



PROMOTING TOURISM IN THE SOUTH COAST REGION OF KWAZULU-NATAL THROUGH TOUR OPERATORS

By

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DECLARATION

I, the undersigned, hereby declare that the dissertation titled “Promoting tourism in the south coast region of KwaZulu-Natal (KZN) through tour operators” is wholly Goitsemanang Rosemary Dimaza’s work. Any other contributors or sources have been either referenced in the prescribed manner or are listed in the acknowledgements together with the nature and scope of their contribution.

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ABSTRACT

This study is an attempt to shed light on how tour operators can help to promote tourism in the south coast region of KZN. Even though tourism claims to bring economic development to the tourist destinations, in some cases, the development of tourism has created important social transformation in the other sectors of the tourism destinations, where the relationship between other sectors of the tourism industry and tour operators was weak or even negative. For some people, this situation is no longer considered a sustainable way to travel and do business. Therefore, the tour operator's business does not end at picking up and dropping off tourists at their booked accommodation.

The aim is to explore the role of tour operators in promoting tourism in the south coast region of KZN. The objectives of the study are: to identify and examine the nature of the tour operators' business; to identify and explore the role of tour operators in the tourism industry in sustaining their businesses; to identify the changes needed to improve the promotion and sustainability of both tourism in the south coast region of KZN and that of the tour operator; and to explore the challenges encountered by tour operators which hinder effective contribution to the economy of South Africa.

This research explored and investigated the perceptions of the tour operators in the south coast region in KZN in terms of their business growth, their role as tour operators and the problems they may encounter in growing their small businesses. A quantitative research methodology was utilised to collect the primary data for this study. Data was collected through the use of a structured questionnaire. The sample size for the study was 50 tour operators.

The results from the literature and primary study revealed some interesting findings from the objectives and each set of questions. The highlighted finding in the study revealed the need for tour operators to provide the best possible service as the tourists are important for the destination's economy (TOI, 2008:108).

The study revealed that tour operators have direct contact with clients when they take them on tours; hence, a personal one-on-one safe relationship is established with clients (Moutinho, 2011:161).

The conclusions drawn from this study point to the lack of access to information that would enable the majority of tour operators to understand the tourism sector holistically. Furthermore, information available to tour operators owing to technological advancements has increased exponentially (e.g. internet access).

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List of abbreviations

DEDT	Department of Economic Development and Tourism
DMO	Destination Management Organisation
DTI	Department of Trade and Industry
FIFA	Federation International of Football Association
GDP	Gross Domestic Product
GDS	Global Distribution System
GGP	Gross Geographic Product
IPAP	Industrial Policy Action Plan
KZNTA	KwaZulu-Natal Tourism Authority
KZN	KwaZulu-Natal
MICE	Meetings, Incentives, Conferences and Events
MFI	Microfinance Institutions
MTSF	Medium-Term Strategic Framework
NDT	National Department of Tourism
NTSS	National Tourism Sector Strategy
SATSA	South African Tourism Services Association
SATS	South African Tourism Strategy
SAT	South African Tourism
SMME	Small Medium and Micro Enterprises
TKZN	Tourism KwaZulu-Natal
TOI	Tour Operators Initiative for Sustainable Tourism
TSA	Tourism Satellite Account
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational Scientific and Cultural Organisation
UNWTO	United Nations World Tourism Organisation

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Chapter 1

BACKGROUND TO THE STUDY

1.1 OVERVIEW

Travel and tourism is a thriving business and tour operators are significant stakeholders in the industry. However, there are many challenges which limit tour operators from contributing effectively in the mainstream economy in South Africa. The case study used in this research attempts to shed light on how tour operators in KwaZulu-Natal (KZN) can assist with promoting tourism in the south coast region.

The background to the study is presented in Chapter 1, followed by the literature review in Chapter 2. Chapter 3 presents the methodology used to collect the primary data. The findings are presented in Chapter 4. Chapter 5, the last chapter, summarises the conclusions and recommendations. The next paragraph discusses the background to the South African tourism sector.

1.2 BACKGROUND TO THE SOUTH AFRICAN TOURISM SECTOR

The tourism sector in South Africa has grown considerably since the country's first democratic elections in 1994. The number of foreign visitor arrivals increased from just over 6.8 million in 2011 to 6.6 million in 2010 of which just over 5 million were specified tourists and 20 280 were unspecified tourists (Statistics South Africa, 2011:2). Foreign visitor arrivals for the period January to October 2011 were 6 823 517 and 6 651 407, in 2010. The African continent is the largest source of foreign visitor arrivals in South Africa. Research indicates that total arrivals in Africa increased by 7.2% and unspecified tourists decreased by 81.7%. The overall total foreign visitor arrivals increased by 2.6% (Statistics South Africa, 2011:5).

The tourism sector is not only multifaceted in contributing to a variety of economic sectors, but it is also labour-intensive with the capacity to create jobs. The South African Tourism (2011:10) estimated that, in 2008, a total of 599 412 people or approximately 4.4% of total employment are directly employed by the tourism sector, and that domestic tourism contributes 52% of total tourism consumption.

Tourism is a priority economic sector in the government's Medium-Term Strategic Framework (MTSF, 2009) election manifesto, which identifies the following overall priorities:

- Creating decent work and sustainable livelihoods;
- Education;
- Health;
- Rural development, food security and land reform; and
- The fight against crime and corruption, and building cohesive and sustainable communities.

At a special meeting held in October 2010, South Africa's New Growth Plan identified the plan of tourism as one of the six core pillars of growth, with the other pillars being infrastructure development, the agricultural value chain, the mining value chain, the green economy, and manufacturing sectors in the Industrial Policy Action Plan (IPAP2) [Republic of South Africa Economic Sectors and Employment Cabinet Clusters, 2010/11–2012/13 Industrial Policy Action Plan (IPAP2), 2010:15].

According to the National Tourism Sector Strategy (NTSS), the hosting of the 2010 International Football Federation (FIFA) World Cup boosted the tourism sector in South Africa by attracting visitors, expanding tourism and other infrastructure, and showcasing the South African destination to the world (NTSS, 2011:25). However, research indicates that there are still numerous

opportunities for tourism growth that are not being fully exploited. The South African Tourism's (SAT) Marketing Tourism Growth Strategy for South Africa (SAT Strategy, 2011–2013:12) indicated that the potential number of visitors that could be attracted from 11 target markets over time is about 76.5 million, with the size of the target segments within each of the 11 markets being 28 million consumers.

It is against this background that the new National Department of Tourism (NDT), under the direction of the Minister of Tourism, initiated and managed an inclusive process to draft the NTSS to inspire and accelerate the responsible growth of the tourism industry from 2010 to 2020. It is essential that South Africa implements this strategy to realise its inherent tourism potential and to ensure that the country's investment in the 2010 World Cup is fully leveraged to deliver on-going tourism benefits (SAT Strategy, 2010-2020:15).

The tourism sector is able to generate employment opportunities without significant capital investment. About R1 million of tourism spend generates and sustains 11 annual direct and indirect jobs (SAT, 2011:14). Tourism is capable of empowering and capacitating communities while creating jobs. According to KwaZulu-Natal Tourism Authority (KZNTA) (2010:8), the objective of promoting tourism to the small businesses loses focus when it comes to tour operators according to the research done by Tourism KwaZulu-Natal (TKZN) and this point is cited under trade marketing and tour operators in KZN. The Department of Economic Development and Tourism (DEDT) (2010:6) in KZN outstripped gold as the leading generator of foreign exchange earnings in South Africa in 2003, generating R53 billion and driving foreign direct spend into the country. This study is, therefore, an attempt to shed light on how tour operators can help to promote tourism in the south coast region of KZN.

1.3 AIM OF THE STUDY

The aim of the study is to explore the role of tour operators in promoting tourism in the south coast region of KZN.

1.4 OBJECTIVES

The underlying objectives for the study are:

- To identify and examine the nature of the tour operators' business prevailing in the south coast region of KZN;
- To identify and explore the role of tour operators in the tourism industry in sustaining their businesses;
- To identify the changes needed to improve the promotion and sustainability of both tourism in the south coast region of KZN and that of the tour operators; and
- To explore the challenges encountered by tour operators which hinder from contributing effectively to the economy of South Africa.

1.5 RESEARCH QUESTIONS

The research questions for the study are:

- What is the nature and role of the tour operators' business prevailing in the south coast region of KZN?
- What changes are needed to improve the promotion and sustainability of both tourism in the south coast region of KZN and that of the tour operators?
- What challenges are encountered by tour operators which hinder them from contributing effectively to the economy of South Africa?

1.6 PROBLEM STATEMENT

The study investigates the need to identify and understand the role of tour operators in promoting the south coast region of KZN as a tourist destination with the assistance of TKZN. According to TKZN's Strategy (2010-2014), institutions similar to TKZN, in terms of best practice, are changing from destination-marketing organizations to destination-management organizations. This change necessitated that TKZN took a balanced approach in promoting tourism in the province (TKZN Strategy, 2010-2014: 2).

Tour operators play a vital role in the promoting the south coast region as a tourist destination. However, their success and sustainability are largely dependent upon the strategy that TKZN used in promoting tourism through small businesses. The research problem may thus be summarised as the need to identify and understand the promotional strategies employed by TKZN to enhance the south coast as a tourist destination through the effective use of tour operators [Tour Operators Initiative (TOI) for Sustainable Tourism Development, 2003:103].

1.7 SIGNIFICANCE OF THE STUDY

It is envisaged that the findings of this study will shed light on the important role of tour operators in promoting the south coast as a tourist destination: their task is mainly to transport people to destinations and places of interest in KZN. Further, emphasis will be placed on the promotional strategies currently used; it is anticipated that shortcomings may be highlighted. This information will be disseminated to all tourism stakeholders (example: tourists, non-governmental organisations, hotels, restaurants and convention areas) involved in the tourism industry. The findings of this study will be circulated amongst all tour operators in order to enhance their business performance by

providing better quality services to the tourists. It is envisaged that the findings will create a greater awareness of specific tourist demands, likes and behaviours. The information may contribute in helping other tourist organisations to understand the importance of their businesses in a flourishing tourist destination. It is also anticipated that the findings of the study will enhance the information that exists in the tourism sector on tour operators which, at present, is minimal.

1.8 RESEARCH METHODOLOGY

This research intends to explore and investigate the perceptions of the tour operators in KZN in terms of their business growth, their role as tour operators and the problems they may encounter in growing their small businesses. A quantitative research methodology was utilised to collect the primary data for this study. Data was collected through the use of a structured questionnaire which was emailed to 100 tour operators in the south coast region of KZN. A total of 50 responses were received for data analysis.

1.9 THE SCOPE AND LIMITATIONS OF THE RESEARCH

This study focused on tour operators based in the south coast region of KZN. It did not include tour operators from the other provinces. The small sample size may be a limiting factor. However, owing to time constraints; it is deemed that this sample will be adequate (Ary, Jacobs, and Sorensen, 2010: 338).

1.10 LAYOUT OF THE DISSERTATION

The research study is structured into five chapters. An outline of each is given below:

Chapter 1: Introduction to the study

This chapter includes the background to the study, problem statement, aim, objectives, research questions, significance, and format of the study.

Chapter 2: Literature review

This chapter focuses on the literature study dealing with tourism in the south coast region of KZN. It examines the role of tour operators within the tourism industry and describes how they operate. This chapter also focuses on the role of promotion in enhancing the tour operators' business.

Chapter 3: Research methodology

In this chapter, an overview of the research methodology is presented, including data collection and a description of the research design. The nature of the research sample is described and the research instrument is discussed. The methods of data collection as well as limitations of the study are explained.

Chapter 4: Findings, discussion and interpretation

This chapter presents the results of the research. It includes the findings and analysis of the data which has been assimilated. In this chapter, the findings are discussed, interpreted and then justified by the literature review. A detailed study presentation of the statistics used, tabulations, charts and graphical presentations are offered.

Chapter 5: Conclusions and recommendations

This chapter contains the summary, conclusions and recommendations of the study. The conclusions and recommendations made are based on the findings of the study. Appropriate recommendations are offered and areas of future research are highlighted.

1.11 CONCLUSION

This chapter sets the conceptual and contextual background that underpins the study, highlighting its importance. It describes the aim, objectives and the significance of the study that guided this research. An outline of the chapters is also provided. The next chapter presents the literature review focusing on the role of tour operators in promoting tourism in the south coast region of KZN.

Chapter 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter presents a detailed study of the literature relating to promoting tourism in the south coast region of KZN through the use of tour operators. The role of tourism in KZN is also highlighted, together with all the factors that assist in promoting tourism.

2.2 THE TOURISM SECTOR IN KWAZULU-NATAL

The KZN Provincial Tourism Strategy (2011:4) positioned KZN in the global and national tourism markets. South Africa entered an era which included the hosting of the 2010 FIFA World Cup and the establishment of the new international airport in the province. According to the KZN Provincial Tourism Strategy, (2011:4) the strategy set out TKZN's approach in dealing with tourism development, marketing imperatives and the related investment required in the province. The strategy was developed in the context of a growing tourism market, current significant investment in tourism, and other developments, such as King Shaka Airport and the Dube Trade Port.

Gauteng, the Western Cape and KZN are the most popular destinations for international tourists (SAT, 2011:15). Furthermore, SAT (2011:15) stated that, KZN is not as popular as Cape Town; the former have much to offer and have the potential to grow.

KZN's tourism total contribution to Gross Geographic Product (GGP) stood at about R18 billion in 2010-2011, which constituted about 10% of the provincial economy. The KZN province currently attracts about 1.3 million foreign visitors and 11.6 million domestic tourism trips on an annual basis compared

with the more popular Cape Town (TKZN Strategy, 2010-2014:5). Tour operators will benefit from the tourists that are visiting KZN province; this will boost small businesses. TKZN's strategy stated that the province has wonderful natural tourism attractions and is thus well positioned to take advantage of the continued growth in international and domestic tourism.

KwaZulu-Natal is South Africa's domestic tourism leader, highly popular among visitors from throughout continental Africa and increasingly on the 'must-see, must-do' lists of discerning travellers. KZN offered a unique blend of sophistication, cultural diversity and excitement – in the most breath taking settings imaginable (South African Information Desk, 2010:14).

The key role player in marketing South Africa as a tourist destination is Tourism South Africa; their efforts being supplemented by provincial tourism authorities (Statistics South Africa, 2011:2). In KZN, TKZN is the provincial Destination Management Organisation (DMO) and it is charged with the responsibility of regional marketing under the brand "Zulu Kingdom" (KZNTA, 2010:5).

