partners need to approach business differently, depending on clients' needs and operation.

The findings of the study also noted that there of a good collaborative who links up the activities of the members towards their client's needs. The networking facilities east flow of information between different firms and the members of the organization. The findings also indicate that competitive element is a result of multiple factors which are difficult in application but have relative impact on firms operations. Focus and differentiation seem to be quite important in firms operations. Cost leadership seem to be understated in terms industry competitiveness, the findings also noted that most firms strategized differently to cut costs of their operations through outsourcing some of the processes involved in their service delivery.

The findings also indicate that competitive element is a result of multiple factors which are difficult in application but have relative impact on firms operations. Focus and differentiation

seen to be quite important in firms operations. Cost leadership seem to be understated in terms of industry competitiveness, the findings also noted that most firms strategized differently to cut costs of their operations through outsourcing some of the process involved in their service delivery.

The findings indicate that there are challenges to which affect strategy implementation challenges. These include, lack of resources, poor collaborative network systems, high cost of networking and lack of company policies and procedures. Also noted was that some companies policies and procedures have not been revised for a long period of time and this acts as a constraint to strategy adoption. Further findings indicate that firms were operating in dynamic environment for management to predict possible changes in the industry. The recently introduced “UBER” franchise of transport business has greatly affected their operations this is one of the notable technological effects.

REFERENCES

- Ambani (2000) *Marketing Practices employed by four firms to market their services to the tourists sector* unpublished MBA project University of Nairobi
- American Marketing Association. Mintzerberg H; Lampel I, Quinn JB Ghosals (2003) *the strategy process contexts and Cases*; Pearson Education B.Ltd. Edinburgh Gate Harlow Essex CM 20 2JE England. The 2nd edition.
- Ansoff.H & McDonnell E. (1990) *implementing strategic Management practice* Hall Cambridge. UK
- Barney (1997) *Gaining and Sustaining Competitive advantage*. New York Addison – Wesley Publishing Company
- Burns A & Grove B (2003) *The practice of Nursing research conduct critique and utilization*. 4th edition W.B Saunders Company
- Barney JB & Clarke DN (2007) *Resource Based theory; creating and sustaining Competitive advantage* London Oxford Press
- Davidson (2001) *Seizing the competitive advantage community Banker vol.10 NO 8 pp 32 – 4*
- Drummond G. & J. Ensor *strategic Marketing Planning and Control* 2nd edition Butterworth Heneiman
- Grant R (1998) *contemporary strategy analysis concepts; techniques and applications* 3rd edition New York Blackwell publishing
- Hargreaves A; Boyle A; Haris A (2014); *uplifting leadership how organizations teams and communities raise performance*. John Wiley lessens

- Harzing AW (2002) Acquisitions versus Greenfield Investments International strategy and management of entry modes. *Strategic management journal* 23 (3) 211 – 227.
- Hlavaka HT; Dicken P, Forsgen M; Malberg A (2001), *The local embeddness of international Corporations in Amin A thrift (eds) Globalization, institutions and regional development in Europe*. Oxford University Press. 23 – 45
- Johnson G & Scholes K (2002). *Exploring corporate strategy 6th edition* N:Jersey PHI
- Kepner & Tregoe (2001) *Creating strategic excellence response*
- Kale.P. & Snigh H (2009) Building firm capabilities through learning; the role of the alliance learning process in alliance capability and firm level alliances. *Strategic management journal* 28. (10) 981 – 1000.
- Kandapully J (2007) services management. *The New Paradigm in Hospitality*, Pearson Education Books Bombay India
- Kothari C (2004) *Research methodology, methods and techniques*. 2nd edition New Age International Publishers. New Delhi
- Kotler. P & Keller K.L *Marketing Management 13th edition* prentice hall international
- Kisienya I (2012) *strategic responses to competitive environment by mobile telephone firms* unpublished MBA Project University of Nairobi.
- Mbwaya JK (2007) *Competitive strategy adopted by private primary schools in Nairobi under 8.4.4 curriculum* unpublished MBA project University of Nairobi.
- Mintzberg H. Lampel J. Quinn JB Ghosal, (2003). *The strategy process context & cases* Pearson Education Books

