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**SCHOOL OF GRADUATE**  
**ASSESSMENT ON DETERMINANT FACTORS FOR TOURIST'S INFLOW IN**  
**ETHIOPIA, (THE CASE OF SELECTED TOUR AND TRAVEL AGENTS IN ADDIS**  
**ABABA).**

**BY**

**ZELALEM FEKADU**

**Dec, 2019**

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ETHIOPIA, (THE CASE OF SELECTED TOUR AND TRAVEL AGENTS IN ADDIS  
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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY,  
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**ADDIS ABABA, ETHIOPI**

**ST. MARY'S UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES,**  
**THE BOARD OF EXAMINERS**

As members of the Examining Board of the Final M.A thesis Open Defense, we certify that we have read and evaluated the thesis prepared by Zelalem Fekadu entitled "**Assessment On Determinant Factors For Tourist's Inflow In Ethiopia**", **The Case Of Selected Tourist Travel Agents In Addis Ababa** and recommend that it be accepted as fulfilling the thesis requirement for the degree of: Master of Art in Marketing Management

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**DECLARATION**

I hereby declare this thesis titled has been done by me and it is a record of my own research work. No part of this work has been presented in any previous application for another degree or diploma at any institution. All borrowed ideas have been properly acknowledged in the text and lists of references are provided.

Zelalem Fekadu

December, 2019

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## **ENDORSEMENT**

This thesis has been submitted to St. Mary's University, School of Business for examination with my approval as a university advisor.

Yibeltal Nigusse (Ass.Pro)

Advisor

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Signature

December, 2019

## **CERTIFICATE**

This is to certify that Zelalem Fekadu has worked this thesis on the topic “Assessment On Determinant Factors For Tourist’s Inflow In Ethiopia, The Case Of Selected Tourist Travel Agents In Addis Ababa”. To my belief, this work undertaken by Zelalem Fekadu was original and qualifies for submission in partial fulfillment of the requirements for the award of MA degree in Marketing Management.

Yibeltal Nigusse (Ass.Pro)

Advisor

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Signature

**December, 2019**

**Addis Ababa, Ethiopia**

## Table of Contents

Topics	Page Number
<b>CHAPTER ONE</b> .....	
1.1 Background of the Study .....	
1.2 Statements of the problem .....	
1.3 Research questions .....	
1.3.1 Main Research Question .....	
1.3.2 Basic Research Question .....	
1.4 Research Aim and Objective .....	
1.4.1 Main Objective .....	
1.4.2 Specific Objective .....	
1.5 Significance of the study .....	
1.6 Scope of the study .....	
1.7 Organization of the study .....	
<b>CHAPTER TWO</b> .....	
2.1 Literature Review Introduction .....	
2.2 Tour operation and tourism in Ethiopia .....	
2.3 Definition and Classification of Tour Operators .....	
2.4 History of Tour Operation .....	
2.5 The Nature of products and Services offered by the Tour Operators.....	
2.6 Tourism in Ethiopia: An Overview .....	
2.7 Empirical Review .....	
2.7.1 Security and Tourists Inflow .....	
2.7.2 Infrastructure and tourists inflow .....	
2.7.3 Promotion and tourists inflow .....	
2.8 Conceptual framework .....	
<b>CHAPTER THREE</b> .....	
<b>3 RESEARCH METHODOLOGY</b> .....	
3.1 Research Design .....	
3.2 Data types and Data Sources .....	

3.3	Study Population, Sampling Size and Techniques .....
3.3.1	Study population .....
3.3.2	Sampling Size and Techniques .....
3.4	Data Collection Instruments .....
<b>CHAPTER FOUR .....</b>	
4.	DATA ANALYSIS AND DISCUSSIONS .....
4.1	Introduction.....
4.2	Descriptive Analysis.....
4.2.1	Demographic Information of Respondents .....
4.2	Tourism Products and Services .....
4.3	Tourism Products Tourists Prefer .....
4.4	Tourists satisfaction on the Available Tourism Product.....
4.5	Source of Tourists Market and Duration of Tourists in the Country .....
4.6	Determinant Factors Affect Tourists Inflow .....
4.7	Tourism Product Promotion Strategies used by the Agencies .....
4.7.1	Evaluation of Promotional Strategies the Agencies used .....
4.8	The Extent to which the Promotional Practiced Achieved.....
4.9	Political Instability Affected the Tourists flow.....
4.10	Tourists Canceled their Visit to Ethiopia .....
4.11	Security Clearance Method Taken by the Agencies.....
4.12	Satisfaction of Tourists by the Safety and Security Measures Taken by the Agency...
4.13	Infrastructure affects the flow of tourists.....
4.14	Tourist's Satisfaction on the available infrastructures.....
<b>CHAPTER FIVE .....</b>	
5.	SUMMARY OF FINDING, CONCLUSION AND RECOMMENDATION .....
5.1	Summery of Finding .....
5.2	Conclusion .....
5.3	Recommendation .....
5.3.1	Recommendation to the Governments .....
5.3.2	Recommendation to Tour and Travel Agencies/Tour Operators/ .....



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## List of Table

<b>List of Table</b>	<b>Page Number</b>
Table 2.1 Projected Number of Tourist's Arrivals from 2015 up to 2017 .....	
Table 4.1 Demographic characteristics of the respondent.....	
Table 4.2 The Agencies offer Tourism Products .....	
Table 4.3 Tourism Products Tourists Prefer .....	
Table 4.4 Tourists satisfaction on the Available Tourism Product.....	
Table 4.5 Source of tourist market and number of days tourists stay in the country...	
Table 4.6 Determinant Factors Affect Tourists Inflow .....	
Table 4.7 Tourism Product Promotion Strategies used by the Agencies .....	
Table 4.8 The extent to which the promotional practiced achieved.....	
Table 4.9 The political instability affected the tourists flow.....	
Table 4.10 Tourists Cancel to visit to Ethiopia.....	
Table 4.11 The security clearance method taken by the Agencies.....	
Table 4.12 Comfortably of Tourists by the safety and Security measures taken by the Agency.....	
Table 4.13 How infrastructure Affects the flow of Tourists.....	
Table 4.14 Tourists Satisfaction on the Available Infrastructures.....	

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## **ACRONYMS**

ETA	Ethiopian Tourism Association
GDP	Growth Domestic Product
MOT	Ministry of Tourism
UNESCO	Commercial bank of Ethiopia
UNWTO	United Nation World Tourism Organization
WB	World Bank
WTO	World Tourism Organization

## **Abstract**

Tourism is no more an occasional past-time for wealthy and adventurous people nowadays, everyone is participating in the tourism industry. May it be a catering company, a hotel or an entertainment business in fact, tourism has an impressive impact on its host country economy. It increases the growth rate, national profit, investment and country's popularity as well as going from short term to long term improvements.

This research work intends to investigate the determinant factors that affect the flow of tourists in Ethiopia. In addition the research investigates major challenges encountered by the tourism sector that may reduce the flow of tourists and tourist's satisfaction.

Based on literature four tourists flow determinant factors (Insecurity, marketing promotion of the tourism products, Infrastructures at tourist destination places) have been selected as forecaster of determinant factors for tourists flow.. The study adopted quantitative and qualitative research approach. Data were gathered through already tested questionnaire from 73 Tour and Travel Agents in Addis Ababa. The samples were selected by purposive sampling technique. The data was gathered through 5-point likert scale, and some open ended questions and analyzed with the help Statistical Package for Social Science (SPSS) version 25. To test the relation between tourists in flow and the variables listed as determinant factors, descriptive statistics analysis was used. The result shows that insecurity of the country occurred for the past years highly affected the flow of tourists, poor infrastructure at tourist destination and totally in the country also negatively affected the flow of tourists and the marketing strategies tour and travel agents used also somehow affected the flow, in addition the result show the government involvement/commitment/ is very poor and the countries does not earn the revenue as needed.. Therefore the government of the country should give great attention in areas of securities, infrastructures like communication including internet, Road, Hotels, Transport etc and the marketing promotion strategies should be well designed by the government and the travel agencies also.

**Key words: Insecurity, Poor Infrastructure, Marketing Promotion**

# CHAPTER ONE

## INTRODUCTION

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

The World Tourism Organization (WTO) defines tourism as “the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year.

