The Effects of Channel Power, Destination Attractiveness and Destination Political Risk Events on U.S. Tourism Channel Firms' Performance: The Case of Tourism Destinations in Africa

by

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ABSTRACT

This is an exploratory study that empirically examines the relationships between United States' tourism channel firms' power, African country destination's political risk events and touristic attributes and their effects on firm performance. Tourism channel firm performance is conceptualized as having five dimensions: the number of trips generated, repeat business, package tour sales, profits and new destinations. The link between these dependent variables and their relationship to channel power, destination attractiveness and political risk is the principal focus of this study.

Data for the study were collected using a structured questionnaire mailed to the population of tour operator, travel agents and other destination marketing organizations, airline and hotel companies who are members of the Africa Travel Association (N=450) between December 1995 and February, 1996. One hundred and twenty nine respondents completed the survey, yielding a response rate of 28.6%. Nonrespondents were also profiled to ensure respondent representativeness. Data

were analyzed using Factor Analysis and Multiple Regression.

The results from factor analysis delineated tourism channel power into two main factor groupings - internalization power factors and technological power factors. The internalization power factors include the use of staffing, management, proprietary research and acquisition of supply firms as techniques used by U.S. tourism channel firms to dominate; while the technological factors used include expert systems, computerized communications and reservation systems. These factors explain 68.5% of the total variance.

Three main factor groupings emerged from the factor analysis of touristic attributes in African destinations: (1) Natural resource factors, which constituted climatic, geographic, beach, floral and faunal stock, scenery, landscape, vegetation and wildlife activities; (2) Cultural/Ethnic factors, constituting tribal life, ethnic customs and historic monuments; (3) Activity factors - hunting safaris, local tribal life participation and local shopping .Overall, the total variance explained by these factors amount to 51.5%

Regarding the factor groupings for political risk, two main factors emerged: (1) Regionalized Political Risk Events, constituting civil wars, revolution, coups d'etat, factional conflicts, border conflicts and the like; (2) Globalized Political Risk Events- high inflation rates, high external debt ratio, profit repatriation restriction, and negative world public opinion among others. These factors account for 70.8% of the

total variance.

Overall, five models emerged from the multiple regression procedure, constituting each of the individual dependent variables of performance: trip generation, repeat business, package tours, profits new destinations.

The overall model for the dependent variable of percentage of trips generated was found to be statistically significant. Furthermore, this model explains 34.7% of the total variance for trips generated by United States's tourism channel firms to Africa.

The model of the dependent variable of repeat business reveals that only 29.5% of the variance is explained by the dependent variable. Furthermore, the model is not statistically significant.

The model depicting the dependent variable of package tours and the individual independent variables explains 47.2% of the variance, and is statistically significant.

The multiple regression model for the dependent variable of number of new destinations entered in Africa constitutes the fifth model. The overall model explains 45.85% of the total variance, and is highly significant. However, of all the factors included in the model regionalized political risk factors appears to affect new destinations negatively.

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This dissertation is dedicated to my dad, whose last words on the phone from Sierra Leone were " how soon before I get to call you doctor," I deeply regret that he did not survive his illness long enough to be able to do so. May his soul rest in perfect peace

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"Only in the dictionary does success come before work." - Anonymous

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CHAPTER I

STATEMENT OF OBJECTIVES

The main objective of this study is to propose a conceptual model that examines whether American tourism inter-organizational channel firm performance in African destination countries can be explained by:

1. The prevalence of inter-organizational channel power;
2. The destination attractiveness of countries in Africa; and
3. The prevailing macro political risk events in African destination countries.

INTRODUCTION AND BACKGROUND TO THE STUDY

African countries are in the midst of a tourism revolution. In many parts of the continent there is renewed emphasis on market segmentation, specialization, needs assessment, product differentiation, and market research. This trend suggests that countries in the region must become more knowledgeable in their understanding of tourist demands, and more sophisticated in their attempts to reach and satisfy their target audiences. The implications are perhaps greatest for the travel intermediaries (tour wholesalers, tour operators and travel agents) in tourist generating countries to the African continent. These intermediaries face changing growth patterns and environmental turbulence, as African countries undergo economic, social and political changes. Thus, in order to be successful in these markets in the future, travel

intermediaries currently servicing those markets, must, more than ever before cope with the various turbulent forces at work in these African countries.

Channel Power/Control Dimensions in Africa

The current structure of international tourism flows to African country destinations consists of three main sectors: (1) an international transport sector, (2) an accommodation sector and (3) a non-accommodation sector (sightseeing, transfers etc.) at the destination. As a result, travel agents and tour operators (travel intermediaries) play a very important role as sales agents for the suppliers in the distribution of the "product". However tour operators have increasingly emerged as the most powerful and influential within the sector, pursuing a function of organizing package holidays- i.e, holidays that are pre-organized and pre-paid -a function that was previously demanded by the competitive conditions of production . This function is performed by centralizing and controlling information on the transport, and accommodation sectors; and the choosing different packages from among the whole services that these sectors provide.

According to Richter (1992), developed nations own and control air, train and sea links and can redirect tourism traffic. She further states that:

> In fact, the tourism of developing nations is often dependent on the timetables and routes of other nations' airlines or cruise ships. If those re-route, cut flights or skip their ports,..... it will be months to years before the bookings and tourist traffic regain their momentum. (p.26)

Furthermore, Esh and Rosenblum (1976) have suggested that the expanding tourist industry in Africa is based almost exclusively on "charter tourists." According to them, this category of tourists can be said to show specific traits, one of them being: the tourist purchases a "package tour" which includes flight, and accommodations consisting of bed, breakfast and one additional meal, which is paid for in the home country with corresponding currency. The expenditure by the tourist in the country visited is thus mainly limited to "superfluous disbursements" for such things as souvenirs and taxi fares which go directly to the local entrepreneurs; or for tours and extras at the hotels which end up with the foreign entrepreneurs.

A tendency towards oligopolistic control and vertical integration of the industry has also been observed in African tourism. Control over the travel agency, the airline, hotels, tour operators by travel suppliers has been reported in the tourism literature (Esh and Rosenblum (1976); McQueen (1983). For example, it has been observed that:

> A tendency towards oligopolistic control and vertical integration of the tourist industry can also be seen in the case of [Africa]. One company has interests in the travel agency, the airline, hotels, tour operators and is to some extent, responsible for the import of supplies to the hotels. The same company has similar interests vested in other popular tourist countries and is in a strong position to manipulate demand and supply.(Esh and Rosenblum, p.51).

The tourist's demands are, however, indifferent with regard to a specific country resort, since the charter tourist products offered by the tour operators are direct products of these agencies' advertisement campaign, where "favorable factors" and the price of the tour package are of major importance and the choice of the country *per se* is secondary (Esh and Rosenblum, 1976). Furthermore, according to Teye (1982), tourists have a total perception of Africa which necessitates promoting each country as part of a multiple destination package.

According to the marketing channel literature, such control constitutes power. Power, in its most general sense, refers to the ability of one individual or group to control or influence the behavior of others (Hunt and Nevin, 1974). Dahl (1957), for example, defines power as the ability of one individual or group to get another unit to do something that it would not otherwise have done. The control achieved by some firms over selected decision variables or marketing efforts of others is a major factor in the level of performance obtained by the channel as a whole and by each of its members (Stern and El-Ansary, 1988). The fact that a marketing channel has power sources indicates that it has the potential for influence (Frazier, 1983).

According to Mill and Morrison (1985), one factor that makes tourism different from other industries is the role of travel intermediaries. Because most tourist places are located at distances far away from their potential customers,

specialized intermediaries are often necessary to bridge the gap. Furthermore, they state that:

> While in most industries the producer exerts much control over every stage in the delivery of the product, in tourism the travel intermediaries can influence if not determine which services should be offered, to whom, when, and at what price. (p.403)

MACRO POLITICAL RISK DIMENSIONS IN AFRICA

Despite its immense tourism potential, Africa's share of the total global arrivals and revenue receipts is meager (Teye, 1988). Furthermore, the small proportion is concentrated in a few countries such as those in Northern and Southern Africa. Teye (1988) has observed that one of most important factors accounting for this lack of growth is the phenomenon of political risk events, thereby contributing to the continent's poor image abroad. Weston and Sorge (1972) have posited that risks that arise from actions of governments or political forces which interfere with, or prevent foreign business transactions, or change the terms of agreements, or cause the confiscation of wholly or partially foreign owned business property are called political risks.

Africa's Tourist Resources

As a result of its geographic location and large size, the continent of Africa is a tourist region endowed with multiple physical tourism resources which include

resources(Teye 1988). Similarly, the assemblage of historical and cultural tourism resources is enormous and diverse. These include prehistorical elements based on Africa as the cradle of mankind; relics of traditional African kingdoms and civilizations; exogenous cultural elements derived from Arab adventurism and European colonization; and since the late 1950s, the diverse socio-cultural elements in each of the sovereign independent tourist destinations that have emerged (Teye 1988). In addition to the exotic scenery and attractive landscapes, the great diversity of the physical environment, and the fauna and flora with their unique species, Africa possesses a rich cultural environment (Filani, 1975). Furthermore, he states that: "The continent is famous for the rich cultural traditions of her people, festivals, music, dance, local color, and folklore" (p.8)

PROBLEM STATEMENT

In many parts of the continent there is renewed emphasis on market segmentation, specialization, needs assessment, product differentiation, and market research. This trend suggests that countries in the region must become more thorough in their understanding of tourist demands, and more sophisticated in their attempts to reach and satisfy their target audiences. However, the current structure of international tourism flows to African country destinations consisting of (1) an

international transport sector, (2) an accommodation sector and (3) a non-accommodation sector (sightseeing, transfers etc.) at the destination does not provide maximum benefit to the destination countries. This is because as presently constituted, ownership and control rest in the hands of international firms. As a result, because of the characteristics (noted below) that international tourism firms possess, local travel agents and tour operators are unable to enjoy the full benefits of their tourism potential due to: (1) vertical integration practices; (2) use of extensive knowledge of consumers' needs and the ability to persuade potential tourists to visit; (3) centralized purchasing and, (4) utilization of managerial and organizational expertise. It is contended that these actions constitute power, on the part of the international firms. However, the central problem to date has been a lack of a measurement of the impact of such dominance on their performance.

PURPOSE OF THE STUDY

The general purpose of this study is to develop and evaluate a model that measures the effects of channel power, destination attractiveness and political risk events on inter-organizational tourism channel firms' performance.

More specifically, the purpose of this study is to empirically investigate whether a relationship exists between power/control dimensions, perceived macro political risk

of a destination, and the perceived tourist resources (attributes) or "favorable factors" of an African tourism destination on one hand, and the performance of international tourism marketing channel intermediaries on the other. If a relationship exists, the study would propose a positioning plan for touristic attribute maximization for African countries.

Five performance dimensions are considered for this study. These are:

(1) the percentage increase or decrease in the number of trips generated to Africa from 1992 and 1994;

(2) the percentage increase or decrease of repeat business to Africa from 1992 to 1994;

(3) the number of new markets in Africa entered into from 1992 to 1994;

(4) growth or decline in sales from 1992 to 1994;

(5) profit growth/decline between 1992 and 1994

The time frame of three years has been selected because business growth and profitability over an annual period may not be stable enough to properly account for a firm's overall performance due to several factors in the economy, such as inflation and exchange rate fluctuations. In addition, the following ancillary purposes are addressed:

1. To synthesize available literature concerning tourism in Africa; vertical

1. To synthesize available literature concerning tourism in Africa; vertical integration theory; tourism channel power theory; and product/destination attribute theory.
2. To provide African country tourism planners and marketers with a conceptual market positioning framework to more effectively market their destination countries' touristic attributes to American visitors, based on the perceptions of United States-based tourism inter-organizational channel members.
3. To provide an understanding of the motivations of United States-based tourism inter-organizational channel firms to promote tourism to Africa, in the face of perceived negative macro political environments.
4. To explore the extent to which the tourism destination resources (attributes) of African countries constitute a viable drawing power, in the face of perceived macro political events.