2.2.1 Definition of tourism

Tourism is defined as the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited. The use of this broad concept makes it possible to identify tourism between countries as well as tourism within the country (Stephen, 2011:11). Holloway (2002:2) defined tourism as the temporary movement of people outside their normal place of work and residence, together with the activities undertaken during their stay at those destinations and the facilities created to cater for visiting tourists.

Bennett, Jooste and Strydom (2005:5) defined tourism by stipulating that it involves the following elements:

- Activities concerned solely with aspects of daily life outside the normal routines of work and social commitments;
- Travel and transportation to and from the destination;
- Activities engaged in during the stay at the destination; and
- Facilities provided to cater for the needs of tourists.

The tourism sector is recognised throughout the world as one of the fastest-growing sectors and, more importantly, the sector that will continue to generate employment opportunities (Tassiopoulos, 2010:328). On the one hand, tourism creates jobs, brings in foreign exchange and provides income to host destinations. Tourism can also support the local industry and encourage local communities to protect their natural environment. On the other hand, tourism can also bypass local populations and more degradation to the natural environment may be observed. The local natural resources (fresh water and land) may be under pressure owing to the development of tourism-related activities. The way of life of the local communities may also be negatively affected. Money may not reach the local economy and the jobs available may be poorly paid, providing very insecure employment to the local people. These are some of the possible adverse effects of tourism (ABTA and Tearfund, 2002:114).

According to Moutinho (2011:3), tourism is essentially a social phenomenon and, although, as with all sectors, it is influenced by the society in which it exists, tourism is unusual in that it involves a large-scale, if temporary, transfer of individuals between different societies. This can create social change of both a temporary and a long-term nature, as stated by Moutinho (2011:3).

Further, Moutinho (2011:5) stated that South Africa has a vibrant and thriving travel and tourism sector which may be subdivided as follows:

- **The Transport Sector:** where businesses focus on transporting tourists (both domestic and international) in and around the country by different modes of transport.

This sub-sector may be further divided into:

- Travel Agents;
- Tour Operators; and
- Tour Guides.

- **The Hospitality Sector:** where businesses are concerned with the provision of accommodation, food and beverages to visitors.
- **Meetings, Incentives, Conferences and Events (MICE)** are concerned with arranging and/or hosting events such as exhibitions, often collaborating with the hospitality sector and business tourism events.
- **Tourist Attractions** are places or shows that are popular with tourists; these range from World Heritage Sites to museums, art galleries, exhibitions, fairs, beaches and so on.

In trying to understand tour operators and how they function, it is important to examine some concepts related to them. Tour operators play an important role in promoting tourism not only by taking tourists to their destinations, but also by the advertising campaigns they use to promote their small businesses.

2.2.2 Tourism KwaZulu-Natal Authority

The KwaZulu-Natal Tourism Authority (KZNTA), which operated under the name Tourism KwaZulu-Natal, is responsible for the development, promotion and marketing of tourism into and within the province. KZNTA's statement of intent and direction are drawn from the mandate vested in the organisation by the KwaZulu-Natal Tourism Act, 1996 (as amended, including No. 2 of 2002) (TKZN Strategy, 2010-2014:7).

Prior to 1994, tourism marketing was a function of national government. However, following the installation of a democratic national government in that year, this responsibility devolved to the provinces. The provinces are now responsible for both tourism product development and the marketing of their regions, both domestically and internationally. At the national level, the Department of Economic Development and Tourism utilised South African Tourism as its marketing arm with its role to market the country to international markets (TKZN Strategy, 2010-2014:7).

According to the TKZN Strategy (2010-2014:5-6), the vision of TKZN is to position the province of KwaZulu-Natal as Africa's leading tourism destination, both nationally and internationally. The mission of this organisation is to initiate, facilitate, co-ordinate and implement strategic tourism marketing, and demand-driven tourism development programmes. This helped to grow tourism and serves to achieve the following:

- The transformation of the tourism sector within the province; and
- Economic benefits to all stakeholders and the province.

TKZN was the first Destination Marketing Organisation (DMO) in Africa to be accredited as a United Nations World Tourism Organization's (UNWTO) best DMO, and also to receive the prestigious UNWTO Ulysses Award for

Innovation in Tourism Governance (TKZN Newsletter, 2010:12). TKZN received this award as a result of its Knowledge Management Programme. TKZN is an associate member of the UNWTO and a member of its Destination Council (TKZN Newsletter, 2010:12). The next paragraph discusses the factors necessary for successful tourism enterprises.

2.2.3 Factors necessary for successful tourism enterprises

The greater the tourism demand, the more successful a tour operator's business because prices escalate for products and more products are sold to a large number of tourists. The more successful the tour operator, the more resources he/she requires to promote and develop his/her business. According to the TKZN Newsletter (2010:14), this is a reinforcing process if one assumes that greater demand equals greater profit and that no quality is lost.

TKZN Newsletter (2010:14) further explained that the more years in the business of tour operating, the more knowledge in the business and better exposure to tourists. Chibba (2011:1) addressed more than 100 entrepreneurs at the Eastern Cape's Business Connect conference in November, and emphasised that if the number of small businesses in South Africa increases, the country's economy will be saved in the future.

The success of developing a tourism industry may be measured by optimising the number of tourist enterprises per capita. For a community to develop its tourism industry successfully, the following two strategies may be applied (Tassiopoulos, 2010:329):

- trying to attract foreign entrepreneurs to create tourist enterprises in the community, and
- encouraging residents to create tourism enterprises in the community.

2.3 THE TOUR OPERATORS' INDUSTRY

According to Tassiopoulos (2010:329), a tour operator can package tours and then make use of other entrepreneurs to render a service such as transporting people. Accordingly, tour operators are businesses that combine two or more travel services, e.g., transport, accommodation, catering, entertainment, or sightseeing, selling them through travel agencies or directly to final consumers as a single product called a package tour. The components of a package tour may be pre-established, or may result from an 'à la carte' procedure, where the visitor decides the combination of services he/she wishes to take advantage of (South African Tourism, 2011:14). Bennett et al. (2005:53) noted that a tour operator is an organisation that strictly handles the operation of the tour and the tour wholesaler puts together the products of different suppliers into a tour package, which is sold to the customer through a travel agent.

Country tour wholesalers may be seen as the first step in the entire "classic" value chain of tourism. Tour wholesalers develop tour packages, estimate costs involved, fix logistics, and set prices. Tour wholesalers sell established tour packages to country-tour wholesalers, and, in return, they market their packages to travel agents (South African Tourism, 2011:15). Tour operators are important for the destination's economy and destinations are important for tour operators; without them, there would not be a tourism product (TOI, 2008:108). The next paragraph discusses the definition of tour operators.

2.3.1 Definition of tour operators

A tour operator is a person or a company who purchases the various items that make up an inclusive holiday in bulk, and combines them to produce package holidays, selling the final product to the public, either directly or through travel agencies (Yale, 2004:1).

Burkart and Medlik (1981:216) and Middleton and Hawkins (1998:185) described a tour operator as “a manufacturer who buys the components of the package, the inclusive tour (transport, accommodation, etc.) from the suppliers of the individual tourist services and packages and brands them into a single entity”. Tour operators are businesses that combine two or more travel services, e.g., transport, accommodation, catering, entertainment, and sell them through travel agencies or directly to final consumers as a single product called a package tour.

The South African Tourism Services Association (SATSA) also made a distinction between tour operators and tour brokers. Tour operators own their own vehicles, whereas tour brokers hire them as needed. Tour operators have direct contact with clients when they take them on tours; hence, a personal one-on-one relationship is established with clients. Further, tour operators provide travel economy and convenience to a significant segment of tourists (Moutinho, 2011:161).

2.3.2 Functions of tour operators

The TOI (2008:7) mentioned that tour operators are a pivotal link between tourists and their destinations. In this way, they determine and fulfil the demand on behalf of a destination. The TOI (2008:7) further explained that tour operators have an influence on the customer’s choices and behaviour by directing the flow of tourists, influencing the supply chain and developing the

eight destinations within KZN. The TOI (2008:7) mentioned that tour operators influence the well-being of destinations and/or of the local communities.

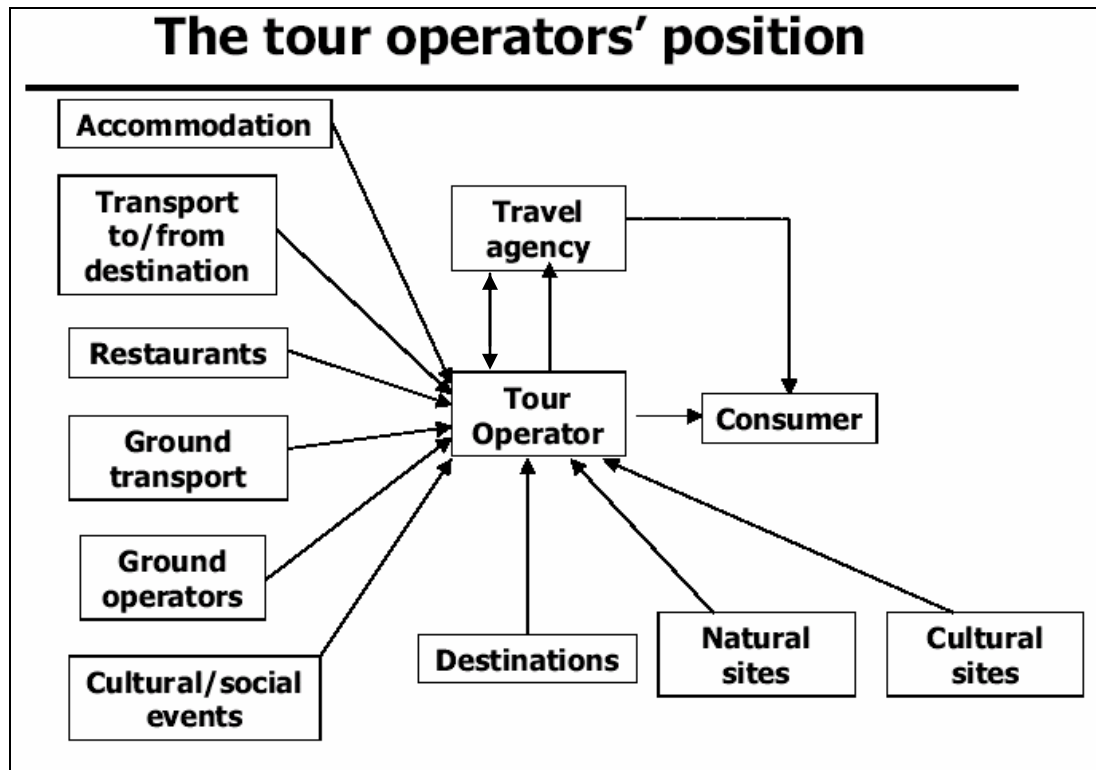
Cooper, Fletcher, Gilbert, Shepherd and Wanhill (1998:256) stated that tour operating is a process of combining aircraft seats and beds in hotels or other forms of accommodation, in a manner that will make the purchase price attractive to potential holidaymakers. Page (2011:186) indicated that the tour operating business performance is determined by the skill of the company in buying its product components (e.g., aircraft seats, accommodation and transfers) at a competitive price, and reselling at a price that is lower than that for which a consumer could assemble the same product.

The tour operators function as intermediaries in the tourism-distribution system is to introduce producers and consumers to each other. Tour operators handle all the details of foreign travel, for example, air ticket purchase, accommodation arrangements, transfers to and from the airport and the itinerary, allowing the foreignness of the destination to be observed but not truly experienced (Moutinho, 2011:161).

The travel and tourism industry is a service sector offering a number of products, which are diverse and fragmented. Each link in the tourism supply chain (tour operators, travel agencies, carriers, hoteliers, restaurateurs, etc.) offers one component of the overall product. Playing a central role within this tourism chain, tour operators connect the supply side (service providers) and demand side (tourists) for tourism (Moutinho, 2011:161).

Figure 2.1 below shows the central part that is played by tour operators as they aggregate the component parts of holidays that will make up their offer of packages.

Figure 2.1



Source: United Nations Environment Programme (2003:25)

The tourist experience is enhanced when tour operators are able to arrange tourist guides to guide them through the country. Tourist guides are trained to have a broad knowledge of the country and to give tourists in-depth information about its history, current situation and noteworthy places to visit. The tour operators also know the safety precautions that must be taken. As everything is pre-arranged for the clients, it is a safer alternative to their venturing into a country alone (Perspective Magazine Timeshare, 2011:16).

Tour operators provide services to a number of different types of tourists, namely, business travellers and leisure travellers. They are able to accommodate the needs of various types of tourist by providing services to satisfy their needs in various ways. For example, if business travellers visit an area for a conference, tour operators can transfer them to and from the

conference venue, arrange their flights beforehand and arrange a short tour (usually about two to three days) after the conference, tailor-made to suit their needs. When dealing with leisure tourists, operators will take these visitors to all the places set out on the itinerary and see to it that all their needs are met (George, 2004:222).

Bennett et al. (2005:24) mentioned that local communities must become involved in tourism planning and development. These authors (2005:26) elaborate that tourism development should not take place without the involvement and participation of local communities. Furthermore, they stipulated the following three tendencies which prevailed in the early eighties:

- Tourism regions are shaking off outside influences and taking matters into their own hands;
- Efforts are being made to win back the decision-making powers that were wrestled away by outsiders; and
- There is a readiness to rethink overambitious targets and to propose limitations.

Table 2.1 introduces the reader to two types of tourism: soft tourism and hard tourism. The objective of soft tourism is to bring the greatest benefit to all participants in tourism, namely, the tourists themselves, the host community and the entrepreneurs, without causing irreparable ecological and social damage.

Table 2.1: Hard versus soft tourism

Hard tourism	Soft tourism
General concepts:	
Inconsiderate	Considerate
Offensive	Defensive
Aggressive	Cautious
Fast/impetuous	Slow/thoughtful
Unregulated	Regulated
Maximal	Optimal
Short-term	Long-term
Outside control	Self determination
Sector based	Entirety-based
Quantitative	Qualitative
Growth	Development
Tourists attitudes:	
Mass travel	Travel alone or with friends and family
Limited time	Plenty time
Fixed itinerary	Spontaneous decisions
Imported lifestyle	Native lifestyle
Comfortable and passive	Strenuous and active
Little or no intellectual preparation	Previous research on destination
Unable to speak the language	Learning to speak the language
Feeling of superiority	Willingness to learn
Curiosity	Tact
Loud	Quiet

Source: Managing tourism services, Bennett, et al. (2005:25)

2.3.3 Types of tour operators

According to George (2004:157), tour operators are divided into the following three types:

- **In-bound tour operators:** provide services mainly for foreign visitors to South Africa, e.g., Thompson Tours;
-
- **Out-bound tour operators:** provide services to clients in South Africa wishing to travel to destinations outside the country, e.g., Flight Centre, Sure Travel; and
-
- **Local tour operators:** provide services to domestic clients for tours within South Africa, e.g., Flight Centre.