Tourism can be referred as the time dimension involved in the tourism, visit, which requires a minimum and a maximum period of time spent away from home and the time at the destination (Page & Connell, 2001). International tourists are “tourists who stay at least one night in a country where they are not”. Tourism has become one of the leading industries in the world contributing 10% of global GDP and 6% of the world’s total export (UNWTO, 2015). Such immense contributions help countries to address most of their pressing challenges such as socio economic growth, inclusive development, and environmental preservations.

Tourism is one of the largest and rapidly growing industries in the world. According to the latest World Tourism Organization (UNWTO, 2014) world tourism barometer there were international tourists arrivals grew by 5% in 2013, reaching a record 1,087 million arrivals. Despite global economic challenges, international tourism results were well above expectations, with an additional 52 million international tourists travelling the world in 2013. For 2014, UNWTO forecasts 4% to 4.5% growth - again, above the long term projections.

Tourism in Ethiopia accounted for 5.5% of the country gross domestic product (GDP) in 2006 and 6.8% in 2017. Many tourist destination sites in Ethiopia are completely undeveloped and lack the major facilities such as toilets, shops, communications, drinks and resting areas.

Tourism brings obvious economic benefits, with the two most important being the generation of foreign exchange and the creation of jobs. Ethiopia is no special in this respect. However, although the country is endowed with many natural and historical touristic attractions, proper utilization and administration has not been effected. Some of the reasons include the lack of integrated policy, trained manpower and financial resources (Cramer et al, 2004).

Ethiopia generates substantial income from its tourism sector. The country received over 900,000 visitors in 2015 and it was the year of World's best tourism destination for 2015. The country has been praised for its outstanding natural beauty, dramatic landscapes and ancient culture, leading the European Council on Tourism and Trade to select it out of 31 countries as this year's top holiday spot.

While generating over 2 billion dollars in revenue, and contributed an estimated 4.5 percent to the country's GDP. Since 2016 the country could not follow up with its super performance in 2015. This was a result of political instabilities witnessed in the country, poor infrastructure for tourist destination areas and poor promotion of the existing tourist attraction areas in the country leading to many tourists and visitors declining interest in visiting the beautiful landscape of Ethiopia.

A travel agency is a private retailer or public service that provides travel and tourism related services to the public on behalf of suppliers such as activities, airlines, car rentals, cruise lines, hotels, railways, travel insurance, and package tours. Meanwhile, travel agency is an agency that makes travel arrangements for tourist or other travelers, as for transportation, hotel and itineraries (John Wiley & Son, 2010). According to Ethiopian tourism minister 2018 report there are 96 tourist travel agencies in Addis Ababa.

This research examines the major challenges as determinant factors for tourist's inflow in Ethiopia and makes recommendations on a future path to sustainable inflow of tourists to the country.

## **1.2 Statements of the problem**

Most of the world countries potential resources were almost unknown locally by the residents and by international communities, even those who have information about the country's tourism resources, the bad image that the country has retarded them not to come. Ethiopia has immense tourism potential owing to its natural, historical and cultural endowments. Even if different studies has been done on the topic before 2015 since that studies has not done as organized base and difficult to access related researches from websites and other sources, therefore the sector's poor performance is still the challenge in the country tourism sector, it was in 2015 The country received over 900,000 visitors, after 2015 the number of tourists inflow to the country is decrease year to year.

According to the World Bank collection of development indicators, compiled from officially recognized sources number of arrived international tourists in 2016 is 871,000 which is below 2015 and the forecasted plan was to reach 1,000,000 by the same year

Ethiopia is one of the poorly performing countries in terms of tourist arrival and the quality of service of operators is poor and unsatisfactory to tourists. (AbuduKedir, 2013) According to the research done in this sector by different scholars they suggest that due to this and other related problems the country is found to be less competitive and related the poor inflow of tourists problem with poor preservation of tourist attraction, backward public transportation, inadequate communication systems, poor promotional services, poor other infrastructures and security issues are among them.

According to the reporter writers Asrat Seyoum and Birhanu Fikade the past two years had been particularly hard on Ethiopia's tourism sector. The political unrest in Oromia, Amhara and Ethio-Somalia regional state have stained the relatively peaceful Ethiopian political environment. Tourism was the first sector to take a hit after the outbreak of the unrest. What is puzzling is the fact that official figures are telling a different story. In spite of the arrest, the minister of culture and tourism reports that the sector has never been better in terms of tourists flow and revenue

In line with this the research motivates to study on such topic because of the country and stakeholders could not get benefit from the sector as expected and its potential of tourist attractions. In view of their importance in running the tourism marketing sector, they form the most useful target for research aimed at investigating the major determinant factors like

promotional practice of tour operators and the country to promote the country's potential attraction areas, unavailability of infrastructures( road, hotel services, communication...), and the country's political instability like safety and security advice given by USA, UK and other countries to their citizens not to visit Ethiopia especially around Afar and Eretria borders, Gambella and Sudanese boarder and other places makes tourists to cancel their visit schedule to Ethiopia.

Therefore, my study is very help full to identify determinant factors in the topic that affect the flow of tourists in the year between 2016 and 2018 and to fill the gap for the existing situation of tourists flow in Ethiopia and also used as tools for decision making and strategy development by the Government, Tour and Travel operators and any other stakeholders in the sector.



### **1.3 Research Questions**

In order to investigate the actual condition in the sector the study tries to answer the following main and basic research questions

#### **1.3.1 Main Research Question**

Based on the statement of the problem the research will identify, what is the Determinant factors that affecting tourist's inflow in Ethiopia since 2016?

#### **1.3.2 Basic Research questions**

Based on the statement of the problem the research will address the following research questions:

- ✓ How does poor marketing efforts/ poor promotion/ affect tourist's inflow in Ethiopia in the identified years?
- ✓ How does Insecurity occur in the country since 2016 affect tourist's inflow?
- ✓ How does a poor infrastructure at tourist destination places affect tourists in flow in Ethiopia?

### **1.4 Objective of the Research**

The study is constructed based on the following objectives

#### **1.4.1 General Objective**

The general objective of the study will be to Asses Determinant Factors for tourist's inflow in Ethiopia in the years between 2016 and 2018.

#### **1.4.2 Specific Objective**

In addition to the above general objective the study has the following specific objective

- ✓ To identify the effect of security issue on the inflow of tourists in Ethiopia To determine
- ✓ How poor infrastructure Like Road, Communication, Hotel Services etc affect tourists inflow in Ethiopia
- ✓ To evaluate how promotion affect tourists inflow in the country in the specified years.

### **1.5 Significance of the Study**

Generally the major significance of this study is to identify basic determinant factors for the poor inflow of tourists in the country, and based on the result many stakeholders like the Government, Tour and Travel Companies, Hotels, Airline, and Tourist Destination communities benefit more.

#### **The following benefits will be obtained from the study**

- ❖ The Government benefit from the study by understanding the real cause/factors/ of the problem, and the result will be helpful for changing strategies to solve the problems, to attract tourists and to earn more revenue from the sector
- ❖ Tour and travel companies/Tour operators/ are majorly their means of income is from tourists especially from international tourists so based on this, the study is very helpful to identify the gap therefore, those companies will have the actual information to discuss with the government , to change their marketing programs/promotional strategies/.
- ❖ The communities who are living in tourist destination areas, in one way or another way they earn money from tourists who are coming to visit their village, therefore this study will help them by identifying the problem for action from the government side and based on this if tourists start visiting again they will earn money and they will promote their culture, history, nature and soon
- ❖ The study can serve as a base for further studies on the area of tourist's inflow in the country.

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

The major focus of the research will tries to identify the determinant factors in relation to tourist's inflow in Ethiopia in the case of selected tour operators and tourist destination areas in Addis Ababa. In spite of the fact that tour operators are rarely found in other regions outside of Addis Ababa, this study is restricted only in those tour operators in Addis Ababa through in depth investigation on tourists and existing factors for the flow. Even though there are around 96 travel agencies in Addis Ababa the study consider only selected travel agents due to homogeneous nature of the travel agents and time constraints.