RESEARCH QUESTIONS

As mentioned earlier, this study proposes to investigate whether United States tourism firms' channel performance in Africa can be explained by:

1. The dominance of inter-organizational channel power of the travel intermediaries;
2. The touristic attractiveness (attributes) of the countries in Africa; and

These broad-based purposes can be re-stated, followed by additional specific questions as follows:

1. Is there a statistically significant relationship between United States' inter-organizational tourism channel firms' power and their performance?

2. Is there a statistically significant relationship between inter-organizational tourism channel firms' performance and the touristic attractiveness of African destination countries?

3. Are there statistically significant relationships among United States' inter-organizational tourism channel firms' performance and macro political risk events in African destination countries? If there are statistically significant relationships, what are the effects of such relationships on:

a. the number of trips generated to African destination countries over the last three years?
b. the amount of repeat business generated to the destination countries over the last three years?
c. the number of new destination country markets entered into over the last three years
d. the growth/decline in sales in total from these markets over the last three years.
e. the overall profit growth of these firms over the past three years.

STATEMENT OF HYPOTHESES

Based on the study objectives and the research questions stated above, the following hypotheses are tested:

H_1: There is a relationship between United States' tourism channel firms' power/control over African country tourism destinations and channel performance.

H_2: There is a relationship between perceived touristic attributes of tourism

destinations and United States based tourism channel firms' performance.

H_3: There is a relationship between the perceived political risk events in African destinations and United States based tourism channel firms' performance.

H_4: Tourism channel power/control , destination touristic attractiveness and destination political risk events collectively affect channel firms' performance.

CONTEXT SELECTION

Empirical findings may be determined by the type of channel system under investigation (Kale 1986). Organizational behavior and marketing research suggest that context or situation is likely to have a significant impact on the existence and/or functioning of relationships (Frazier et al. 1989). These findings make it important for channel researchers to develop theory with a particular channel context in mind.

The tourism channel of distribution consists of three main categories: tour packagers, retail travel agents and specialty channels (Bitner and Booms, 1982) (Figure 1).

Included in the specialty channel category are incentive travel firms, meeting and convention planners, hotel representatives, association executives destination marketing organizations, corporate travel offices and others. As Bitner and Booms (1982) suggested, each intermediary has the power to influence when, and where

(1982) suggested, each intermediary has the power to influence when, and where people travel. Thus, they can *control* to some degree, how much business an individual airline, hotel, cruise line or car rental firm receives. Despite the three main intermediaries listed above, Bitner and Booms (1982) have further analyzed different combinations of channel interactions, resulting in a wide range of channel configurations (Figure 1).

Furthermore, in the marketing channel literature, Reeve and Stern (1986) have pointed out that channels engage in inter-organizational forms for vertical integration. This can be defined in terms of at least three major dimensions: (1) vertical interactions, (2) formalization, and (3) centralization. This study is concerned with vertical interfirm interactions, which has been defined as "the flows of activities, resources, and information that take place between two or more organizations linked together in a distribution channel" (Reeve and Stern, 1986). Hence, for this study, the channel configurations posited by Bitner and Booms (1982) operating in a vertically integrated mode (Esh and Rosenblum, 1976; Reeve and Stern, 1986) was utilized to assess the extent to which their power/control (as suggested by McQueen (1983), the macro political events in African destination and the touristic attributes of African destinations impact their performance.

ASSUMPTIONS AND LIMITATIONS

Using the perceptions of inter-organizational channel members to determine the impact of performance political events and destination attractiveness of African countries may weaken the measurement qualities of this study. As Phillips (1981) has noted:

> Perceptual measures always contain more measurement error than unobtrusive or "objective" measures, and perceptions of organizational phenomena are likely to vary considerably according to whose perceptions are recorded, especially when complex social judgments have to be made. (p.13)

Additionally, three major limitations may affect the scope of this study and hence the generalizability of its findings. First, the in-depth nature of the information requested may affect the questionnaire completion and response rate, even though respondents would be assured of confidentiality.

Second, the membership roster of the Africa Travel Association (ATA) may not include other more important channel members packaging or promoting tours to Africa. Thus, the generalizability of the findings may be restricted. Since the general membership of the Africa Travel Association predominantly constitutes small businesses, it is possible that the larger tour wholesalers, airlines, hotels and other intermediaries may belong to another group other than the ATA. This limitation may have significant limitations to the study because the perceptions of small business

mangers may be significantly different from those of larger corporations.

Third, the scope of the variables used in this study may be limited (i.e, the increase/decrease in the number of trips generated to Africa over the previous three years; the increase/decrease in the amount of repeat business to Africa over the past three years; the increase/decrease in package tour sales to Africa over the previous three years; the increase/decrease in profits over the previous three years). This limitation may stem from the fact that there are other complex factors in the macro and micro environment that are necessary to determine a channel firms' performance.

Finally, since this is an exploratory study, it is assumed that both the constructs of political risk events and channel power and their underlying variables, in addition to the intervening construct of destination attractiveness and its variables, will affect the performance of the tourism channels. Although there is evidence in the general business literature suggesting that political risk affects business performance, there is, however, no evidence in the tourism literature that suggests the impact of all three independent variables on firm performance. Thus, in this research, attention is focussed only on uncovering significant associations between and among these constructs and their variables, not on establishing causal links.

DEFINITION OF TERMS

Performance: The vehicle for judging the effectiveness of organizations.

Performance dimensions: the basis for making appraisal judgements, consisting of three selected specific aspects and outcomes upon which the performance of tourism channel firms are judged.

Vertical: In the specific context of this study, which is tourism inter-organizational marketing channels, the term *vertical* refers to the relationships and activities that take place between or among different levels of tourism package distribution as delineated by Bitner and Booms (1982)- for example, between tour operators and travel agents, or between tour wholesalers and hotel suppliers. In this sense, it refers to seller-buyer or supplier-customer interactions. This is consistent with the terminology in industrial organization economics (see for example, Scherer ,1970). It should not be confused with the typical usage in much of the organizational behavior literature, where the term *vertical* generally refers to superior-subordinate relations within a chain of command.

Marketing Channel Power: refers to the ability of distribution channels to influence decision variables of others, through all those resources which they can control.

Destination Attractiveness: the feelings, beliefs, and opinions that an individual has about a destination's perceived ability to provide satisfaction in relation to his or her

needs (Hu and Ritchie, 1993).

Political Risk: Risks that arise from actions of governments or political forces which interfere with, or prevent, foreign business transactions, or change the terms of agreements, or cause the confiscation of wholly or partially foreign owned business property are called political risks (Weston and Sorge 1972).

Political Risk Event: any outcome in the host country which, if it occurs, would have a negative impact on the success of an international business venture.

THE IMPORTANCE OF THIS STUDY

Although power has been consistently defined conceptually in the marketing channels literature, the manner in which it has been operationalized has varied considerably. A review of the literature indicates that the nine measures constitute power dimensions in tourism channels McQueen ,1983). However, they have only been applied to specific tourism suppliers (hotels) and they have not been measured empirically. While McQueen's and other isolated studies may offer some useful insights, they have not included political risk event and country touristic attributes dimensions. This study is important because it measures what effects tourism channels' power/control, destinations' political risk events and the attractiveness of tourism destinations have on firm performance. By measuring such effects, this study

is expected to contribute to the prediction of motivation of international tourism firms to conduct business in politically volatile environments and provide benchmark data to address the relationship between tourism political risk events and tourism firm performance, utilizing other tourism suppliers (tour operators, travel agents, destination marketing organizations and airlines).

Summary

International tourism channel firms - namely: tour operators, tour wholesalers and the like operate in African tourist destinations centralizing and controlling information on the transport, and accommodation sectors; and the choosing different packages from among the whole services that these sectors provide. According to the marketing channel literature, such control constitutes power.

One factor that accounts for the lack of growth of tourism in Africa today is the phenomenon of political risk. Such risks emanate from actions of governments or political forces which interfere with, or prevent foreign business transactions, or change the terms of agreements, or cause the confiscation of wholly or partially foreign owned business property. As a result of its geographic location and large size, the continent of Africa is a tourist region endowed with multiple physical tourism resources which include a diverse array of relief forms, topography, fauna, flora and maritime and aquatic resources. In tourism, such resources are termed

destination or touristic attributes.

The central problem to date has been a lack of a measurement of the impact of such channel power, political risk events and destination attributes on the performance of these international firms. Thus, the general purpose of this study is to develop and evaluate a model that measures the effects of channel power, destination attractiveness and political risk events on inter-organizational tourism channel firms' performance.

This study is important it will measure what effects tourism channels' power/control, destinations' political risk events and the attractiveness of tourism destinations have on firm performance.

CHAPTER II

THEORETICAL FRAMEWORK AND LITERATURE REVIEW

This chapter details the basic elements of the conceptual model that guided this research. This first section of the chapter focusses on the general theories that underlie this research. The other sections focus on the literature addressing channel performance and the individual model components and the research hypotheses describing theoretical relationships between these components. Finally, the chapter integrates these components, providing an overview of the model used to examine tourism channel performance.

THEORETICAL FRAMEWORK

This research is guided by five main theoretical frameworks: the eclectic theory of international production, international trade theory, integration theory, political risk theory and marketing channel power theory.

The Eclectic Theory of International Production

The eclectic theory of international production, as developed by Dunning (1977;1979;1981) suggests that enterprises with headquarters in one country will have some form of involvement in [tourism supplies] outside their national boundaries

whenever they have competitive or *ownership* advantages over firms of other nationalities, and that they find it economic to combine these assets with factor endowments [attributes] *located* in foreign countries. The choice of whether an ownership advantage is exploited by the firm possessing it determines the form of international involvement. In other words, countries will be host to foreign companies involved with [tourism supplies], whenever indigenous companies do not have the capabilities to supply the market themselves, and where such countries offer strong location attractions.

When translated to the international tourism setting, this theory promotes an understanding of the production advantages that United States' inter-organizational tourism channels operating in African destinations. These advantages can be divided into the following categories: First, their possession of knowledge of the kind of product consumers want, the ability to supply it and the persuasion of potential customers to buy the product comprise the main competitive weapon. One of the main reasons for this is that these firms serve the needs of foreign visitors rather than domestic guests. Thus, firms with a knowledge and appreciation of a particular market (either gained from experience in the tourist generating country or in providing similar services in other locations), will have an advantage over *de novo* indigenous firms (Dunning and McQueen, 1981).

Second, Proprietary knowledge of the market also enables United States' international inter-organizational tourism channel firms to differentiate their product from that of competitors. This differentiation makes the marketing of the 'brand image` of the product a crucial factor in their business operation in developing countries.

Third, depending on the degree of multi nationality, their sourcing of management and professional staff, foodstuffs, beverages, furnishings, linen and other fixtures are likely to be wider. This inevitably leads to quantity discounts, centralizes purchasing procedures etc., resulting in lower marginal costs.

Fourth, their managerial and organizational expertise, their ability to invest substantial sums in training staff, often enables them to have superior expertise in the overall planning and employment of more sophisticated methods of production, and to recruit and retain better staff by offering good promotional prospects.

The Heckscher-Ohlin Theory of International Trade

The Heckscher-Ohlin theory is an international trade theory which states that differences in factor endowments among countries influence the direction of trade. Thus, countries will export goods whose production requires intensive use of those productive factors which are available locally in relative abundance.

It can be argued that the Heckscher-Ohlin theory can be applied with respect

to "exports" of tourism in African countries, so that countries which possess natural or historical touristic attributes have a potential comparative advantage in tourism.

Vertical Integration Theory

As mentioned earlier in chapter one, tourism inter-organizational firms from the industrialized countries play an important role in African countries' tourism. For example, they help to determine effective demand for tourism by means of marketing and influencing potential tourists in their "home" countries to visit, thus providing a market base and accessibility to these destinations. This is usually done through control of vertically integrated channels.