2.3.4 The tour operators other sources of income

Yale (2004:182) stated that tour operators have other sources of income apart from the profit mark-up on holiday prices. They frequently earn money from some or all of the following sources:

- **Interest:** The longer the tour operator can hold onto clients' money, the more interest can be earned from investing it in the business. The money will be available for short-term investment if clients pay the deposit to secure bookings, and some may go towards producing the next brochure and other day-to-day costs (Yale, 2004:182).
- **Cancellation and amendment costs:** The operators usually charge clients more for a cancellation or amendment to their booking than they would have to pay to the owner of the business where they cancel the booking (Yale, 2004:183). This strategy helps tour operators make a

profit from cancellation costs. The tour operators apply cancellation or amendment charges on a sliding scale depending on how far in advance of the date of travel the cancellation is notified, as indicated in Table 2.2 below.

Usually the charges apply to the basic holiday cost inclusive of flight and room supplements but exclusive of extras such as car hire, due to insurance premiums that are handled by the insurance company. According to Yale (2004:183), operators normally need to have received written confirmation of cancellation before they will act on it; a phone call is not enough. The amendment charges are from the confirmed booking which include changing the booking into a different passenger name or swapping the booking to a different resort or hotel, or even the reducing of the number of passengers booked. In this case, the people cancelling will be charged cancellation charges, while those continuing with the booking may be charged amendment fees. Changes made to a booking less than six weeks before the departure date are sometimes treated as cancellations for charging purposes (Yale, 2004:183).

Table 2.2: Schedule of departure dates and cancellation charges

Period before scheduled departure date within which written notification of cancellation is received by the operator	Amount of cancellation charge as a percentage of the total price inclusive of extras (but exclusive of insurance premiums)
More than 42 days	Deposit
29-42 days	40
15-28 days	60
1-14 days	80
Departure day or after	100

Source: Yale (2004:183)

Yale (2004:186) stated that tour operators use the following strategies to boost their earnings:

Car hire: Operators may earn more than 25% commission on car hire bookings but will give the travel agent only their usual commission rate, normally 10%, and bank the difference in their account as profit.

Advertisements: Some companies print advertisements for other products in their brochures and charge for doing so. For example, the Sawubona magazine on the flights carries adverts for tour operators and other companies for travellers to familiarise themselves with.

Sale of ancillary products: Some tour operators sell ancillary travel products, including travellers' cheques, passport wallets, luggage and guide-books, to supplement their takings in the business of tour operators.

Excursion commission: Tour operators earn commission on excursions sold in the resorts by their representatives.

Foreign exchange deals: The largest tour operators can make money or at least save it by buying currencies they know they will need in advance when rates are good. To protect themselves against unexpected changes, operators sometimes buy on the understanding that they will only pay when the currency is required.

Direct bookings: Operators save the average 10% agency commission on the small number of direct bookings most receive.

Miscellaneous extras: Operators, who own their own aircraft, may be able to generate extra money by, for example, selling excess cargo space in the hold.

2.3.5 Challenges confronting tour operators and SMMEs in South Africa

Kotler (2003:32) stated that, in South Africa, an unacceptable and disappointingly high number of small, medium and micro enterprises (SMMEs) fail during their early years of operation. They face a myriad of challenges. According to Nieman, Hough, and Niewenshuizen (2003:8), the largest percentage of small businesses fail during the first two years of their existence owing to cash flow problems that arise because they could not manage growth.

2.3.5.1 Access to start up and expansion finance

According to Nieman et al. (2003:32), raising money in capital markets, including bank loans, is full of pitfalls for those who start businesses; such people are often forced to launch their businesses using their own money. More than 80% of these maverick businesses have been financed through founders' savings (Mokoena, 1998:16). Furthermore, Mokoena (1998:16) stated that these entrepreneurs have relied on debt or retained earnings to grow. Access to appropriate finance is a major constraint to the successful development of tour operators and small, medium and micro enterprises (SMMEs) in South Africa. Insufficient creative ideas are developed into viable new ventures owing to the lack of finance. In the last few years, the government, through the Department of Trade and Industry (DTI) and Khula Enterprise Finance, has designed and put into place incentives, subsidies and schemes that have improved tour operators and SMMEs' access to finance.

However, a significant number of tour operators and SMMEs are still not able to access affordable start-up and expansion finance, according to Mokoena (1998:16). The reason for this lack of access to finance includes the risk aversion of the banking sector towards tour operators and SMMEs. Mokoena (1998:16) asserted that the tour operators and SMMEs are traditionally seen

as “high risk” borrowers. The high number of tour operator and SMME business failures entrenches this view. Further to the assertion, Mokoena (1999:17) stated that there is a decline in strong alternative financial institutions. A large percentage of microfinance institutions (MFIs) have gone out of business. Very few MFIs are actively providing finance to tour operators and SMMEs. The inadequate funding proposals and business plans contribute to the lack of access to finance. Although financial institutions are willing to finance tour operators and SMMEs, the business proposals submitted by the SMMEs are not researched or presented properly. If entrepreneurs have adequate business plans and collateral and they are still denied finance from financial institutions, the entrepreneurs have the right to know why the loan application was rejected (Mokoena, 1998:17).

2.3.5.2 Access to markets

The other major challenge facing tour operators and SMMEs is the lack of sustainable markets for their products and services (Nieman et al., 2003:32). They tend to produce and offer services that do not have a ready market.

The few entrepreneurs, especially the previously disadvantaged ones, start with an original concept or plan to achieve a sustainable competitive advantage through proprietary technology or a product. These tour operator entrepreneurs tend to follow “the group”, hoping that whatever has worked for others in the past will work for them also. The major cause of this constraint is that the tour operators and SMMEs do not give priority to marketing in their overall business approach. Most tour operators probe and segment their markets, analyse customer demand, know their competition or interpret trends. The access to marketing may be addressed by marketing training. This will provide quality training and coaching, and commitment to marketing by demonstrating early awareness of the need to extend one’s knowledge of marketing. Market-oriented products which tour operators and SMMEs

produce and offer are services demanded by the market. Tour operators must confront the challenge faced by them and by SMMEs and must, therefore, network their small businesses using agencies and facilitating the vertical and horizontal business linkages (Nieman et al., 2003:32).

2.3.5.3 Access to appropriate technology

Nieman et al. (2003:33) stated that another constraint facing the tour operators and SMMEs is lack of technology. The use of appropriate technology is one of the most important factors giving a tour operator or SMME competitive advantage (e.g., computer with internet).

2.3.5.4 Access to human resources

Nieman et al. (2003:34) indicated that the other disadvantage or challenge facing tour operators is the way in which they deal with people-related issues. Human resources are widely acknowledged as being the “most precious asset” of a business. The issues involved in human resources include addressing the skills, attitudes and expectations of employees and of the entrepreneurs themselves. Nieman et al. (2003:34) further asserted that the entrepreneurs might have excellent ideas but they, quite often, do not know how to manage those ideas or the people within their businesses. This contributes to the fact that not all managers are good leaders or entrepreneurs, and that not all entrepreneurs are good managers or leaders. However, it is necessary for entrepreneurs to have both managerial and leadership skills (Nieman et al., 2003:34).

2.3.5.5 Economic factors

The general economic conditions prevailing in a country should be the starting point of an assessment of both opportunities and threats in the

marketplace. The prevailing economic conditions also determine consumers' spending patterns. Many marketers may perceive economic conditions of this nature as a threat to their marketing plans. The economic areas of greatest concern to most marketers are those of inflation and recession, as well as the impact of interest rates and currency fluctuations on prices and consumer demand (Lamb, Hair, McDaniel, Boshoff, Terblanche, 2004:55).

Inflation manifests itself in a general rise in prices without a corresponding increase in wages, which results in decreased purchasing power. Fortunately, Lamb et al. (2004:55) indicated that South Africa has enjoyed the advantages of a relatively low rate of inflation in recent years. At one stage in the mid 1980s, the inflation rate was around 25%. Low inflationary conditions benefit marketers, because real wages, and hence purchasing power, increase when inflation stays low. A significant increase in inflation almost always depresses real wages and thus consumers' ability to buy more goods and services, which is a huge challenge to marketers. Lamb et al. (2004:56) further stated that, in inflationary circumstances, many marketers try to postpone price increases for as long as possible. A recession is a period of economic activity when income, production, and employment tend to fall, all of which reduces demand for goods and services. During periods of recession, consumers switch to buying basics rather than luxuries and generally become more price sensitive (Lamb et al., 2004:56).

Tour operators must improve existing products and introduce new ones. The goal is to reduce production hours, waste, and the cost of materials. The tour operator has to maintain and expand customer services in his/her business. In a recession, many firms and organisations postpone the purchase of new equipment and material owing to the problem of inflation and recession. The emphasis is on product value. Customers with less to spend will seek demonstrated quality, value for money, durability, satisfaction and the capacity to save time and money before they will buy. The use of special

offers stimulates demand for the tour operators' packages offered; they may be able to branch out into new market segments (Lamb et al., 2004:56). The next paragraph discusses the external factors which can affect a tour operators' programme.

2.3.6 External factors which can affect a tour operators' programme

Yale (1998:251) stated that there are many different external factors which can influence a tour operators' programme. Some will have an impact on prices, some will determine whether there is any market for its holidays and others may dictate which countries can and cannot be featured in its brochures or in what ways they can be featured. Yale (1998:251) further explained that some of these things can reasonably be foreseen, but others arise unexpectedly and can cause problems even with holidays which are already taking place.

The few external factors which regularly have an impact on the operator's decision are (Yale, 1998:251):

- Foreign exchange: The rate of exchange between one country's currency and another's fluctuates according to the political and economic circumstances of the two countries;
- Interest rates at home and abroad: Interest is charged for borrowing money and the rate of interest may vary over time, often according to the government's or bank's decisions; and
- Inflation rates at home and abroad: Inflation is defined as a progressive increase in the general level of prices and is generally seen as something damaging to the economy which must be restrained. Different countries will have different inflation rates

depending on various factors in their economies. On the whole, though, the stronger an economy, the lower the rate of inflation is likely to be. Where there is a high rate of inflation in the tourist receiving country, it means that prices will be going up all the time. However, favourable exchange rates usually ensure that foreign visitors with hard currencies are protected from the worst impact of rising prices. The next paragraph discusses the challenges in terms of sales and advertising.

2.3.7 Challenges in terms of sales and advertising

There are several challenges facing individual tour operators as service providers when choosing to sell their products through advertising and the message can be misinterpreted or misunderstood, or can be wasteful if the response rate is low (George, 2004:251). George (2004:251) further explained that the sales and advertising using an advertisement may lack credibility if it is in a down market magazine or newspaper.

Yale (2004:143) stated that choosing the system for operation in tour operating business is a challenge, computerisation is so expensive, it is vital that the right system for the desk is chosen, and this can be a time-consuming business. Furthermore, not all the staff members will be familiar with the computer keyboard, nor will they know all the necessary codes for bookings on the system.

Hosted solutions, on the other hand, are sometimes referred to as “software as a service” solutions and are rented on a monthly basis. Owing to the hosted solutions’ being shared by many users, costs are generally lower, although not always, and they do not support customisation. Although some solutions support distribution of products through a branded portal website, very few actually allow for the open distribution of destination products

through some kind of global distribution system (Lamb et al., 2004:56).

Joyce (2007:8) mentioned that the major challenge for tour operators is in deciding whether or not to use a system that charges a flat fee or a commission towards the service offered. The benefit of a commission-based system is that there is generally very little cost to the tour operators until a sale is made; then the tour operator pays, on average, about a 5% commission through the system, on the sale of their products.

Joyce (2007:8) mentioned that the most important challenge is how to distribute products through multiple online and offline sales channels while managing inventory. This challenge is surprisingly not that difficult to overcome, primarily because there are so few choices for tour distribution systems. The major Global Distribution Systems (GDSs) do not currently support destination products and are focused almost exclusively on the distribution of major airlines, hotels, and cruises. There are other consumer-based tour products websites that will sell products on behalf of tour operators. However, in almost all cases, these tour booking websites are simply travel agencies that charge a hefty commission or require exclusive net pricing. The best option for the tour operators is to find a system that allows them to manage their inventory, streamline their sales process, gives them the ability to sell through their own website, and provides an underlying distribution network that allows them to resell their products through both online and offline sales channels.

2.4 PROMOTING TOURISM

Dickman and Maddock (2000:120) stated that promoting tourism occurs when communicating with customers more effectively. Therefore, tour operators in the south coast region of KZN will promote tourism by communicating effectively with their customers.

2.4.1 Promotion

Kotler (2003:397) stated that companies can either run the same advertising and promotion campaigns used in the home market or change them for each local market, a process called communication adaptation. If it adapts both the product and the communication, the company engages in dual adaptation.

The company can use one message everywhere, varying only the language, name, and colours. Therefore, TKZN promotes tourism by using dual adaptation where trade service providers are obtaining the information available to them.

2.4.2 Promotional techniques

The role of promotion is to convince potential consumers of the benefits of purchasing or using the tourism offerings of a particular organization (Horner and Swartbrooke, 1996:202). The tour operators in the south coast areas need to convince their potential consumers to buy their packaged promotional tours to the eight destinations in KZN, thus enhancing their small businesses and marketing the province of KZN.

A 'push' strategy is a technique by which the organization promotes directly to the intermediaries who stock the offerings and 'push' it to their customers. The principal (i.e., hotel, visitor to attraction, cruise liner) uses promotional techniques such as personal selling and sales promotion to encourage intermediaries to order, stock and promote the offering to the final consumer (George, 2004:242). Therefore, the principals will offer a lower percentage to the tour operators than that usually offered, to encourage the tour operators to order, stock and promote the offering to the final consumer; and thus tourism will be promoted.

On the other hand, a tourism organization using the 'pull' strategy directs its

promotional techniques (mainly advertising, some sales promotion) towards final consumers to encourage them to buy offerings. This strategy is designed to generate consumer demand and to 'pull' the consumers into travel agencies, forcing intermediaries, owing to demand, to stock the offering. Thompson Tours, for example, might advertise its package holidays directly to the consumer via television, radio, the press, hoping that the consumer will then demand holidays from a travel agency such as Flight Centre (George, 2004:242).

2.4.3 The tourism promotional mix

The components that serve to achieve a marketer's communication campaign are called the promotional mix, comprised of sales promotion, direct marketing, public relations, personal selling, internet marketing, printed literature, sponsorship and advertising. This is the marketer's tool kit (George, 2004:243).