- Osborn R & Marion R (2009). *Contextual Leadership transformational leadership and the performance of international innovation seeking alliances, the Leadership quarterly* 20 (2) 191 – 206
- Otieno T (2012) *Perceptions of Cooperative insurance Group Managers Towards strategic alliances and competitive advantage* unpublished MBA project University of Nairobi
- Porter ME (1985) *competitive advantage, creating and sustaining superior performance* NY. USA free press
- Peteraf M. (1993) *The Cornerstones of Competitive advantage. A resource based view. Strategic management journal vol.14 San Francisco* John Willy & Sons
- Porter.M (1998) *Competitive advantage of Nations* NY USA the free press.
- Rastogi DN (2008) *Globalization strategies and policies*. Allied Press Private
- Richard et al (2009) *Measuring Organizational Performance towards the Mitedological best practices journal of Management*.
- Shah & Shaminathan (2008) *an analysis of competitive advantage gained due to merge & acquisitions. A case study of British American investment company (BRITAM)* doctoral dissertation United States International Uniwish
- Sekaran U (2011) *Research methods for business. A skill building approach* 5th edition, Aggrawal printing press delhi ISBN 978-81, 265-313, 1-8
- Wongrassame S. Simmons, JEL & Gasper, P.D (2003) *Performance Management tools. The balanced scorecard and EFQM excellence model. Measuring business performance* 7(1) (14–29)

APPENDIX I

LETTER OF INTRODUCTION TO WHOM IT MAY CONCERN

This is to inform you that Charkes Dia Malowa D16/77160/15 is a Master's Student University of Nairobi undertaking an M.B.A. programme. The candidate is undertaking a project entitled "Competitive Strategies Adopted by Kenya Association of Tour Operators to sustain growth and performance in the hospitality industry."

Kindly give him the necessary assistance he requires as he collects data.

Dean School of Business

University of Nairobi

APPENDIX II

LIST OF KATO MEMBERS (KENYA ASSOCIATION OF TOUR OPERATORS)

1. Aardwolf Africa Adventure Safaris Ltd
2. Abercrombie & Kent Ltd.
3. Absolute Adventure Africa Safaris Ltd.
4. Acacia Holidays Ltd.
5. Access Africa Safaris Ltd.
6. Adventure African Jungle Ltd.
7. Affable Tours & Safaris (E.A).
8. Africa Bound Safaris (K) Ltd.
9. Africa Calling Safaris Ltd.
10. Africa Celebrity Tours &Travel Ltd.
11. Africa Journeys Escapes.
12. Africa Last Minute Ltd-MSA.
13. Africa Point Ltd.
14. Africa Unlimited Wilderness Adventures Ltd.
15. Africa Visa Travel Services Ltd.
16. Africabs Tours Ltd.
17. African Dew Tours &Travel Ltd.
18. African Eco-Safaris.
19. African Grand Expeditions Ltd.
20. African Home Adventure Ltd.
21. African Horizons Travel &Safaris Ltd.
22. African Latitude (Kenya) Ltd.
23. African Quest Safaris Ltd.
24. African Road Safaris.

25. African Route Safaris – MSA.
26. African Safari Destinations Ltd.
27. African Safari Diani Adventures – MSA.
28. African sermon safaris.
29. African Spice Safaris.
30. Afriqueen Adventure
31. All Seasons Safaris And Tours.
32. All Time Safaris.
33. Allamanda Safaris.
34. Aloha Tours & Travel Ltd.
35. Amazing Tours & Travel Ltd.
36. Animal World Safaris Ltd.
37. Anste Tours & Travel Limited.
38. Aramati Safaris.
39. Archers Tours & Travel Ltd.
40. As You Like It (Safaris) Ltd.
41. Asaray Tours Ltd – MSA.
42. Asili Adventure Safaris.
43. Asilia Kenya Ltd.
44. Aslan Adventure Tours & Travel Ltd.
45. Australken Tours & Travel Ltd.
46. Avenue Service Station.
47. Baisy Oryx Tours Travel & Safaris.
48. Balloon Safaris Ltd.
49. BCD Travel.

