

**ST. MARY'S UNIVERSITY COLLEGE**

**BUSINESS FACULTY**

**DEPARTMENT OF MARKETING MANAGEMENT**

**AN ASSEMENT OF THE PRACTICE OF TOURISM  
SERVICE MARKETINF IN MINISTRY OF CULTURE AND  
TOURISM.**

**BY: - SIMEGN GEBRE**

**JUNE 2010**

**SMUC**

**ADDIS ABABA**

**AN ASSEMENT OF THE PRACTICE OF TOURISM  
SERVICE MARKETINF IN MINISTRY OF CULTURE AND  
TOURISM.**

**A SENIOR ESSAY SUBMITTED TO THE DEPATMENT OF MARKETING  
MANAGEMENT.**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS OF A  
BACHELOR OF ARTS DEGREE IN MARKETING MANAGEMENT.**

**BY: - SIMEGN GEBRE**

**June 2010  
SMUC  
ADDIS ABABA**

**AN ASSEMENT OF THE PRACTICE OF TOURISM  
SERVICE MARKETINF IN MINISTRY OF CULTURE AND  
TOURISM.**

**BY: - SIMEGN GEBRE**

**FACULTY OF BUSINESS  
DEPARTMENT OF MARKETING**

**APPROVED BY THE COMMITTEE OF EXAMINERS**

\_\_\_\_\_  
**Chair person**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Advisor**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Examiner**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Examiner**

\_\_\_\_\_  
**Signature**

## **ACKNOWLEDGEMENT**

I Would Like Thanks Respondents, My Advisor W/rt Tigest Belay, Ato Belete Tegegn and Other Who Assisted Me In The Preparation Of This Paper And I Have no Words To Say For Everything They Have Done For Me. In Short Thanks A Lot For All Your Good Deeds And May God Fulfill Your Wishes.

## **I**

### **EXECUTIVE SUMMARY**

**This study paper is prepared by prospective graduating student for the partial fulfillment of bachelor of art in marketing management. The research paper is addressed to the practice of Tourism service marketing in Ministry of Culture and Tourism as a case study.**

**The objective of the study is mainly to identify the real problems of the Tourism industry and suggest solutions, which will be a bench mark for this industry, to enhance the service quality. The research distributed questionnaires for foreigners and local Tourists, for service operating and Tour agents to measure the service quality dimensions such as customers' complain handling, responsiveness, reliability and others.**

**An interview conducted with the ministry of culture and Tourism, to understand the responsibilities and activities of this government body towards the service quality of the Tourism industry. Besides, the researcher observing some areas around hotels, gift shop sellers and NGO'S (Non Government Organization) offices where believed was more foreigner Tourists available.**

**The study paper includes the following organizations chapter I. includes background, problems, objectives of the study, scope and methodology, chapter II, consists of conceptual frame work and literature review, chapter III, has data analysis and interpretation, summary of finding and chapter IV, consists of conclusion and recommendation. At last there is bibliography and appendix which has questionnaires, and interview.**

**In general, the researcher believed, the solution given in the recommendation will alleviate the problems existing in the service quality.**

## **II**

## Table of contents

- I. Acknowledgement
- II. Executive Summary
- III. Table of content
- IV. List of table

<b>Chapter</b>	<b>Page</b>
<b>1. Introduction.....</b>	<b>1</b>
<b>1.1. Background of the study.....</b>	<b>1</b>
<b>1.2. Statement of the problem .....</b>	<b>2</b>
<b>1.3. Objective of the study.....</b>	<b>3</b>
<b>1.4. Significance of the study .....</b>	<b>3</b>
<b>1.5. Scope of the study .....</b>	<b>4</b>
<b>1.6. Definition of Terms.....</b>	<b>4</b>
<b>1.7. Methodology of the study .....</b>	<b>4</b>
<b>1.7.1. Research Design.....</b>	<b>4</b>
<b>1.7.2. Study Population .....</b>	<b>4</b>
<b>1.7.3. Sample size and Sampling technique .....</b>	<b>4</b>
<b>1.7.4. Type of data to be used .....</b>	<b>5</b>
<b>1.7.5. Data collection method .....</b>	<b>5</b>
<b>1.7.6. Data analysis techniques.....</b>	<b>5</b>
<b>1.8. Organization of the study.....</b>	<b>5</b>
<b>2. Literature review .....</b>	<b>6</b>
<b>Conceptual frame work of service marketing.....</b>	<b>6</b>
<b>Special characteristics of service.....</b>	<b>6</b>
<b>Quality service .....</b>	<b>7</b>
<b>Determinants of quality service.....</b>	<b>8</b>

Service marketing mix.....	8
Tourism meaning, Type and Significance.....	9
Meaning of Tourism.....	9
Type of Tourism .....	10
Significance of Tourism .....	11
Tourism in Kenya .....	12
Tourism in Ethiopia.....	13
Arrivals of Tourists in Ethiopia.....	15
Tourism expenditure .....	15
Accommodation .....	15
Tour operator and Travel agents.....	16
3. Analysis and Interpretation of Data.....	18
Summary of interview .....	18
Summary of data from questionnaires .....	20
4. Summary Conclusion and Recommendation .....	37
Summary .....	37
Conclusion .....	39
Recommendation .....	41
Bibliography	
Appendices	

## **List of table**

<b>Table 1:- characteristics of respondents .....</b>	<b>21</b>
<b>Table 2: Tour service operating respondents regarding Tour service activities .....</b>	<b>22</b>
<b>Table 3:- Respondents of Tour service providers about Service quality .....</b>	<b>23</b>
<b>Table 4: Analysis of the service providers complaint .....</b>	<b>26</b>
<b>Table 5: Other analysis of employees of the service provider.....</b>	<b>27</b>
<b>Table 6: Analysis of customers/Tourists opinion towards Tourism service .....</b>	<b>28</b>
<b>Table7: Evaluating the service providers of good relation ship .....</b>	<b>30</b>
<b>Table 8: Variable rating the Tour service provider service quality .....</b>	<b>31</b>
<b>Table 9: Rating the service provider based on culture .....</b>	<b>32</b>
<b>Table 10: Complaints handling of Tour service provider .....</b>	<b>34</b>
<b>Table 11: Analysis of research from observation.....</b>	<b>36</b>

# CHAPTER ONE

## INTRODUCTION

### 1.1. Background of the study

Lea (1988:4) pointed out that the world tourism is: The sum of phenomenon and relationship arising from the travel and stay on non-residence in so far as they do not lead to permanent residence and are not connected to any earning activities. In relation to this, tourism service marketing is the act of travel for predominantly recreational or leisure purpose, and also refers to the provision of service in support of this act.

Habte Sellassie Tafesse founded the first tourism organization in 1950's and named as Ethiopian Tourism Organization (ETO), but there were so many ups and downs. It was not easy to start the tourism industry in Ethiopia. Most people infect hostility to the very idea and particularly to photography. Then there were no rudimentary facilities and service. There was a very modest budget for the whole sector, which amounted to only 220,000 birr (Seifu, 2007:13).

Ethiopian tourism in the Derge Regime was in problem because of the political philosophy of the government. It nationalized the private tour operators and established one tour operator called (NTO) and the western people were not allowed to come to Ethiopia. (Source: Brochures).

After 1983E.C. due to the government change, the policies changed and the tour operators became privatized. As a result of the privatization of public sectors, competition between operators grew up and tourism industry was improved. By further studying the tourism potential of the country, the tourism commission was upgraded to a ministry level by being combined with the culture office at the end of 1997E.C. and was given new name: Ministry of Culture and Tourism. (Source: Brochures).

Even though the tourism industry was developed, there are still recurrent problems that hamper the sector service improvement as expected. Some of the causes for these



problems are lack of accommodation such as Hotel, Lodging, Guest House, Lack of infrastructure and lack of skilled tourist guide ...etc.

In view of these, this research paper will study what problems currently exist in the tourism service marketing and possible recommendation will be given by taking into consideration government and private tour service providers.

## **1. 2. Statement of the Problem**

History tells us about Ethiopia has 3000 years of history and is a resourceful country with a diversified ethnic and cultural settings, and is known to be the beginning of human life in this globe. In this sense, the country has a wide potential to exploit its resource in tourism industry, which is one of the means to generate income.