2.4.3.1 Advertising

Advertising tries to attach meanings to brands, and these meanings are interpreted in the light of the target's motivations and aspirations (de Mooij, 2010:38). Traditional media, such as television, radio, newspapers, magazines, books, direct mail, billboards and transit cards (advertisements on buses and taxis and at bus stops) are commonly used to transmit advertisements to consumers (Lamb et al., 2004:316). Advertising is publicity that has to be bought and paid for and that is transmitted through a variety of media: television, radio, newspapers, magazines, the Internet, public transport (for example, on a bus), and outside displays, for example, buildings and billboards (George, 2004:244).

George (2004:244) explained that advertising is perhaps the most powerful

component of the promotional mix, and the difference between advertising and the other promotional tools is that advertising is paid for. Thus, advertising allows the marketer to have control over the advertising message: what is to be said, when and how it is to be transmitted, and by which means.

One of the primary benefits of advertising is its ability to communicate with a large number of people at the same time. Cost per contact, therefore, is typically very low. Advertising has the advantage of being able to reach the masses, for instance, through national television networks, but it can also be micro-targeted to small groups of potential customers, such as with direct mail to a select group of customers or through print advertising in a trade magazine. Although the cost per contact in advertising is very low, the total cost is typically very high. This hurdle tends to restrict advertising on a national basis to only those firms that are financially able to afford advertising (Lamb et al., 2004:316).

2.4.3.2 Public relations and publicity

Public relations involve the creation of a positive image of the business to its public which include customers, shareholders, employees and suppliers (Cronjé, Du Toit & Motlatla, 2000:240). Publicity is public information about a firm, its goods or services appearing in the mass media as a news item (Lamb et al., 2004:322). Therefore, the tour operator must create a positive attitude and image in order that the business earns credibility from the public and promotes the province of KZN in keeping with Cronje et al's. (2000:240) view to create a positive image of the business to its public.

Publicity is not directly paid for, because the company attempts to encourage the media to say something positive about it in their newspapers or magazines by performing well, providing unique services or sponsoring an event. Unfortunately, bad publicity can cost a firm millions. Negative

consumer reactions may cost the firm much in lost sales (Lamb et al., 2004:322).

Public relations and publicity are considered supportive, rather than primary factors in the marketing and promotional process, according to Lamb et al. (2004:321). Marketers use public relations and publicity not only to maintain a positive image but also to educate the public about the firm's goal and objectives, to introduce new products and to help support the sales effort in order to market the company and to make sales (Lamb et al., 2004:321).

2.4.3.3 Personal selling

Cooper et al. (1998:405) stated that personal selling is an attempt to gain benefit through face-to-face or telephone contact between the seller's representative and those people with whom the seller wants to communicate. Therefore, tour operators must improve their communication and listening skills to be able to accomplish the objective of making sales.

The benefit of personal selling is that a salesperson can adapt the communication of benefits to be gained to the specific needs of the customer (Cooper et al., 1998:405).

2.4.3.4 Sales promotion

Sales promotion consists of short-term incentives to encourage the purchase or sale of a product or service (Kotler, Bowen, and Makens, 2010: 410).

Sales promotion consists of all marketing activities—other than personal selling, advertising and public relations—that stimulate consumer purchasing and dealer effectiveness. Sales promotion is generally a short-run tool used to stimulate immediate increases in demand (Lamb et al., 2004:323). Tour

operators adopt the sales promotion to market their small business and to 'push' the demand by offering incentives to clients.

Lamb et al. (2004:323) are of the opinion that consumer-oriented and trade-oriented sales promotions are critical to the tourism industry. Sales promotions include free samples, contests, bonuses, trade shows, prizes and coupons. Often marketers use sales promotion to improve the effectiveness of other elements of the promotional mix, especially advertising and personal selling. Research shows that sales promotion complements advertising by yielding faster sales responses.

The tour operator will adjust the promotional mix according to the organisation's promotional objectives and its marketing situation; a tour operator may choose one of these tools or a combination, referred to as integrated marketing communications. A tour operator can achieve a sales target with varied promotional mixes to boost the business and to promote tourism.

2.4.4 Goals and tasks of promotion

Goals indicate what a business unit wants to achieve; strategy is a game plan for reaching it. Every business must design a strategy for achieving its goals, consisting of a marketing strategy, and a compatible technology strategy and sourcing strategy (Kotler, 2003:106).

2.4.4.1 Strategic formulation

Porter (1991:23) proposed three generic strategies that provide a good starting point for strategic thinking: overall cost leadership, differentiation, and focus. These strategies are discussed below.

Overall cost leadership: Tour operators work hard to achieve the lowest production and distribution costs so that they can offer reduced prices, thereby outdoing their competitors; they hope to win a large market share (Porter, 1980:23). The companies pursuing this strategy must be good at physical distribution. They need less skill in marketing. The problem with this strategy is that other firms will usually compete with them; they lower their costs even more, harming the business that rested its whole future on cost.

Differentiation: Porter (1991:23) indicates that the business of tour operators concentrates on achieving superior performance in an important customer-benefit area valued by a large part of the market. The firm cultivates those strengths that will contribute to the intended differentiation. Thus, the tour operator seeking quality leadership, for example, must make products with the best components, put them together expertly, inspect them carefully, and effectively communicate their quality.

Focus: The tour operator business focuses on one or more narrow market segments, and the business gets to know these segments intimately, pursuing either cost leadership or differentiation within the target segment (Porter, 1980:23). The tour operator can choose to narrow their segment by choosing small packages for tourists and weighing the responses from their sales.

People communicate with one another for many reasons. They seek amusement, ask for help, give assistance or instructions, provide information, and express ideas and thoughts. Promotion, on the other hand, seeks to modify behaviour and thoughts in some way (Lamb et al., 2004:328). There are various ways in which promotion is undertaken, including the following:

Informing: Informative promotion may seek to convert an existing need into a want or to stimulate interest in a new product. Information-type advertising

is generally more prevalent during the early stages of the product life-cycle. People typically will not buy a product or service, or support a non-profit organization, until they know its purpose and its benefits to them (Lamb, et al., 2004:328).

Tour operators use communication skills when informing their customers about their business. Therefore, to provide excellent customer service, it is important to develop the communication skills of employees through training and development (Tassiopoulos, 2008:218).

Persuading: Persuasive promotion is designed to stimulate a purchase or an action. Persuasion normally becomes the main promotion goal when the product enters the growth stage of its life cycle. By this time, the target market should have general awareness and some knowledge of how the product can satisfy their wants. Therefore, the main emphasis of the promotional task switches from informing consumers about the product category to persuading them to buy the firm's brand rather than the competitor's (Lamb, et al., 2004:328-329).

Reminding: Reminder promotion is used to keep the product and brand name in the public's mind. This type of promotion prevails during the maturity stage of the life-cycle. It assumes that the target has already been persuaded of the merits of the goods or service. Its purpose is simply to trigger a memory (Lamb, et al., 2004:329).

Table 2.3: Promotional tasks:

Informative promotion	Persuasive promotion	Reminder promotion
Increasing the awareness of a new brand of product class.	Building brand preference. Encouraging brand switching.	Reminding customers that the product may be needed in the near future.
Informing the market of new product attributes.	Changing customers' perceptions of product attributes.	Keeping the product in consumers' minds during off-peak times.
Suggesting new uses for a product.	Influencing customers to buy now.	Maintaining consumer awareness.
Reducing consumers' anxieties.		
Telling the market of a price change.		
Describing available services.		
Correcting false impressions.		
Explaining how the product works.		
Building a firm's image.		

Source: Lamb, et al. (2004:328).

2.5 CONCLUSION

This chapter focused on the literature study dealing with the role of tour operators in promoting tourism in KZN. It has been established that there are several challenges that confront tour operators in growing their businesses. Further, tour operators can use several promotion strategies in order to enhance their businesses.

The next chapter presents the research methodology that was used to collect the primary data.

Chapter 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

Having perused the relevant literature as the main source of information to complete a conceptual framework for the areas of research in the second chapter, it is now fitting to focus on the thinking that guided the research methodology, research methods and research techniques that have been used in this study. The different approaches had to be critically considered before the researcher could make an informed decision about their suitability for the study, bearing in mind the purpose and objectives of the research, as well as the broad issues to be explored, as described in the first chapter.

The term research methodology may be described as the “approach to the entire process of the research” (Hussey and Hussey, 1997:77). It also referred to the theory of how research was undertaken, including the theoretical and philosophical assumptions upon which the research is based and the implications of these for the method/s adopted (Saunders, Lewis and Thornhill, 2007:602). This chapter discusses the rationale for the chosen methodology and describes the research design in detail, justifying the methodology with theory, where applicable.

3.2 RESEARCH APPROACHES

“The research approach strategies may be either qualitative or quantitative, differentiating both data-collection techniques and data-analysis procedures” (Saunders et al., 2007:145). Quantitative research involves data-collection methods which emphasise the use of formalised standard and structured questioning practices in which the response options have been predetermined by the researcher (Hair, Bush and Ortinau, 2000:661). This

type of research predominantly deals with data-collecting techniques: questionnaires and data analysis procedures such as graphs or statistics that use numerical data and statistical models. This approach focuses on preciseness in terms of measuring and analysing the data (Saunders et al., 2007:145). Quantitative research methods are more directly related to descriptive and causal research designs.

Table 3.1 summarised some of the major differences between deductive (quantitative) and inductive (qualitative) approaches.

Table 3.1: Differences in Deductive and Inductive Approaches

Deductive emphasises	Induction emphasises
Scientific principles.	Gaining an understanding of the meanings humans attach to events.
Moving from theory to data.	A close understanding of the research context.
Need to explain causal relationships between variables.	Collection of qualitative data.
Collection of quantitative data.	A more flexible structure to permit changes of research emphasis as the research progresses.
Application of controls to ensure validity of data.	A realisation that the researcher is part of the research process.
The operationalism of concepts to ensure clarity of definition.	Less concern with the need to generalise.
A highly-structured approach.	
Researcher independence of what is being researched.	
Necessity to select samples of sufficient size in order to generalise conclusions.	

Source: Saunders et al. (2007:120)

This study used the quantitative research strategy as it employed a highly-structured approach, characterised by formalised, standard and structured questioning practices where the responses were analysed by the researcher and the data obtained were presented through tables and graphs.

3.3 RESEARCH STRATEGIES

There are seven major research strategies, namely, experiment, survey, case study, action research, grounded theory, ethnography and archival research (Saunders et al., 2007:135). Each of these strategies has advantages and disadvantages, and each employs different methods of collecting and analysing data, based on the type of research questions posed. The choice of the strategy for a study depends on the research questions, objectives of the study, the extent of existing knowledge, resources available and philosophical underpinning.

Table 3.2 describes the characteristics of the various research strategies.

Table 3.2: Characteristics of Various Research Strategies

Strategy	Characteristics
Survey	A popular and common strategy; mainly in deductive approach; suitable for research questions of who, what, where, how much, how many; research purpose: exploratory, descriptive; tools: questionnaire, quantitative data or structured interview, structured observation; time-consuming work and narrow scope of data - limited questions.
Case study	An empirical investigation of a particular contemporary phenomenon with multiple sources of evidence; boundaries between phenomenon and its context are not clearly evident; for research questions of: why, what, how; research purpose: exploratory and explanatory and triangulation of data: qualitative and quantitative.
Grounded theory	A typical inductive approach; theory developing and building process. To predict and explain behaviour; research purpose: exploratory; data collection: without a theoretical framework; theory is developed from data and data analysis: constant reference to data to develop and test theory.
Experiment	Define a theoretical hypothesis; Selection of samples of individuals from the population; random allocation of samples to different experimental conditions: the experimental vs. control group; introduction of intervention to one more of the variables; measurement on a small number of dependent variables and control of all other variables.
Action research	Concerned with the resolution of organisational issues; with involvement of practitioners in the research; researcher is part of the organisation and interactive nature of the process.
Ethnography	A typical inductive approach: describe and explain the social world; researcher needs to immerse himself/herself in the social world as completely as possible and research process needs to be flexible and responsive to changes.

Source: Saunders et al. (2007:136-143)

Owing to the amount of work to be done in a limited period and the cost implications thereof, a survey strategy was employed for this study. This strategy is usually associated with the deductive approach.

3.4 TARGET POPULATION

A population refers to the entire group of people, events or things of interest that the researcher wishes to investigate (Sekaran, 2003:265). The target population is the total collection of elements from which a researcher wishes to make inferences (Cooper and Schindler, 2003:179). For this study, the target population consisted of 100 (N=100) registered tour operators from the south coast region of KZN and selected from the TKZN database. The criteria used to select tour operators were based on:

- Education;
- Facilities offered by tour operators; and
- Skills and staffing.

From the 100 tour operators selected in the south coast region, only 50 tour operators returned the questionnaire e-mailed to their addresses, representing a 50% response rate.

3.5 SAMPLING

A sample is a subset of a given population, such that, by studying the sample, generalisations may be made back to the original population from which the sample was drawn (O'Rourke, 2000:1). The sample must be representative of the population from which it was drawn and it must warrant statistical analysis. The main function of the sample is to allow the researchers to conduct the study on individuals from the population so that the results of the study may be used to derive conclusions that will apply to the entire population (Sekaran, 2003:266).

However, in view of the small number of registered tour operators, it was decided to conduct a survey of all these operators.

3.6 RESEARCH INSTRUMENT

The main objective of the study was to gain a deeper understanding of the tour operators' business in the south coast region of KZN. Interviews, questionnaires, documentations, observations, standardised tests and archival records are some of the research instruments used for primary data collection (Saunders et al., 2007:103). A questionnaire was developed as the research instrument to obtain the primary data for the study. This was regarded as the most suitable method of data collection for this study for the following reasons:

- A substantial amount of information could be obtained from a questionnaire;
- The questionnaire was considered the most cost-effective method given the geographical dispersion of the population in the south coast region of KZN and the large number of target respondents; and
- A questionnaire was identified as the best means of collecting relevant, precise and unbiased information for this study.

3.6.1 Preparation of the questionnaire

A questionnaire should be properly prepared and responsibly administered for it to be a vital instrument by which data may be obtained. Martin (2006:3) indicated that the goal of a questionnaire is to present a uniform stimulus to respondents so that their responses are comparable. He continued that the construction of a questionnaire involves decisions about wording, ordering of questions, selecting and wording of response categories, formatting and mode of administration of questions.