50. Bellafrie Expeditions Ltd.
51. Benroso Safaris Ltd
52. Bestway Holidays Ltd
53. Beyond Safari Consultants Ltd
54. Big Five Tours & Safaris Ltd
55. Big Safari Services Ltd
56. Bill Winter Safaris
57. Bongo Asili Cultural Travels
58. Brisma World Tours And Travel
59. Brogibro Company Ltd
60. Buena Vista Tours & Safaris
61. Bunson Travel Service Ltd
62. Bush and Beyond Ltd
63. Bushblazers Tours Travel & Safaris Ltd
64. Bushbuck Adventures Ltd
65. Call Of Africa Safaris
66. Camp Kenya Ltd
67. Campofrio Safaris Ltd
68. Catalyst Travels Ltd
69. Chameleon Tours
70. Charleston Travel Ltd
71. Cheli & Peacock Ltd
72. CKC Tours & Travel
73. Classic Safaris
74. Concorde Car Hire & Safaris Ltd

75. Conference & Travel Logistics Ltd
76. Continental Travel Group
77. Cosmic Safaris Ltd
78. Cottars Safaris Services Ltd
79. Cotts Travel & Tours Ltd
80. Crown Tours & Car Hire Ltd
81. David Tours & Car Hire-Msa
82. Deans Travel Centre Ltd-Msa
83. Designer Tours & Travel
84. Destination Kenya Ltd
85. Destination Mombasa
86. Diani Bikes
87. Discover Kenya Safaris Ltd
88. Diwaka Tours & Travel Ltd
89. DK Grand Safaris & Tours Ltd
90. Domino Di Dorianio
91. Dotcom Safaris
92. Dream Kenya Safaris
93. Duma Africa Treks & Safaris
94. Earth Tours & Travel Ltd
95. East Africa Adventures Tours & Safaris
96. East African Eagle (K) Ltd
97. East Africa Shuttles & Safaris
98. East African Wildlife Safaris
99. Eastern and Southern Safaris

100. Eastern Vacations Tours Ltd.
101. Easy Go Safaris Ltd.
102. Eco Adventures Limited.
103. EL Molo Tours & Travel.
104. Elite Travel Services Ltd.
105. Enchanting Africa Ltd.
106. Essenia Safari Experts Ltd.
107. Exclusive African Treasures.
108. Expedition Kenya Safaris .
109. Explorer Kenya Tours &Travel Ltd.
110. Express Travel Group.
111. Fairways Solutions Tours & Travel Ltd.
112. Farid Kings Tours & Safaris.
113. Favour Tours & Safaris.
114. Fidex Car Hire Ltd.
115. Flight & Safaris International Ltd
116. Flying Dove Tours & Travel Ltd
117. Fountain Safaris (K) Ltd
118. Four By Four Safaris Ltd
119. Frate Tours Ltd
120. Game Viewers Adventures Limited
121. Gametrackers (K) Ltd
122. Gamewatchers Safaris Ltd
123. GAT Safaris
124. Glory Car Hire Tours & Safaris Ltd

125. Go Africa Safaris and Travel
126. Go Africa Travel Ltd
127. Gofan Safaris
128. Golden Holidays & Travel Company
129. Good Hope Travel & Tours Ltd
130. Grand Edition Tours
131. Hallmark Travel Planners
132. Helinas Safaris Ltd
133. Hirola Tours & Safaris
134. Holiday Bazaar Ltd
135. Holidee in Africa Consulting Ltd
136. Hotel Adventure Travel Ltd
137. Ideal Tours & Travel
138. Impact Adventure Travel
139. Incentive Travel Ltd
140. Inclusive Holidays Africa
141. Into Africa Eco-Travel Ltd
142. Intra Safaris Ltd-Msa
143. Jade Sea Journeys Ltd
144. Jambo Travel House Ltd
145. Jawamu Tours & Safaris
146. JMAR Safaris Ltd
147. Jocky Tours & Safaris
148. Jungle Beach Safaris Ltd
149. K.P.S.G.A