In order to maximize the benefit of the industry, Ethiopia should focus on the service qualities that are given by the sector. Ethiopia is one of the least developed nations in the world, and the tourism industry should have been exploited to generate better income. However, due to low level of tourist attraction, poor infrastructure, political instability, and related problems this has not been achieved so far.

The company published document of Ministry of Culture and Tourism show that the quality service delivery of tourism in Ethiopia is very poor and still does not show a tremendous improvement as expected. This problem is more aggravated due to the cause of the following reasons, which are the most crucial causes of the stated problems observed by the student researcher.

- Lack of sufficient accommodation such as hotel, guest house, gift shop,... etc. in the area of eco-tourism
- Lack of sufficient infrastructure
- Unskilled tourist guide

Because of the above mentioned problems, the tourism industry offers poor service quality. In addition, it is predicted that unless some measures are taken, the tourism industry will not show any improvement as desired.

### **1.3. Basic Research Question**

In light of the above this study were attempt to address the following basic research questions:-

1. What are the major factors that negatively impact the current service quality of the Ethiopian tourism industry?
2. What measures should be taken to improve the existing poor Tourism service quality of the country?
3. To what extent are the responsible bodies and service providers monitor and timely follow up the quality of tour service?

### **1.4. Objective of the Study**

Upon completion of this study, inherent problems of the tourism industry will be identified and possible solutions will be forwarded, which can be used as a bench mark for the sector to enhance its service quality.

In addition, the specific objectives of this study are:-

- To identify the major problems of tourism in Ethiopia
- To develop more consideration, awareness in the stakeholders in the tourism area of marketing service
- To craft a well standard quality service deliveries within the sector that will help in minimize or eliminate poor service quality.

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

This research has its own contribution in the following aspects:-

- It will give appropriate solution for the existing problems to the issue of tourism service quality.
- It helps to promote tourism, which can be a good source of income for local communities around the tourist areas.

- It is assumed to be important in that it will serve as an additional input for the existing literature and to those who need to conduct similar study about tourism service marketing.

## **1.6. Scope of the Study**

Even though, the consideration of creating standardize qualities as such are not deliberately worked in the past through out the eco- center of the country this study is conducted by taking as a case study of Ministry of Culture and Tourism. Because of time constraint, these studies were emphasizing only by taking sample in Addis Ababa. The researcher takes as a sample 20 private service providers and national tour organization in Addis Ababa city.

## **1.7. Definition of Terms**

**Accommodation:** - is providing lodge, hotel another gift shop for tourists.

**Tourism:-** is the act of travel for predominantly recreational or leisure purpose, and also refers to the provision of service in support of this act.

## **1.8. Methodology of the Study**

### **1.8.1 Research Design**

This study was be carried out by employing descriptive research design, which was facilitate the use of questionnaires, interview and observation to describe the tour service delivery from selected samples.

### **1.8.2 Study Population**

The population of this study includes tour operators such as private tour agents, the National Tour Organization and the Ministry of Culture and Tourism. Besides this study was also include both foreign and local tourists as a study population.

### **1.8.3 Sample Size and Sampling Techniques**

The student researcher has taken 10 private service providers out of a total of 20 by employing simple random sampling technique because this method used to give equal

chance to all samples. Since this research is designed for problem solving, 200 samples were selected to determine the sample size as per the suggestion given by Malhotra (2007). Accordingly 30 tour guide were selected for the sampled tour operators by lottery method. On the other hand 170 tourists (100 local and 70 foreign) were selected by using convenience sampling technique because of there homogeneity property of tourists and also tourists was contacted as they came to the desk of the tour operators. Besides, interview was conducted with three managers of sampled companies by purposive sampling method because those managers were have well experienced and expertise on eco-tourism.

#### **1.8.4 Type of Data used**

The researcher uses both primary and secondary sources to make the study more fulfill.

#### **1.8.5 Data Collection Method**

The primary data were collected through 200 questionnaires, administered to tourists and tour service providers and also interview checklist were prepared and used to collect the qualitative data. More over the secondary data were collected front company published documents.

#### **1.8.6 Data Analysis Method**

The responses to questionnaires from selected sample were systematically tabulated and statistical measures like percentage were used for analysis of data. The responses to some interviews open ended questions and observation were analyzed qualitatively, and discussed in words.

### **1.9. Limitation of the study**

There is a limitation on getting the right people which have an objective to tour called Tourists due to the main reason that unable to identify easily the right Tourists, and shortage of time while conducting the study.

## **1.10. Organization of the Study**

The paper was organized in four chapters. The introduction part was presented in the first chapter which includes the background, statement of the problem, objective of the study, significance of the study and organization of the paper.

In chapter two, there was summary of conceptual and literature review and chapter three was containing analysis and interpretation of data and the end of the paper was take chapter four. It was give summary conclusion and recommendation and at last Bibliography and Appendix was attached to the research report.

## **CHAPTER TWO**

### **REVIEW OF LITERATURE**

#### **2.1 Conceptual Frame work of service marketing**

Kotler (1998:464) defines services as any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product.

##### **2.1.1 Special characteristics of service**

Stevenson (1999:420) defines Service are said to have four key characteristics which impact on marketing programs. These are:-

##### **Intangibility**

Service are intangible they cannot be seen or tested. This can cause lack of confidence on the part of consumer. To reduce uncertainty, buyers thus look for signs of service quality. They draw conclusions about quality from the place, people, equipment, communication material, and price that can see. There for the service providers task is to make the service tangible in one or more ways.

For instance the tour service provider/operator that wants to transfer the idea that is service is

##### **Inseparability**

Service are produced and consumed at the same time, unlike goods, which may be manufactured, the stored, for later distribution. This means that the service provider becomes an integral part of the service itself. Because the client or the tourist is also present as the service is produced, tour service provider or client interaction is a special feature of service marketing. Both the provider and the client affect the service outcome.

### **Heterogeneity/Variability**

Service are highly variable, their quality depend on who provides them and when, where, and why they are provided. Service buyers are aware of this high variability and frequency talk to others before selecting a service provider.

Service firms can take several steps toward quality control. They can carefully select and train their personnel, provide incentives that emphasize quality. They can make service employees more visible and accountable to consumers. A firm can regularly check customer satisfaction through suggestion and complaint systems, customer surveys, and comparison-shopping, so that poor service can be detected and corrected. How a firm handles problems resulting from service variability can dramatically affect customer perception of service quality.

### **Perishability**

Service is perishable they can not be stored for later sales or use, unlike product that behaves the characteristics of inventoried for later use or to overcome the sudden stock out cost.

#### **2.1.2 Quality Service**

Quality refers to the ability of a product service to consistently meet or exceed customer expectation. In short quality means getting what your pay for, (Stevenson, 1999:420).

Service quality is measured on two levels:

**Technical quality:** - is the overall efficiency with which a service provider or operator handles its tourist's accounts in terms of by giving all the necessary information for four areas.

**Functionality:-** refers to the way the service is actually delivered; this includes the service provider courtesy, the service environment in terms of comfort and décor, the customers' own role.

#### **2.1.3 Determinants of quality service**

**Reliability:** - involve consistency of performance and dependability.

**Responsiveness:** - Concerns the willingness or readiness of employees to provide service.

**Competence:** - means possession of the required skill and knowledge to perform the service.

**Access:** - involves approachability and easy of contact.

**Courtesy:** - involves politeness, respect, consideration, and friend ness of contact personnel.

**Communication:** - means keeping customers informed in language they can understand and listening to them.

**Credibility:** - involves trust worthiness, believability, and honesty.

**Security:** - is the freedom from danger, risk or doubt.

**Understanding/knowing:** - refers the customer involves making the effort to understand the customers' need.

**(Tangible:** - include physical evidence of the service.

(Source: Zeithmal, v, and Binter J. 2004:23-25)

#### **2.1.4 Service Marketing Mix**

One of the most basic concepts in marketing is the marketing mix Zeithmal, v, and Binter J. (2004:23-25) define service marketing mix as the elements an organization controls that can be used to satisfy or communicate with customers. Service marketing mix is composed of seven **Ps'**: product, price, place (distribution), promotion, people, physical evidence and process.