Further, Martin (2006:6) explained that the design of the individual questions also depends on the data to be collected. Open-ended questions allow respondents to answer in their own way whereas close-ended questions provide a number of alternative answers from which the respondent can choose. The close-ended questions are usually quicker and easier to answer given that the responses are easily interpreted. The following six types of closed-ended questions are identified by Martin (2006:6):

- **List** - the respondent is offered a list of items to select any of them;
- **Category** - only one response can be selected from a given set of categories;
- **Ranking** - the respondent is asked to place something in an order;
- **Rating** - a rating device is used to record responses;
- **Quantity** - the response is a number giving the amount; and
- **Grid** - the response to two or more questions is recorded using the same matrix.

The research aim and objectives guided the literature review for this research. Subsequently, the test items were formulated, based on the objectives and grounded in the literature review. Extreme care was taken to avoid ambiguity, misunderstanding, bias or offence as the fundamental goal of all questionnaires is to have clear communication (Hawnsen, Cottle, Negrine and Newbold, 1998:244). The questionnaire consisted exclusively of Likert-scale type questions (annexure A, page 95). Given the nature of the study, sensitive questions were deliberately avoided to encourage responses. The next paragraph discusses the questionnaire items.

3.6.2 Questionnaire items

The questionnaire layout consisted of four distinct sections and the total number of questions was limited to twenty-nine (29). Closed-ended questions

were utilised because they are quicker, easier to answer and more readily amenable to coding and quantitative analysis than open-ended questions. They also require minimal writing by the respondent. The types of closed questions used were a mixture of category and rating that are weighed using strongly agree (SA), agree (A), uncertain (U), strongly disagree (SD) and disagree (D). Open-ended questions were avoided as they would have elicited replies of varying length and articulation. Questions were designed for rapid computation, statistical analysis and graphical presentation of data (Malhotra, 2004:290). The questionnaire was accompanied by an introductory letter; and clear instructions preceded each question in order to facilitate its completion (annexure A, page 95).

3.6.3 Advantages of a questionnaire

Saunders et al. (2007:356) observed that the advantages of a questionnaire are that there is reduced variability of results owing to the nature of fixed response questions; it is simple to code, analyse and to interpret results; there is cost-effective data collection and it has standardised answers, which may be interpreted the same way by each respondent. A questionnaire is ideal to use in a descriptive study (Saunders et al., 2007:356). Lastly, the questionnaire is easy to administer (Malhotra, 2004:178). The aforementioned advantages motivated the use of a questionnaire for this study. The next paragraph discusses the disadvantages of a questionnaire.

3.6.4 Disadvantages of a questionnaire

According to Saunders et al. (2007:286), questionnaire required less skill and sensitivity to administer than semi-structured and in-depth interviews and researchers must guard against the disadvantages of using a questionnaire. The design of a good questionnaire is not only challenging but time consuming as well. Delivery of the questionnaire is costly and it offers only

one chance of collecting data (Saunders et al., 2007:286). The next paragraph discusses the pilot study.

3.7 PILOT STUDY

A pilot study is a small-scale preliminary study conducted before the main research initiative. The purpose of a pilot study is to check the feasibility of the study, to improve the design of the research plan and to identify areas that may require revision and correction, so as to refine both the instrument and data-analysis procedures. It enables assessment of the questions' validity and the likely reliability of the data that will be collected (Saunders et al., 2007:386). Preliminary analysis of the data collected through the pilot study may be done to ensure that the data collected will answer the objectives of the research (Cooper and Schindler, 2003:77). The pilot study assessed the length of the questionnaire, the clarity and common understanding of instructions and questions, the grammar, layout and any other comments that the 20 tour operators responded. In addition, it tested the distribution and collection methods of the questionnaire. The findings revealed that the responded tour operators had no problem understanding the questions and that the time limit was adequate. The instrument was administered without any changes.

3.8 DATA COLLECTION

Research deals with data collection, which may be obtained from either primary or secondary sources. Primary data are collected by the researcher from the respondents for a specific purpose, while secondary data includes both raw data and published summaries, collected by other researchers for their purposes (Cooper and Schindler, 2003:147). Such data may come from magazines, television, minutes of meetings or any other resources. Both primary and secondary data sources were used in this research. A

questionnaire was used to collect the primary data. For the purposes of this study, data was collected via email.

3.9 ADMINISTRATION OF QUESTIONNAIRES

Questionnaire administration is the process of using the designed questionnaire to collect data. There are a variety of ways in which questionnaires may be administered; these include person-to-person, email/Internet, telephone and postal delivery methods (Sekaran, 2003:251). After considering the advantages and disadvantages of the various questionnaire administration methods, this study opted to employ the electronic questionnaire administration method. This decision was based on the ease and speed and wider geographic reach of electronic administration. Email addresses of the respondents were obtained from the database of TKZN. Prior to distribution of the questionnaire, the researcher contacted the respondents to explain the purpose of the study and to encourage participation.

3.9.1 Collection of the completed questionnaires

The respondents were informed by the introductory letter of the due date for completion of the questionnaire. Respondents were given three weeks to complete the questionnaire. Some respondents obliged and submitted the completed questionnaire before or on the due date. However, some had to be constantly reminded. The completed questionnaires were returned to the researcher via email. Personal and telephonic interviews were not conducted. The questionnaires received by email were printed. The printed hard copies were used for analytical purposes. A total of 50 questionnaires were received. This represented a 50% response rate.

3.9.2 Disadvantages of e-surveys

Vickery (2001:5) listed the following disadvantages of e-surveys:

- People are not completely comfortable with computer technologies;
- The issue of data quality is the primary concern;
- Lost data is the higher risk, e.g., e-mails can get lost in the ether, or the physical computer disks can get damaged in transit; and
- The computer viruses, e.g., many respondents are leery of transmissions or disks from people they do not know and researchers must be cognisant of the risk receiving a virus in return.

3.10 DATA ANALYSIS

Analysis of data is a process of inspecting, cleaning, transforming, and modelling data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making. Ader, Mellenbergh and Hand (2008:336) observed that data analysis is a way of gathering, modelling and transforming data with the aim of highlighting information. The soft copies were checked for completeness. It was found that there were no spoilt questionnaires. Hence, all data collected from the responses was analysed using the statistical programmes, i.e., PASW Statistics version 18.0 and Microsoft Excel. These focused on frequencies, standard deviations and inferential statistics.

3.11 VALIDITY AND RELIABILITY

Threats to a study's validity and reliability exist in the research process. These related research issues direct researchers to consider whether they are studying what they think they are studying and whether the measures

they use are consistent. The following sections elaborate on validity and reliability for the study.

3.11.1 Validity

Research validity is the extent to which differences found with a measuring tool reflect the true differences among respondents (Cooper and Schindler, 2003:231). It is comprised of internal and external validity. Internal validity refers to the rigour with which the study was conducted, and the extent to which the designers of a study have taken into account alternative explanations for any causal relationships they explore. External validity refers to the extent to which the results of a study are transferable (Saunders et al., 2007:137). There are three classifications of validity, namely content validity, criterion-related validity and construct validity. Sekaran (2003:206) explained that content validity ensures that the measure includes an adequate and representative set of items that tap the concept. Adequate and representative sets of items were included in the questionnaire to explore the topic under investigation, and necessary care and attention was given to all facets of this study in an attempt to increase validity. Most of the results obtained from the study could be linked back to theory and this confirmed construct validity.

3.11.2 Reliability

Reliability is the extent to which data-collection techniques yield consistent findings (Easterby-Smith, Thorpe and Lowe, 2002:53). The reliability of a measure indicates the extent to which it is without bias (error free). Hence, it ensures consistent measurement across various items in the instrument (Sekaran, 2003:203). Therefore, it may be argued that the reliability of the data-collection instrument, in this case the questionnaire, is a measure which remains the same over time, despite uncontrollable testing conditions. The next paragraph discusses the ethical issues.

3.12 ETHICAL ISSUES

This study required the participation of tour operators. In order to protect and safeguard the respondents, a letter informing them of the need to conduct the study was sent to them. They were advised that they could withdraw from the study at any time and that their responses were confidential (Creswell, 2009:89). The use of the email as a mode of delivery protected the respondents from all harm and coercion. The name of their establishments was under general information, and tour operators were not obliged to give this information if they wished to maintain confidentiality.

3.13 LIMITATIONS OF THE STUDY

This research and sample size were limited to tour operators from the south coast region of KZN. Furthermore, the study did not have any financial sponsor and this limitation forced the researcher to reduce the research target and use basic analytical tools. The questionnaire was only in English. The questionnaire distribution was limited to respondents with access to email.

3.14 CONCLUSION

In this chapter, the rationale for selecting the deductive approach and for selecting an emailed questionnaire as the appropriate research instrument have been explained. The study adopted the survey strategy, as it supports the deductive approach and the use of a formalised, standard and structured questionnaire with predetermined responses. The electronic distribution of the questionnaires proved cost effective and reliable. A total of 50 respondents were emailed for the purpose of analysis.

The next chapter presents the findings and analysis of the study's empirical data.

Chapter 4

PRESENTATION OF RESULTS

4.1 INTRODUCTION

In the previous chapter, the research methodology and methods that were selected to study the questions in the research were discussed and justified. It is now opportune to present a detailed interpretation and analysis of the findings emanating from the 50 questionnaires received of the 100 sent out to tour operators in the south region of KZN. This represents a 50% return rate.

Interpretation plays an important role in research as it is the process that brings meaning to the divergent views of the respondents. Hence, it can be argued that the purpose of any research is to follow a protocol in its investigations, state the findings, analyse the data, and make conclusions and recommendations. According to Ghauri and Grønhaug (2002:137), data analysis is the process of bringing order, structure and meaning to the mass of collected data.

These authors are of the opinion that the main purpose of any research is to understand and gain insight into the phenomenon that is being studied. The analysis of data extracted from the questionnaires encompasses both descriptive and inferential statistics. To enhance the accuracy of analysis, collected data was converted into percentages. This indicates that results provided are proportional representations of the respondents' perceptions.

This chapter presents the results and discusses the findings obtained from the questionnaire in this study. The results are presented in the form of tables and graphs.

4.2 ANALYSIS OF VARIANCE (ANOVA)

Analysis of variance (ANOVA) is a useful tool which helps the user to identify sources of variability from one or more potential sources, sometimes referred to as “treatments” or “factors” (Zar, 1984:206). This method is widely used to identify whether variation in measured output values is due to variability between various influences, or within them. By varying the factors in a predetermined pattern and analysing the output, one can use statistical techniques to make an accurate assessment as to the cause of variation.

The previous chapter elaborated on validity and reliability, and in order to ascertain whether these total scores are indeed a reliable measure for these three parameters; Nature of tour operators, Role of tour operators and Improving promotion and sustainability of tourism, Cronbach’s alpha analysis was carried out. This indicates whether or not the grouped questions are consistent; whether indeed they may be grouped together as a single measure for the parameter. A reliability coefficient of 0.70 or higher is considered “acceptable” (Table 4.1). Research validity is the extent to which differences found with a measuring tool reflect the true differences among respondents (Cooper and Schindler, 2003:231). The results are presented below.

Table 4.1: Cronbach’s alpha – various sections

	Cronbach’s Alpha
Nature of Tour Operators Business	0.815
Role of Tour Operators	0.946
Improving promotion and sustainability of tourism	0.729
Overall	0.754

Table 4.1 reveals that the overall reliability score of 0.754 indicates a high degree of acceptable, consistent scoring for the different categories of this research. All of the categories 'have high acceptable' reliability values. The scoring from the highest score is 0.946 for role of tour operators; followed by 0.815 score from the nature of tour operators business and the lowest score of 0.729 in Table 4.1 is improving promotion and sustainability of tourism. The reliability coefficient of 0.70 or higher is considered "acceptable" in the Cronbach's alpha and the overall result scored is 0.754, which is close to 0.70.

4.3 DESCRIPTIVE STATISTICS

This section presents the descriptive statistics based on the demographic information of the study. Wegner (2010:10) stated that descriptive statistics may be used to analyse and profile the perceptions and intention-to-support responses of only the randomly-sampled number.

Descriptive statistics provide simple summaries about the sample and measures, i.e., the present quantitative descriptions of data in a manageable form such as tables and graphs.

This question was to establish the rating on the percentage for age category of tour operators who are actively in business. The results of this question are depicted in Figure 4.1. Figure 4.1 indicates the spread of the ages of the respondents.

4.3.1 General information

4.3.1.1 Age group

The age group question was to establish the rating on the percentage for age of tour operators who are actively in business. The results of this question are depicted in Figure 4.1 which indicates the spread of the ages of the respondents.