## **1.7 Organization of the Study**

This study contains five chapters organized to begin with a brief introduction to guide the reader in to the main contents

- ❖ Chapter One describes the introduction, statements of the problem, research questions and objectives of the study, scope of the study, limitation and significance of the study
- ❖ Chapter Two presents Review of literature parts that reviews relevant and topic related literatures in relation with tourist's inflow
- ❖ Chapter Three is methodology part like research design, source of data and procedures used for data collection and analysis parts
- ❖ Chapter Four is an analysis of the data collected and presentation of the result in meaningful manner
- ❖ Chapter Five summaries and will discuss on the Research Findings, conclusions and Recommendations for future research.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

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#### **2.1 Introduction**

In the literature, the underlying theory that explains tourist flows between the origin and the destination country is based on the demand function. The product resulting from the demand of tourism is an aggregate amount of the individuals' desire to travel within a specific time period and following this is the foreign exchange earning flowing from travel services given to the tourists.

Classical economic theory implies that the major determinants of the demand for foreign tourism should include: the price of tourist goods and services relative to the price of relevant substitutes, the incomes of tourists and any other specific factors which may alter the tastes of travelers for tourism (Walsh, 1996). Following this theory and the majority of empirical studies, the flows of tourism between the receiving and the supplying countries can be specified by using the demand function of the type:

International tourist arrivals reached 1.035 billion in 2012, up from over 996 million in 2011, and 952 million in 2010.[7] In 2011 and 2012, international travel demand continued to recover from the losses resulting from the late-2000s recession, where tourism suffered a strong slowdown from the second half of 2008 through the end of 2009. After a 5% increase in the first half of 2008, growth in international tourist arrivals moved into negative territory in the second half of 2008, and ended up only 2% for the year, compared to a 7% increase in 2007.[4] The negative trend intensified during 2009, exacerbated in some countries due to the outbreak of the H1N1 influenza virus, resulting in a worldwide decline of 4.2% in 2009 to 880 million international tourists arrivals, and a 5.7% decline in international tourism receipts.

According to the ministry of tourism and culture, tourism as one of the economic sector came in to being in Ethiopia very recently. It was around 1960, that the potential of tourism drew the attention of the imperial governmental authority. The first tourism office was established in 1962. However, as set back in international tourism demand had been seen during the military regime. From 1974 for two decades the industry was suffering from various adverse effects such as prolonged civil war, recurrent drought and restriction on entry and free movement of tourists (World Bank, 2006). The tourism sector has now become a major source of income for various stakeholders engaged in the sector.

## **2.2 Tour operation and tourism in Ethiopia**

Makens et al (2002) defined marketing as a process used to design a product or service combination that provides a real value to the targeted customers, motivates purchase, and fulfill genuine customer needs. In brief marketing includes all activities resorted in getting goods and services from producer or supplier to the user. Tourism marketing performed at two distinct levels the micro and macro level (Krippendorf, 1971; Freyer, 1999; Koutoulas, 2001). At micro level the individual enterprises engage themselves in marketing their own products or offers while the macro level involves nonprofit organizations in marketing the entire destinations if that period has passed the revenue that could have been earned by providing the service is also lost. Thus provider of services tries to sell their service even by lowering the price rather than losing the full amount. By reducing prices shortly before a service is due to be delivered is one way to stimulate demand before the service is considered (Van Der Merew, 2003).

## **2.3 Definition and Classification of Tour Operators**

Many authors have defined the term tour operators in various, but essentially similar ways. A tour operator typically combines tour and travel components to create a holiday package (wikipedia.org). they are referred to as wholesalers who buy the bulk from the supplier of travel products and services, break the bulk in to manageable packages and sell as package holiday to travel agents and also directly to the consumers (koutoulas et al, 2009) tour operators act not only as wholesaler but also producer by creating a new product referred to as “inclusive tour”, resulting putting individual components of the tour together and offering it at an overall price (koutoulas et al, 2009). Tour operators according to Budeanu (2000), have a central connection between customers and providers of services, possessing the power to influence both. One problem of the definition of tour operators that is indicated in the literature is making a distinction between tour operators, tour agents and tour guides.

According to Van Der Merwe (2003), tour brokers do most of the things that tour operator do i.e. coordinate between client and service provider by arranging tour itineraries, game safaris, and accommodations. The main difference is that tour operators own vehicles, whereas tour brokers do not possess but hire vehicles. Unlike tour operators, who are wholesalers of holiday package, the travel agents are tour retailer's who provide products and services package business tours, theater bookings, car hire, cruising holidays, air or rail tickets, travel insurance, foreign

exchange, and visa and passport applications, etc. tour guides, who are expected to know the details and the safety situation of the destination area very well guide visitors in the language of their own and interpret the cultural and natural heritage of the area. Tour guides could be hired by the tour operators.

## **2.4 History of Tour Operation**

Cavlek (2004) has documented the history of tour operation, tracing it from the 1950s in which it emerged as a key component of the global tourism business. The political, economic, technological and environmental changes after World War II have created a situation where developing countries became aware of their tourism potential, and developed countries as generator of mass tourism demand became aware of the attractiveness of the destinations. Business entities, which came to be known as tour operators sensed the opportunity to make profits from supplying packaged holidays to a great number of people. Tour operation grew very rapidly because of the ability by tour operators to arrange cheap enough packages for mass consumption. The stage of development of tour operation was also identified in Cavlek (2004). They followed the stage of world economic development as: traditional stage, take-off stage, maturity stage and mass consumption stage. Obviously, tour operation must have expended at the latest stage due to the advent of mass transportation (Jumbo jet, etc) and globalization.

## **2.5 The Nature of Products and Services Offered by the Tour Operators**

Although it was not necessary the most important influence in the choice process of customers, Bergin (1998) underlines the importance of accreditation to consumers particularly in relation to staff competence, safety practices, professionalism and environmental protection. With regard to the kind of products are offered by tour operators to consumers, Calveras (2006) distinguishes what are known as ‘‘ search goods’’ whose quality may be learned prior to purchase or consumption, and ‘‘experience good’’ the quality of which is learned only during or after actual consumption of the good. Hence, most if not all, tourist products are experience goods. Although products designed around consumer’s lifestyle are becoming more and more common, for many people destination remains the main factor in a holiday purchase (Johnson, 2002). However, while most consumers may be satisfied by the products received, Gilbert and Soni (1991) argue

that, the level of the tour operator's responsiveness to its consumers is not high enough to recognize the current change in consumer preference.

## **2.6 Tourism in Ethiopia: An Overview**

Tourism brings obvious economic benefits, with the two most important being the generation of foreign exchange and the creation of jobs. Ethiopia is no special in this respect. However, although the country is endowed with many natural and historical touristic attractions, proper utilization and administration has not been effected. Some of the reasons include the lack of integrated policy, trained manpower and financial resources (Cramer et al, 2004). The sector has enjoyed favorable environment during the imperial period, but it has deteriorated after the Derge regime has come to power. Although, there was a conducive policy framework during the Derge regime to attract international tourists, the ideology was an obstacle to attract tourists to the country.

Ethiopia great potential for tourism development is mentioned everywhere and I do not go in to the details in this study, (see for example World Bank, 2006; [www.TourismEthiopia.org](http://www.TourismEthiopia.org), [www.Ethitoo.com](http://www.Ethitoo.com), various books and web sites of tour operators). It suffices to say that it has almost all types of primary tourists products: Historical attractions, National parks with end wild life and cultural and religious festivals UNESCO Recognizes eight World heritage sites ( As many as Morocco , South Africa And Tunisia And More Than Any Other,2006 Country In Africa): Axum's Obelisks, The Monolithic Churches Of Lalibyela, Gondar's Castles, Modern tourism in Ethiopia can be said to have started with the formation of a government body to develop and control it in 1961: The Ethiopia tourist organization. The earliest analysis on the tourists flow and expenditures in Ethiopia was done by UNESCO (1968). From the data covering 1963-1968, the total number of tourist was very low.

## **2.7 Empirical Review**

### **2.7.1 Security Issue and Tourists Inflow**

Safety and security have always been indispensable condition for travel and tourism. But it is an incontestable fact that safety and security issues gained a much bigger importance in the last two decades in tourism, studying problems of safety and security became vital for tourism industry.

Safety and security are vital to providing quality in tourism, and should be an overbidding objective of tourism destination (United Nation World Tourism Organization, 1997). According to Holoways (2006) the issue of safety and security also important to the image of a tourist destination and for visitor's satisfaction.

Safety of lives and properties has always been prerequisite for the attraction of international tourists (WTO, 1997). As stated by Pearce (1988) a tourists decision making and behavior is influenced by perception of safety security and crime risk in the country; therefore the issue of safety and security has an impact on the inflow of tourists.