**Product:** - its physical good feature, quality level, accessories, packaging, warranties, branding ...etc.

**Place:** - includes channel type, intermediaries, transportation, storage and managing channels.

**Promotion:** - comprises promotion blend, sales people, advertising etc.

**Price:** - flexibility, terms, differentiation, discounts, and allowances.

**People:** - all human actors who play important role in service delivery and thus influence the buyer's perception.



**Physical Evidence:** - the environment in which the service is delivered and where the firm and customer interact: and any tangible component that facilitate performance or communication of service.

**Process:** - the actual procedures, mechanisms and flow of activity by which the service is delivered the service delivery and operating system.

## **2.2 Tourism Meaning, Type and Significance**

### **2.2.1 Meaning of Tourism**

Goeldne (1990:4) pointed out that the word tourism is a composite of activities, services industries that deliver a travel experience namely transportation, accommodation eating and drinking establishment, shops entertainment, facilities and other hospitality services available for individual or groups that are traveling away from home.

The above definition of tourism is strengthened by Matheson (1992). Tourism is the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destination and the facilities to cater to their needs.

Internet definition of tourism found in Wikipedia (see <http://wikipedia.org>) tourism is defined as:

- The act of travel for predominantly recreational or leisure purpose, and also refers to the provision of service in support of this act.
- The sum total of operators, mainly of an economic nature, which directly relate to the entry, stay and movement of foreigners inside and outside a certain country, city or a region.
- The sum of the phenomena and relationship arising from the travel and stay of non-residents, in so far as they do not lead to permanent residence and are not connected with any earning activity.
- The temporary short term movement of people to destination outside the places where they normally live and work their activities during the stay at each destination. It includes movement for all purposes.

According to the World Tourism Organization (WTO, 1997) tourism is the activities of persons traveling to and staying in place outside their usual environment for not more than

one year for leisure, business and other purpose, those visitors whose length of stay in country reach or exceed 24 hours thus spreading at least one night in the visited country are called international tourists. But if any person visited a country other than their usual place of residence but outside their usual environment for less than travel consecutive months and whose main purpose of travel is not to work for pay in the place visited are international visitor. And if a foreign visitor whose stay does not exceed 24 hours are called the same day visitor/ Excursionist.

### **2.2.2 Types of Tourism**

United Nations World Tourism Organization (UNWTO, 1994) identified two forms of tourism.

**Domestic Tourism:-** It involves of the given country traveling only with in the country.

**In Bound Tourism:-** It involves non-residents traveling only with in the country. According to world tourism organization (WTO, 2001), tourism can be classified in deferent ways. The following are some of them.

1. **Eco-Tourism:** - It is a form of nature based tourism relying on natural living environment and maintenance of their natural eco-system. In eco-tourism the physical environment is the focus of the tourists activity. Eco-tourism activities typically focus on providing access to remote, rare and/or spectacular natural setting. Tours that concentrate on wildlife viewing are another major form of eco-tourism.
2. **Culture Tourism:** - It is refers to the segment of the industry that places special emphasis on cultural attractions. These attractions are varied, and include performances, museums, displays, and the like. In developed cultural attractions include are galleries plays and orchestral and other musical performance.
3. **Rural Tourism:** - It is the primary tourism generating markets are highly developed urbanized areas most of the residents of these areas wish to escape from their modern urban and suburban environments. And visit simpler, less dev eloped areas rural, adventure, and cultural tourism are often cited as the segments of the tourism, that had the most promise of incorporating the principles of suitability.
4. **Adventure of Tourism:-** It is many tourist have the desired to participate activist that provide them with a challenge, thrill, or intense experiences. Some of these

tourists want to test their physical skills in new or usual ways, with activities like mountain climbing and hiking. In general adventure tourism relies on natural and environmental features, such as mountains, rivers, forests and the like.

5. **Health Tourism:** - It refers to travel to facilitate and destinations for obtaining health care services or health related benefit. Health tourism thus encompassed may different types of activities, which emphasis on the health of the tourist. Health tourism is considered to be a segment with much potential during the nest decades, a generation of people who become an accustomed to modern medical care will entering their retirement's years.
6. **New age Tourism:** - A growing number of tour operators are offering programs that focus on metaphysical and spirituality designed for travelers in search of life's deeper meanings and wishing to escape from the excessive materialism of the world people who consider themselves part of the new age movement share a belief in the importance of learning from the ancient cultures, encompassing spiritually, metaphysics, yoga, mediation, natural healing, horology and communication.
7. **Educational Tourism:-** Although all tourism can be thought as educational in the sense that the visitors about a destinations culture, society and other aspects, the term educational tourism generally refer to travel in which the learning occurs with in structured or formal program. A familiar and popular form of educational tourism is the "study abroad", in which students attend schools or programs (usually for semester or academic year) in other locations often in a foreign country.

### **2.2.3 Significance of Tourism**

Tourism has its own benefits. The benefits are discussed below.

#### **Benefits of Tourism**

Tourism has been the most prominent civil industry in the world (Okungu, 2001, and [http://www.Iwww world-fourgh.Org](http://www.Iwww.world-fourgh.Org)). According to Dleke (2003), the benefits of tourism are usually felt at two levels these are Macro/national and Micro or substantial level. At the macro-level, tourism is expected to faster economic growth through foreign exchange earning and a increase in state revenue.

At the second level on the socio cultural side, as tourism is a massive interaction of people (Dleke, 2003), tourism promotes a certain aspects of inter-cultural communication, stimulates the expression of traditional wear, carving industries and provides opportunities for the growth of local entertainment. In additional tourism helps promote conservation and biodiversity, historical and cultural sites, (Okungu, 2001).

### **Africa countries comparison of receipts per tourists for 2009**

Country	2009		Receipts/tourists
	Tourists	Receipts in 000'us	
Egypt	5746	4,584,000	798
South Africa	6505	4,270,000	656
Morocco	4552	2,856,000	627
Tunisia	5114	1,583,000	310
Mauritius	702	683,000	973
Tanzania	552	450,000	815
Kenya	927	359,000	387
Namibia	659	333,000	479
Uganda	305	189,000	620
Reunion	432	311,000	720
Senegal	354	184,000	520
Zambia	578	149,000	258
Sudan	51	118,000	2314
Ethiopia	184	90,000	489

**Source:** Ministry of Culture and Tourism Organization compendium of tourism stat, 2009 edition.

### **2.3. Tourism in Ethiopia**

Ethiopia is one of the largest countries in Sub-Saharan Africa. The country covers 1.14 million square kilometer and occupying a large part of horn of Africa.

The country is endowed with unique combination of natural and cultural heritages, impressive scenery, suitable climate, rich flora and fauna and recognized archeology sites. Its capital, Addis Ababa is the seat of many formal organizations including of African Union (AU) and the United Nation Economic Commission for Africa (UNECA).

Ethiopia is beautifully endowed with many kinds of wild life all fauna more than 800 species of birds reside in Ethiopia of which 23 are endemic to the country these are 100 species of mammals of which seven of big mammals are endemic to Ethiopia (Ayalew,1998).

The mountains, the lakes and the rivers of the country have many fascinating features. There are 25 mountains in central and northern Ethiopia, which are 400 meter above sea level and 60 of them are above 3000 meters sea level. The fourth highest peak of Africa's mountain Ras Dashen is located in Ethiopia.

The Blue Nile, Awash, Genale, the Wabishebele, Omo, Tekeze and Baro rivers are among few and the most useful rivers for the country socio economic development. The most known natural lakes are also in the main rift valley region of Ethiopia. Lake Langano, Abaya, Shalla, Abaya, Chamo, Awassa and other are among the potential ones for the development of tourism.

Ethiopia is the thirteen-month of sunshine country. The principal rainy season is from June-September, while little interruption of rain in February and March. The average temperature of the country is 98°C in the hottest seasons and 14°C in the rainy season the average annual rainfall of the central high lands is 1000mm. The coldest night registered in November and December while the wettest months are July and August humidity varies between 50% and 80% through out the year.

Ethiopia also has a rich history. Its history expands in the pre-historical period when written history was not available. Among other things the eight world heritage sites namely the Axum Obelisks, the Castle of Gondar, The Siemen Mountain Natural Park, The rock-hewn Churches of Lalibella, the Stele of Tropa Handar Paleontological sites, the lower Omo Valley and the Walled city of Harar registered by UNESCO as World heritages, testify Ethiopian's might of ancient time and the endowment of country with significant tourists attraction site.