Vertically integration theory states that channels and functions of production and retail distribution are owned and/or commanded by a single enterprise (Mill and Morrison, 1985). According to this theory, vertical integration occurs when a firm "transmits a good or service which could, without major adaptation, be sold in the market" (Adelman , 1949). The distinguishing feature of vertical integration is the replacement of a market exchange by an internal (within the firm) transfer. In tourism channels, there are two examples of vertical integration. (1) a tour operator may exert control over the entire channel activity through retail outlet ownership and organization of the channel. (2) a channel member, for example, a tour operator can coordinate the channel through the exercise of contractual or financial commitments

with other channel members, for example, travel agents. The principal benefits of vertical integration are economies of integration and cost reductions made possible by improved coordination of activities. In the international tourism channel situation, the integration of firms means that transactions can be co-ordinated (or 'internalized') within one firm, thus decreasing costs and facilitating checks on quality (Sinclair et al, 1992), or when a firm wishes to retain a monopolistic or monopsonistic advantage (Hymer, 1976).

There are three main bases for vertical integration: (1) to help alleviate contractual problems, (2) to increase market power, and (3) technical factors. These are briefly discussed below:

Firstly, because contracts are drawn up in a context of uncertainty, it can be argued that integration can assure a market for the firm's output, or decrease uncertainty about prices and availability of the firm's inputs.

Secondly, it is argued that vertical integration enables the firm to increase its market power and profits by such means as the imposition of barriers to entry against potential competitors, the monopolization of the supply of inputs or transfer pricing (Sinclair et al, 1992).

Thirdly, the existence of such technical factors as technological flow, the use of indivisible assets (such as airplanes) constitutes the final explanation for the bases

of vertical integration. Thus, the theory of vertical integration can provide a useful framework for analyzing tourism in African countries.

Political Risk Theory

The decision to establish or maintain a direct investment position abroad necessitates addressing the issue of political turbulence that confronts multi-national firms (Schmidt , 1986). In the examination of any foreign direct or indirect investment opportunity, the political environment encompasses numerous areas of concern for the investing firm.

The present state of conceptual development regarding political risk is not quite clear, partly due to the lack of consensus in the definition and classification schemes. Thus, despite attempts to formalize political risk analysis in recent years, there is no general theory of political risk. Lax (1983), has suggested that one of the main reasons for this lack of a general theory is that many researchers do not bound the area of study rigorously enough to permit theory building. According to him, the dependent variable, often is not clearly specified...(it) may be industry, company, or even project-specific, thus making it difficult to generalize to a broader theoretical framework. Thus, there remains a major conceptual breach between identifying the field of study and the dependent and independent variables and having a theory.

The above stated conclusion in effect means that most approaches to political

risk analysis are conceptually unable to explain why and how a given set of political risk variables affects the interests and goals of companies. To overcome this limitation, this study attempts to combine a framework of political risk with other variables in the model: destination attractiveness and channel power.

Thus, one of the main functions of political risk assessment is to determine when and how non-economic factors can affect the foreign investment climate in a particular country, given that political risk is a direct outcome of the political realities faced by international marketers, and that international marketing must be performed across political environments.

Channel Power Theory

The concept of power and its impact on organizations has been a major force of contention for many social scientists from various disciplines. Russell (1953), for example, predicted that the concept of `power' would emerge as a fundamental issue in social sciences. Benson (1975) posited that power appears to be a "basic explanatory variable" of all social relationships. However, during the course of study from its varied perspectives, such as marketing, management, political science, sociology, organization theory, etc., there exists a definitional dichotomy due to the various approaches used. Thus, in an attempt to overcome this limitation, this study utilizes the concept of power as developed in the marketing channel literature since

the study is approached from a marketing perspective.

Sources of Power in Distribution Channels

The sources of a firm's power comprises all those resources which it can exploit in order to affect the behavior of others (Dahl ,1957). Dixon and Layton (1969) have suggested a wide variety of elements which could enter a firm's power base, including both tangible and intangible ones. The following paragraphs lists and discusses these elements:

1. Economic Resources: This includes all the factors of production, e.g., capital, labor and land.
2. Information Resources: This comprises both the access to sources of relevant data, e.g., through market research, subscription to journals, attendance at courses, and the ability to handle and process information, i.e., to analyze the information and disseminate it to the appropriate people.
3. Reputational Resources: This would include the image of the firm in the eyes of consumers and other firms.
4. Authority Resources: This refers to the legal and semi-legal resources of a firm. Legal resources would include patents and franchise agreements. Semi-legal resources relate to the way the firm is perceived by other firms. For example, if firm B perceives that firm A has the right to influence him in

certain matters, then this gives firm A some kind of authority not based on any legal arrangement.

5. Skill Resources: This refers to the quality of the firm's personnel, e.g., the expertise of management and the quality of the work force.

From the discussion above, it can be seen that the perceptions of other firms as well as the "reality" of the situation can be important in determining the sources of power of a distribution channel.

Wilkinson (1974) has identified a firm's position as another power source in distribution channels. One aspect of position refers to the geographical placement of the firm, which may be advantageous in terms of access to suppliers, markets or information sources. This contention has support from Little (1970), who stated that:

> Position power evolves from the placement of a firm, function or activity in a given `structure. The locus of a particular establishment in a channel....may confer power...on the person or firm who holds that place or position (p.63)

THE CONCEPTUAL MODEL

The conceptual model that guided this research is an integrative one, consisting of four broad interrelated components: (1) channel power/control dimensions (2) perceived destination situational barriers (3) perceived destination attributes, and (4) the measures that define tourism channel performance (Figure 2). The following

paragraphs highlight specific aspects of the model and offer justification for inclusion of its constituent elements.

Each section of the conceptual model discussed below addresses various aspects of the literature relevant to this research. Each subsection is followed by an hypothesis that summarizes the literature. Where the relevant literature is inconclusive, null hypotheses is stated; where the literature is conclusive, hypotheses are directional.

MEASUREMENT OF PERFORMANCE

In attempting to empirically assess United States' tourism channel members' performance in serving Africa, one must first operationalize the performance concept.

Tourism channels should not be expected to differ conceptually from any other profit-making business in terms of the wide variety of variables that conceivably have an impact on performance (Reid, 1990). However, it is expected that certain industry-specific factors would be present in any model that tries to link firm power, political risk factors and destination attractiveness with performance.

Thus, the conceptual model that guides this research is an integrative one, comprised of three broad tourism and marketing interrelated components: (1) the power dimensions of an international tourism channel as proposed by McQueen

(1985), (2) the related political risk events faced by marketing channels in developing countries, (3) the attractions possessed by the developing countries of Africa that lure and encourage the channel firms to consider the continent as a viable destination, despite the political risk involved.

According to Reid (1990), a channel's performance is important from two distinct perspectives: tourism policy makers or enterprise owners. Tourism policy makers and planners would be directly interested in growth in employees and number of travelers secured by them through their employment. Thus tourism growth and potential impacts tend to represent their immediate and long term-concerns. In contrast, however, the channel literature (Stern, El-Ansary and Brown 1989) suggest that the enterprise is concerned with:

1. Channel Effectiveness: This measures how well the marketing institutions within the channel deliver the channel services desired by the target market. For the purposes of this study this is measured by: (1) the number of trips generated to Africa over the last three years, (2) the percentage of repeat business to Africa over the last three years, (3) the number of new markets entered into in the last three years.
2. Financial Performance: This is usually measured in terms of revenues, gross margin, net profit, market share, and/or growth rate. Chakravarty (1984)

highlighted fourteen most commonly used financial measures. This study employed two different types of financial measures to measure financial performance: growth in sales and growth in profits. Content validity of similar measures have been well established in the hospitality literature (Dev 1988; Tse 1988; West 1988). These measure how effectively and efficiently channel management utilizes its financial resources. Furthermore, since fulfillment of these objectives reflects the extent to which a competitive market position is sustained, resources and assets are efficiently used and an appropriate rate of return on investment is achieved (Reid 1990).

REVIEW OF THE LITERATURE AND HYPOTHESES DEVELOPMENT

Channel Power and Influence

In a review of the literature on power, Cavanaugh (1984), classified power into five types of power, based on the conceptual treatment of the construct. She posits that power may be considered as: (1) a characteristic of the individual; (2) an interpersonal construct; (3) a commodity; (4) a causal construct; and (5) a philosophical construct. This study adopts a causal construct approach, following closely from the marketing channel literature. The justification for this position is due to a hypothesized causal relationship between tourism channel power and

performance in the conceptual model (Figure 2).

The control achieved by some firms over selected decision variables or marketing efforts of others is a major factor in the level of performance obtained by the channel as a whole and by each of its members (Stern and El-Ansary, 1988). The fact that a marketing channel has power sources indicates that it has the potential for influence (Frazier, 1983). Kasulis et.al (1978) have distinguished between theoretical and operational channel influences.

On the one hand, the theoretical influences constitute the bases of power in a firm, indicating the means by which one firm can affect the goal attainment of another. Six bases of power have been frequently cited in the channel literature: (1) reward (2) coercive (3) legitimate (4) expert (5) referent and (6) informational (French and Raven 1959; Collins and Raven 1969). Although the discussion that follows deals with these as distinct elements, it has been suggested by Raven and Kruglanski (1970) and Warren (1968), for example, that they do not frequently exist independently of each other, but instead tend to exist in differing combinations and configurations.

Reward and Coercive Power: Reward power stems from the belief that A can mediate rewards for B. In contrast, coercive power emanates from A's ability to mediate punishments.

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Reward and Coercive Power: Reward power stems from the belief that A can mediate rewards for B. In contrast, coercive power emanates from A's ability to mediate punishments.

Legitimate Power: This base represents the perceived right of channel member A to dictate to channel member B, and B's obligation to obey. In a product distribution channel dyad, legitimate power results from two sources: legal and traditional. The legal aspect can best be articulated as a contractual arrangement between channel members (e.g., a franchise agreement). The traditional aspect represents any relationship which becomes institutionalized and is, in fact, based on social norms which are solidified over time (Kasulis, et.al, 1978).

Expert Power: The basis for this power base indicates the extent to which one channel member possesses attributes of superior knowledge or insight. The effectiveness of expert power is mediated by the amount of trust the target places in the power holder and the uniqueness of the power holder's expertise.

Referent Power: This power base stems from one channel member using another as a comparison upon which he evaluates some aspect of his behavior or performance.

Information Power: This is the ability of one channel member to effectively explicate information, or information not adequately considered by the target.

On the other hand, operational influences constitute determinants of power. In their review of the related literature, Kasulis et.al (1978), have observed that power determinants have been grouped in a variety of ways by Walters, (1974); Little, (1970) and Wilkinson, (1974).

Following closely on the work of Walters (1974), Kasulis et. al specified seven factors as determinants of power in distribution channels, each representing differing aspects of the situation which defines the characteristics of the power holder. These factors are: (1) product ownership, (2) economic standing, (3) positional authority, (4) technical skills (5) competitive environment and (6) social environment. These factors, as discussed by Kasulis et.al, are briefly highlighted as follows:

Product Ownership: The basis of power in this instance rests with the right to private property. Inherent in ownership is the privilege to have substantial input in all aspects governing the production and sale of a product.

Economic Standing: This characteristic stems from the competitive position or financial strength of the channel member. It reflects economic considerations which favor or give competitive advantage to particular firms. Some elements of this include massive purchasing power, financial strength, physical size, large market share, etc.

Positional Authority: This describes strategic advantages that are identified with a channel member because of its unique location in the channel.

Technical Skill: This source of power represents special or sophisticated operational competencies of the power-holder not easily acquired elsewhere. It includes production capabilities, such as those that are patentable, proficiencies in physical distribution, advertising, sales management, etc.

Competitive Environment is a recognition of the environment in which a firm competes. This, in part determines the power characteristics of the operating firms. Societal Environment stems from the realization that channel influence is partially specified by variables exogenous to the channel itself. Thus, there are legal and/or social factors which constrain or promote the power positions of firms in a channel of distribution.

In conclusion, the six factors mentioned above delineate the power characteristics of members of a channel dyad. Their manifestation determines the magnitude, domain, and scope of the power relation, as has been demonstrated by Kasulis et. al.