### **2.7.2 Infrastructure and tourist's inflow**

#### **Infrastructure**

There is no standard definition to the infrastructure meaning. According to the Torissi (2009), infrastructure is idea that the creation of the social product is due to the economic agent interacting with each other. In the others definition, the infrastructure is defined as the physical framework of facilities through which goods and services are provided to the public (Goel, 2002). So, based on these two definitions, the infrastructure can be understood by the facilities that provided to the public use for the purpose to comfort and satisfy the requirement of the public in many ways.

Infrastructure form an integral part of the tourism package (Seetanah et al., 2011). As an example, the roadway that enable the people to go from one point to another point, airport that allow the flight from the abroad to land from the other countries and so on. Gearing (1974) study the case of Turkey as a tourist destination and find that infrastructure (comprising roads, water, electricity, safety services, health services, communications and public transportation) is a key determinant explaining tourist arrivals. Tourism industry and infrastructure are related each other. This relationship can be explained by the increasing of tourism industry in a particular area may also lead in infrastructure condition (Herfindahl, 2009)

Tourism infrastructure is a range of devices and institutions constituting material and organizational basis for tourism development. It comprises four basic elements: accommodation facilities, food and beverage facilities, accompanying facilities and communication facilities.



Gunn (1988) denotes the tourism product as a complex consumptive experience that result from a process where tourists use multiple of services (information, relative prices, and transportation, accommodation and attraction services) during the course of their visit.

Smith (1994) was among the first to acknowledge the role of service infrastructure in creating a product experience. He argued that “service infrastructure is, use or lack of infrastructure and housed within the large macro-environment or physical plant of the destination” (smith, 1994:pp 54). He stressed the fact that the level, use or lack of infrastructure and technology in a destination are also visible and determining features that can enhance the visitor’s trip experience.

### **2.7.3 Promotion and Tourist’s Inflow**

Promotion is one of the major tools used in marketing a tourist product. It is the responsibility of people involved in promotion to devise methods of communication that will make the greatest number of potential consumers aware of their product.

#### **Attraction**

Attraction can be related to the positive or favorable attributes of some part for a particular activity or set of activities as preferred by a customer of market, including climate, scenery, activities and culture (Harris & Howard, 1996). Harris and Howard (1996) also have stated that there are two types of tourism attraction which are, built attraction and natural attraction. Built attraction is related to tourism as a central part of business. This is means, this kind of tourism have the commercial Centre to attract the tourist to visit for the purpose of shopping, have better facilities and infrastructure and so on. Natural attraction is the places that have attraction in term of natural environment such as national parks, marine parks and waterfall. Natural attraction must be authorized by the agency or body such as Tourism Ethiopia.

## **2.8 Conceptual Frame Work**

### **2.8.1 Historical Explanation of the time series of tourists flow and tourism receipt**

Ethiopia greatest potential for tourism development is mentioned everywhere and I do not go to the detail in this study. (see for example world bank, 2006); [www.tourismethiopia.org](http://www.tourismethiopia.org),

www.ethiopia.com , various travel books and websites of tour historical attraction, national parks with endemic wild life and cultural and religious festivals. UNESCO recognizes eight world heritage sites (as many as Morocco, South Africa and Tunisia and more than any other countries in Africa): Axum’s obelisks, the monolithic churches of Lalibela, Gondars castle, the Omovalley, Hadar ( where the skeleton of Lucy was discovered), Tias carved standing stones, the semien national park and that walled city of Harare.

Tourism in most economics sectors involves the development collaboration both formal and informal partnership and networks (Scott, cooper &Baggio, 2008; saxena, 2005; Tinsely& LYNCH, 2001). Such inter organizational networks independently work together to deliver an overall product of tourism regionally, as well as manage demand and supply in order to maximize benefits for all stakeholders.

Tourist market offer opportunities for poverty reduction. While most popular tourist destinations are in affluent countries, these opportunities are evident in the large and increasing tourism flow to developing world. In 2008, 40% of international tourist trip were to developing countries (World Bank, 2010)

**Table 1. Projected number of Tourists Arrivals from 2015 up to 2017**

<b>Year</b>	<b>Projected Number of Tourists</b>
<b>2015</b>	<b>849,622</b>
<b>2016</b>	<b>1,011,448</b>
<b>2017</b>	<b>1,206,490</b>

## **CHAPTER THREE RESEARCH METHODOLOGY**

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### **3.1 Research Design**

To conduct this study Descriptive research design is appropriate to describe the phenomena clearly what are the factors affecting tourists inflow in the country in the specified years, the purpose of a descriptive research is to examine a phenomenon that is occurring at a specific place and time.

### **3.2 Data Type and Data Sources**

To get the proper response both primary and secondary data are use for this study purpose, primary data will obtain from Tour and Travel Agent companies through questioner, from Ministry of Tourism and Culture and from Tourists visiting in the study period and Secondary data will be collect from different literature review, like books, co-record, journal, and documents that are related to the study, and also web address.

### **3.3 Study Population, Sampling Size and Techniques**

#### **3.3.1 Study population**

Population is identifiable total set of elements of interest being investigated by researcher (Zikumund, 2003). The Population of this study is Tour and Travel Agencies found in Addis Ababa

#### **3.3.2 Sampling size and Techniques**

Sample size is the actual total number of units which are to be selected for analysis in the research study. According to Ethiopian tour operators association currently there are 96 individual tour and travel agency companies that are actively engaged in Addis Ababa to provide the tour services throughout the country; so the sample size that is taken for this studies conducted was 78 Tour and Travel Agencies to make it more representative.

The sample size of tour and travel agents will be 78 respondents which were calculated using Yamane (1967) formula as follows:

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

Where

n = Sample size

N = Population size of the study

e= level of confidence in this case 95%

N = 96, e = 5% (0.05)

$$n = \frac{96}{1 + 96(0.05)^2}$$

$$n = \frac{96}{1 + 96(0.0025)}$$

$$n = \frac{96}{1 + 0.24}$$

$$n = \frac{96}{1.24} =$$

Therefore, the sample size for this study will be 78

### **3.3.2 Sampling Procedures**

Non-probability sampling approach is suited when there is no assurance that every member of the population has same chance of being included in a sample of the research. According to (Hair and others 2003:351) convenient sampling is a method in which samples are drawn at the convenience of the researcher or interviewer. Therefore, it is found to be difficult to include all customers in this research study. As a result, the researcher will use non-probability sampling approach that is specifically convenient sampling technique for the type of study. In this regard tour and travel agents will be select based on their previous data related with number of tourists served by their agencies.

### **3.4 Data Collection Instruments**

The researcher will collect primary data through distributing close ended and some open ended questionnaire to selected Tour and travel agencies found in Addis Ababa through interview with General Managers, Marketing Managers or

Tour Operators. Regarding with secondary data, reference books, company record, journal and related documents will review.

**CHAPTER FOUR  
DATA ANALYSIS AND DISCUSSIONS**

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**4.1 Introduction**

This chapter presents the data analysis and discussions based on the questionnaire survey. The collected data were analyzed using the method as mentioned in Chapter Three and the findings also outlined based on specific objectives of the study.

There are a total of 73 set of survey questionnaire was distributed to the targeted Tour and Travel Agents in order to identify the most important Determinant Factors For Tourist’s Inflow In Ethiopia. The total number of questionnaire distribution and responses has been analyzed and shown in table below.

**4.2 Descriptive Analysis**

**4.2.1 Demographic Information of Respondents**

Demographic profiles of the study were analyzed using descriptive analysis with the help of SPSS. The result of the survey is shown in Table 4.1 as follows.