Compared with other countries in the world tourism as an economic sector, came into being in Ethiopia very recently. It was somewhere in the second half of the 20<sup>th</sup> century that the imperial government paid attention to the sector.

The initial year of the tourism industry in Ethiopia is 1996. During which the uncles of the tourist office in the history of Ethiopia emerged in the capital of the country. Because of this, 1996, is known as the year of tourism and time where this industry was accepted as illustrative business activity for the first moment by the governmental of Ethiopia (Ayalew, 1998).

### **2.3.1 Arrivals of Tourist in Ethiopia**

The country has six major tourists' ports, by air Addis Ababa, Dire Dawa, by Road Moyale, Metema and Garifi and by Rail Demale.

### **2.3.2 Tourism Expenditure**

Reading receipt from tourism sector, it has shown steady increase from 1997-2005 except in 1998 during Ethio-Eritrean war, which caused a decline when compared to the previous. In 2009 the country's tourism receipt is estimated to be birr 1.2 billion which has shown 103.8% growth when compared with last years. The chart below shows receipt in USD for the years 2001-2005.

### **Tourism contribution to export for the years 2001 to 2005 in millions of USD**

<b>Year in G.C</b>	<b>GDP</b>	<b>Export</b>	<b>Receipt</b>	<b>Percentage contribution to export (%)</b>	<b>Percentage contribution to GDP (%)</b>
2001	7913	252.4	77.1	17.04	1.07
2002	7859	482.7	89.9	18.62	1.14
2003	9185	600.7	114.3	15.29	1.19
2004	9273	806.4	134.5	11.49	1.66
2005	9957	830.3	149.8	11.990	1.79

**Source:** National Bank of Ethiopia

### **2.3.3 Accommodation**

When we talk about tourism, we talk about three basic constituents of tourism. These are attraction, transportation and accommodation. When we say accommodation basically we say hotels those give lodging service.

#### **Accommodation static's (government hotel)**

The governments hotels are organized in five chain namely Ghion, Ras, and Wabishebele, Ethiopia and Filwoha Hotel enterprises. The historic route is served by largest chain the Ghion, the eastern part of the country by Ras, the west by Ethiopia and the south by Wabeshebelle. The specialized Wabishebelle chain consists of spots such as Sodere and Wondo Genet resorts.

#### **2.3.4. Tour operator and Travel Agents**

At present there are 120 licensed and qualified tour operators in Ethiopia. This is a great leap forward against 1990's figure of one government owned National tour operator. Tour operators have their own logistic facilities and accomplished the tour activities their own receive revenue by setting their own price. But tour agents facilitate the tour activities, and for others receive revenue as a commission from others.

(Source: Ministry of Culture and Tourism).

#### **Tourist Class Hotel in Ethiopia**

<b>Regional State</b>	<b>Type of Star</b>	<b>Number of Hotel</b>
1. Addis Ababa	5	2

	4	8
	3	13
	2	15
	1	16
	Recommended for Tourists	5
	Total	<u>59</u>
2. Amhara	3	5
	2	1
	1	10
	Recommended for Tourists	5
	Total	<u>21</u>
3. Oromia	3	2
	2	7
	1	12
	Recommended for Tourists	15
	Total	<u>32</u>
4. SPNN	3	1
	2	3
	1	12
	Recommended for Tourists	5
	Total	<u>21</u>
5. Tigray	4	1
	3	2
	2	3
	1	8
	Recommended for Tourists	8
	Total	<u>22</u>
6. Dire Dawa	3	1
	2	2
	1	2
	Recommended for Tourists	2
	Total	<u>7</u>
7. Harari	2	1
	1	2
	Recommended for Tourists	5
	Total	<u>8</u>
8. Somalia	1	2
	Recommended for Tourists	3
9. Gambella	1	1
	Total	<u>1</u>

Source: Tourism Report 03/01/2010

## CHAPTER THREE



## **Data Presentations, Analysis and Interpretation**

This Chapter deals with responses obtained from the questionnaires filled by tourists and service operators and interview conducted with administrative managers of Ethiopian Tourism Commission and observation by the researcher. For the sake of representative sampling of the whole population, the researcher took a sample of 170 foreign and local tourists. On the other hand, 30 individuals were selected from 10 tour operators or service agents. For the sake of observation, the researcher tried to see the physical layout or tangible evidences and the promotion materials of the tour service operators or agents. A total of 200 copies of questionnaire were prepared and distributed for selected sample groups i.e. tourists and tour service providers. Out of each of the 170 and 30 copies, 160(94.1%) and 25(83.3%) copies were properly completed and returned by tourists and service providers respectively, from the returned 185(92.5%) questionnaire. Out of this 37 were discarded due to improper responses of the samples, and the researcher analyzed 150 clearly filled questionnaires. The gathered data were analyzed using simple percentage and open ended question and interviews were qualitatively analyzed.

### **3.1. Summary of Interview**

Understanding what the vision, mission and objectives of Ethiopia Tourism Commission help to, examine the organization where it is going and how it achieves the short and long term objectives that support us to determine the effectiveness of its marketing activities.

The moderator asked questions regarding the vision and objectives of Ministry of Culture and Tourism, then and the participant of the interview gave the responses. The long term vision of Ethiopia Tourism and Culture Minister is to make Ethiopian one of the ten tourist destinations in Africa by year 2020, with an emphasis on maximizing the poverty reducing impact on tourism. And also the major objectives with in the sector are:-

- ❖ To maximize the direct economic impact of tourism.
- ❖ Increase the indirect economic impacts, and no less importantly
- ❖ Improve Ethiopia's international image and positioning, including its culture and environmental standing.

Regarding to the responsibility of Ethiopia Tourism commission the interviewer respond the following: - The responsibility of Ministry of Culture and Tourism are

- promoting the industry and
- Control the service quality.

Regarding this, the Ministry of Culture and Tourism has the following role in service quality:

- ❖ Give standard and training, and measure the quality of the hotel
- ❖ It gives assistance for regional tourism bureaus.

Based on the interview with administrative personnel, he indicates that the responsible body that controls quality of products as well as service is Ethiopian Standardization Organization. Therefore, the quality of the tourism service is also controlled by this government body. But the Ministry of Culture and Tourism gives standards and measures the quality of hotels.

According to the interview, there is a marketing department in Ministry of Culture and Tourism, which carries out the task of promotion and marketing. The main role of the marketing department is to promote and give standard for tourism service marketing.

Regarding the training, Ethiopian Ministry of Culture and Tourism has training centers, which are Tourism Catering and Training Institute. Ethiopian Tourism and Cultural Ministry does not give a direct training for tour service operators employees' as well as tour guide personnel's, instead it gives a consultancy service whenever the demand arise for professional service by helping the requesting body at the spot.

According to the interview, about 165 tour operators fulfill the minimum requirements.

The standard of the service of tour operators is measured by their logistic capacity such as car, professional guide personnel, office, garage and other necessary equipments. Ethiopian tourism and culture ministry believed that the service qualities of the tour operators are gradually showing improvement.

According to the interview, Ethiopian Tourism and Culture Ministry is promoting Ethiopian Culture, eco tourism areas, and others, by taking the country as a brand. A good example for promotion is travel writers, and currently the China's film team (those who comes from China and promote the industry all over the world) is trying to promote the activities and tour service, and eco tourism areas. The service operators currently accomplish the advertisement role. They introduced their logistic capacities to attract tourists.

### **Comments to improve the service quality of tour activities**

Tourism in Ethiopia is under developed because of the lack of giving concentration to the tourism sector and Service giving program. If the above problems are solved, the service quality in this sector may show improvement.

### **3.2. Summary of Data from Questionnaires (For Tour Providers/ Operators)**

The data were classified according to selected items and table 1 presents the characteristics of respondents (the background information).

**Table 1, Characteristics of Respondents**

Item	Tour Providers/Operators		Tourists	
	Number	Percentage	Number	Percentage
1. Age				
20-30	1	4	58	46.7
31-40	20	80	25	20
41-50	3	12	25	20
Above 50	1	4	17	13.3
Total	25	100%	125	100%
2. Sex				
Male	25	100	92	73.3
Female	-	-	33	26.7
Total	25	100%	125	100%
3. Nationality				
Local	25	100	75	60
Foreign	-	-	56	40
Total	25	100%	125	100%

The age distribution on table 1 indicates that the majority of the tour service operators are between the ages of 31-40, which is a good age range which indicates that sampled customers are matured enough to respond to the research question objectively.