Tourism Channel Power/Control Dimensions

According to Mill and Morrison (1985), one factor that makes tourism different from other industries is the role of travel intermediaries. Because most tourist destinations are located at distances far away from their potential customers, specialized intermediaries are often necessary to bridge the gap. Furthermore, they state that:

> While in most industries, the producer exerts much control over every stage in the delivery of the product, in tourism the travel intermediaries can influence if not determine which services should be offered, to whom, when, and at what price. (p.413)

According to Simon (1953), an index of power might be determined from the magnitude of the power sources. El-Ansary and Stern (1972), in the discussion of a dyadic power in both inter-channel and intra-channel relationships, applied this index notion to distribution channels by operationally defining power as the ability of a channel member to control the decision variables in the marketing strategy of another member at a different level in the channel of distribution. However, since this focus of the study is to examine the effects of channel power on tourism destinations, this concept of power is directed at examining the channel's influence and exercise of channel power over other channels, as well as other agencies responsible for the planning, organizing and promotion of tourism in Africa.

Previous Power Measurement Approaches

Although power has been consistently defined conceptually in the marketing channels literature, the manner in which it has been operationalized has varied considerably. Two approaches have used measures of a firm's achieved influence to reflect power. For example, El-Ansary and Stern (1972), Hunt and Nevin (1974), Wilkinson (1974), Etgar (1977, 1978), and Lusch and Brown (1982) used *attributed influence* measures. In contrast, Etgar (1976) devised an *index of influence* to reflect power based on whether or not insurance agents had to consult with their current insurers as to the choice of additional insurers.

A more promising power measurement approach centers on developing measures of power's hypothesized sources (Frazier 1983). With these considerations in mind, the power/control dimensions for this study are: (1) equity ownership in supply by the channel members (i.e. in lodging and transportation ventures operating in the same destinations), (2) staffing of key positions in African destinations with own personnel (e.g., agency manager, resident manager, regional manager etc.), (3) the appointment of senior management only from within, (4) the deliberate increase in the complexity of technology, (5) the internalization of markets, (6) the safeguarding of proprietary knowledge of international travel markets, (7) the management of facilities at the destination through contracts, (8) the utilization of international communications and reservation networks, and (9) the use of expert systems for accounting, sales, finance.

A review of the literature indicates that these measures have been cited as constituting power dimensions in tourism by McQueen (1983). However they have only been applied to tourism suppliers (hotels) and they have not been empirically tested or measured. Since the focus of this study is on tourism inter-organizational channels (which includes hotel operators) these variables represent the explicit criteria with which this study is concerned and is thus empirically measured.

The nine power/control variables addressed by McQueen (1983) in developing

country environments, which are under consideration are listed in (Table 1) below.

Table 1

Channel Power/Control Dimensions in Developing Countries

(1)	Equity ownership in Supply
(2)	Staffing of key positions with own personnel
(3)	Appointing Senior Management only from within
(4)	Deliberately Increasing Complexity Technology
(5)	Internalization of markets
(6)	Proprietary knowledge of International travel Markets
(7)	Managing Destination Facilities through Contracts
(8)	Utilizing International Communications and Reservations Network
(9)	Utilizing Accounting Sales, Finance and other expert systems

Source: McQueen (1983)

He suggests that there are two main reasons why a channel member might exercise control over an associated hotel: (1) to maximize worldwide profits or growth of the group as a whole; (2) the failure of intermediate factor and product markets to function efficiently, forcing the firm to internalize these markets within the organization. In examining the structural characteristics of the international hotel industry, he posits that tour operators may vertically integrate, to enable the parent company to control and direct tourists to specific locations served by associated hotels and airlines. Further, by supplying expertise only through long term contracts, control transfers over operations to the multinational enterprise (in this case, the U.S.

channel); by staffing key positions with its own personnel and combining this with a policy of appointing senior management posts only from within the organization, MNE hotels may be able to limit the rate of diffusion of knowledge. Thus, they can "lock" employees into the organization and reduce the possibility of potential competitors obtaining access to proprietary knowledge through hiring from the organization.

Magee (1977) has also suggested that channel power/control in developing countries include the deliberate increase in the size and complexity of the technology as a barrier to entry and as a means of diffusion of knowledge. McQueen (1983) argues that multinational enterprises (MNEs) may wish to exercise control over technology because, although it may not be sophisticated, to a significant extent, the technology used may be difficult to codify completely, and may require access to the resources of the group as a whole. As a result, the market value of the asset will diminish over time, and the channel will "experience difficulty in extracting rents through one-period market transactions" (p.147). This, and the previous discussion lead to the first hypothesis employed in this study.

$\mathbf{H_1}$: There is a relationship between United States' tourism channel firms' power/control over African countries' tourism destinations and channel performance.

Perceived Macro Political Risk Situations

Various studies in the general field of consumer behavior have demonstrated the important role of contextual factors in influencing decision processes related to both products and services. To a much lesser degree, in the field of tourism research, the impact of situational factors on decision processes and outcomes have been addressed (for example, June and Smith 1987; Filiatrault and Ritchie 1988; Snepenger and Milner 1990). The present study represents an attempt to further understanding of the influence of contextual factors (political risk events) on tourism channel performance.

Although there is less agreement as to what the boundaries and definitions of an environment are, it is clear in the marketing literature that situations are sub-units within an environment (Belk, 1975). Lewin, (1933), pointed out that an environment may be thought of as the chief characteristic of a more or less permanent "situation". In this sense, situations represent encounters with those elements of the total environment which are available to the individual at a particular time. Environment is also broader in terms of the geographic area over which it applies (Belk, 1975). The exogenous variables that have been examined in the channel environment literature are included in work by Etgar (1977), in which he studied demand growth and demand uncertainty among other variables. Also, Guiltinan, Rejab, and Rodgers

(1980) found environmental uncertainty to be inversely related to channel co-ordination. However, as Gaski, (1987) states, there is still a great, actually infinite, number of other environmental constructs which may be related to conditions in marketing channels, industrial or otherwise. Belk (1975) has provided a frequently cited definition of the dimensions of a "situation". These include physical and social surroundings. This is of particular relevance to this research.

A somewhat similar perspective on the concept of "situational effects" in Africa is provided by Teye (1988). He posits that a host of interrelated factors are responsible for the limited development of Africa's tourism potential. These include: lack of investment capital, distance from North American and European markets, costs and reliability of travel to and within Africa, and the market's resistance to travel to Africa due to the continent's poor image abroad. He further states that:

> Of equal, or sometimes greater, significance are political factors which inhibit the expansion of tourism in Africa. Several of these factors may be identified, including political ideologies for socioeconomic development, politic of regional cooperation, and national or regional political instability.(p.330)

Achrol, Reve, and Stern (1983), have provided a framework for describing the channel environment. According to them, the environment can be segmented into: (a) primary task environment, (b) secondary task environment, and (c) macro environment. It is the latter segment that this study seeks to develop. Furthermore, a

review of the general international business and marketing literature reveals that these variables are the most frequently used in discussing the macro political environment. For example, Friedmann and Kim (1988); Simon (1984); Schmidt (1986); Cosset and de la Rianderie (1985).

Several attempts have been made to develop comprehensive taxonomies of situational characteristics. Using general guidelines suggested by Sherif and Sherif (1956), Sells (1963) constructed a subjective classification of over 200 situational variables including gravity, temperature, group structure, role requirements, and novelty of the situation in relation to prior experiences.

In conclusion, in terms of this study, the concept of situation as used by Teye (1988), Belk (1975) and Achrol, Reve, and Stern (1983), were found to be most applicable. The specific terminology of "political risk events" and the relating factors as used by Simon (1982) was also found to be most appropriate to measure destination situational barriers in the macro environment for this study.

Macro Political Risk and Events

As stated above, the major source of knowledge on which this research drew for the delineation of situational factors was that of political event factors in general business. The major focus of this section, in relation to the general study, is to assess the impact of political risk events in Africa on United States' tourism channel

performance. While political event variables have long been employed to understand many aspects of organization behavior in general, no study to date has been done to examine the impact on tourism channel performance.

As previously stated, risks that arise from actions of governments or political forces which interfere with, or prevent, foreign business transactions, or change the terms of agreements, or cause the confiscation of wholly or partially foreign owned business property are called political risks (Weston and Sorge, 1972).These arise from the *uncertainty* of political events which affect business, rather than with the events themselves. In simple terms, political risk may be restated as business risk brought about by political sources or environment (Friedmann and Kim, 1988). However, the concepts of risk, political sources and political environment are hard to clarify.

A considerable number of writings have illustrated the kinds of events or situations related to political risk. Bunn and Mustafaoglu (1978) define a political risk event as any outcome in the host country which, if it occurs, would have a negative impact on the success of the venture. A review of the general literature suggests that there are numerous illustrations of political risk events. For example, events such as expropriation, war, labor conflict, foreign exchange control, production quotas, import/export restrictions have been reported by Brewer 1981; Bunn and Mustafaoglu 1978: Lax 1983; Overholt 1982; Robock 1971. Furthermore, Simon (1982) has

suggested a typology of political risk events (Table 2).

Table 2

Examples of Macro Political Risk Events in Africa

1.	Revolution
2.	Coups d'etat
3.	Civil war
4.	Factional Conflict
5.	Ethnic/religious turmoil
6.	Widespread riots/terrorism
7.	Nationwide strikes/protests/boycotts
8.	Cross-national guerrilla warfare
9.	World public opinion
10.	Nationalization/expropriation
11.	Repatriation restrictions
12.	Leadership struggle
13.	High Inflation
14.	Bureaucratic politics
15.	Boarder conflicts
16.	High external debt service ratio
17.	Creeping nationalization

Source: Adapted from Simon (1982)

In the tourism literature, few researchers have examined the issue of political risk in developing countries in general, and Africa in particular. In his seminal work, Teye (1988) has suggested that political risk events in Africa affects the flow of international tourists among other factors. While distance from major

tourist-generating markets have compounded other factors, such as lack of investment capital, of greater threat to Africa's tourism success are political risk factors (Teye, 1988). He cites a few examples to illustrate this point. Zambia, Zimbabwe, Mozambique and Namibia, at the time of his research, represented countries that were involved in national liberation wars. Furthermore, during the period 1956-1985, according to Teye, there were 60 successful and 71 attempted coups in Africa. There were 120 additional reported plots in which "segments of African military police and security forces played a major role."

Burnett and Uysal (1988) also examined national parks as contributory instruments of stabilization to notoriously unstable political conditions in Africa. In an attempt to answer the question: "Do national parks and equivalent reserves in the Third World contribute to peace and regional stability?" they posit that:

> The most appealing answer is that parks do contribute to peace on a logic that parks draw tourists and any society that has become significantly dependent upon tourists, particularly foreign tourists, can ill afford to indulge in the luxury of internal violence or external aggression and may be expected to conduct foreign affairs in such a fashion as to minimize the possibility of inviting the aggression of its neighbors. (p. 123)

Another researcher in this area is Richter (1992). In analyzing the impacts of political risk events on African tourism, she suggests three reasons that may exacerbate negative impacts. First, for developing nations instability in a region

may negatively affect neighboring nations due to interruption of air, sea or overland routes or because publicity about instability makes the whole region sound volatile. Second, internal upheaval within a country may be far from tourist areas or close enough to spill over into areas frequented by tourists. Third, the tourists themselves may sometimes be deliberately targeted by anti-government forces "to embarrass the government, weaken it economically, and draw attention abroad to the political conditions the opposition finds salient." Thus, in all of the above cases, tourists might be dissuaded from visiting a country, or countries in the region.

Richter also posits that such events are exacerbated further by Western media, who very often force disasters, wars, coups d'etat, or revolution into the headlines. She further states that:

> One of the most common problems of political instability and tourism is that episodic violence or conflict far removed from tourist areas receive so much media attention that it appears the entire nation is engulfed in violence.(p.41)

Thus, according to Richter (1992), in tourism, "absolute levels of instability and rates of violence are less important than perceptions of insecurity by potential travelers". Due to all the above mentioned factors, political events in Africa should have a negative influence on performance.

H_2: There is a relationship between perceived political events in Africa and United States' tourism channel firms' performance.

Table 3 below summarizes such potential effects on a tourism channel.