<b>Sex</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	59	80.8	80.8	80.8
	Female	14	19.2	19.2	100.0
	Total	73	100.0	100.0	
<b>Position of Respondents</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	General Manager	24	32.9	32.9	32.9
	Marketing Manager	20	27.4	27.4	60.3
	Tour Operator	29	39.7	39.7	100.0
	Total	73	100.0	100.0	
<b>Age of Respondents</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Below 30	15	20.5	20.5	20.5
	31-40	41	56.2	56.2	76.7
	41-50	8	11.0	11.0	87.7
	51-60	9	12.3	12.3	100.0
	Total	73	100.0	100.0	
<b>Marital Status</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	31	42.5	42.5	42.5
	Married	42	57.5	57.5	100.0
	Total	73	100.0	100.0	
<b>Educational Status</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor Degree	41	56.2	56.2	56.2
	MA/MSC	32	43.8	43.8	100.0
	Total	73	100.0	100.0	
<b>Nationality</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Ethiopian	73	100.0	100.0	100.0
<b>Duration of the Agency in this Business</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5 YEARS	8	11.0	11.0	11.0
	6-10 YEARS	19	26.0	26.0	37.0
	11-15 YEARS	23	31.5	31.5	68.5
	16-20 YEARS	19	26.0	26.0	94.5
	ABOVE 20 YEARS	4	5.5	5.5	100.0
	Total	73	100.0	100.0	

**Table 4.1 Source; SPSS output demographic characteristics of the respondent**

The above table shows that 80.8% of the respondents were male while 19.2% were female. Among the respondents 32.9 % were General Managers, 27.4% Marketing Managers and 39.7%

were Tour Operators. Regarding to the age categories of the respondents (20.5%) were in the age of below 30 years, 56.2% in the age of 31-40, (11%) in the age of 41-50 and 12.3% of the respondents were in the age of 51-60. This indicated that the younger strata of population were in the managing position of the sector and they are more responsible to manage the tourism sector of the country.

The Educational preparedness of those professionals was the Majority of the respondents categorized in to batches this means (56.2%) were first degree holder and (43.8%) were MA/MSc holder. This shows that the tourism sectors were managing by relatively educated individuals because the sector is sensitive and it needs more educated individuals to communicate with different visitors from all the corners of the world.

Further the marital statuses of respondents (42.5%) were single and (57.5%) were married. When we see the nationalities of respondents (100%) were Ethiopians. Regarding to the duration of those tour and travel agents staid in this business varied and the majority of agencies were (31.5%) lies the years between 11-15 and followed (26%) the year between 6-10 and (26%) the year 16-20 again in addition (11%) were years from 1-5 and the remaining (5.5%) were above 20 years of experience in the business; this clearly indicated that even if the Ethiopian tourism sector has a long time history but majority of the travel agencies owned by private individuals has a short period of experience in the business.

#### 4.2 Tourism Products and Services

The table below shows the findings of the tourism products and services that the selected tour and travel agencies which are found in Addis Ababa.

<b>Tourism Product of The Country offered by Tour and Travel Agencies</b>					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Cultural tour	73	100.0	100.0	100.0
	Wild Life Photographic Safaris	73	100.0	100.0	100.0
	Hunting Safaris	2	2.7	2.7	2.7
	Beach Holidays	64	87.7	87.7	87.7



Mountain Climbing	18	24.7	24.7	24.7
Scenic Tour	0	0.0	0.0	0.0
Historical Tour	73	100.0	100.0	100.0
Walking and Biking Tour	4	5.5	5.5	5.5
Hiking and Trekking tour	44	60.3	60.3	60.3
Canoe and Boat Safaris	48	65.5	65.5	65.5
Horse ride safaris	18	24.7	24.7	24.7
Accommodation	73	100.0	100.0	100.0
Air Ticketing	51	69.9	69.9	69.9
Transfer Services	0	0.0	0.0	0.0
Shuttle services	73	100.0	100.0	100.0

Table 4.2 Source; SPSS output of the Agencies offer Tourism Products

As we have seen from the above table the country endowed many more tangible and intangible tourism products available to offer for tourists from any parts of the world, even if all the above mentioned products are available in the countries majority of Tour and travel Agencies were not offered all the packages because of many reasons.

In the table showed (100%) of the agencies were provided cultural tours, wildlife photographic safaris and Historical tours, next to this products Beach Holiday were provided by 87.7% of the agencies and followed Canoe and Boat safaris were 65.5% in addition Hiking and Trekking were (60.3%), Mountain Climbing were (24.7%), Horse Ride safaris were also (24.7%), walking and Biking tour (5.5%), and Hunting safaris were provided by (2.7%) of the agencies for tourists, in addition to the direct tourism products the Accommodation and shuttle services were provided (100%) and (69.9%) were provided Air ticketing for tourists.

### 4.3 Tourism Products Tourists Prefer

The table below indicated the finding of tourist's preference to visit among the available tourism products in the country.

<b>Tourism Products Tourists prefer to Visit in the Country</b>					
		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
	Wild Life Safaris	73	100.0	100.0	100.0
	Cultural Safaris	73	100.0	100.0	100.0
	Mountain Climbing	17	9.1	23.3	23.3
	Beach Holiday	23	31.5	31.5	31.5
	Wild Life and Mountains	31	43.1	43.1	43.1
	Wild life mountains and beach	51	69.9	69.9	69.9
	Wild Life and Beach	20	27.4	27.4	27.4
	Historical Tour	69	94.5	94.5	94.5
	All of the Packages	11	15.1	15.1	15.1

Table 4.3 Source; SPSS output of Tourism Products Tourists Prefer

Different tourists have different interest to visit the countries tourism products based on their individual interest. As the table showed Wild life Safaris and Cultural Safaris were preferred 100% by all tourists followed by 94.5% of tourists were preferred Historical Tours like that of wild life and cultural tours, in addition to the above visiting Wildlife, Mountain and Beach jointly were preferred by 69.9%, in separately offered for tourists 43.1% were preferred Wild life and Mountain Climbing, 31.5% were Beach Holiday, 27.4% were wild life and Beach, 23.3% preferred mountain climbing and 15.1% of tourists preferred all of the packages. This clearly indicated from the total tourism products the countries offered different tourists have different interest.

#### 4.4 Tourists satisfaction on the Available Tourism Product

The below table is the finding of the study that clearly showed the satisfaction rate of tourists by the available tourism products.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Neutral	6	8.2	8.2	8.2
	Satisfied	30	41.1	41.1	49.3
	Very satisfied	37	50.7	50.7	100.0
	Total	73	100.0	100.0	

**Table 4.4 Source; SPSS output Tourists satisfaction on the Available Tourism Product**

Tourist's satisfaction is among the important issues for tourism sector development and a means of revenue from the sector, the study therefore disclosed the findings showing the level of satisfaction of tourists regarding to the tourism products and services the country offered.

As it is indicated in the above table satisfaction for tourists varies among travel agencies as the finding show 50.7% of the agencies are witness those tourists are very satisfied, 41.1% are satisfied and the remaining 8.2% are neutral.. The result implies that majority of tourists are satisfied by the service.

#### 4.5 Source of Tourists Market and Duration of Tourists in the Country

The study was conducted focusing its direction on the source of markets and the total number of days tourists spent in the country, the below table indicated this clearly.

Source of Tourists Market					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Foreign	63	86.3	86.3	86.3
	Both	10	13.7	13.7	100.0
	Total	73	100.0	100.0	
Number of Days Tourists stay in the Country					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 7 days	3	4.1	4.1	4.1
	8-15 days	21	28.8	28.8	32.9
	16-30 days	49	67.1	67.1	100.0

Total	73	100.0	100.0
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**Table 4.5 Source; SPSS output Source of tourist market and number of days tourists stay in the country.**

The number of day's tourists spent in the country and the source of market from where tourists came have a great roll on the income of the countries from the sector, based on this the study shows that 86.3% of Tour and Travel Agencies Sources of tourists were only foreigner's (international tourists) however, 13.7% were answered their source of tourists are both from internal and foreigners. This indicate that the proportion of national tourists officially visited through the available travel agencies were limited. Regarding to the total number of days tourists stay in the country varied from less than seven days up to thirty days duration, the study indicated 67.1% of tourists were staid from 16-30 days, followed by 28.8% were stayed from 8-15 days and only 4.1% were less than 7 days. This clearly indicated that even if more than half visitors duration period is above the range there is also a possibility to increase the duration days of those tourists in the country because as we know the income from tourists is one of the back bone for the economy of the country.

Regarding to the open ended question about the overall opinion of tourists on the tourism products and services available in the country the respondents in all Tour and Travel Agencies respond tourists are happy by the tangible and intangible products available in the countries, however there is a threat both from the tourists and the agencies about the sustainability of this product without degrading its natural character, because majority of national parks are invaded by settlers from the local communities and the necessary care did not given from the government and from the local communities this and other cases might be a threat for the sector

#### **4.6 Determinant Factors Affect Tourists Inflow**

As the study indicated in the objective part the main purpose of this study is to identify the factors contributing for poor tourists inflow, therefore the below table indicated clearly those contributing factors for the problem.