On the side of tourists, the highest percentage (46%) falls between the age 20 to 30 followed by 20% of respondents that are between 31-40, and 12% of them are 41-50. This will give for tour industry a clue to understand and study in the future about customers' behaviors.

When we see the sex distribution, males dominate their female counter parts of providers and tourists category, which amounts to 25 and 92 in number i.e. 100% and 73.3% of the

total respondents respectively. This shows the majority share is male for tour operators and tourists. When we analyze the tourist's nationality distribution, the researcher distributed questionnaire to foreigners which represented 40%. This data help to study customers behavior to set service quality standard based on the needs of customers.

**Table 2 Tour Service Operators Responses Regarding Tour Service Activities**

No.	Particulars	Responses	
		Number	Percentage
1	Position in the firm		
	A. Manager	3	12
	B. Driver	10	40
	C. Tour guide	12	48
	Total	25	100
2	Type of help obtained from Ethiopian Tourism and Culture Ministry		
	Promotion	-	-
	Price setting	-	-
	Training	6	24
	No benefit	19	76
	Total	25	100

According to Table 2:- Item 1 show us the position held by the employees in the firm that most tour operator employees' are tour guide which make up 48% from the total respondents, and the next is the drivers that compare 40%.

Again, table 2, Item 2, shows us that 76% tour service providers do not receive any kind of training from the Ministry of Culture and Tourism. As per the above Table 2, 24% have got training that was given by the Tourism Institute. So based on the result service providers/operators do not receive any training. The result is not as such satisfactory, because the training may help them to increase the service quality of Tourism.

**Table 3, Responses of Tour Service Providers about Service Quality**

No.	Item	Excellent		V. good		Fair		Poor		V. poor			
		No.	%	No.	%	No.	%	No.	%	No.	%		
1	Provide prompt service (Responsiveness)	-	-	-	-	25	100	-	-	-	-		
2	Ability to perform promised service (reliability)	-	-	5	20	20	80	-	-	-	-		
3	Ability to respond to unexpected reaction of the tourist	-	-	-	-	15	60	10	40	-	-		
4	Courtesy and confidence of the employees (Assurance)	5	20	20	80	-	-	-	-	-	-		
5	Availability of facility (tangible/physical benefit)	-	-	5	20	15	60	5	20	-	-		
		Yes						No					
		No.		Percent		No.		Percent					
6	Taking Customer training program	-		-		25		100					
7	Satisfaction with your firm salary	-		-		25		100					

Table 3 Item 1 shows that, for the question of providing prompt service (responsiveness) from the tour service provider respondents i.e. 25 (100%) said it is fair. This shows even though their service is fair, they are not very satisfactory.

The service providers should improve its prompt service, because the quality of the service is also, determined by the prompt activities of the service provider.

Item 2, of table 3, which shows ability to deliver promised service (reliability), 80% of the service providers responded “fair”, and 20% said “very good”. From this, it can be determined the reliability of the service providers is not satisfactory.

Conceptual frame works, shows that the consistency of the performance and dependability that possessed by the service provider is an important factor to increase the quality of the service. Like the differentiation of product strategy, service also could be differentiated by the quality of the service personnel provider that possess, prompt, reliability, and empathy of the service provider from competitors.

Item 3, of table 3, deal with the ability of the service providers to respond to unexpected reaction of the tourists such as unusual feelings of tourists. For this, 60% of the employees of the service provider responded fair, and 40% poor. This shows handling of unexpected tourist’s reactions such as unusual questions about the ecotourism areas and other is not satisfactory.

From conceptual frame work one of the major problems in the tour guide is lake of communication with tourists, they are mostly money oriented, and they do not give attention to read about historical, and literature of tour, because most tour guide personnel do not have skill.

Item 4, of table 3, about the courtesy and confidence of tour provider employees, which is assurance; 80% responded “very good”. This show the confidences of employees (assurance) are satisfactory. From theoretical concepts, the service provider should be improving trust worthiness, believability, and honesty, which is one of the determinant factors of quality service.

Item 5, of table 3, that describe a variability of tangibility (physical benefits) to attract and initiate the feelings of customers, 60% respondents said that it is fair. These shows the service providers are not satisfactory.

Conceptually, we have that; the physical evidence of the service is determined by the tangibility of the service providers. The physical benefit of the service providers is one of the mechanisms to attract customers. Therefore, the service provider of the tour service providers should improve its tangibility, and use appropriate technology.

This show that one way of differentiating service delivery is through the physical characteristics. The service provider agents/ operators' customers' are also foreign tourists' not only local peoples, so their exterior and interior should and decorated with historical back grounds. The office should better include cultural shows that help to initiate customers, and the bar ground music, the transportations physical facilities should be light and up beat. Its equipment should better cultural of ethnic members (groups) in Ethiopia.

Item 6, of table 3 is concerned with taking customers training program by the employees of the service providers. Employee of the service providers took any kind of customer training program, which represents 100%. There fore appropriate training should be designed to teach employees and managers the basic skills.

Item 7 from table 3, represents the satisfaction of the employees with salary of their service providers: Not all employees satisfied with the salary of their firm. This is not satisfactory in the tourism industry and has adverse effect for the service quality.

From the conceptual framework, we have that incentive is an important factor in the service quality. Incentive is also created by motivation. There are a variety ways of positively motivate performance, which may include giving benefit package like salary increment and others are necessary. Where such incentives are not fulfilled to employees, it is creating dissatisfaction in employees.



**Table 4, Analysis of the Service Providers Complaint**

No.	Item	Excellent		V. good		Fair		Poor		V. poor	
		No.	%	No.	%	No.	%	No.	%	No.	%
1	Listening to Customers problems	5	20	-	-	10	40	10	40	-	-
2	Prompt (quick) responses for customers/tourists complain	-	-	-	-	-	-	25	100	-	-
3	Means of to give feed back to the service provider	Yes				No					
		No		%		No		%			
		12		48		13		52			

Item 1, of table 4, represents the ability of employees to listen to customers' problems: 40% of the respondents answered poor. This indicates the service providers are inefficient. Lack of training for tour guide personal affects their communication with the tourists.

Item 2, from table 4, is about prompt responses of the service providers' employee if there is complain from customers/tourists: All (100%) respondents voted, there is poor reaction toward complain of the tourist. This shows that the responses are not satisfactory.

From conceptual frame work we have that one of the measure of the quality of service is the ability of the service providers to accommodate the complain of the customers, in our case the tourists. Not only hearing what complain customers but also solving the problems are important.

Table 4 Item 3, deals with means of giving feed back to the service provider, in this regard, 12 i.e. 48% of the respondents gave there is a means and 52% of the respondents gave there is no any means to give feed back to the service provider. Here again the researcher decided service activities of the service providers are not satisfactory.

In order to handle the customer's unexpected question, the tour guide personal or service providers should take training program and update themselves. Reading historical

background about the historical places and others are necessary factor to handle such unusual questions.

**Table 5, Other Analysis of Employees of the Service Providers**

No.	Item	Responses
1	Any special efforts that the service provider expects from Ethiopian Tourism Commission	<ul style="list-style-type: none"> <li>- (50% Respondents suggested)</li> <li>- Training based on customer handing</li> <li>- Good relation ship</li> <li>- Helping how to advertize by tourism commission</li> <li>- Coordinating all tourism service activities</li> <li>- Setting a standard regulation to control the service quality</li> </ul>
2	Strength	<ul style="list-style-type: none"> <li>- It is improving the out look of the tourism industry</li> </ul>
3	Weakness	<ul style="list-style-type: none"> <li>- lack of infrastructure</li> <li>- lack of communication language (barriers if communication)</li> <li>- local people are not beneficiaries</li> </ul>

Item 1, from table 5, is about the expectation of the service providers from Ministry of Culture and Tourism: 52% respondents gave their opinions. They will expect training who deals with customer handling, good relationship, helping how to advertize, coordinating all tourism service activities and setting a standard to control the service quality. Their opinions shows major yardstick for the development of service quality in Tourism industry.