Figure 4.1: Age groups

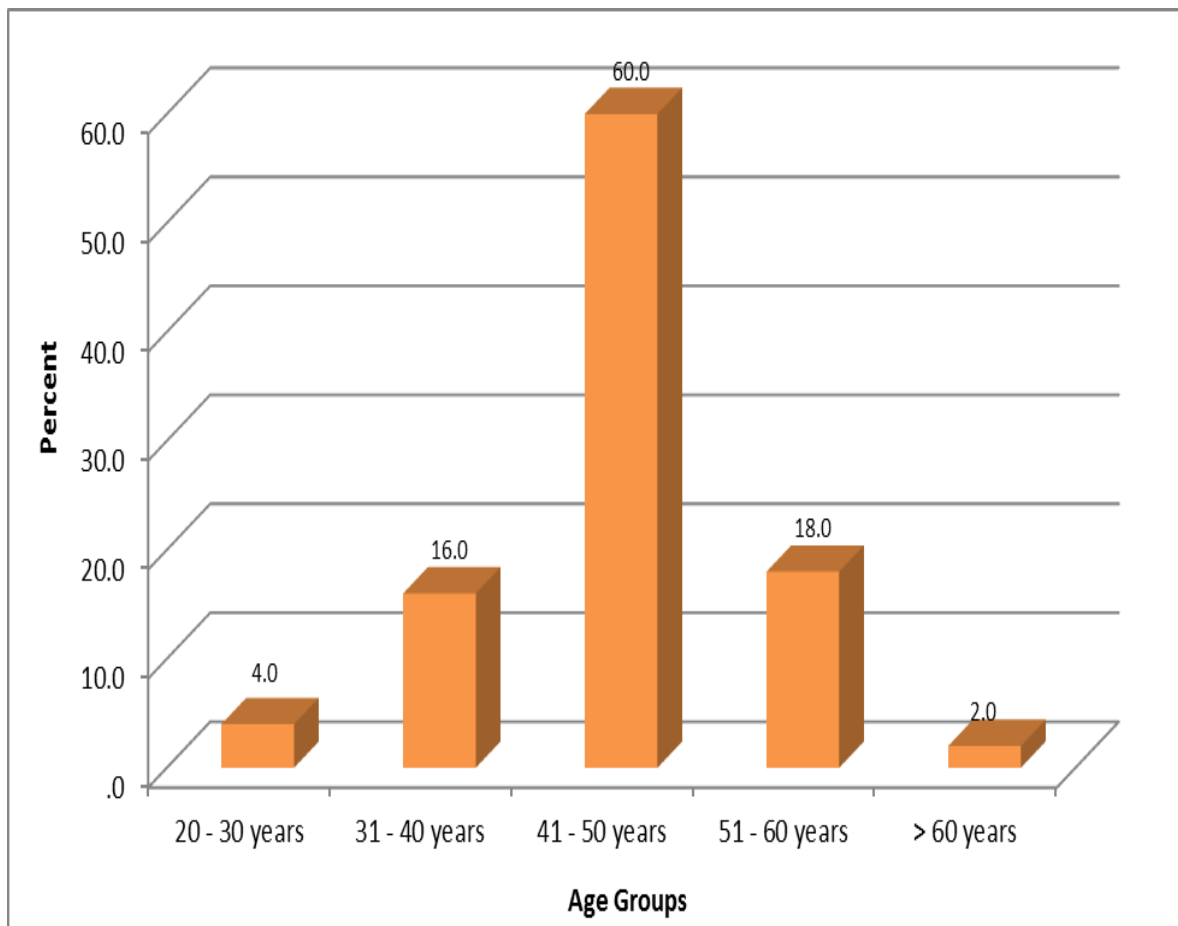
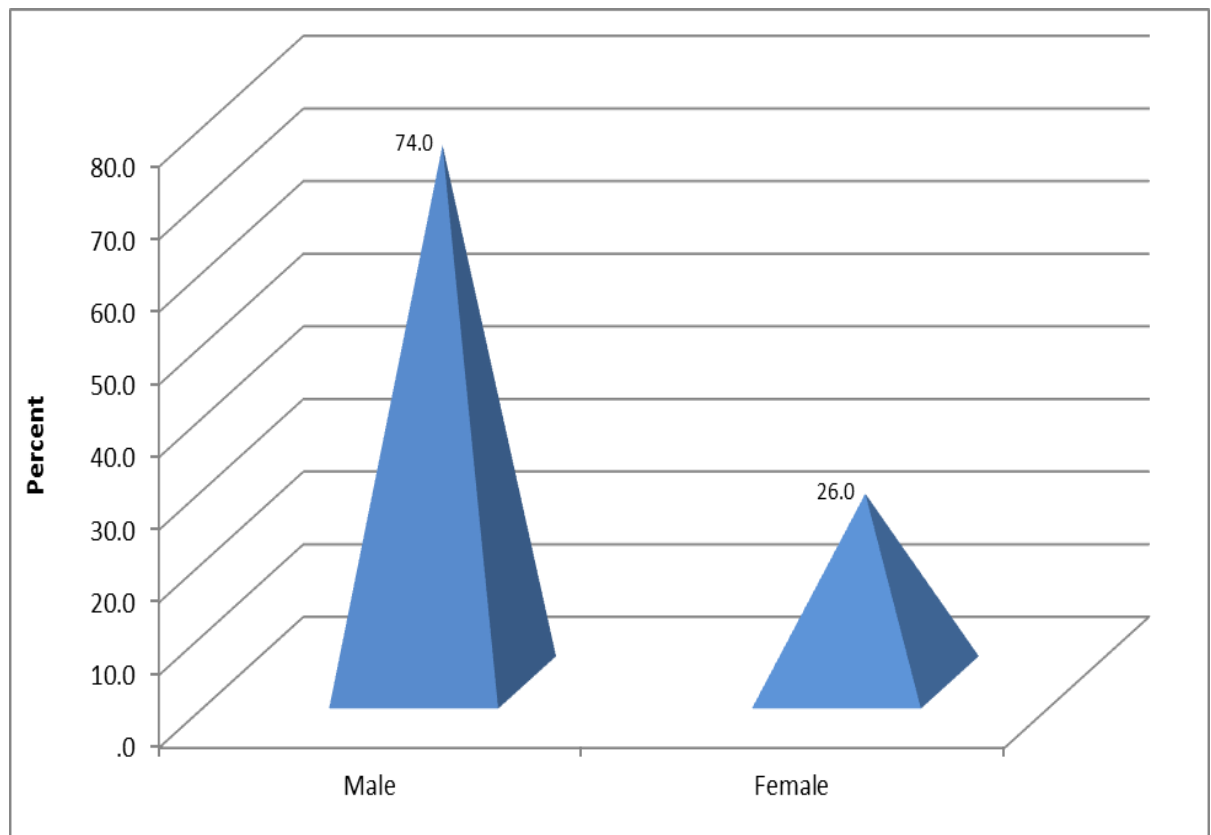


Figure 4.1 reveals that 60% of respondents are in the age group of 41-50 years, while 18% are in the 51-60 years group followed by 16% in the 31 -40 age group and 4% in the 20-30 age, group with the lowest total of 2% in the over 60 age group.

4.3.1.2 Gender

Figure 4.2 below is a graph of gender respondents with results.

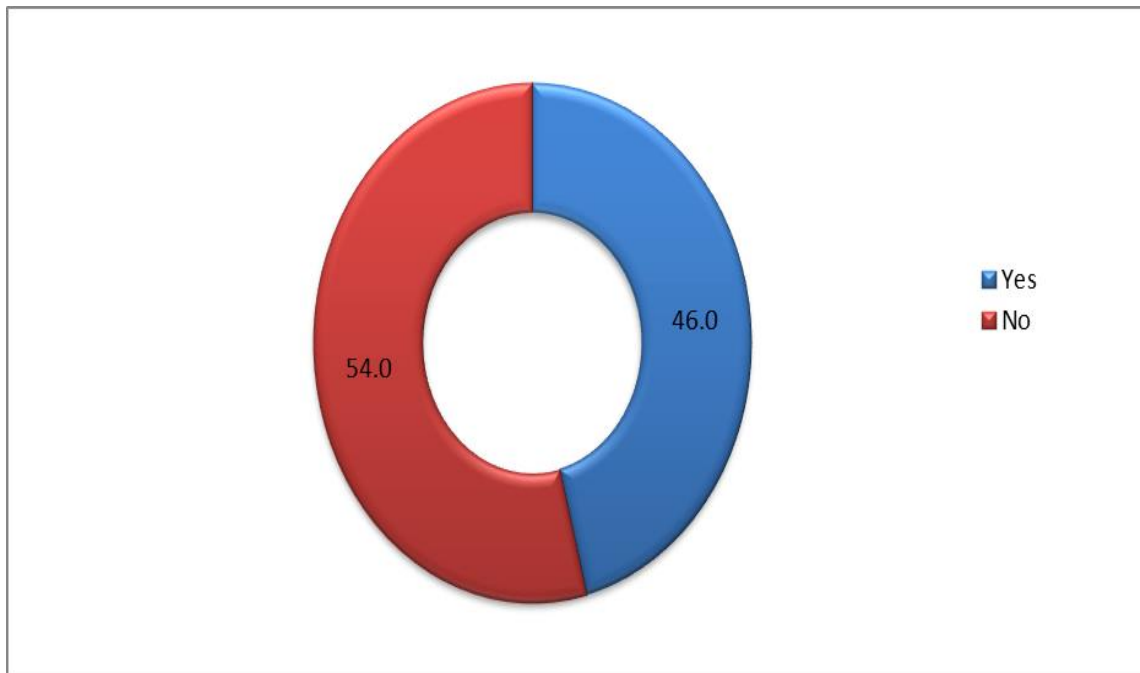
Figure 4.2: Gender



The analysis of the results shows that the business of tour operators is owned by both males and females. The study revealed that there are 37 males, comprising 74% of the respondents, while the females comprised of 26%. This question established the dominance of gender in this category, and it emerged that males still dominate the tour-operating business.

The findings from the study revealed in Figure 4.2 that there are few female tour operators indicating that female participation and growth in this sector is urgently required. Tourism bodies should be seeking to increase the number of capable, competent female tour operators. This is supported by TKZN's Newsletter (2010:15) research findings which state that males dominate the tour operators industry.

Figure 4.3: Registration with SATSA



While it is expected that tour operators register with SATSA, Figure 4.3 reveals that 54% of the respondents have not registered; only 46% are registered. The reasons for non-registration, obtained from the respondents are due to lack of information and communication. Tour operators who are registered with TKZN are for marketing purposes within the province. A total of 46% of the respondents indicated that they were registered operators with SATSA. This finding reveals that tour operators need to be educated and informed about the importance of registering with tourism associations and compliance within the tourism business (SATSA, 2010:18). It would appear that tour operators are not informed about the requirements and compliance information.

4.4 NATURE OF TOUR OPERATORS' BUSINESSES

The study revealed that, in respect of the nature of tour operators businesses, the indication of how they sell their packages and how many travel services they have in their businesses, is a cause for concern. The questionnaire had five questions with the ratings of strongly agree (SA), agree (A), undecided (U), strongly disagree (SD) and disagree (D). The variables SA and A were combined to give Agree, while SD and D were combined to form Disagree. This was done to facilitate interpretation and discussion.

Table 4.2 below indicates the frequency responses of each statement's results that constituted the nature of tour operators' businesses.

Table 4.2: Nature of tour operators' businesses

	Disagree	Undecided	Agree
I combine 2 or more travel services in my business	22	2	76
I sell my travel services directly to tourists	20	0	80
I sell my travel services to an agent	8	6	86
Tourists prefer a package deal when it comes to planning their holidays	0	4	96
Tour operators help to improve the economy of a country	0	0	100

The lowest percentage at 22% disagree in combining two or more travel services, while 96% agree that tourists prefer a package deal when it comes to planning the holiday.

Table 4.3 Nature of travel services

	Disagree	Undecided	Agree
N-value	11	1	38
Percentage	22	2	76

Table 4.3 reveals that 76% of the respondents combine two or more travel services in their business, while 22% disagree and 2% of the respondents are undecided about their product offerings. This finding concurs with the views of Burkart and Medlik (1981:216), Middleton and Hawkins (1998:185) who stated that many tour operators make use of several services to promote their businesses.

The tour operators combine two or more travel services, e.g., transport, accommodation, catering, entertainment, or sightseeing, and sell them through travel agencies or directly to final consumers as a single product called a package tour.

Table 4.4 Direct sales services to tourists

	Disagree	Undecided	Agree
Number	10	0	40
Percentage	20	0	80

Table 4.4 reveals that the majority of respondents (80%) agree that they sell their travel services directly to tourists while 20% disagree. The findings reveal that the respondents are clear on the nature of their sales as there were no unsure responses. It would appear that the majority of the tour operators prefer to purchase the various items that make up an inclusive holiday package in bulk, and then sell the final product to the tourists. This finding is supported by the studies of Yale (2004: 1), who found that tour operators preferred to sell all inclusive tour package deals.

Table 4.5 Use of a travel agent

	Disagree	Undecided	Agree
Number	4	3	43
Percentage	8	6	86

Table 4.5 reveals that 86% of respondents agree that they sell their travel services to an agent, while 8% disagree. The lowest total of 6% are respondents who are undecided whether they use direct marketing services or make use of the facilities of a sales agent. According to SAT (2011:15),

tour operators generally combine two or more travel services, e.g., transport and accommodation and sell them through travel agents. The majority findings in this study concur with the views of SAT (2011:15).

Table 4.6 Perceptions of a package deal

	Disagree	Undecided	Agree
Number	0	2	48
Percentage	0	4	96

Table 4.6 reveals that 96% of respondents agree that tourists prefer a package deal when it comes to planning their holidays, while 4% of the respondents are undecided. The findings reveal that there is clarity on the responses as there are no unsure responses to this statement. According to Tassiopoulos (2008:329), tour operators can package tours and then make use of other entrepreneurs to render other services such as transporting people.

Table 4.7 Tour operators help the economy

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.7 reveals that all respondents were in total agreement that tour operators help to improve the economy of a country. This finding stresses the importance of the tourism industry and it becomes necessary that all tour operators be provided with some form of governmental interventions in order to help grow and sustain their businesses. The study revealed that tour operators are important for the destination's economy and destinations are important for tour operators. Without destinations, there would not be a

tourism product (TOI, 2008:108). KZN's tourism total contribution to GGP stood at about R18 billion in 2010-2011, about 10% of the provincial economy. Tour operators will benefit from the tourists that are visiting the KZN province; this will boost small businesses. TKZN's strategy states that the province has wonderful natural tourism attractions and is thus well positioned to take advantage of the continued growth in international and domestic tourism (TKZN Strategy, 2010-2014:5).

Table 4.8 Years of operation in the tourism industry

Percentage	Years of operation	N-value
65%	Over 5 years	30
30%	Less than 5 years	15
5%	Less than 2 years	5

Table 4.8 reveals that 65% of the respondents operated for more than five years; while 30% of the respondents operated for less than five years and the lowest total of 5% operated for less than two years. The findings reveal that all the respondents are relatively new to the industry and may lack the experience and exposure to intensive tour operations. This finding is supported by the views expressed in the TKZN Newsletter (2010:14) that the more years in business of tour operating, the more knowledge one gains about the business and better exposure to the tourists.

Table 4.9 Size of the business

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.9 reveals that all the respondents described the size of their business as small to medium business enterprises. These businesses are, therefore, classified as SMMEs. Nieman et al. (2003:8) state that the largest percentage of small businesses fail during the first two years of the existence owing to cash flow problems that arise because they cannot manage growth. It would appear that, as the respondents are fairly new to this industry, some form of governmental intervention training programmes will help support them to manage their own organisations. According to business pundit Clem Sunter (Chibba, 2011:1), if the number of small businesses in South Africa increases, the country's economy will be saved in the future.

4.5 ROLE OF TOUR OPERATORS

This section looks at the role of tour operators, whether they understand what is expected on them or not. According to TOI (2003:7), tour operators are a pivotal link between the tourists and the destinations. The results from the questionnaire are below.

Table 4.10 Product knowledge

	Disagree	Undecided	Agree
Number	0	1	49
Percentage	0	2	98

Table 4.10 reveals that the overwhelming majority of 98% are in agreement that tour operators have to be knowledgeable about the products they sell and the lowest total of 2% were uncertain. This knowledge will help tour operators to create a positive attitude and image in the minds of the tourists in order that the business earns credibility from the public and promotes the province of KZN as a tourist destination (Cronje et al., 200:240).

Table 4.11 Accurate and interesting information

	Disagree	Undecided	Agree
Number	0	1	49
Percentage	0	2	98

Table 4.11 reveals that 98% of the respondents agree that tour operators must provide accurate and interesting information to the tourists, whilst 2% of the respondents are undecided. This is very crucial in terms of offering the best service to clients. If one appears inept as a tour operator, it discourages the tourists (Perspective Magazine Timeshare, 2011:16). The findings of Table 4.11 concur with the findings of Table 4.13.