	<b>Strongly Disagree</b>	<b>%</b>	<b>Disagree</b>	<b>%</b>	<b>Neutral</b>	<b>%</b>	<b>Agree</b>	<b>%</b>	<b>Strongly Agree</b>	<b>%</b>
Insecurity of the countries in different Regions affects tourists inflow	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>13.7</b>	<b>63</b>	<b>86.3</b>
Poor infrastructure on tourist destination area affect the inflow	0	0	0	0	0	0	62	84.9	11	15.1
Lack of enough travel agencies affect the inflow	0	0	22	30.1	0	0	51	69.9	0	0
The overall cost tourists spent is expensive and it affect the inflow	0	0	47	64.4	0	0	26	35.5	0	0
Shortage of tourist destination areas affect the inflow	2	2.7	66	90.4	0	0	5	6.8	0	0
Shortage of trained manpower/tour operators/ affect the inflow	0	0	8	11.0	0	0	65	89.0	0	0

**Table 4.6 Source; SPSS output Determinant Factors Affect Tourists Inflow**

As it is indicated in the above table Insecurity of the countries occurred in different part of the regions in the last three years 86.3% of the respondents are strongly agreed and 13.7% are agreed it affect tourists inflow to the country, poor infrastructures like Road, communications,

hotel services and others to reach to tourism destination areas 84.9% of the respondents are Agreed and 15.1% are strongly Agreed it affect tourists inflow, Regarding to the question does Lack of enough travel agencies and tour operators affect tourists inflow 69.9% are agreed and 30.1% are disagree, the overall costs tourists spent is expensive as compared to other countries during the visiting period is 64.4% disagree and 35.6% agree, the respondents for question that Shortage of tourist destination areas/tourism product/ in the country affect the flow of tourists is 90.4% are disagree, 6.8% are agree and 2.7% are strongly disagree and shortage of trained man power/tour operators/ in the field affect the flow is 89% are agree and 11% are disagree.

#### 4.7 Tourism Product Promotion Strategies used by the Agencies

	Never	%	Rarely	%	Sometimes	%	often	%	Always	%
The Agency has been participating in international trade fair and exhibition	4	5.5	9	12.3	51	69.9	9	12.3	0	0
Online marketing, website and Email are use for promotion	0	0	0	0	0	0	15	20.5	58	79.5
Do you use social media for promotion	0	0	21	28.8	41	56.2	11	15.1	0	0

Do you use catalogues, magazines and news papers to promote	4	5.5	55	75.3	14	19.2	0	0	0	0
Does E-tourism and E-marketing use for promotion	0	0	14	19.2	54	74.0	0	0	5	6.8
Do you use television and Radio for promotion	23	31.5	50	68.5	0	0	0	0	0	0
Does the company use Relationship marketing	0	0	4	5.5	67	91.8	2	2.7	0	0

**Table 4.7 Source; SPSS output Tourism Product Promotion Strategies used by the Agencies**

#### **4.7,1 Evaluation of Promotional Strategies the Agencies used**

The evaluation of marketing promotional strategies of tour and travel agencies for marketing of the countries tourism products, the finding revealed that: participating in international trade fair and exhibition 69.9% were participated sometimes, 12.3% often, 12.3% rarely and only 5.5% are never participated in any international trade fair, Online marketing, website and Email were 79.5% use always and 20.5% used often as a promotional tools, social media for promotion like Twitter, Face book, YouTube 56.2% of the agencies used sometimes, 28.8% rarely and 15.1%

used often, catalogues, magazines and news papers are used 75.3% rarely, 19.2% sometimes and 5.5% are Never used it, E-tourism and E-marketing use for promotion tools by the agencies were 74% used sometimes, 19.2% rarely and 6.8% used always, Television and Radio are used by 91.8% sometimes and 31.5% are never used it and finally if the company use Relationship marketing as a tool for promoting the tourism products were 91.8% were used sometimes, 5.5% rarely and 2.7% often.

As we observed in the above table regarding to which one is the efficient promotional strategies among the company used majority of the respondents are mentioned due the era of the information online marketing, web site promotion and e mail communication are the efficient one and Relationship promotion and marketing promoting through visited tourists for the others also effective and fruitful.

#### 4.8 The Extent to which the Promotional Practiced Achieved.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid likely	73	100.0	100.0	100.0

**Table 4.8 Source; SPSS output the extent to which the promotional practiced achieved.**

As we show in the table above to what extent the companies different promotional activities used to promote the countries tourism product achieved is represented 100% they are likely. This indicated that almost 100% of the respondents are agreed that based on the promotional activities the agencies used is Likely to promote the product.

#### 4.9 Political Instability Affected the Tourists flow.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Agree	13	17.8	17.8	17.8
Strongly agree	60	82.2	82.2	100.0
Total	73	100.0	100.0	

**Table 4.9 Source; SPSS output the political instability affected the tourists flow.**



As the table shows the finding of the study clearly indicated political instability and internal revolution held in the country different regions affect tourists inflow in the specified years, the result from selected tour and travel agencies 82.2% of the respondents are Strongly agree and 17.8% are agree. This means obviously they are agreed the political situation of the countries affect the flow of tourists as compared to the prior years when the countries was relatively safe.

#### 4.10 Tourists Canceled their Visit to Ethiopia

Number of Tourists Cancel their Visit to Ethiopia					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-500	4	5.5	5.5	5.5
	501-1000	8	11.0	11.0	16.4
	1001-1500	23	31.5	31.5	47.9
	Above 1500	38	52.1	52.1	100.0
	Total	73	100.0	100.0	

**Table 4.10 Source; SPSS output Tourists Cancel to visit to Ethiopia.**

Here the table is clearly indicated the evidence how the political situation affected the flow of tourists, therefore based on the result of the study 52.1% of the agencies are confirmed more than 1500 tourists per each agencies were cancelled to visit to Ethiopia, in the range of from 1001-1500 tourists were cancelled are in 31.5% of the Tour and travel agencies, 11% of agencies confirmed from 501-1000 tourists were cancelled and 5.5% of the agencies confirmed from 1-500 tourists cancelled their trip to Ethiopia

#### 4.11 Security Clearance Method Taken by the Agencies.

The table below indicated the security clearance method those travel agencies taken before starting tourists to move from one place to the other tourist destination sites and

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sometimes	29	39.7	39.7	39.7
	Often	23	31.5	31.5	71.2

	<b>Always</b>	21	28.8	28.8	100.0
	<b>Total</b>	73	100.0	100.0	

**Table 4.11 Source; SPSS output the security clearance method taken by the Agencies.**

As the table indicated above the security issue is not as such a simple issue like any others because the image of the countries positively or negatively affected by the travel agencies taking any security related activities or security clearance to travel tourists without fear or to cancel the trip if there is a fear not to move safely, therefore the study shows 39.7% are used this system sometimes, 31.5% often and 28.8% are Always.

#### **4.12 Satisfaction of Tourists by the Safety and Security Measures Taken by the Agency.**

		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Valid	<b>satisfied</b>	70	95.9	95.9	95.9
	<b>very satisfied</b>	3	4.1	4.1	100.0
	<b>Total</b>	73	100.0	100.0	

**Table 4.12 Source; SPSS output Comfortably of Tourists by the safety and Security measures taken by the Agency.**

As the above table shows does tourists are comfortable by the safety and security measures taken by the agencies is a mean value of 4.0411 and standard deviation of .19989, this indicated majority of tourists are satisfied by the action taken by the tour and travel agencies to protect the security of tourists.

#### 4.13 Infrastructure affects the flow of tourists.

	No opinion	%	Strongly Disagree	%	Disagree	%	Agree	%	Strongly Agree	%
Does the Government Support travel agencies	0	0	9	12.3	41	56.2	23	31.5	0	0
Does all tourist destination areas infrastructures are available and accessible	0	0	2	2.7	71	97.3	0	0	0	0
Does the Government properly managing infrastructures for tourism sectors	0	0	14	19.2	58	79.5	1	1.4	0	0
Do you have enough and recently manufactured vehicles and tour equipments	0	0	2	2.7	60	82.2	11	15.1	0	0

**Table 4.13 Source; SPSS output how infrastructure affects the flow of tourists.**

As it is indicated in the above table according to the respondents Regarding to the government support to tour and travel agencies to provide quality service for tourists is 56.2% are disagree, 31.5% are agree and 12,3% are strongly disagree, for question does all tourist destination areas tourism infrastructure are accessible and available for tourists is 97.3% are disagree and 2,7% are strongly disagree, the other point is the government properly managing the tourism sector tourists infrastructure at destination areas to satisfy tourists and to maximize the flow is 79.5% are disagree and 19.2% are strongly disagree, additionally the finding indicated the presence of enough and recently manufactured vehicles and other equipments to satisfy the need and safety of tourists is 82.2% are disagree, 15.1% are agree and the remaining 2.7% are strongly disagree.