Item (2 and 3), of table 5, is show the strength and weakness of the service quality. The strength of the service quality, given by the respondents is, the image of the tourism industry has started growing. With regard to the sector's weakness the respondents pointed out factors such as lack of coordination to control the service quality, most service providers are money oriented instead of giving service for customers; there is lack of communication due to unable to speak a foreign language and local community is not involved in the benefit of tourism service.

**Table 6, Analysis of Customers/ Tourists Opinion toward Tourism Service**

No.	Item	Yes		No	
		NO.	%	No.	%
1	Recognizing the role of Ministry of Culture and Tourism by Ethiopia Tourism	20	16.7	105	83.3
2	People / tourists visited tour area in Addis Ababa	105	83.3	20	16.7
3	If the response for item 2 is yes, what problems faced in the tour areas	No.		%	
	- lack of hospitality	8		6.4	
	- lack of transportation	75		60	
	- lack of attractive place	8		6.4	
	- lack of communication /language	17		13.6	
	- lack of guide personnel	8		6.4	
	- No problem	9		7.2	
4	Action should be taken to increase the service quality				
	- Use trained tour guide	50		40	
	- Improving awareness	21		16.7	
	- Improving awareness of local people	21		16.7	
	- Availability of hotel	25		26.6	

Item 1, from table 6, 83.3% of the respondents did not know any role from Ministry of Culture and Tourism, while 16.7% recognize the role of Ethiopian Tourism and Culture Ministry. This is not completely satisfactory. So Ministry of Culture and Tourism should introduce its activities not only using printing media but through other media.

The right role of Ministry of Culture and Tourism described by respondents are as follows:

- ❖ Attract Tourists
- ❖ Promoting Historical area
- ❖ Promoting cultural area
- ❖ Protecting wild life

Even though the respondents save their own responses about the role of Ministry of Culture and Tourism, they could not point out the right activities in the tourism industry. The activities of Ethiopia Ministry of Culture and Tourism in the tourism industry are promotion, service quality control and timely follow up.

Item 2, from table 6, for those customers who ever visited any tour areas in A.A. or outside the Addis Ababa; 84% of the respondents visited different tour areas. The rest 16% respondents did not visit any area.

Item 3, from table 6, which refers to problems that have faced in the tour areas, 75 tourists i.e. 60% response say, there is a problem of transportation. The next faced problem was lack of communication language, i.e. 13.3%. This shows the communication ability is not satisfactory for service quality in the tour industry.

Item 4, of table 6, is regarding the action to be taken to increase the service quality. As per the above table, 40% respondents said use of trained guide personnel, the next 26.6% customers said improves the availability of hotel. Therefore, it's better creating the necessary procedure and policy to facilitate training and improving fast accommodation system to over come the problems temporarily.

**Table7, Evaluating the Service Providers of good Relationship**

No.	Item	Excellent		V. good		Fair		Poor		V. poor	
		No.	%	No.	%	No.	%	No.	%	No.	%
1	Effort of employees to create good relationship with customers	-	-	8	6.7	84	66.7	33	26.6	-	-
2	Willingness to listen to tourists	8	6.7	59	46.6	25	20	25	20	8	6.7
3	Treating customers with respect and dignity	33	26.7	75	60	17	13.3	-	-	-	-
4	Convenience of hotel	17	13.3	25	20	33	26.7	60	40	-	-
5	Convenience of transportation	-	-	18	6.7	60	40	67	53.3	-	-

For Item 1 refer to effort of employees of service providers to create good relationship with customer. For this question, 66.7% of respondents said fair and 26.6% of respondents took poor.

For Item 2 from table 7, is concerned with willingness of the service provider to listen customer/tourists. According to the feedback obtained, 46.6% and 20% of the tourist (respondent) said very good and good respectively and 6.7% of the respondent says excellent, and very poor due to this. We concluded that some customers are satisfied and the others are not. Anyhow, the service providers had willingness' to listen customers. It is satisfactory for tour service providers.

Based on table 7, for Item (3), i.e. treating customers with respect and dignity, 60% of respondents said very well. These show the tour service providers have a positive attitude for treating customers with respect and dignity. In service quality treating customers with respect tourist and dignity plays a role to minimize customers' dissatisfaction.

Item (4 and 5), based on table 7, convenience of hotels and convenience of transportation 40% and 53.3% of tourist respondents replied poor, respectively. This indicates hotels and transport availabilities are in undermined condition, and not completely satisfactory.

Literature shows restaurants recommended for tourists in Ethiopia have limited number. There is relatively large numbers of hotels and restaurants in Addis Ababa, but outside the city, there are no sufficient hotels for tourists. Lack of sufficient accommodations and transports are great problem in Ethiopia tourism industry.

**Table 8, Variable Rating the Tour Service Provider Service Quality**

No.	Item	Excellent		V. good		Fair		Poor		V. poor	
		No.	%	No.	%	No.	%	No.	%	No.	%
1	Providing prompt service and willingness to help customer	8	6.7	33	26.7	84	66.6	-	-	-	-
2	Reliability of service providers	8	6.7	25	20	67	53.3	17	13.3	8	6.7
3	Confidence of employees of service provider (Assurance)	8	6.7	67	53.3	42	33.3	8	6.7	-	-
4	Tangible/physical benefit of the tour service provide	-	-	12	10	96	76.7	17	13.3	-	-

Item (1), from table 8, represents the responsiveness of the service providers to ward the tourists 26.7% and 66.6% of respondents marked very good and fair respectively from the total tourists who filled the questionnaire.

In general, the responsiveness of tour service providers/tour guide is not satisfactory. Responsiveness includes prompt and willingness to help customers.

Item (2), from table 8, represents reliability of the service providers. For this 20% and 53.3% of tourists responded very good and fair for the reliability of the service providers. Reliability refers the ability of the service provider to perform promised service dependably accurately and consistently. Even though the responses are very good and fair it is not a satisfactory reliability. Here theoretical concepts describe that the quality of service is also determined by the ability of the service providers to keep its promised service consistently. Reliability is one of the determinants of quality service.

Item (3), from table 8, i.e. confidence of the service provider's employees (Assurance):

Most respondents responded positively toward this, i.e. 53.3% of tourists said that the assurance of the employees of the service providers are very good. In general, it is satisfactory.

Item (4), from table 8, is about the physical benefits of tour service providers:

One of the benefits for tour providers to attract tourists/customers is its tangibility of service. Even if service is intangible, its tangibility can be evidenced through physical benefits.

For this, 76.7% of tourists responded fair and 13.3% responded poor. This shows the physical benefits of service providers such as office layout, cars etc. are not attractive for tourists, which is not satisfactory.

**Table 9, Rating the Service Provider Based on Culture**

No.	Item	Excellent		V. good		Fair		Poor		V. poor	
		No.	%	No.	%	No.	%	No.	%	No.	%
1	Adequacy of staff/employees	-	-	-	13.3	92	73.3	8	6.7	8	6.7
2	Convenience of location of the service provider	-	13.3	-	-	-	66.7	17	13.3	8	6.7
3	Convenience of the hospitality	-	-	-	-	100	80	25	20	-	-
4	Convenience of the physical layout	8	6.7	15	12	76	60	18	14.4	8	6.7

For item (1), from table 9, represents adequacy of Tour service providers and 13.3% respondents rated it as very good and 73.3% customers responded fair. This responses show that the adequacy of employee are not satisfactory. From conceptual framework since service is highly labor intensive or requires more contact of persons, it requires enough adequate numbers of employees.

Item (2), for table 9, represents convenience of location of service provides 83 i.e. 66.7%, Tourists/people responded fair and the next relative to the other is 13 i.e. 13.3%, is poor. Again, this indicates the convenience of location of the service providers is not satisfactory.

Item (3), for table 9, represents convince of the hospitality of the tour service providers 100 i.e. 80% and 25 i.e. 20% represented fair and poor, from the total respondents.

Regarding this, the convince of the hospitality given by the service providers are not satisfactory, because according to most respondents.

Item (4), of table 9, describes the convenience of physical layout. Most tourists responded fair for service providers' physical or tangibility layout i.e. they had 60% from the whole respondents. The next figure, 14.4% of tourists responded that the physical layout of the service providers is poor. In general, the responses are not satisfactory.