Table 3

Some Potential Negative Effects of political Instability on Tourism Channels of Distribution

A. Demand: Impact on the market: flow of International tourists due to:

1. Border closures-including entry points by land, sea and air
2. Bulletins by foreign governments to its nationals
3. Maltreatment of tourists visiting country
4. Adverse publicity in international media
5. "Blacklisting" by tour operators and travel agents abroad

B. Supply: Impact on the tourism resources due to:

1. Suspension and/or cancellation of new market development
2. Loss of Investment Capital
3. Destruction of tourism infrastructure and other resources
4. Effects on nightlife due to curfews
5. Black market (currency trading)

Source: Adopted from Teye (1988)

DESTINATION ATTRACTIVENESS

Tourism's main singularity is that the final product is not shipped to its markets, but requires customers to come and consume it "*in loco*" (Ferrario 1976). However, without attractions, there would be no tourism (Gunn 1972). Thus, tourist "resources" (Ferrario 1976), "products" (Wahab et al.,1976) "attributes" (Witter 1985) or "features" (Polacek and Aroch 1984) usually include landscapes to observe,

activities to participate in, and experiences to remember (Lew 1987).

As previously stated, the attractiveness of a travel destination reflects the feelings, beliefs, and opinions that an individual has about a destination's perceived ability to provide satisfaction in relation to his or her needs (Hu and Ritchie 1993).

By definition, attractions have the power and the ability to draw visitors to them. Mill and Morrison (1985) have suggested that the central aspects of tourism are attractions. Furthermore, Ferrario states that:

> The presence and the availability of tourist resources has too often been taken for granted. Although infrastructures are necessary components of a viable tourism system, the real pulling power remains the component "attractions," which should be the first concern in any organized effort for the rational development of tourism.(p.18)

Mayo and Jarvis (1981) conceptualized the notion of destination attractiveness by relating it to the traveler's decision-making process and the benefits sought obtained by travelers. Specifically, they defined the notion of destination attractiveness as a combination of " the relative importance of individual benefits and the perceived ability of the destination to deliver individual benefits." Thus, the more an individual believes a tourism region will satisfy his or her needs, the more attractive that region will be, and the more likely it will be selected as a potential destination.

Dimensions of Touristic Attractiveness

Determining the relative importance of each touristic attribute in influencing people's evaluations of the attractiveness of a tourism destination is the most critical measurement aspect of tourism attractiveness (Hu and Ritchie 1993). Support for this comes from Crompton (1979), who states that measurement of the attractiveness of a destination "identifies respondents' salient image attributes , and it is these which are most likely to serve as behavior determinants."

Like any other consumer product or service, a tourism destination consists of many attributes that go to make up its attractiveness. Lew (1987) has stated that these consist of "all those elements of a 'nonhome' place that draw discretionary travelers away from their homes."

Hu and Ritchie (1993), in their review of the literature on dimensions of tourism attractiveness, have delineated two distinct patterns of touristic attributes. The first suggests that some attributes have *universal importance* in their influence of tourist's evaluations of the importance of tourism destination attractiveness. They cite studies done by Gearing, Stuart and Var (1974). This study concluded that natural beauty and scenery were the factors most important to the touristic attractiveness in regions in Turkey. A somewhat similar finding was reached by Ritchie and Zins (1978), who found that natural beauty and climate were deemed most important in

touristic attractiveness.

The second pattern discerned by Hu and Ritchie (1993) indicated that despite the universal appeal of the above mentioned three touristic attributes in contributing to the attractiveness of a region, there are still some attributes whose appeal "still depend on the type of destination and vacation experience they provide." They cite two studies to buttress this point.

Firstly, the Ritchie and Zins (1978) study found that, among out-of-province visitors, socio-cultural characteristics were ranked second, only to natural beauty and climate, in relative importance among eight general touristic attributes. Secondly, Kale and Wier (1986), in their study of the image of India as a travel destination, found that culture as a touristic attribute ranked as the most important in attracting United States' respondents to India.

It can thus be concluded, from the above discussion, that for international destinations, socio-cultural factors, seem to be an important measure of touristic attractiveness than in domestic recreation type destinations.

In his Tourist Attraction Research, Lew (1987) examined touristic attributes from three perspectives: (1) ideographic, (2) cognitive and (3) organizational. Due to their perceived relevance, this research highlights the first two perspectives as developed by Lew (1987). The following is a summary of his description of the two

perspectives: ideographic and cognitive.

Lew posits that every attraction has some tangible material presence. Hence, it is studies entailing the appreciation and understanding of this presence that the *ideographic* approach represents. Thus, it describes the "concrete usefulness of a site, rather than the abstract universal characteristic." According to him, attractions that are individually identified by name, such as small areas, e.g. cities (with a few exceptions), and a list of countries as attractions usually fall into variations of ideographic attributes. Among the most detailed and comprehensive examples of ideographic attraction listings are those developed by Ferrario (1976) and Ritchie and Zins (1978) (Lew 1987). The *cognitive* perspective on the other hand, comprises studies of tourist perceptions and experiences. Various studies have been cited to provide examples of this approach. These include those of Pearce (1982), who defines a tourist place as "any place that fosters the feeling of being a tourist".
According to MacCannell (1976), one of the goals of the tourist is to "penetrate into the back region of the attraction", in order to experience the authenticity of the place. However, in order to "leap into " such authenticity, some amount of risk taking is required on the part of the tourist (Lew 1987). Hence, according to this perspective, "the degree to which tourists are willing and able to take such a risk is a major indicator of the general experiences offered by different types of attractions.

In as much as every environment including tourist places has its share of security and risk factors, Schmidt (1979) argues that tourist attractions can be distinguished in two ways: (a) those which are primarily intended for tourists, and (b) those that are not designed for them.

In attractions primarily intended for tourists, maximum efforts are usually expended to minimize risk by the provision of security. One of the reasons for this is to provide a highly structured "staged, inauthentic" environment where tourists "primarily relate to the promoted or advertized image, rather than the direct experience of the site" (Lew, 1987). Thus, the tourist is more interested in the "label of the attraction, rather than the attraction itself." According to MacCannell, this is called "marker involvement."

In attractions not designed for tourists, Lew (1987) argues that: greater risk factors are involved, the environments are less structured and more authentic. Thus, the tourists are stimulated by the sites themselves. Lew (1987) concludes that the tourists' experience in this situation is one of "sight involvement", or one where "what is supposed to be seen does not interfere with what is seen and experienced." Examples of these are outstanding natural landscapes and culturally unique places. Table 4 provides a grouping of categories common to studies oriented toward the cognitive perception and experience of the security-risk continuum, as presented by

Lew (1987).

Table 4

Cognitive Perception and Experience of Touristic Attributes Security Risk Continuum

Security	Risk
Tourist Activities:	
Education	Exploration
Place to talk	Face -to-face meeting
Guided tours	Unguided touring
Passive	Active
Attraction Character:	Authentic
Contrived Staged	Normal daily life
Especially animated	Inept set
Evoked set	Local market
International/extended market	Non-tourism oriented
Tourism oriented	Authentic
Touristy	Unstructured
Structured/Organized	Back region
Front Region	Traditional/Antiquated
Modern	Absence of other tourists
Heard a lot about/Important place	
Tourist Experiences:	Inexpensive/cheap
Expensive/Luxury/Quality/Prestige	Escapism/Freedom
Safe/Sanitary	Novelty
Pleasant/Friendly	Adventurous/Wild/Exciting
Leisurely/Restful/Relaxing/Quiet	Individual Experience
Mass Produced Experiences	Unique
Common/Ordinary	Role transformation
No role transformation	Existential
Recreational Diversionary	Sight involvement
Marker Involvement	Exotic
Familiar	Effort to tour
Easy & quick/Easy to tour	

Source: Adapted from Lew (1987):p.562.

Paralleling this view, it can be assumed that touristic attractiveness of African destinations derives support from the cognitive perspective, and is of particular relevance to this study. This leads to the third hypothesis in this study which can be stated as follows:

H_3: There is a between the perceived touristic attributes of African tourism destinations and United States' tourism channel firms' performance.

A proposed model that considers hypotheses one through four is presented in Figure 2.

Ferrario (1979) has classified tourist attractions in Africa into 20 attraction elements, developed on the basis of ten guidebooks to certain aspects of the Southern African scene, such as natural vegetation, rock art, mine visits, animal farms, etc. Following closely on this classification, the touristic attractions for this study are based on a scale of 15 attraction elements (Table 5).

Table 5

Selected Touristic Attractions of Africa

(1)	Size and expanse of Africa
(2)	Africa's geographic position
(3)	Climatic conditions
(4)	Scenery and landscape
(5)	Flora and fauna
(6)	Sun and Beaches
(7)	Open air activities
(8)	Hunting safaris
(9)	Natural vegetation
(10)	Wildlife
(11)	Historic sites and monuments
(12)	Tribal African life
(13)	Variety of ethnic groups
(14)	Town visits and shopping
(15)	Participation in local life

Source: Adopted from: Ferrario, (1979)

Summary

The variety of factors that could conceivably have an impact on United States' tourism channel firms' performance suggest a research focus which conceptually links channel power, destination attractiveness and political risk. Such an approach is intended to empirically explore specific variables that are implicated in the increase/decrease in trips generated, repeat business, package tours and profits in achieving performance.

The proposed conceptual provides a framework for empirically addressing these interrelationships and the ensuing performance results. The variables to be linked to performance and their operationalization are addressed in Chapter III. The next chapter also discusses the research methods used for this study.