150. Karisia Limited
151. Kenan Travel & Tours
152. Kenia Tours & Safaris
153. Kenor Safaris Ltd
154. Kent Tours & Travel Ltd
155. Kentan Safaris Ltd
156. Kenya Beach Travel Ltd-Msa
157. Kenya Utalii College
158. Ker & Downey Safaris Ltd
159. Ketas Safaris
160. Ketty Tours Travel & Safaris Ltd
161. Kibo Slopes & Safaris Ltd
162. Kimbla Mantana (K) Ltd
163. Kisima Tours & Safaris
164. Kobo Safaris Ltd
165. Kosen Safaris Africa Ltd
166. Kudu Travels Ltd
167. Kuja Safaris
168. Leboo Safari Tours Ltd
169. Let's Go Travel
170. Liberty Africa Safaris
171. Lindeberg Holidays & Safaris
172. Location Africa Films Ltd
173. Lowis & Leakey Ltd
174. Magical Skies Ltd

175. Magical Spots Tours
176. Maniago Safaris Ltd
177. Mara Gates Safaris Ltd
178. Marble Travel
179. Maridadi Safaris Ltd
180. Masikio Ltd
181. Mathews Safaris
182. Mbango Safaris East Africa Ltd
183. Mighty Tours and Travel Ltd
184. Migrants Safaris (East Africa) Ltd
185. Mini Cabs Tours & Safaris
186. Mombasa Air Safari Ltd-Msa
187. Naked Wilderness Africa
188. Napenda Africa Safaris
189. Nappet Tours & Travel Ltd
190. Natural Habitat Safaris Ltd
191. Natural World Msa Safaris-Msa
192. Nature Expeditions Africa
193. Natures Wonderland Safaris
194. New African Territories
195. New Kenya Travel And Tours Safaris Ltd
196. Offbeat Safaris Ltd
197. Old Boma Ltd
198. On Safari (K) Ltd
199. Origins Safaris

200. Ostrich Holidays Adventures
201. Out Of Africa Collection Ltd
202. Pal – Davis Adventures Kenya
203. Papa Musili Safaris Ltd
204. PEAK East Africa Ltd
205. Peaks & Safaris Africa
206. Penfam Tours & Travel
207. Phoenix Safaris (K) Ltd
208. Pollman’s Tours & Safaris Ltd-Msa
209. Preps International Group Ltd
210. Prima Vera Tour & Safaris
211. Private Safaris (EA) Ltd
212. Real Africa Ltd
213. Reny Safaris Ltd
214. Rhino Safaris Ltd
215. Rickshaw Travels (Kenya) Ltd
216. Right Choice Tours & Safaris
217. Riuki Cultural Centre
218. Robin Hurt Safaris Ltd
219. Rollard Tours & Car Rental Ltd
220. Safari Mania Ltd
221. Safari Trails Limited
222. Safari Travel Kenya Ltd
223. Safaris Unlimited (Africa) Ltd
224. Safe Ride Tours And Safaris

225. Saliva Africa Tours Ltd
226. Sameco Tours
227. Savage Wilderness Safaris
228. Sawasawa Africa Ltd
229. Scenic Treasures Ltd
230. Selective Safaris
231. Senator Travel Services
232. Sentinel Safaris Ltd
233. Serene East Africa Safaris Ltd
234. Shades Of Africa Tours & Safaris
235. Shanzu Kenya Super Safaris
236. Sher Safari Services Ltd
237. Shian Tours & Travel Ltd
238. Shimoni Aqua Ventures
239. Silver Africa Tours & Safaris Ltd
240. Silverback Travel Group
241. Silverbird Adventure Tours & Travel
242. Silverbird Travel Plus Ltd
243. Skyview Of Africa Ltd
244. Soin Africa Safaris
245. Somak Travel Ltd
246. Southern Cross Safaris (Mombasa) Ltd
247. Southern Cross Safaris Limited
248. Speedbird Travel & Safaris
249. Spero Africa Ltd