Again, these shows, the physical lay out of the service providers are not welcome or satisfactory. Service, more than products, is people dependent services are also influenced by the physical layout of the service providers. The service quality is also measured based on its tangibility layout, this helps to enhance the image of consistent customer service through improving the physical layout.

**Table 10, Rating Complain Handling of Tour Service Provider**

No.	Item	V. High		High		Fair		Weak		V. Weak			
		No.	%	No.	%	No.	%	No.	%	No.	%		
1	To what extent does the complaint handling system of the service provider affect your satisfaction?	-	-	25	20	83	66.7	17	13.3	-	-		
2	The extent skills of the service providers to clearly communicate to customers when there is problems	-	-	-	-	83	66.7	25	20	17	13.3		
		Yes						No					
		No.		%		No.		%					
3	Is there means of feedback collection system by the service provider when there is complaint?	17		13.3		108		86.7					
4	Convenience and effectiveness of the feedback means	Effective		Very Effective		Less effective		Not effective					
		42	33.3	-	-	-	-	83	66.7				



Item (1), of table 10, represents the extent or complaint handling of the service provider either affect customers satisfaction or not:

For this, 66.7% of respondents witnessed the complain handling of the service providers are highly affected by customers satisfaction, the next result is, 20% which represented very high.

From this, we can conclude that, the complain handling most service providers are affecting tourists satisfactions currently, i.e. it affects negatively.

Item (2), from table 10, indicates the question of the service providers clearly communicate to customers when there is a problem:

For this question, 66.7% and 20% of respondents said that, the service providers' communication with the customers' specific problems are fair and weak. Based on the scale, this means, the service providers are not satisfactory.

Item (3), from table 10, is about means of feed back by the service provider when there is complaining. Here the respondents have two choices either yes or no for the service providers, regarding means of feed back system, 100 i.e. 86.7% of tourists respondents said the feed back means are poor. Moreover, this is not satisfactory feed back means for service providers.

Item (4), from table (10), asks if there are any means of collecting feed back by the service provider when there is complain?

20% of respondents said "yes" and tried to mention their comments like orally telling their complains, but there is no any modern system to take complains, and lack of implementation.

Item (5), from table10, conveniences and effectiveness of the feed back means: from the responses, 66.7% of tourists said conveniences and effective of the feed back system is not effective. Therefore, the researcher concluded the overall feed back system is not satisfactory.

**Comments about the service of tour activities in Ethiopia:** 60% of respondent gave their comments about the tour service activities in Ethiopia. For analysis purpose, the

researcher classified their comment as weakness and strengths and tried to summarize by categorizing similar opinions.

**Weakness described by tourist respondents:**

- Most service providers are motivated only to earn/make large amount of profit, instead of customers' service.
- Guide peoples are not qualified, and they have barriers in communication. Most of them could not speak English.
- There is no organized ways of dealing with tourists most service providers guide person tried to catch tourists around hotels illegally or arbitrary or there is no any coordination.
- There is no sensible service quality control.
- When tourists purchase gifts, they do not deal directly with gift seller instead through tour guide and charged high price.

**Strength described by tourist respondents:**

- Ethiopia has many opportunities in this industry to attract tourists.
- Some service providers try to operate using local resources.
- The country has beautiful eco-areas.

**Table 11, Analyses of Research from Observation**

No.	Item	Observation
	Tourists around tour guides	<ul style="list-style-type: none"><li>- Tour guides to get market mostly they stand around the gate of the hotels and tried to attract customers using try and error method</li><li>- Most tour guides are not coordinated and have little knowledge about tourism</li><li>- They perform activities arbitrary instead of systematic way</li><li>- Any body with out any requirements could be tour guide</li></ul>
2	Cultural gift shops	<ul style="list-style-type: none"><li>- The cultural gift shops represent the historical and cultural of the country. However, doing the selling and buying process with tourists they mostly influenced by the tour guide. Most tourist paid unreasonable more payments. The excess payments will be taken into the pocket of the tour guide</li></ul>
3	Ministry of Culture and Tourism	<ul style="list-style-type: none"><li>- The responsible of this government body is promotion and service quality control. However, there are no substantially implemented or sound activities by this body. Everything seems more paper value.</li></ul>
4	Observation around non-government Organization Offices	<ul style="list-style-type: none"><li>- There is no any printed promotion of Ministry of Culture and Tourism material that promote the tour activity.</li></ul>

## CHAPTER FOUR

### SUMMARY, CONCLUSION AND RECOMMENDATION

#### 4.1 Summary

The objective of the study was to focus on mainly to identify the real problems of the tourism industry and suggest possible solution, which will be a benchmark for this industry, to enhance the service quality.

In the course of investigation an effort was exerted to get possible answers to the following basic questions.

- What are the major factors that are negatively impact the current service quality of the Ethiopian tourism industry?
- What measure should be taken to improve the existing poor service quality of the country?
- To what extent tour operators use feed backs from tourists to improve their service delivery?
- How frequently do the responsible bodies and service providers monitor and timely follow up the quality of tour service quality?

For the purpose of obtaining available relevant data and information for the study a total of 200 questionnaires were distributed to foreigners and locally to those who are working in NGO (Non Governmental Organization), around restaurants, a through tour Guide and gift article sellers. From the distributed questionnaire 185 are received, but for the purpose of investigation questionnaires which were 35 discarded due to improper filling by the respondents .From those 40 questionnaires were received from foreigners, and 85 possessed by local tourists.

The data obtained through questionnaires were analyzed and interpreted using percentage. To measure the feelings of tourists, question that had scale of excellent, very good, fair, poor and very poor the researcher allocated fair, poor and very poor were not satisfactory.

According to the result obtained, the study produced the following finding by categorizing, findings obtained through questionnaires from:

- Service providers / tour guide responses.
- Customer / tourist's response.

Regarding to the service quality of the service providers 76% of tour service provider employees did not receive any help from the Ministry of Culture and Tourism, 100% of the respondents of the service provider conclude that it is not satisfactory, 100% of service providers did not take any training and do not have any satisfaction about the salary paid in there firms.

According to the feed back system of tour service providers, 40% service providers did not have a good handling of customer complained, 48% of tour operators did not have any policy and procedures for handling of feed back and 40% of tour service providers did not properly listen to there customers.

According to the service providers relation ship with tourists, 100% of tourists are not satisfactory on prompt action of the tour service providers, 80% of the respondents are not satisfactory on reliability and 60% of the respondents said that the physical attractiveness are not satisfactory.

According to the interview conducted with Ethiopian Tourism and Culture Ministry, the main task of the Ministry is promoting Ethiopia as a brand, controlling the service quality in the tourism industry and timely follow up to the service providers. The Ethiopian tourism and culture ministry has got a limitation in implement its tasks.

Besides to this, the other data obtained through observation around offices of NGO's (Non government organization), hotels and gift sellers during the time of distributing questionnaires including the followings:-

- Tour guided personnel try to get tourists arbitrarily waiting for tourists in front of hotels. A good example was Ethiopian hotel.
- There was no coordination system for foreigners as to how to contact with service providers.
- Foreign tourists did not identify the legal tour service providers / tour guide personnel because any body could claim to be a tour guide as the researcher observed.

- Tour guide personnel were not ethical, because foreign tourists paid more than a reasonable price for gifts and souvenirs due to tour guides playing as a broker.
- As a whole there are no strict regulations given by the responsible body which requires tour guides to be legally certified. As a result, tourists may be exposed to paying higher prices and safety issues.

#### **4.2. Conclusions**

The major emphasis of this study paper has been assessing the quality of service in the tourism industry by taking the Ministry of Culture and Tourism as a case study. Based on the analysis of data, the following conclusions are drawn.

- ❖ The results of the findings indicate that most service providers, including tour guide personnel, are profit-oriented rather than customer- or tourist-oriented. They do not take customer training program activities arbitrarily, only to get money.
- ❖ According to the findings of tourists, the service quality provided by tour service providers is not satisfactory, because there is no coordinated way of handling customer complaints in most tour service providers. Foreign tourists suggest that there is a communication barrier, and most personnel are not proficient in their English.
- ❖ The study also indicates that the quality of service in tourism, as such, does not coordinate systematic activities; this is due to the fact that the quality of service dimensions are not evidenced.
- ❖ According to the findings obtained from tour service providers, most employees are not satisfied with the salary in their firm. This will affect their motivation as well as the quality of service they provide to customers.
- ❖ According to the findings obtained from an interview, the responsibility of the Ethiopian Tourism Commission is promotion and quality service control. Most respondents claimed there is a lack of efficient implementation. The strength obtained from an interview of the Ministry of Culture and Tourism, they are in the process of developing a new strategy that will improve the follow-up system and the quality of the tour service.