#### 4.14 Tourist’s Satisfaction on the available infrastructures.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<b>Unsatisfied</b>	64	87.7	87.7	87.7
	<b>Neutral</b>	5	6.8	6.8	94.5
	<b>Satisfied</b>	4	5.5	5.5	100.0
	<b>Total</b>	73	100.0	100.0	

#### 4.14 Source; SPSS output on Tourists satisfaction on the available infrastructures.

Tourist’s satisfaction is among the important issue for the overall growth of the tourism sector, for increasing tourist’s inflow, for generating good revenue and to create good relationship, in this regard the study focused to measure the satisfaction of tourists in relation to the existing infrastructures like Road, Communication, Hotel services, Vehicles and other tour equipments, therefore the table show that 87.7% of the agencies confirmed tourists are unsatisfied, 5.5% are satisfied and 6.8% are Neutral

Finally the opinion of General Managers, Marketing Mangers and Tour operators from all Tour and travel agencies agreed that the last three years were very difficult years for the sector because of the above mentioned determinant factors tourists were not volunteer to visit Ethiopia and even some times some countries also banned there citizens not to go to Ethiopia, Based on this even if the sector have complicated problems Insecurity of the countries and poor infrastructures including interaction of internet communications makes difficult

**CHAPTER FIVE**  
**SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION**

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### **5.1 Summary of Finding**

#### **Introduction**

This chapter presents Conclusion and Recommendation concerning to the assessment of the Determinant Factors for Tourist's Inflow in Ethiopia; The Case of Selected Tourist Travel Agents in Addis Ababa Accordingly this part of the research summarizes the major findings of the study reveals

- ✓ Insecurity of the countries highly affected the flow of tourists to visit Ethiopia especially for the last three years,
- ✓ The absence and poor infrastructures at tourist destination areas and in general in the countries affect the flow and satisfaction of tourists,
- ✓ More or less the promotional strategies used by the Tour and Travel Agencies are positively promote the countries tourism products.
- ✓ The number of tourists cancel to visit the countries in the specified years is significant which is more than 1000 tourists cancelled in each of 83.6% of the travel agencies,
- ✓ Majority of tourists are satisfied by the available different tangible and intangible tourism products in different parts of the regions therefore, the finding indicated tourists are satisfied by the available product.
- ✓ All of the respondents in Tour and Travel Agencies are First and second degree holders in their educational preparedness and Regarding to the position they are General Managers, Marketing Managers and Tour operators this shows the sector is managing relatively by educated individuals
- ✓ The duration of the agencies in this business is vary which means (31.5%) lies the years between 11-15 and followed (26%) the year between 6-10 and (26%) the year 16-20 again in addition (11%) were years from 1-5 and the remaining (5.5%) were above 20 years of experience..

#### **5.2 Conclusion**

Tourism is one of the fastest growing industries in the world (William, 1991) and has proved to be consistent and significant in its growth (Fletcher, 1997). This industry became a growing source of foreign earnings and one of the sources of growth in the Ethiopians. Therefore, this

study was conducted to understand determinant factors that affect tourism demand of the country. This is important component for planning and employing effective tourism management, interventions and strategies to enhance Ethiopian tourism industry. Through the study of assessment of determinant factors for the flow of tourists in selected tour and travel agencies in Addis Ababa, the researcher disclosed the following indicated as follows:

- ❖ The finding of the study reveals Insecurities occurred in different part of the regions specially in Oromia and Amhara regions negatively affected the number of tourists who need to come to visit the available tourism products, this is clearly indicated in the study many more tourists were cancelled their booking.
- ❖ Poor infrastructures like the basic one in the sector Road, Communication/ internet, cell phone.../, Hotel services, Accommodations, Transport services and etc at tourist destination places and even the way from the center to the destination negatively affected the flow and satisfaction of tourists, this means even if the country endowed by the tourism product the qualities provided is very poor that is why 97.3% of the travel agencies confirmed tourists were not happy by the infrastructures.
- ❖ Tour and travel agencies use various marketing strategies to market and promote Ethiopian tourism products. Among the different promotional strategies tour and travel agencies are used online marketing, website marketing, participating in international trade fairs, social medias, E-tourism, relationship promotion and other methods, in this regard successful marketing and promotion of Ethiopian tourism products requires both efforts of the tour operators and government organizations to work closely to ensure optimal marketing of tourism products, However the study shows even if there are many efforts by the travel agencies the above mentioned problems like insecurity, poor infrastructures and poor government commitment for the sectors does not make the promotion effective.

### **5.3 Recommendation**

Based on the findings and conclusions of the study, the following recommendations are forwarded to the Government, Tour and Travel Agencies and even for Tourist destination area local communities.

Tourism is an important but sensitive sector that contributes the economic growth and employment opportunities for the communities within the country. Based on the research study on the assessment of determinant factors contributing for the low inflow of tourists in the selected travel agencies in Addis Ababa, the researcher has drawn the following recommendations.

### **5.3.1 Recommendation to the Governments**

- ✓ The government should take the lion share to tackle factors clearly identified in the study, the security issue is not as such a simple issue and it doesn't affect only the tourism sector rather if it is not solved early and the local disputes, unexpected revolutions, closing the roads and related activities are not settled peacefully it is sensitive even for smooth political relationship with all over the world.
- ✓ In addition the government should cooperate with the private sector and due attention should be given for this sector by developing working strategies, by providing duty free opportunities for vehicles, equipments etc.
- ✓ Ethiopian Tourism Ministry should identify the efficient marketing strategies to promoting the existing tourism products
- ✓ The government should facilitate the necessarily infrastructures, standard roads, available communication channels, hotels by encouraging the private sectors and other necessary
- ✓ The government should be committed for the sector because even if the countries have interesting tourism products it is fragile therefore care must be given.
- ✓ The government should give attention for the local communities at tourist destination areas and they have to benefit from the income because they are responsible to take care of the product

### **5.3.2 Recommendation to Tour and Travel Agencies/Tour Operators/**

- ✓ Tour and travel agencies should promote the countries potential tourism products via efficient promotional strategies.
- ✓ Skilled man power/ professional tour operators/ is crucial for the development of the sector in many circumstances therefore, as much as possible the travel agencies should take the responsibility to create well trained operators

- ✓ As much as possible the travel agencies should satisfy the need of tourist and should keep the safety and security of tourists.
- ✓ Tour and travel agencies should organize or strengthen the existing association and different research and developmental activities should be done for better development of the sector and to use as an information input.



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ST. MARRY UNIVERSITY

SCHOOL OF GRADUATE STUDENT

**MARKETING MANAGEMENT DEPARTMENT**

**(Questionnaires for Tour and Travel Agencies and Tourist destination areas)**

**Dear respondent,**

This questionnaire is prepared by a graduate student at St Mary University Department of Marketing Management. Currently, I am conducting a research titled “**Assessment On Determinant Factors For Tourist’s Inflow In Ethiopia, The Case Of Selected Tourist Travel Agents And Tourist Destination Areas In Addis Ababa The Year Between 2016 Up To 2018.**” in partial fulfillment of Master of Arts Degree in Marketing Management. This questionnaire is intended to gather information about the determinant factors that affect the flow of tourists to the country the year between 2016 to 2018. Ethiopia. Your genuine responses are important for the success of the study. I, therefore, kindly request your assistance to spend some minutes of your precious time by filing the provided questionnaire. I would like to give you a full assurance that your information would strictly be used for academic research purpose and without your consent no information would be passed on to the third party. Please feel free to contact me the address below.