250. Sportsmen's Safaris & Tours
251. Spot Kenya Safaris
252. Star Travel & Tours Ltd
253. Steenbok Safaris & Car Hire
254. Steps Adventure Ltd
255. Sunworld Safaris Ltd
256. Supreme Safaris Ltd
257. Tamarind Management Ltd
258. Tamimi Kenya Ltd
259. The Safari and Conservation Co.Ltd
260. The Safari Collection Ltd
261. The Safari Company Management Ltd
262. The Scott Travel Group Ltd
263. Tobs Kenya Golf Safaris
264. Top Notch Luxury Safaris
265. Topcats Safaris Ltd
266. Tourist Maps Kenya Ltd
267. Trails Of Africa Tours & Safaris
268. Transworld Safaris (K) Ltd
269. Travel 'N Style
270. Travel Affairs Ltd
271. Travel Connections Ltd
272. Travel Creations Ltd
273. Travel Shoppe
274. Travel Waves Safaris

275. Travel Wild East Africa Ltd
276. Trevaron Travel & Tours Ltd
277. Triple Tours & Travel Ltd
278. Twiga Car Hire & Tours Ltd
279. UIF Aschan Safaris Ltd
280. Uniglobe Northline Travel Ltd
281. Unik Car Hire & Safaris-Msa
282. Valentine Investment Co (Msa) Ltd
283. Vintage Africa Ltd
284. Visit Africa Ltd
285. White Plains Tours & Travel
286. Wild Destinations Ltd
287. Wild Times Ltd
288. Wild Trek Safaris Ltd
289. Wild Vision Adventures Ltd
290. Wild Waters Ltd
291. Wildebeest Travels Ltd
292. Wildlife Safari (K) Ltd
293. Wildlife Sun Safaris
294. Woni Safaris Ltd
295. Wt Safaris Ltd
296. Xcellent Wildlife Paradise – Holidays and Safaris
297. Zaira Tours & Travel Co. Ltd
298. Zirkuli Expeditions Ltd
299. Zoar Tours and Safaris

300. Zoujin Africa Safaris Ltd

Source:- Kenya association of Tour operators (2014)

APPENDIX III: QUESTIONNAIRE

Topic: Competitive strategies adopted by Kenya Association of Tour Operators (KATO) to sustain growth and performance in the hospitality industry.

SECTION A: FIRM DEMOGRAPHIC

1. Name of the tour firm
2. How long have you been operational?
3. What's your firm's form of business organization (private company, company partnership and sole proprietorship? (specify)
4. What is the average size of your firm? "Tick one" small / average / big.

SECTION B: COMPETITIVE STRATEGIES

5. To what level or extent do firms adopt any or a combination of any of the enlisted competitive focus/ differentiation / cost leadership/ strategies?

Very great level []

Great []

Moderate extent []

Very low extent []

6. Kindly tick the correct version of the following statements. "To what extent does your firm pursue ICT related strategies to achieve their goals and meet customer expectations?"

1- Not at all

3- Moderate

2- Little extent

4- Great extent

7. .

Strategy / statement				
Increased customer service (self-serving technologies)				
Service education awareness				
Good linkage with stakeholders through ICT				
Good industry infrastructure through ICT				

8. Tick where appropriate on the under phrased chart (Porters Version)

Statement / strategy	1	2	3	4	5
Focus strategy					
Differentiation strategy					
Cost leadership strategy					

9. Competitive advantage

Indicate where appropriate, the extent to which the following enables / facilitates competitive advantage in your firms.

1- Strongly disagree

3- Moderate

2- Disagree

4- Agree

5- Strongly agree

Statement / strategy	1	2	3	4	5
Strength of firm resources					
Technology adoption to serve the customer					
Competitive advantage through greater customer					

value through better services					
Competitive advantage through well executed strategy					
Other factors contributing to competitiveness, reputation / service quality image of the firm.					

10. What kind of challenge do your firm experience while adopting the strategies? (tick as appropriate) scale 1-5

Statement / strategy	1	2	3	4	5
Cost					
Failure to meet service levels					
High cost of networking					
Lack of effective collaboration with industry					
Lack of organized company policies and frameworks					
Inadequate of resources					
Stringent partnership requirements					

Others specify _____

SECTION C: FIRMS PERFORMANCE

11. Relate the following performance measures to your firms performance as a result of a adoption of a competitive strategy.

Statement / strategy	1	2	3	4	5
Profitability					
Customer retention and loyalty					
Client participation					
Client satisfaction					
Sales volume					
Market share					