Table 4.12 Tourists return to KZN

	Disagree	Undecided	Agree
Number	1	4	45
Percentage	2	8	90

Table 4.12 reveals that 90% agree with the statement that tourists like to return to KZN because of the excellent package deal they offer, while 8% of the respondents were undecided, and the lowest total of 2% were respondents who disagreed to this statement. South African Tourism (2011:10) estimates that, in 2008, a total of 599 412 people, or approximately 4.4% of total employment, are directly employed by the tourism sector, and that domestic tourism contributes 52% of total tourism consumption.

Table 4.13 Courteous tour operators

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.13 reveals that all respondents are in total agreement that tourists prefer tour operators who are courteous. This finding is critical to the success of their businesses as tourists like to feel safe, secure and comfortable with their tour operators and guides (Cronje et al., 200:240).

Table 4.14 Accommodating tourists demands

	Disagree	Undecided	Agree
Number	0	2	48
Percentage	0	4	98

Table 4.14 reveals that 98% of respondents are in agreement with the statement that tourists are generally very accommodating in their demands while 4% are undecided. The findings reveal the need for tour operators to provide the best possible service as the tourists are important for the destination's economy (TOI, 2008:108).

Table 4.15 Development of tourist destinations

	Disagree	Undecided	Agree
Number	0	1	49
Percentage	0	2	98

According to Table 4.15, the majority of 98% are in agreement with the statement that tour operators influence the development of tourist

destinations, whilst 2% of the respondents are uncertain. The findings in this study concur with the views of TOI (2008:108) which states that tour operators are important for the destination's economy, and destinations are important for tour operators, without them, there would not be a tourism product.

Table 4.16 Market KZN to the outside world

	Disagree	Undecided	Agree
Number	2	13	35
Percentage	4	26	70

Table 4.16 reveals the highest total of 70% are in agreement with the statement that tour operators market KZN to the outside world, and 26% of the respondents are uncertain while 4% of the respondents disagree with the statement. The findings in Table 4.15 contradict the findings of Table 4.18 in some measure because, on the one hand, 98% of the tour operators help to develop tourist destinations and yet, on the other hand, 35% fail to market KZN to the outside world.

Table 4.17 Safety of tourists

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.17 reveals that all the respondents agree that tour operators must ensure the safety of their clients. This finding concurs with the findings revealed in Table 4.13. Tour operators have direct contact with clients when they take them on tours; hence, a personal one-on-one safe relationship is established with clients (Moutinho, 2011:161).

Table 4.18 Impatient tour operators

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.18 reveals that 100% of the respondents agreed that tourists dislike impatient tour operators.

The role of tour operators is very crucial in terms of offering the service to clients: if one appears inept in the sector, it discourages the tourists. This view is supported by the studies of other authors (Perspective Magazine Timeshare, 2011:16). The tourist experience is enhanced when tour operators are able to arrange tourist guides to guide them through the country.

Focus is needed on ensuring that the tour operators market KZN to the outside world with help from the government programmes offered under the pillar of tourism. Tourists like to return to KZN because of the excellent package deals tour operators offer to them. Therefore, it would appear that tourists are attracted to KZN by the excellent deals offered.

4.6 IMPROVING PROMOTION AND SUSTAINABILITY OF TOURISM

This section is concerned with the improvement of promotion and sustainability of tourism in KZN through the tour operators. The findings reveal that tour operators require more support in improving and sustaining the tour operator industry, as revealed in Table 4.7.

Table 4.19 Recognition for promoting tourism in KZN

	Disagree	Undecided	Agree
Number	0	2	48
Percentage	0	4	96

Table 4.19 reveals that 96% of the respondents agree that the tour operators must be given more credit and recognition for promoting tourism in KZN, whilst the lowest of 4% were undecided. Often marketers use sales promotion to improve the effectiveness of other elements of the promotional mix, especially advertising and personal selling. Research shows that sales promotion complements advertising by yielding faster sales responses (Lamb et al., 2004:323). The researcher identified marketers as tour operators in this research study.

Table 4.20 Skills and training programme

	Disagree	Undecided	Agree
Number	0	2	48
Percentage	0	4	96

Table 4.20 reveals that 96% of the respondents agree that they require skills training and aggressive marketing to ensure the sustainability of the tour operators' industry. The lowest total of 4% is undecided on the statement. Furthermore, the findings reveal that tour operators, despite doing a sterling job, are really not recognized for their effort in promoting tourism in KZN. This finding is supported by the studies of Nieman et al. (2003:34) who state that it is necessary for entrepreneurs to have both managerial and leadership skills. Furthermore, Nieman et al. (2003:34) found that the people-related issues involved in human resources include addressing the skills, attitudes and expectations of employees and entrepreneurs.

Table 4.21 Aggressive marketing by TKZN

	Disagree	Undecided	Agree
Number	0	3	47
Percentage	0	6	94

Table 4.21 reveals that the majority of respondents are in agreement with statement that aggressive marketing by TKZN must be enforced to promote the tour operator industry with the highest total of 94%, and the lowest total of 6% respondents who are undecided. Therefore, the large number of respondents support the study titled 'promoting tourism in the south coast region through tour operators'.

TKZN is responsible for the development, promotion and marketing of tourism in and within the province. KZNTA's statement of intent and direction is drawn from the mandate vested in the organization by the KwaZulu-Natal Tourism Act, 1996 (as amended, including No. 2 of 2002). Therefore, the mandate vested by the act must be implemented to support tour operators in promoting the KZN.

Table 4.22 Travel agents working closely with tour operators to promote tourism in the south coast region

	Disagree	Undecided	Agree
Number	0	1	49
Percentage	0	2	98

Table 4.22 reveals that 98% of the respondents agree that the travel agents must work closely with tour operators to promote and sustain tourism while 2% are undecided.

Table 4.23 Tour operators play a vital role in promoting local tourism in KZN

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.23 revealed that all respondents are in agreement with the statement that domestic tour operators play a vital role in promoting local tourism in KZN. This finding supports the views expressed in Table 4.19 that tour operators must be given more recognition and credit in promoting tourism in KZN.

Table 4.24 Conflict between hotels and tour operators

	Disagree	Undecided	Agree
Number	8	29	13
Percentage	16	58	26

Table 4.24 reveals that 58% of the respondents are undecided that there is conflict between the hotels and tour operators, while 26% agree that there is some conflict. A total of 16% of respondents disagree that there is conflict between hotels and tour operators.

Table 4.25 Conflict between mass tour operators and hoteliers

	Disagree	Undecided	Agree
Number	8	29	13
Percentage	16	58	26

Table 4.25 reveals that 58% of the respondents are undecided that there is conflict between the hotels and mass tour operators, while 26% agree that there is some conflict. A total of 16% of respondents disagree that there is conflict between hotels and mass tour operators. The findings of Table 4.25 concur with the results from Table 4.24. However, the high percentage of undecided responses is a cause for concern and may be interpreted as tour operators are not familiar with what happens in the industry.

Table 4.26 Sales promotion

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.26 reveals that all respondents are in total agreement that sales promotion must be improved to attract more foreign tourists. Sales promotion is generally a short-run tool used to stimulate immediate increases in demand (Lamb et al., 2004:323). Tour operators adopt sales promotion to market their small business and to 'push' the demand by offering incentives to clients.

Table 4.27 Level of crime in KZN

	Disagree	Undecided	Agree
Number	7	6	37
Percentage	14	12	74

Table 4.27 reveals that 74% of the respondents agree that local crime deters foreign tourists from planning holidays in KZN, while 14% disagree and 12% are undecided. This could be attributed to the high crime rate published in newspapers and televised about tour operators and tourists around the world.

Therefore, this finding shows that the level of crime is a challenge in KZN and it affects the local and foreign tourists from planning holidays to visit KZN.

Table 4.28 Hotel prices and hotel deals

	Disagree	Undecided	Agree
Number	0	0	50
Percentage	0	0	100

Table 4.28 reveals that there was 100% consensus from the respondents that hotel prices and package deals must be reasonable to encourage more tourists to visit KZN.

Lamb et al. (2004:56) states that low inflationary conditions benefit marketers, because real wages, and, hence, purchasing power, increase when inflation stays low. A significant increase in inflation almost always depresses real wages and thus consumers' ability to buy more goods and services, which is a huge challenge to marketers. These authors believe that, in inflationary circumstances, many marketers try to postpone price increases for as long as possible.

Overall, from the above results, it can be deduced that the respondents agreed with most of the statements in this category. However, the questions relating to 'Most conflicts occur between mass tour operators' and hoteliers' and 'There is conflict between hotels and tour operators', indicate greater levels of uncertainty, rather than levels of agreement or disagreement. The results concur with the challenge of tour operators lacking information related to the programmes offered by the government to help this relationship between tour operators and hoteliers. The relationship will enhance business growth from tourists returning repeatedly, owing to the service received from

the service provider. Respondents revealed that, in every business, crime is a challenge (74%), but the other statements showed positive results (100%).

4.7 INFERENCE STATISTICS

4.7.1 P-values and statistical significance

The traditional approach to reporting a result requires a statement of statistical significance. A p-value is generated from a test statistic. A significant result is indicated with " $p < 0.05$ ". These values are highlighted in yellow. (Wegner, 2010:156).

Statistical testing included the Chi-square Goodness of Fit test, which was used to determine whether any of the responses: Strongly Agree (SA), Agree (A), Undecided (U), Strongly Disagree (SD), Disagree (D), was selected significantly more often than the other responses. This was done for each of the questions.

Table 4.29 summarizes the results that are significant of the chi square tests, and the analysis will be done question by question.

Table 4.29 Pearson Chi Square Tests:

Pearson Chi-Square Tests

		Age	Gender	Registered with SATSA as a Tour Operator in KZN?
I sell my travel services to an agent	Chi-square	28.109	6.273	2.359
	df	12	3	3
	Sig.	.005	.099	.501
Tour operators have to be very knowledgeable about the products they sell	Chi-square	52.836	.523	3.392
	df	8	2	2
	Sig.	.000	.770	.183
Tour operators must provide accurate and interesting information to tourists	Chi-square	51.033	.370	2.722
	df	8	2	2
	Sig.	.000	.831	.256
Tourists like to return to KZN because of the excellent package deal I offer	Chi-square	57.121	1.608	4.985
	df	12	3	3
	Sig.	.000	.658	.173
Tour operators market KZN to the outside world	Chi-square	12.603	8.402	5.745
	df	12	3	3
	Sig.	.399	.038	.125
Tour operators must ensure the safety of their clients	Chi-square	12.004	.441	5.469
	df	4	1	1
	Sig.	.017	.506	.019
Tourists dislike impatient tour operators.	Chi-square	9.346	2.428	6.402
	df	4	1	1
	Sig.	.053	.119	.011
Tour operators must be given more credit and recognition for promoting tourism in KZN	Chi-square	15.950	.788	1.288
	df	8	2	2
	Sig.	.043	.674	.525
Tour operators require skills and training programmes to promote tourism in KZN	Chi-square	18.728	5.985	2.093
	df	8	2	2
	Sig.	.016	.050	.351
Travel agents must work closely with tour operators to promote and sustain tourism in KZN	Chi-square	55.337	.878	2.362
	df	8	2	2
	Sig.	.000	.645	.307
Domestic tour operators play a vital role in promoting local tourism in KZN	Chi-square	13.988	.209	3.760
	df	4	1	1
	Sig.	.007	.648	.053
Sales promotion must be improved to attract more foreign tourists	Chi-square	17.949	.208	6.629
	df	4	1	1
	Sig.	.001	.649	.010

4.7.2 Results from the Pearson Chi Square tests

The p-value between 'age' and 'I sell my travel services to an agent' is 0.005 (which is less than the level of significance of 0.05). This means that the various age groups had different opinions on this point.

The p-value between 'age' and 'tour operators have to be very knowledgeable about the products they sell' is 0.000 (which is less than the level of significance of 0.05). The analysis shows that significantly more respondents than expected indicated in the age group remained neutral with the statement.

The p-value between 'age' and 'tour operators must provide accurate and interesting information to tourists' is 0.000 (which is less than the level of significance of 0.05). The analysis indicates that the respondents' age played an important role regarding how they felt about providing accurate and interesting information to tourists.

The p-value between 'age' and 'tourists like to return to KZN because of the excellent deal I offer' is 0.000 (which is less than the level of significance of 0.05). The analysis shows significantly more respondents than expected indicated in the age group remained neutral with the statement.

'Tour operators market KZN to the outside world' scored 0.038, which is below the level of significance of 0.05. The scoring indicates details about the individual based on age, gender and whether registered with SATSA or not. Different responses were given to the stipulated statements.

'Tour operators must ensure the safety of their clients' scored 0.017, which is below the level of significance of 0.05. The scoring indicated details about the age that had different opinions on the statement.

The tour operators in the south coast region of KZN registered with SATSA scored 0.011 in the statement 'tourists dislike impatient tour operators.' This score is less than the level of significance of 0.05.

'Tour operators must be given more credit and recognition for promoting tourism in KZN' scored 0.043, below the level of significance of 0.05. The scoring indicates details about the individual based on age. The majority of the respondents agree with the stipulated statement.

'Tour operators require skills and training programmes to promote tourism in KZN' scored 0.016, which is below the level of significance of 0.05. The scoring indicates details about the individual based on age agree with the stipulated statement.

The p-value between 'age' and 'travel agents must work closely with tour operators to promote and sustain tourism in KZN' is 0.000 (which is less than the level of significance of 0.05). The analysis shows significantly more respondents than expected indicated in the age group remained neutral with the statement.

The p-value between 'age' and 'domestic tour operators play a vital role in promoting local tourism in KZN' is 0.007 (which is less than the level of significance of 0.05). This means that the various age groups had different opinions on this point but the majority agree with the statement.

The p-value score in the statement 'Sales promotion must be improved to attract more foreign tourists' is 0.001 (which is less than the level of significance of 0.05).

4.8 CORRELATIONS

Correlation analysis is the statistical tool that is used to describe the degree to which one variable is linearly related to another (Zar, 1984:226). This statistical measure is called Pearson's correlation coefficient. Frequently, Pearson's correlation coefficient computes the correlation between two ratio-scaled (numerics) random variables (Wegner, 2010:418). Correlation analysis can also be used by itself, to measure the degree of association between the variables (Zar, 1984:228).

Spearman's correlations were used to determine the relationships between the various sections of the research. The results are presented in Table 4.33 below.