Proposed Tourism Channel Firm Performance Conceptual Model

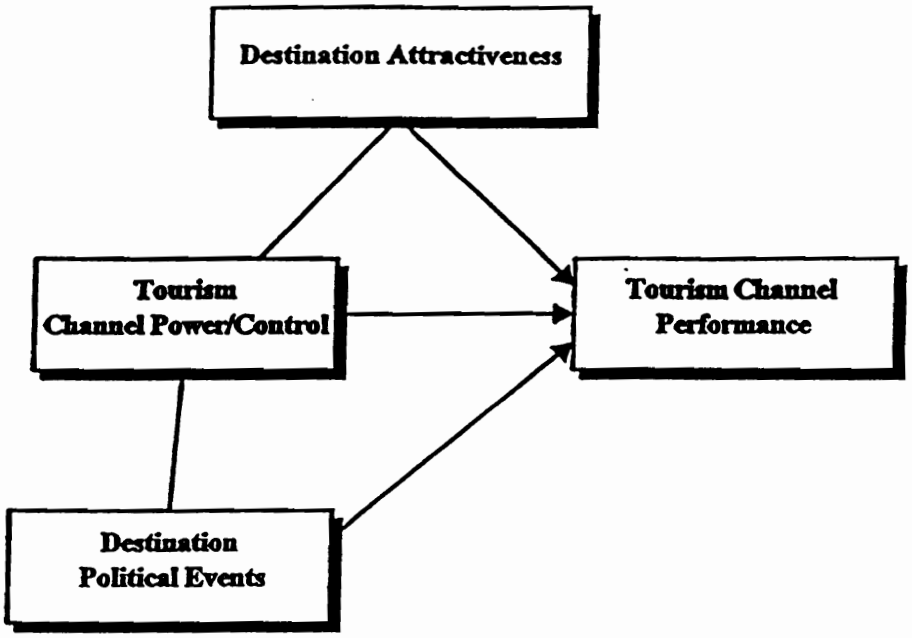

Figure 1

Proposed Tourism Channel Firm Performance Analytical Model

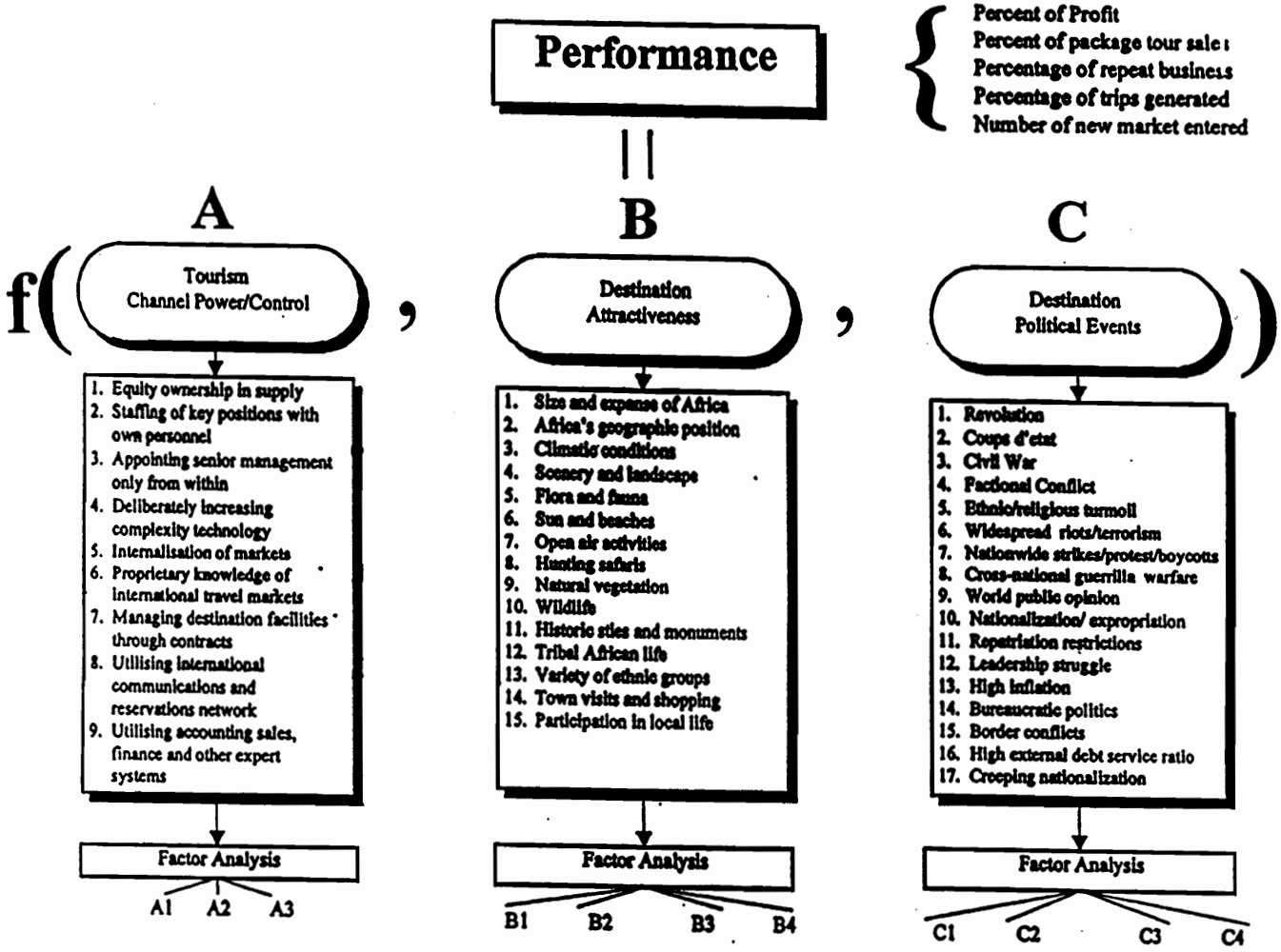

Figure 2

CHAPTER III

RESEARCH METHODS

Research methods deal with the broader question of establishing the framework within which construct measurement and data collection strategy are considered. This chapter describes the research design and analytical methods used to investigate the measures that explain tourism channel firms' performance. The following sections provide an overview of the: (a) population frame, (b) data collection instruments, (c) data collection process, (d) operationalization of variables, and (e) data analysis procedures.

POPULATION FRAME

After consideration of various alternatives, the survey methodology was employed in this study. One consideration in using this approach was to select a representative group of United States-based tourism channel firms (tour operators, travel agents and other destination marketing organizations) whose primary business consists of packaging tours to Africa.

Rationalization

The Africa Travel Association (ATA) provides a membership listing of firms that can be consistently and practically identified as tour operators, destination marketing firms and travel agents. In addition, their primary revenues (about 80%) are derived from packaging and selling tours to African countries.

Furthermore, members of this association are assumed to be tourism "experts", each of whom would be widely experienced in dealing with tourists to Africa. The implied assumption is that these "experts" would be able to both speak for the tourists and themselves, thus "averaging out" their impressions gathered over their years working with tourists to Africa. Upon examination of the membership roster, it was discovered that the population consisted of about one thousand (1,000) members.

The Survey Instrument

Due to the need for a data base that would adequately answer the research questions and limited availability of resources, the measures for this study was collected by a mail survey questionnaire. Budget and personnel constraints in addition to the wide geographic dispersion of the population dictated the need for a structured self-administered survey instrument (Appendix A). Additionally, a structured telephone interview was administered to nonrespondents to determine survey respondent representativeness. The survey instrument elicited information from responding tourism channel firms the perceived effects of the following variables on their business performance: (a) Channel firms' power/control, (b) destination touristic attractiveness and (c) destination political risk events.

Performance Measures (the Dependent Variables)

Performance is considered a multi-dimensional construct. The questionnaire requested information of five aspects of firm performance. These performance measures were operationalized as the annual relative percent/amount increase/decrease over the previous three years in: (1) percentage increase/decrease of trips generated to Africa over the last three years, (2) percentage of increase/decrease of repeat business to Africa over the last three years (3) percentage of increase/decrease in package tour sales over the last three years, (4) percentage of increase/decrease profits from tours over the last three years, (5) number of decrease/increase in new destinations entered in Africa over the last three years.

As previously mentioned, these criterion measures were chosen since they are standard measures used by business analysts to define performance. For example, growth in profits in the business literature indicates the relative exchanges in operation efficiency. Growth in sales reflect the relative changes in revenues that the firm receives for its goods and services. Growth in repeat business in the tourism literature reflect the relative enjoyment/appreciation by tourists of a firm's destination offering.

Firm Characteristics

Data on tourism channel firm characteristics include the following information: classification of business (by type), length of time doing business in Africa, and the country(ies) served; the percentage of total tours to Africa; the total gross sales from operation to Africa during the most recent year (1994).These variables were included to reflect tourism firm demographics. These characteristics represent standard measures used to describe firms (Bracker and Pearson, 1986; Tosi and Patt, 1967).

Annual gross sales reflect the size of the operation. Size in sales was divided into seven categories (less than $249,000, $250,000-749,999, $750,000- $1.749 million, $1.75-$3.449 million, $3.5 million - $7.49 million, $7.5-15.49 million, $15.5 million or more). This categorical measurement of gross income was utilized because it was felt that it would encourage more complete responses, since private firms tend to be reluctant to disclose sales information. It was thus felt that a better estimate would be arrived at through this method.

The Independent Variables

The research also addressed several specific individual dimensions grouped into three main independent variables. These variables are: channel power/control, destination touristic attractiveness and destination political risk events. These variables represent those identified in the literature review as associated with

performance or non performance of tourism channel firms in Africa.

For each variable dimension, a five point Likert scale ranging from strongly agree to strongly disagree for power/control and touristic attractiveness perceptions and from very insignificant to very significant effect for political risk event perceptions was utilized.

Data Analysis

All analyses were conducted by means of the Statistical Package for the Social Sciences (SPSS) version 4.0. The analyses procedures used in this research include univariate, bivariate and multivariate techniques. These analytical approaches included:

1. Exploratory data analysis (frequencies) to examine and understand the nature of the data and provide relevant descriptive characteristics; t-tests were used to compare differences between respondents and nonrespondents.

2. Factor analysis was used to analyze interrelationships among the independent variables in order to explain these variables in terms of their common underlying dimensions.

3. Bivariate analyses using Pearson's Product Moment Correlations to determine the relationships among variables and identify variables significantly related to the various measures of performance. Furthermore, the purpose of this analysis was to test for confirmatory hypotheses.

4. Multiple regression analysis to identify the extent to which specific independent variables individually and as a group, account for variations in the dependent criterion measures and to test for contributory hypotheses.

Rationale for Factor analysis

In marketing research, when there may be a large number of variables, most of which are correlated, they must be reduced to a manageable level.

In order to establish convergent and divergent validity of the survey results, Principal Component factor analysis - a multivariate statistical method whose primary purpose is data reduction and summarization (Hair et.al, 1992) was used. Its general purpose is to find a way of condensing (summarizing) the information contained in a number of original variables into smaller sets of new composite dimensions (factors) with a minimum loss of information. Due to the nature of the independent variables in this study, there was a need for a transformation of the variables (political risk events, channel power/dimensions and touristic attractiveness) into a new set of set of mutually independent factors. This was done employing factor analysis.

Rationale for Regression Analysis

The final stage of the data analysis involved the use of multiple regression analysis. Multiple regression analysis was employed to examine and explore the effects of the independent variables - channel power, touristic attributes and political risk events on the dependent variable - performance.

DATA COLLECTION PROCESS

Data was collected between the months of September 1995 and February, 1996 and employed a two-stage approach using (1) the mail survey instrument, (2) telephone interviews with non respondents. An overview of these steps is presented in Table 6, while each stage is discussed below.

Table 6

Sequential Overview of Questionnaire Development and Data Collection Process

Development/Data Collection Stage	Dates Conducted
1. Questionnaire: Review by committee members Initial mailing (N = 450)	November, 1995
Follow-up card mailing	December, 1995
Telephone follow-ups to those who had not responded	January, 1996
2. Telephone interviews with systematic random sample of nonrespondents (N_2 = 30	February, 10 - 20, 1996 March 1-10, 1996

THE SURVEY PROCESS

During the month of December 1995, questionnaires were mailed to the population of firms listed as Africa Travel Association (ATA) members who were listed as travel agents, tour operators, destination marketing organizations, lodging operators (N=850) as of September, 1995. The survey data was gathered in a four-

stage sequential process, involving a: (a) mailing of the initial mail questionnaire, (b) reminder follow-up postcard mailing, (c) telephone follow-up to those who had not responded, requesting survey participation, and (d) final mailing to those who had promised to respond during the telephone follow-up. The survey instrument was first reviewed by the dissertation committee members for clarity and design. Based on their input, minor revisions were made to the questionnaire, and a revised version was then developed.

At the onset of the survey potential respondents were mailed a package containing the survey instrument, a personalized cover letter and a self-addressed return envelope (Appendix A).The initial mailing yielded 60 (13.3%) completed questionnaires. Two weeks later, those who had not responded to the initial mailing were sent a follow-up post card, resulting in an additional 39 (8.6%) responses. Four weeks after the first mailing, telephone follow-up calls were made to those who had not responded to the initial mailing or the follow-up post-card. (Appendix D). Those who promised to complete the survey were mailed a second copy along with cover-letters and return envelopes. This method is consistent with that suggested by Dillman (1978).

The telephone follow-up produced 30 (6.7%) additional survey returns, yielding a total response rate of 28.6% (N_1 = 129). Table 7 provides a sequential

overview of the mail questionnaire response results.

Table 7

Sequential Overview of Mail Survey Response Results

Task	Number	Percent Response Rate
Population Selection	N = 450	
Initial Survey Mailing	= 60	13.3%
Follow-up Card Mailing	= 39	8.6%
Telephone Follow-up	= 30	6.7%
Total Responses	N_1 = 129	28.6

Telephone Follow-Up Interviews

In order to increase response rate, a telephone interview with a systematic random sample of non-respondents was conducted to ensure respondent representativeness. Every nineteenth firm name was selected from 321 non respondents (450-129) to provide a profile of non responding firms. This sample of non respondents was contacted by telephone, reminded of the survey that had been sent and asked if they could spare a few minutes to answer a few key questions, since their surveys had not been received. In the event that respondents were not available or did not wish to participate, the next name on the listing was contacted. This procedure continued until twenty five interviews were completed. The additional five responses represent firms who returned calls to the interviewer at a later date. Their responses were also included in the sample.

Non Response Bias

In an attempt to ascertain non-response bias or the lack of it, a telephone follow-up interview was conducted with a randomly selected sample of 10 non respondents was conducted. The purpose of this was to determine if non-respondents were significantly different from respondents. In addition to general information questions such as business classification (question #1), year in which business began (question # 2), they were also asked questions about 4 selected questions that form both the independent and dependent variables for this study. These questions are shown in Table 8 below.