- ❖ According to the findings obtained from observation, the act of tour guide personnel to attract tourists will affect the quality of the service, because they are not professional.
- ❖ From finding, the major strength in this industry is that the outlook of the tourism industry could give better opportunities and most tour service providers have respect and dignity for foreigners.
- ❖ According to the findings Tourists stated that there is a problems/ weakness such as unskilled and money oriented tour guide in the tourism industry.
- ❖ According to the findings obtained from questionnaires, interview and observation of student researcher to improve the quality of service, a system needed to be established coordination should be built up among the whole stakeholders that are involve in the tourism industry.

### **4.3. Recommendation**

According to the findings and conclusion of this study the following possible recommendations are forwarded which will contribute to alleviate problems that exist in the tourism sector.

- ❖ The Ministry of Culture and Tourism should implement service quality control system and promote to the tourists /people by evaluating its promotion coming feasible.
- ❖ Most tour guide personnel are non professional:-  
Unskilled personal/ tour guide operators highly affect the quality of the service. The Ministry of Culture and Tourism should establish a short and long term customers based training program and build the capacity of tour operators catering to tourism institute.
- ❖ Tour operators should get customer oriented/based training program which will in turn help to increase customer satisfaction which is related to quality service.
- ❖ Tour guides should update themselves by reading books; brochures often make contacts with Ministry of Culture and Tourism, in order to get reliable information about tour areas.
- ❖ Since Ethiopia is less developed country, there is poor infrastructure.

To improve infrastructure, the government should design a new system to attract the private sector in the tourism industry by giving incentive such as free taxation and lease, supporting the private investors to construct, at least the infrastructure.

- ❖ The Ministry of Culture and Tourism and standardization organization did not create a feasible coordination.

Ministry of Culture and Tourism and standardization organization should create a coordination to evaluate and control the quality of the service of tour service providers and tour guides.

- ❖ The Ethiopian Ministry of Culture and Tourism should improve a regulation system to identify the legal tour guide personnel who have responsibility for quality of service.

- ❖ The Ministry of Culture and Tourism should be regulate and certify the authenticity of tour guide personnel based on their skill; this helps to protect arbitrary reaction toward the tourists.

- ❖ Finally, the people did not have awareness and this affects the service:

The ministry of culture and tourism should promote by targeting the local people and create awareness about the tourism industry which will improve the service quality of the tourism industry.



# APPENDIXES

## BIBLIOGRAPHY

Ayalew Sisay (1998). **The historical of Tourism in Ethiopia**. Fulfillment of masters of business administration.

Balaj B. (2002) **service marketing and management**.

New Delhi: S. chand company Ltd.

Denton.k (1998). **How to give service to your customer**.

New Delhi universal book stall.

Goldene, R (1990). **Tourism Principle, Practice and Philosophy** 6<sup>th</sup> ed. Grate Britain: MPG Ltd. Bodmin.

Hapte selassie (2007). **The History of Tourism in Ethiopia** the Journey Ethiopia Millennium Edition.

Kotler.p and Armstrong.G (1998). **Principle of marketing**.

New Delhi –printic- Hall.Inc

Kotler.p. (9<sup>th</sup> ed.) (1998) **Marketing management**.

New Delhi –printic- Hall of India P.L.C

Kotler.p. (1991) ibid (4<sup>th</sup> ed.) **principle of marketing** .

New Jersy printic – Hall P.L.C

Lea,D (1998). (6<sup>th</sup> ed.) **Progress in human Geography**.

New Delhi. Taj press.

Malcom. M (1982) (8<sup>th</sup> ed.) **Marketing Planning For Service.**

Great Britain. MPG Ltd Bodmin, Corn wall.

Mcipoth.p (1990). (6<sup>th</sup> ed.) **Tourism principle, practice and philosophy**

Great Britain: MpG LTd Bodmin.

Morgan. N (1998) (3<sup>rd</sup> ed) **Tourism Promotion and power creating industries.**

Parasurman Berry and Zeithmal (1998) **conceptual model of service quality.**

Robert .G (1995). (3<sup>rd</sup> ed.) **Managing Service marketing.**

united state of America: Harcourt Brace College Publisher.

Seifu Badi (2008). **Integrated Marketing.**

The journey of Ethiopia Millennium ed.

Zenithal V, and Bitner M. (3<sup>rd</sup> ed.) (2003) **service marketing.**

New Delhi : Tata Mc grow Hill

## Internet Available

1. Available : [http://www](http://www.Un.org). Un .org.
2. Available : [http://wikipedia](http://wikipedia.org).org.
3. Available : [http://www](http://www.World Bank .org). World Bank .org.
4. Available : [http://www](http://www.II WWW. World – fourgh. Org). II WWW. World – fourgh. Org.
5. Available : [http://www](http://www.World Tourism.Org). World Tourism.Org.

## **Appendix A**

**ST. MARY'S UNIVERSITY COLLEGE**

**BUSINESS FACULTY**

**DEPARTMENT OF MARKETING MANAGEMENT**

**QUESTIONNAIRE TO BE FILLED BY TOURISTS**

I am a student in the business faculty ST. Mary's University College. I am carrying out a research entitled the practice of tourism service marketing in selected tour operating agents.

This questionnaire seeks to solicit your views regarding the practice of tourism service that are currently provided to you.

Your views are very important for the success of the research you are therefore urged to express your opinions and experiences as openly as possible the information you provided will be treated in the strictest confidence.

The outcome of this questionnaire is meant to support a research report to the partial fulfillment for the degree of B.A in marketing management.

**N.B please do not write your name on this questioner.**

**Thank you, for give me your time and energy to answer these questions**

**Thank you, for giving me your time and energy to answer these questions.**

### **I. Personal questions (Put "X" mark)**

1. Age

A. 20-30

b. 31-40

c. 41-50

d. above 50

Nationality \_\_\_\_\_

2. Sex

A. Male

B. Female

## **Appendix B**

**ST. MARY'S UNIVERSITY COLLEGE**

**BUSINESS FACULTY**

**DEPARTMENT OF MARKETING MANAGEMENT**

### **QUESTIONNAIRE TO BE FILLED BY TOUR SERVICE PROVIDERS**

The outcome of this questionnaire is meant to support a research report to the partial fulfillment for the degree of B.A in marketing management. The answer to be given by a respondent and identification of the respondent is strictly confidential and will not be disclosed to any party other than the researcher.

**N.B:- Please do not write your name on the questioner**

**Thank you, for giving me your time and energy to answer these questions**

#### **I. Personal Questions**

1. Age

A. 20-30       b. 31-40       c. 41-50       d. above 50

Nationality \_\_\_\_\_

2. Sex

A. Male       B. Female

3. What is your position in your firms?

A. Manager       B. Tour guide       C. Driver       D. If any

#### **II. Question about service quality**

4. Providing prompt service and willingness to help customer (responsibility)

A. Excellent      B. Very good      C. Fair      D. Poor      E. Very poor

## Appendix C

### Interview Check List

1. What is your organization vision, Mission, and objective?

Vision

---

---

---

Mission

---

---

---

Objective

---

---

---

2. Who are currently the responsible body that controls all tour activities regarding the service quality?

---

---

3. What support do you get from Ministry of Culture and Tourism?

---

---

4. Is there marketing department in your organization that activities the service tourism?

---

---

5. If your answer for question No 4 is No, could you mention the limitation or disadvantage of un presence of marketing department?

---

---

## **Declaration**

I, the undersigned, decelerate that this senior essay is my original work. Prepared under the guidance of w/rt Tigest Belay. All sources of materials used for the manuscript have been duly acknowledged.

Name : **Simegn Gebre**

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

Place of submission on **SMUC department of marketing management**.

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

This paper has been submitted for examination with my approval as the university college advisor.

Name : \_\_\_\_\_

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

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