Table 4.30: Correlations

Correlations			Nature of tour operators business	Role of tour operators	Improving promotion and sustainability of tourism
Spearman's rho	Nature of tour operators business	Correlation Coefficient Sig. (2 tailed) N	1.000 .50		
	Role of tour operators	Correlation Coefficient Sig. (2 tailed) N	.642** .000	1.000 .50	
	Improving promotion and sustainability of tourism	Correlation Coefficient Sig. (2 tailed) N	.374** .00850	.384** .00650	1.000 .50

** . Correlation is significant at the 0.01 level (2 tailed).

4.9 CONCLUSION

In order to make precise conclusions on this chapter, it was important to complete the interpretive analyses and to identify the aspects to be evaluated and monitored. Analyses such as chi-square goodness-of-fit test, chi-square tests of independence, t-tests and analysis of variance (ANOVA) were carried out on the data collected.

It was found that for the entire sample, when looking at each question separately, responses were significantly different. For example, the p-value between gender and tour operators requires skills and training programmes to promote tourism in KZN' is 0.050 (which is the level of significance 0.05).

The category of 'nature of tour operators' businesses', majority of respondents are in agreement with the statements (refer Table 4.2). In the category of 'role of tour operators', majority of respondents agree in high percentages (refer Table 4.2), but the category of 'improving promotion and sustainability of tourism' have two statements that have respondents who are in less agreement by scoring low percentages. Undecided respondents scored the highest by 58% in both statements 'there is conflict between hotels and tour operators' and 'most conflicts occur between mass tour operators and hoteliers'. The respondents in agreement scored 26% and the lowest are respondents in disagreement with the score of 16% (refer Table 4.24).

From the results of the various tests, it is evident that all tour operators are generally positive about the promotion of tourism in KZN through the tour operators and are keen to grow in the business. In the next chapter these findings will be discussed relative to the literature review and primary' study. Based on the conclusions, recommendations will be offered.

Chapter 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The overall objective of research is to draw conclusions on the findings and to submit viable recommendations to tour operators in the south coast region of KZN. The conclusions and recommendations of this study flow from the findings of both the primary and secondary studies. Limitations of this study have been identified and areas for future research are suggested.

5.2 AIMS AND OBJECTIVES

5.2.1 Aims

The aim of the study was to explore the role of tour operators in promoting tourism in the south coast region of KZN.

5.2.2 Objectives

The underlying objectives for the study were:

- To identify and examine the nature of the tour operators' business prevailing in the south coast region of KZN;
- To identify and explore the role of tour operators in the tourism industry in sustaining their businesses;
- To identify the changes needed to improve the promotion and sustainability of both tourism in the south coast region of KZN; and
- To identify the challenges encountered by tour operators which hinder them from contributing effectively to the economy of South Africa.

5.3 FINDINGS FROM THE STUDY

5.3.1 First objective

- To identify and examine the nature of the tour operators' business prevailing in the south coast region of KZN.

5.3.1.1 Findings from the literature review and primary study

The finding from the literature review study revealed that, a tour operator can package tours and then make use of other entrepreneurs to render a service such as transporting people (Tassiopoulos (2010:329. Accordingly, tour operators are businesses that combine two or more travel services, e.g., transport, accommodation, catering, entertainment, or sightseeing, selling them through travel agencies or directly to final consumers as a single product called a package tour. The use of special offers stimulates demand for the tour operators packages offered; they may be able to branch out into new market segments (Lamb et al., 2004:56).

Theorist in the literature review explained that the tourism sector is recognised throughout the world as one of the fastest-growing sectors and, more importantly, the sector that will continue to generate employment opportunities (Tassiopoulos, 2010:328). Tourism creates jobs, brings in foreign exchange and provides income to host destinations.

The findings from the primary study reveal that tour operators are important for the destination's economy and destinations are important for tour operators; without them, there would not be a tourism product (TOI, 2008:108). KZN's tourism total contribution to GGP stood at about R18 billion in 2010-2011, which constitutes about 10% of the provincial economy.

5.3.2 Second objective

- To identify and explore the role of tour operators in the tourism industry in sustaining their businesses.

5.3.2.1 Findings from the literature review and primary study

The study revealed that tour operators have direct contact with clients when they take them on tours; hence, a personal one-on-one safe relationship is established with clients (Moutinho, 2011:161).

According to George (2004:222), tour operators' provide services to a number of different types of tourists, namely, business travellers and leisure travellers. They are able to accommodate the needs of various types of tourists by providing services to satisfy their needs in various ways. TKZN Newsletter (2010:14) further explains that the more years tour operators have in business of tour operating, the more knowledge they have in the business and are better exposed to tourists.

Figure 2.1, from the literature review, reveals that there is a relationship between the tour operators and travel agencies (United Nations Environment Programme, 2003:25). However, the findings from the primary study and the literature review reveal that there is some measure of disagreement between tour operators, travel agents and the hoteliers.

5.3.3 Third objective

- To identify the changes needed to improve the promotion and sustainability of both tourism in KZN and that of the tour operators.

5.3.3.1 Findings from the literature review and primary study

The findings revealed that the role of promotion is to convince potential consumers of the benefits of purchasing or using the tourism offerings of a particular organisation (Horner and Swartbrooke, 1996:202). This finding concurs with the views of Burkart and Medlik, (1981:216) and in Middleton and Hawkins (1998:185) who state that many tour operators make use of several services to promote their businesses.

Sales promotion is generally a short-run tool used to stimulate immediate increases in demand (Lamb et al., 2004:323). Tour operators adopt the sales promotion to market their small business and to 'push' the demand by offering incentives to clients.

Research shows that sales promotion complements advertising by yielding faster sales responses (Lamb et al., 2004:323). The researcher identified marketers as tour operators in this research study.

5.3.4 Fourth objective

- To explore the challenges encountered by tour operators which hinder them from contributing effectively to the economy of South Africa.

5.3.4.1 Findings from the literature review and primary study

The study revealed the challenges encountered by tour operators which hinder them from contributing effectively to the economy of South Africa. Nieman et al. (2003:32) stated that access to start up and expansion of finance is a challenge; and raising money in capital markets, including bank loans, is full of pitfalls for those who start businesses. It has been established that such people are often forced to launch their businesses using their own

money. Kotler (2003:32) states that, in South Africa, an unacceptable and disappointingly high number of small and microenterprises fail during their early years of operation. They face a myriad challenges. According to Nieman et al. (2003:8), the largest percentage of small businesses fail during the first two years of their existence owing to cash flow problems that arise because they could not manage growth.

The study revealed that the greatest concern to most marketers are those of inflation and recession, as well as the impact of interest rates and currency fluctuations on prices and consumer demand (Lamb et al., 2004:55).

Findings from the primary study revealed that the tour operators lacked the necessary skills and knowledge of their job to be able to contribute effectively to the economy of South Africa.

5.4 CONCLUSIONS

The conclusions arrived from the findings are:

- The tour operators must sell a lucrative packaged deal to tourists, travel agencies or directly to final consumers to grow their business and increase their turnover.
- The tour operators are responsible for sustaining their businesses, and that they fully understand their role as tour operators.
- The tour operators are needed to be flexible when packaging the tours to accommodate the needs of the tourists or individuals.
- Tour operators in the south coast region of KZN need to utilise the promotion tools available from TKZN and work with tour operators

(e.g., travel agents) to improve promotion and to sustain the tourism business.

- Tour operators must acquire more knowledge on the areas that lack performance so that the necessary skills and knowledge acquired will contribute vastly towards the tour operators' business in future.

The next paragraph discusses the general recommendations.

5.5 GENERAL RECOMMENDATIONS

5.5.1 Business support services

It is recommended that there should be much more business support services that will initiate incubator services for tour-operating businesses. The tour-operating business should be managed as a business and basic business principles should be followed. The next paragraph discusses the specific recommendations.

5.6 SPECIFIC RECOMMENDATIONS

5.6.1 Capacity-building programmes

There should be ongoing capacity-building programmes that will help these tour operators to hone their skills on a regular basis. During this period, they can overcome the challenges encountered and they will learn much that will enable them to respond to questions and queries posed to them by tourists. The capacity-building process could also be extended to business-related skills and management skills to help the tour operators' businesses survive and be profitable.

It is recommended that the established local, provincial and national associations should engage themselves more completely to communicate and educate the tour operators to grow in their business and move from small business enterprises. Expanding the role of tour operators in promoting the south coast region in KZN will improve the marketing of the province to the tourists and enable both genders and groom the youth to establish their businesses at an early age. Yeoman (2008:33) stated that tourism began when time began. Yeoman (2008:33) further explained that tourism is about experiences, whether exploring an unfamiliar culture, shopping, lying on a beach or enjoying sport in far-flung places or a little nearer home.

Bennett et al. (2005:24) mentioned that local communities must become involved in tourism planning and development. The statement is elaborated further by Bennett et al. (2005:26) stating that tourism development should not take place without the involvement and participation of local communities

5.6.2 Sharing knowledge

Workshops need to be conducted in order to make the tour operators knowledgeable about the facilities that can be used to promote tourism. Training and development is necessary to improve service delivery and enhance communication. The next paragraph discusses the recommendations for further research.

5.7 RECOMMENDATIONS FOR FURTHER RESEARCH

The research investigated the promotion of tourism through tour operators in the south coast region of KZN but was unable to examine the following topics:

- The effectiveness of online bookings for tour operators; and
- The use of the Internet as a marketing tool for tour operators.

The above mentioned topics are recommended for further research. The next paragraph discusses the concluding remarks.

5.8 CONCLUDING REMARKS

Overall, this study has explored the role of tour operators in promoting tourism in the south coast region of KZN. It has examined the current literature and empirically explored the opinions tour operators who are operating in the area of the south coast region. The objectives of the study were discussed in chapter four. In so doing, the aim of the study was achieved.

Page (2009:157) quoted Lamb and Davidson, (1996:264-5) that the purchaser of the tourism product (the tourist) must experience the trip to access the product. The quality of the transportation experience becomes an important aspect of the tourist experience and, therefore, a key criterion that enters into destination choice. Poor service, scheduling problems, and/ or long delays associated with a transportation services, for example, can seriously affect a traveller's perceptions and levels of enjoyment with respect to a trip. Tourists require safe, comfortable, affordable, and efficient intermodal for transportation networks that enable precious vacation periods to be enjoyed to their maximum potential.

The potential exists for the tour operators in the south coast region of KZN to improve their management skills and provide them an opportunity to effectively assess their businesses to become more profitable and sustainable.

While establishing the role of tour operators in promoting tourism in the south coast region of KZN, it became apparent that the tour operating business has

become a significant contributor to the province of KZN and to the wealth of south coast region.

Tour operators must confront the challenge faced by them and by SMMEs and must, therefore, network their small businesses using agencies and facilitating the vertical and horizontal business linkages (Nieman et al., 2003:32).

Nieman et al. (2003:33) stated that another constraint facing the tour operators' and SMMEs is lack of technology. The use of appropriate technology is one of the most important factors giving a tour operator or SMME competitive advantage (e.g., computer with internet).

However, lack of communication and education to the tour operators hinders the promotion of the province through tour operators. It has been recommended that the already established local, provincial and national associations should engage themselves more completely to become influential, communicate and educate the tour operators. As is so frequently reported in the media, tourism is one of the fastest growing industries in South Africa.

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ANNEXURES

Annexure A

QUESTIONNAIRE FOR TOUR OPERATORS IN THE SOUTH COAST OF KZN

I am gathering data for a Masters dissertation and would be grateful if you would fill in the questionnaire below. All replies will be strictly confidential. Please mark the boxes as appropriate.

Section A: General information

1. Your age group:

A: 20 –30 yrs	B: 31- 40 yrs	C: 41-50 yrs	D: 51-60 yrs	E: 61 +
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2. Your gender:

<input type="checkbox"/>	Male
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<input type="checkbox"/>	Female
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3. Name of the establishment: _____

4. Are you registered with SATSA as a Tour Operator in KZN:

Yes/No _____

Section B: Nature of Tour Operators Business

What is the nature of the business you are operating as a tour operator?

No.	Test Item	SA	A	U	SD	D
1.	I combine 2 or more travel services in my business					
2.	I sell my travel services directly to tourists					

3.	I sell my travel services to an agent					
4.	Tourists prefer a package deal when it comes to planning their holidays					
5.	Tour operators help to improve the economy of a country					

Section C: Role of Tour Operators

No.	Test Item	SA	A	U	SD	D
1.	Tour operators have to be very knowledgeable about the products they sell					
2.	Tour operators must provide accurate and interesting information to tourists					
3.	I have my own tour vehicles which helps to reduce travel costs					
4.	Tourist like to return to KZN because of the excellent package deal I offer					
5.	Tourist prefer tour operators who are courteous					
6.	Tourists are generally very accommodating in their demands					
7.	Tour operators influence the development of tourist destinations					
8.	Tour operators market KZN to the outside world					
9.	Tour operators must ensure the safety of their clients					
10.	Tourists dislike impatient tour operators.					

Section D: Improving promotion and sustainability of tourism

No.	Test Item	SA	A	U	SD	D
1.	Tour operators must be given more credit and recognition for promoting tourism in KZN					
2.	Tour operators require skills and training programmes to promote tourism in KZN					

3.	Aggressive marketing by TKZN must be enforced to promote the tour operator's industry					
4.	Travel agents must work closely with tour operators to promote and sustain tourism in KZN					
5.	Domestic tour operators play a vital role in promoting local tourism in KZN					
6.	There is conflict between hotels and tour operators					
7.	Most conflicts occur between mass tour operators and hoteliers					
8.	Sales promotion must be improved to attract more foreign tourists					
9.	The level of crime in KZN deters local and foreign tourists from planning holidays					
10.	Hotel prices and package deals must be reasonable to encourage tourists to return to KZN					

THANK YOU FOR YOUR ASSISTANCE.

For queries please contact: GR Dimaza

083 684 6802 (cell) or 086 577 4787 (fax)

goitsemand@yahoo.com

Annexure B

Covering Letter

LETTER OF INFORMATION AND CONSENT

Dear Participant

I am currently registered with the Faculty of Management Science at the Durban University of Technology (DUT), based in South Africa. I have to complete a dissertation as part of my studies to qualify for the award of the MBA degree. My dissertation is titled, Promoting Tourism in the South Coast Region of KwaZulu-Natal through Tour Operators.

I have to interview identified people/organisations by means of an emailed questionnaire and I respectfully request your participation and contribution by granting me an interview, which should not last longer than 15 minutes. All information collected in the course of this study will be solely applied for research purposes, and will be treated with the utmost confidentiality.

Should you have any queries concerning this study, please do not hesitate to contact me on the number provided below, or my supervisor (Dr Roshni Maharaj, telephone 031 373 5397). I look forward to your response and allow me to express my sincerest gratitude in anticipation of your cooperation.

Yours truly,

Goitsemanang Dimaza
083 684 6802