Table 8

Summary of Questions Elicited from Non-Respondents in the Study

Question Number	Category of Question	Dependent or Independent variable
1. Business Classification	General	
2. Year in which business began	General	
3(e). Perceptions of utilization of computer facilities as a power/control tool	Channel Power/Control	Independent
4 (c) Perceptions of Scenery & Landscape of Africa as a Touristic Attraction	Destination Touristic Attraction	Independent
5 (b) Perceptions of Coup d'etat in Africa as having a negative effect on profitability	Political Risk Event	Independent
10 (b) Perceptions of increase/decrease of trips generated to Africa from 1992 to 1994.	Business Performance	Dependent

The obtained mean values for their responses to the selected questions are shown in Appendix D. The mean scores of non-respondents were not significantly different from those from those of respondents, indicating the absence of non response bias.

OPERATIONALIZATION OF VARIABLES

A summary of the dependent performance variables to be used in this study is presented in Appendix B. The data for each variable was collected for a three year period:1992-1994 inclusive.

Appendix B overviews the independent variables employed in the research. Two variable categories for which data were collected in the mail questionnaire were not used in the analysis. Respondents' ratings of their perceptions/opinions about the political instability of Africa (question # 7) were excluded since it was felt that many respondents appeared to have misinterpreted this question. In addition, data representing responses to the open-ended question of perceived barriers and threats to tour operators (question # 11) was excluded from the analysis since it was originally included to help shed light on opinions that were unrelated to this research.

DATA ANALYSIS

The analysis procedures used in this research include univariate, bivariate and multivariate techniques. These analytical approaches include:

1. Exploratory data analysis (frequencies) to examine and understand the nature of the data and provide relevant descriptive characteristics;

2. Factor analysis to analyze interrelationships among the independent variables in order to explain these variables in terms of their common underlying dimensions (factors).

3. Bivariate analyses to determine the relationships among variables and identify variables significantly related to the various measures of performance;

4. Multiple regression analysis to identify the extent to which specific independent variables individually and as a group, account for variations in the dependent criterion measures

Prior to conducting bivariate and multivariate analyses, exploratory analysis were performed to assess the nature of the data (Hartwig and Dearing, 1979). This stage involved examination of descriptive statistics, including measures of central tendency and characteristics of the distributions.

The second task entailed examining the relationships among the five performance variables (percentage increase or decrease in the number of trips generated, repeat business, package tour sales, profits and the number of trips generated) and their relationships with the select independent variables. Pearson's Product Moment correlation coefficients were used to establish relationships

among these variables. The third stage of the data analysis involved the use of factor analysis to analyze interrelationships among the independent variables in order to explain these variables in terms of their common underlying dimensions. The final stage of data analysis involved the use of multiple regression analysis to estimate the combined influence of the independent variables on different aspects of performance. Table 9 shows the plan of the analysis used.

Table 9

Plan of Analysis

Data Source	Analysis to be Conducted	Analytical Technic Employed
Questionnaire	Exploratory analysis	Descriptive measures of central tendency and distribution characteristics
Questionnaire	Factor Analysis Testing for confirmatory hypotheses	Bivariate: Pearson's correlation Multivariate: stepwise multiple regression

Hypotheses were evaluated according to the following criteria[1] :

1. Correlations:	Weak = 0.10-0.34 Moderate = 0.35-0.49 Strong= 0.50-1.00
2. Regression Adjusted R Squared:	Weak = .12 or less Moderate = .13 - .24 Strong = .25 - 1.0

Summary

This chapter outlines the major elements of the research methods used in this study. It describes the population which consists of tourism channel firms or travel intermediaries listed in the membership list of the Africa Travel association (ATA). Furthermore, it elaborates on the data collection instrument used, followed by the data collection process employed. This approach involved primary (mail survey and telephone interviews).

Finally, the chapter examines the major types of data analyses conducted and analytical tools used: exploratory analysis (descriptive statistics), bivariate analyses (Pearson's Product Moment Correlation) Principal Component Factor Analysis and multiple regression analysis (stepwise multiple regression). The next two chapters present and discuss the results of the analyses outlined above and discuss their relevance to the research.

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[1]Source: Andereck, 1989.

CHAPTER IV

DESCRIPTIVE RESULTS AND DISCUSSION

This chapter starts with a discussion of the response rate of the survey data. Following that, descriptive information is presented on both the dependent and independent variables employed in the study. A summary of these findings concludes the chapter.

Response Rate

From a total of 450 questionnaires mailed, 129 usable surveys were received, yielding a response rate of 28.6%. Although low, such a response rate is typical of mail questionnaire studies that involve business enterprises, in contrast to survey research that involve individuals (Zikmund, 1986). This response rate achieved may be attributed to two factors: (a) the unit of analysis under investigation, and (b) the nature of the information requested. Additionally, business research focussing on the firm/organization as the unit of analysis seeks data about aspects of the firm in which respondents may have little personal interest or may not want to reveal, thus affecting survey completion (Erdos,1970). Additionally, business owners/managers (particularly the population for this study) often face severe time constraints as a result of their work activities and are often inundated with paper work, meetings and travel. For example, telephone follow-ups with many non-respondents revealed that

they had either been out of town, or had completed one or more surveys during the last six months and did not have the time to participate.

BASIC FREQUENCIES

As previously mentioned, the first task in the data analyses is to perform an exploratory analysis to assess the nature of the data (Hartwig and Dearing, 1979). This stage involves an examination of descriptive statistics, including measures of central tendency and characteristics of distributions. The following section provides the results of such an examination.

Firm Characteristics

Most responding firms are small, with 52% having annual sales of less than $ 250,000. (Table 11). Only 24.3% had sales of between $250,000 and $749,000; 10.9% ranged from $750,000- $1.74 million; 8.5% had sales of between $1.7 and $3.4 million, while 4.9% sold over $3.5 million worth of business. Since a typical package can range from $2,000- $12,000, one must be careful not to consider sales volume in isolation, since there may not be a direct correlation between gross annual sales and passengers carried. Additional firm characteristics are presented in Table 10. Tour operators constituted the largest proportion of respondents (46.5%), whilst travel agents and (others- airlines, hotels, and destination marketing organizations)

constituted 35.6% and 17.8% respectively. The length of time respondents have been doing business in Africa is also presented in Table 10. It indicates that the majority of respondents 64.3% (n=83) fall into the category of those that have been in the African tour market since the 1980s, while 35.6% (n=46) constitute those who started before 1980.

Table 10

Business Classification of Respondents

Firm Characteristics	N	%[2]
Tour Operator	60	46.5
Travel Agent	46	35.6
Other	23	17.8
Gross Sales		
Less than 249,999	67	52
250,000-749,999	31	24.3
750,000-1.749 million	14	10.9
1.75 million -3.449 million	11	8.5
5 million or over	6	4.9
Length of time of Business Promotion to Africa		
Before 1980	46	35.6
Between 1980 and 1994	83	64.3

[2]Percentages may not equal 100 due to rounding error

Dependent Performance Measures

Overall, respondents show annual percentage increases in 1994 in terms of package tour sales and profits from tours to Africa. In 1994, these increases were, respectively: package tour sales, 73 percent; profits, 74.8 percent (Table 11). In terms of repeat business, trips generated and number of new destinations, 1994 percentages appear to be lower than in previous years (1993, and 1992).

Table 11

Business Performance Measures

Variable	N[3]	% Increase/Decrease
Package Tour Sales		
1994		
Increase	73	73.0
Decrease	27	27.0
1993		
Increase	66	72.5
Decrease	25	27.5
1992		
Increase	60	69.0
Decrease	27	31.0
Profits from Tours to Africa		
1994		
Increase	77	74.8
Decrease	26	25.2
1993		
Increase	64	69.6
Decrease	28	30.4
1992		
Increase	60	69.8
Decrease	26	30.2
Number of New Destinations		
1994		
Increase	69	76.7
Decrease	21	23.3
1993		
Increase	61	75.3
Decrease	20	24.7
1992		
Increase	62	82.7
Decrease	13	17.3

[3]Variations in N totals are due to missing or incomplete responses.

When one examines these 1994 performance in relation to previous years, it appears that the burgeoning of political risk factors in many parts of the continent may have accounted for such a decline. On the other hand, in terms of increased package sale and profits, it would appear as if the more politically stable destinations experienced increases in sales and therefore profits. As Table 12 indicates, the top ten most frequently mentioned destinations are those that experienced relatively fewer political risk events.

Table 12

Ranking of Ten Most Frequently Mentioned Destination Countries

Country	Count	% of Responses	Rank
Republic of South Africa	64	10.8	1
Kenya	60	10.2	2
Zimbabwe	41	6.9	3
Egypt	38	6.4	4
Tanzania	38	6.4	4
Botswana	35	5.9	6
Zambia	33	5.6	7
Senegal	31	5.3	8
Ghana	30	5.1	9
Morocco	20	3.4	10
Gambia	20	3.4	10
Namibia	20	3.4	10
Tunisia	20	3.4	10

THE INDEPENDENT VARIABLES

Channel Power/Control

Respondents' opinions of the use of power/control measures over tourism related firms in African tourism destinations are identified in Table 13. The highest percentage (49.2%) agree that the use of expert systems to track sales, accounting and finance is important in ensuring a stronger market share and profitability in Africa. The use of computerized reservations and communications systems is also regarded as important by almost 42% of respondents. This finding may be attributed to the fact that since the United States is a highly technological society, the use of computers and expert systems is highly common place. However, in the area of keeping research information proprietary, respondents perceive (32.3%; 19.4%) that their companies resort to such practices, while 25.8% and 21.8% are of the strongest opinion that their firms make technology difficult for others to duplicate. This puts African countries in a dilemma, since much of their institutional frameworks are relatively weak.

Table 13

Frequencies of Respondents' Opinions Regarding Perceived Use of Channel Power/Control in Africa

Item	Scale %					Mean Score	Standard Deviation
	1	2	3	4	5		
Channel Power/Control							
Ownership/equity Acquisition	20.0	13.3	14.2	35.0	17.5	3.17	1.40
Contract/joint venture leasing management	23.6	9.8	15.4	30.9	20.3	3.15	1.50
Staff African offices with key company personnel	22.3	9.9	19.8	33.1	14.9	3.9	1.40
Promotion to senior mgmt. in Africa only from within company	21.2	11	22	30	15.3	3.8	1.40
Computerized reservations/ communication utilization	5.7	6.6	8.2	41.8	37.7	4.0	1.17
Expert systems use to track sales/accounting/finance	3.2	4.8	8.1	49.2	34.7	4.7	.096
Keeping research information proprietary	11.3	13.7	23.4	32.3	19.4	3.3	1.30
Making technology difficult to duplicate	17.7	14.5	20.2	25.8	21.8	3.2	1.40

Note: *Respondents utilized a 5-point Likert type scale to indicate their degree of agreement or disagreement with respect to selected items as follows: 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree.*

Africa's Touristic Attractiveness

Africa offers a variety of attributes that are attractive to tourists from the United States. These attributes go a long way to enhance travel intermediaries' profitability. Evidence of this is reflected in the high mean scores of respondents (Table 14). Respondents provide a mix of very positive responses, with greater concentrations on Africa's very attractive scenery and landscape being the most

impressive attribute (54.3%), followed by the continent's abundance of wildlife (50.4%) and its multiple physical tourism resources (41.7%).