**ZelalemFekadu**

**Phone: +251-9-11-93-57-08**

**E-mail Zllmfekadu@gmail.com**

I am so grateful for your precious time and invaluable responses and or inputs

**General instruction**

- Please do not write your name
- Please make circle or cross for section I to your responses
- Please use a tick mark (√) for appropriate answers

### Section 1. Background Information of respondent

1.1	Gender	1. Male                      2. Female
1.2	Position of Respondent	
1.3	Age of respondent	1. Below 30    3.40-50                      5.Above 60 2. 30-40                      4.50-60
1.4	Marital status	1. Single                      2. Married    3. Widowed
1.5	Educational qualification	1. Certificate or below    3.Bachelor Degree    5.PHD 2. TVET    4.MA/MSC                      6. Other
1.6	What is your nationality?	1. Ethiopian 2. Other, specify _____
1.7	How long the Agency stay in this business	1. 1-5 years                      3. 11-15 years    5. Above 20 year 2. 6-10 years                      4. 16-20 years

### **Section II Questions on tourism products of the country and the Agencies provide for tourists (please tick the appropriate answer only)**

3. Please indicate the tourism products or services your company offer for tourists in general ( please tick the applicable),

- (a) Cultural tour ( )
- (b) Wild life photographic safaris ( )
- (c) Hunting safaris ( )
- (d) Beach holidays ( )
- (e) Mountain climbing ( )
- (f) Scenic tour ( )
- (g) Historical tour ( )
- (h) Walking and biking tour ( )
- (i) Hiking and Trekking tour ( )
- (j) Canoe and Boat safaris ( )
- (k) Horse ride safaris ( )
- (l) Accommodation ( )

- (m) Air ticketing ( )
- (n) Transfer services ( )
- (o) Shuttle services ( )

4. Kindly indicate below the tourism products tourists prefer. Please tick the applicable below).

- (a) Wild life safaris ( )
- (b) Cultural safaris ( )
- (c) Mountain climbing ( )
- (d) Beach Holiday ( )
- (e) Wild life and Mountains ( )
- (f) Wildlife, mountains and Beach ( )
- (g) Wildlife and Beach ( )
- (h) Historical Tour ( )
- (i) All of the packages ( )

5. Does tourists are satisfied by the available tourism products in the country?

- (a) Very Unsatisfied ( )
- (b) Unsatisfied ( )
- (c) Neutral ( )
- (d) Satisfied ( )
- (e) Very satisfied ( )

6. Please indicate your company source of tourists market (please tick the applicable one).

- (a) Foreign ( )
- (b) Domestic ( )
- (c) Both ( )

7. As per your experience how many days tourists stay in the country in average

- (a) Less than 7 days ( )
- (b) 8-15 days ( )
- (c) 16-30 days ( )
- (d) 31-60 days ( )
- (e) More than 60 days ( )

8. What are the overall opinions of tourists on the tourism products and services available in the country are they happy or not? Please mention their feeling in words and say your suggestion as a travel Agency.

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9. What are the basic determinant factors for the last 3 years that highly affect the flow of tourists in Ethiopia?(Please tick the appropriate answer)

<b>List of Determinant Factors that Affect Tourists inflow in the country the year 2016-2018</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<b>9.1</b> Insecurity of the countries in different regions affects tourist's inflow.					
<b>9.2</b> Poor infrastructure like (Road to reach to tourist destination areas, Hotel services, Communication like telecom etc) affects tourist's inflow.					
<b>9.3</b> Lack of enough travel Agencies and tour operators to provide the service affect tourists flow					
<b>9.4</b> The overall cost tourist spent is expensive during the visiting period as compared to other countries					
<b>9.5</b> Shortage of tourist destination areas/tourism product/ in the country affects the flow.					
<b>9.6</b> Shortage of trained man power/ Tour operators/ in the field affects the flow of tourists.					

### **Section III Questions on marketing strategies and promotional activities of travel agencies**

10. Please Indicate below the Promotional Practices the Travel Agencies /Tour Operator /use for Marketing and Promotion of Ethiopian Tourism Products, (please tick the applicable)

Tourism product promotion strategies used by the Travel Agencies					
	Never	Rarely	Sometimes	Often	Always
10.1 The agency has been participating in International Trade Fair and Exhibitions to promote the tourism product					
10.2 Online Marketing, Website pages of the company and, E mails are use to promote the product?					
10.3 Do you use Social media, blogs, face book, you tube and twitter for promoting					
10.4 Do you use Catalogues, magazine and news papers for promotional activities of the tourism product?					
10.5 Does E-tourism and E-marketing use for promoting the tourism product by your company?					
10.6 Do you use Television and Radio network for promotion for tourists					
10.7 Does your company use Relationship Marketing to promote the tourism product?					

11. With reference to the promotional practices the company uses above, which one do you think is the **efficient promotional strategy** the company has concentrated more in marketing and promotion of Ethiopian tourism products? And why

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12. To what extent the promotional practice the company use have achieved in marketing and promotion of Ethiopian tourism products? (Please tick appropriate one only).

- (a) Very likely ( )
- (b) Likely ( )
- (c) Neutral ( )
- (d) Not likely ( )
- (e) Very unlikely ( )

**Section III Questions on how Safety and security affect the flow of tourists in Ethiopia for the specified years.**

13. Do you believe Political instability and internal revolution held in the country different regions affect tourists in flow in the specified years? ( please tick only one)

- (a) Strongly Agree ( )
- (b) Agree ( )
- (c) Disagree ( )
- (d) Strongly Disagree ( )
- (e) No opinion ( )

14. If your answer for Q.2 is strongly Agree or Agree how many tourists are cancel their program to visit Ethiopia (only by the security case) in 2016 to 2018.( please tick only one)

- (a) 1-500 ( )
- (b) 501- 1000( )

- (c) 1001 – 1500 ( )
- (d) Above 1500 ( )

15. Do you have a security clearance method before departing tourists from one tourist destination area to the others? (please tick only one)

- (a) Never ( )
- (b) Rarely ( )
- (c) Sometimes ( )
- (d) Often ( )
- (e) Always ( )

16. Does tourists are comfortable by the safety and security measures taken by the travel Agencies?(tick only one)

- (f) Very Unsatisfied ( )
- (g) Unsatisfied ( )
- (h) Neutral ( )
- (i) Satisfied ( )
- (j) Very satisfied

17. As a tourist travel agencies how do you explain the relative effect of the securities issues as compared to before 2016 on the flow of tourists and what measures should be taken by the government and other stakeholders to make the security is safe ?

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**Section IV Questions on how infrastructure affects the flow of tourists in Ethiopia for the specified years.**



18. Does the government support travel agencies to provide quality services for tourists?

(Example by facilitating duty free vehicles, duty free tour equipments, etc )

- (a) Strongly Agree ( )
- (b) Agree ( )
- (c) Disagree ( )
- (d) Strongly Disagree ( )
- (e) No opinion ( )

19. Does all tourist destination areas tourism infrastructure are accessible and available for tourists? /accommodation facilities, food and beverage facilities, accompanying facilities and communications/( please tick the one)

- (a) Strongly Agree ( )
- (b) Agree ( )
- (c) Disagree ( )
- (d) Strongly Disagree ( )
- (e) No opinion ( )

20. Does tourists are satisfied by the available infrastructures at tourist destination areas?(please tick the one )

- (a) Very Unsatisfied ( )
- (b) Unsatisfied ( )
- (c) Neutral ( )
- (d) Satisfied ( )
- (e) Very satisfied ( )

21. Do you think the government properly managing the tourism sector tourist's infrastructure at destination areas to satisfy tourists and to maximize the flow?(please tick the one)

- (a) Strongly Agree ( )
- (b) Agree ( )
- (c) Disagree ( )
- (d) Strongly Disagree ( )

(e) No opinion ( )

22. Do you have enough and recently manufactured vehicles and other equipments to satisfy the need of tourists and to provide the service efficiently? (please tick the one)

(a) Strongly Agree ( )

(b) Agree ( )

(c) Disagree ( )

(d) Strongly Disagree ( )

(e) No opinion ( )

23. How do you explain the countries tourism infrastructure by considering as a determinant factors for tourist's inflow to the country and what measures should be taken by government and other stakeholders?

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24. Do you think there are enough professional tour operators in the sector to handle the service properly?

(a) Strongly Agree ( )

(b) Agree ( )

(c) Disagree ( )

(d) Strongly Disagree ( )

(e) No opinion ( )

25. As per your experience in the tourism sector which determinant factors are highly affect the flow of tourists for the past three years(2016-2018) list in order of its effect from high to low and what is your general opinion regarding to the tourism sector and its determinant factors?

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***Thank you Very Much for your cooperation!!!***