Table 14

Frequencies of Respondents' Perceptions of The Effects of Touristic Attractiveness on Profits in Africa

Item	Scale /%					Mean Score	Standard Deviation
	1	2	3	4	5		
Africa's Touristic Attractiveness							
Multiple physical tourism resources	2.4	3.9	11.8	40.2	41.7	4.2	.943
Africa's unique geographic position astride the equator	5.6	9.6	23.2	36.8	24.8	3.7	1.12
Favorable climate attractive to U.S. tourists	3.1	7.1	17.3	42.5	29.9	3.9	1.02
Very attractive scenery & landscape	.8	1.7	3.1	41.7	54.3	4.5	.641
Diverse array of flora, fauna, & aquatic resources	.8	1.9	7.9	51.2	40.2	4.3	.649
Clean, plentiful & undisturbed natural beaches	2.4	7.1	23.8	42.9	23.8	3.8	.968
Plenty of open air activities	1.6	3.9	13.4	51.2	29.9	4.3	.858
Opportunity to participate in hunting safaris	14.3	6.3	16.7	32.5	30.2	3.6	1.40
Plenty of lush vegetation	.8	3.2	14.3	52.4	29.4	4.0	.797
Abundance of wildlife	1.8	2.4	8.7	38.6	50.4	4.4	.743
Plenty of historic sites & monuments	.8	4.8	13.5	42.1	38.9	4.1	.880
Interesting tribal life	1.7	2.4	13.6	40.0	44.0	4.3	.782
Variety of ethnic customs to observe	1.1	4.0	10.3	46.8	38.9	4.2	.783
Vast array of towns to visit & shop	1.6	6.3	17.5	41.3	33.3	4.0	.955
Opportunity to participate in local tribal life	.8	4.8	25.6	41.6	27.2	3.9	.887

Note: *Respondents utilized a 5-point Likert type scale to indicate their degree of agreement or disagreement with respect to selected items as follows: 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; 5= Strongly Agree.*

Responding firms appear not only to concentrate on natural factors (climate (42.5%) , flora and fauna (51.2%), attractive scenery and landscape (54.3%) abundance of wildlife (50.4%) lush vegetation (52.4%) natural, undisturbed beaches (42.9%), but also seem to give depth and breadth to cultural/outdoor factors such as open air activities (51.2%), historic sites and monuments (42.1%), variety of ethnic customs to observe (46.8%), and opportunity to participate in local tribal life (41.65%) as well. These findings suggest that travel destinations in Africa generally reflect the feelings, beliefs, and opinions of United States' tourists as offering touristic attributes that may be unmatched in providing satisfaction in terms of unspoilt beauty and unique experiences.

Political Risk Events

As previously mentioned in chapter 2, political risk arise from the uncertainty of political events which affect business, rather than with the events themselves. In simple terms, political risk may be restated as business risk brought about by political sources or environment. As Table 15 indicates, the majority of respondents perceive widespread riots and terrorism in Africa as contributing the most negative effect on their business performance (58.3%), while cross cultural guerilla warfare and civil wars were equally perceived to contribute the same (49.6%). Other factors that are highly ranked as having very significant effects on

performance are coup d'etat (48.8% and revolution (46.1%).

Table 15

Frequencies of Respondents' Perceptions Regarding The Effects of Political Risk Events on Their Business Performance in Africa

Item	Scale /%					Mean Score	Standard Deviation
	1	2	3	4	5		
Effects of Political Risk Events in Africa on Business							
Revolution	3.9	3.1	5.5	41.4	46.1	4.2	.974
Coups d'etat	3.1	3.9	5.5	38.6	48.8	4.3	.961
Civil Wars	3.2	2.4	4.8	40.0	49.6	4.3	.918
Factional conflicts	2.4	3.2	15.2	44.0	35.2	4.1	.922
Ethnic/religious turmoil	2.4	6.3	9.4	44.9	37.0	4.2	.964
Widespread riots & terrorism	3.9	3.1	7.1	27.6	58.3	4.3	1.02
Nationwide strikes, protests/boycotts	4.8	4.8	16.0	38.4	36.0	4.0	1.08
Cross cultural guerrilla warfare	3.9	1.6	7.1	37.8	49.6	4.3	.957
Negative world public opinion	7.0	7.8	22.7	28.9	33.6	3.8	1.20
Nationalization/expropriation	7.0	8.6	25.0	32.0	27.3	3.7	1.18
Profit expatriation restrictions	5.6	8.7	27.0	27.8	31.0	3.7	1.20
Political leadership struggles	7.8	10.9	23.4	28.1	29.7	3.7	1.23
High inflation rates	5.6	13.5	23.8	28.6	28.6	3.6	1.20
Bureaucratic politics	7.1	9.5	23.0	32.5	27.8	3.7	1.20
Border conflicts	3.9	6.3	14.1	40.6	35.2	4.0	1.05
High external debt service ratio	12.6	13.4	27.6	19.7	26.8	3.4	1.34

Note: *Respondents utilized a 5-point Likert type scale to indicate their degree of agreement or disagreement with respect to selected items as follows: 1= Very Insignificant Effect; 2= Somewhat Insignificant Effect; 3= Neutral Effect; 4= Somewhat Significant Effect; 5= Very Significant Effect*

Although these figures may appear high, the standard deviations of the more directly externally related factors (such as: negative world public opinion, nationalization/expropriation, profit repatriation restrictions, inflation, high external debt service ratio, the perception regarding political risk factors) appear to be a better reflection of respondents' opinions of the impact of political risk events on their businesses. These findings suggest that even though internal political risk events in Africa may have negative impacts on U.S. tourism channel firms, they may be still be able to operate and be profitable due to their internal nature, aided by the use of some of the power sources identified earlier in this chapter. However, events that are more externally related in nature may have deeper implications for profits. This may be due to the fact that potential tourists may be less likely to book tours since they are more likely to be aware of such events through the local and national press, and other external sources.

Summary

In terms of firm characteristics, the profile of responding firms is one where most firms are relatively small, with less than $1.7 million in annual sales. Firms consist of mostly tour operators, while travel agents and a combination of a few airlines, hotel and destination marketing organizations constitute the rest of the population.

Responding firms have typically been doing business in Africa between 1980 and 1994, while a smaller proportion entered the market before 1980. In terms of package tour sales and profits, 1994 seems to have been a better year over 1993 and 1992 for most firms, since they experienced increases in tours and hence higher profitability (Table 11). On the other hand, they experienced declines in repeat business, number of trip generation and entered into fewer new destinations during the same period (Table 11).

Firms tend to concentrate their businesses either in certain relatively politically stable destination countries, ones that are perceived as economically progressive, or ones that fairly well known and are recognized as possessing some tourism infra structural base/resource in the African continent. Such countries include: the Republic of South Africa, Kenya, Zimbabwe, Egypt, Tanzania, Botswana, Ghana, Morocco and Tunisia.

In terms of the possession of channel power/control, about half of the firms agree that their use of technology puts them in stronger power/control positions over their counterparts in the destination countries. About 32% of firms are also of the opinion that they maintain such positions because they conduct research in these markets, and that they keep such information proprietary, while they also make the products/information derived from such research hard to copy by their

counterparts in Africa.

Firms doing business in Africa profit from the continent's touristic attributes, chief of which are the scenery and landscape, abundance of wildlife, favorable climate, and the rich floral and faunal stock that the continent has to offer international tourists.

Political risk factors with more international/monetary impacts, (such as African destination countries' high external debt ratio, negative world public opinion, nationalization/expropriation measures, profit repatriation restrictions, inflation) appear to have more negative impacts on firm performance than internal political factors such as coups d'etat, and ethnic religious turmoil, cross cultural guerrilla warfare and internal revolution (Table 15).

The descriptive findings outlined in this chapter set the stage for the bivariate and multi variate findings and discussions presented in chapter V.

CHAPTER V

BIVARIATE AND MULTIVARIATE RESULTS AND DISCUSSION

This chapter reports results of data analysis and hypothesis tests. First, some preliminary data on the factor analysis procedure that was used to analyze interrelationships among the large number of independent variables are presented. As mentioned in chapter IV, factor analysis was used in this research in order to explain variables in terms of their common underlying dimensions. The derived composite factor groupings of the three main independent variables (channel power/control, destination touristic attractiveness and destination political risk events) are used to examine the relationships among the five dependent performance variables (number of trips generated, repeat business, package tour sales, profits from tours, and number of new destinations). Pearson's Product Moment correlation coefficients were used to establish bivariate relationships among these variables. Hypotheses testing are conducted employing t-test coefficients. The final stage of data analysis involved the use of multiple regression analysis to examine the combined influence of the independent factor groupings on the various aspects of performance. Correlation coefficients are considered weak if the range is between 0 and 0.05; moderate between 0.051 and 0.30; and strong between the range of 0.301 and 1.00 (Reid, 1990). Generally,

two-tailed tests were employed. Since the study is exploratory in nature, relationships are considered statistically significant at the .10 level. Finally, the chapter provides multivariate models of significant variables accounting for the variation in channel performance in Africa, using multiple regression analysis.

BIVARIATE ANALYSES

Factor Analysis

The general purpose of using a factor analytic technique is to find a way of condensing (summarizing) the information contained in a number of original variables into a smaller set of new composite dimensions (factors) with a minimum loss of information (Hair et. al, 1992). More specifically, factor analysis techniques, among other things, can identify appropriate variables for subsequent regression or correlation from a much larger set of variables. Thus, in order to generate a composite measure of independent variables for an examination of correlational relationships between the individual independent variables and the aggregate results of the five dependent performance measures, factor analysis was conducted. The following section describes the procedure and resulting factor groupings.

As stated in chapter three, in marketing research, when there may be a large number of variables, most of which are correlated, they must be reduced to a manageable level. In order to establish convergent and divergent validity of the survey results, Principal Component factor analysis - a multi variate statistical method whose primary purpose is data reduction and summarization (Hair et. al, 1992) was used. Its general purpose is to find a way of condensing (summarizing) the information contained in a number of original variables into smaller sets of new composite dimensions (factors) with a minimum loss of information.

The transformation of the independent variables (political risk events, channel power/dimensions and touristic attractiveness) into a new set of mutually independent factors was done employing factor analysis. The relationships among sets of many interrelated variables were examined and represented in terms of a few underlying factors.

The questionnaire consisted of 8 power/control , 15 touristic attribute and 16 political risk items (Appendix A), which were measured on a five-point Likert-type scale and used collectively in component factor analysis rotation. In extracting these factors, all factors had eigenvalues greater than 1, and only factor loadings greater than .40 were included in the final analysis. The reliability of the factors was determined using Cronbach's coefficient alpha.

Results of Factor Analysis

The obtained factors with appropriate labels are presented in Tables 16, 17 and 18. In Table 16, the factor analysis of channel power resulted in two factor groupings: (a) internalization power/control factors and (b) technological power/control factors. The total variance explained by these two factor grouping totaled 68.5%. Reliability is a measure of the internal consistency of the construct indicators (Hair et al, 1992). A commonly used threshold value for acceptable reliability is .70. Since this research is exploratory, values below .70 have been deemed acceptable (Hair et al, 1992). Hence for this study the reliability coefficients were .8383 and.2919[4] respectively.

[4]Although this reliability coefficient is relatively low, it is not of primary concern since the factors are being used as independent variables in the regression analysis.

Table 16

Factor Analysis of Channel Power Dimensions Using Factor Names

Factor Names	Factor Loading	Eigen value	% Variance	Reliability Coefficient
Internalization Power Factors		4.1	50.2	.8383
Staffing key positions with company personnel	.87			
Management through contracts/joint venture/franchising/leasing arrangements	.84			
Filling senior management positions in Africa by promoting only from within	.81			
Making sure that technological innovations are difficult to duplicate	.76			
Making sure that market information uncovered through research is strictly proprietary	.74			
Acquiring ownership in one or more supply firms that already has operations in African markets	.73			
Technological Factors		1.46	18.3	.2919
Utilizing computer systems/expert systems to track sales/accounting/finance	.87			
Utilizing computer facilities to develop international communications & reservation network	.84			
Total Variance Explained			**68.5%**	

Table 17

Factor Analysis of Touristic Attractiveness in Africa Using Factor Names

Factor Names	Factor Loading	Eigen value	% Variance	Reliability Coefficient
Natural Resource Factors		**4.04**	**27.0**	**.8063**
1.Favorable climatic conditions attractive to tourists	.79			
2.Africa's unique geographical position astride the equator	.77			
3.The continent's beautiful, clean, natural, plentiful & undisturbed beaches	.72			
4.Plenty of open air activities	.70			
5.The continent's diverse flora, fauna, maritime & aquatic resources	.68			
6.Multiple physical tourism resources due to the continent's vast size & expanse	.66			
7.Very attractive Scenery and landscape	.59			
8.Plenty of lush natural vegetation	.51			
9. Abundance of wildlife	.75			
Cultural/Ethnic Factors		**2.03**	**13.5**	**.6604**
1. Interesting tribal African life	.84			
2.Variety of ethnic groups and customs to observe	.79			
3. Plenty of historic sites and monuments to see	.40			
Activity Factors		**1.66**	**11.0**	**.3821**
1.Tourists' participation in hunting safaris	.70			
2 .Opportunity to participate in local tribal life	.69			
3.Vast array of town visits and shopping	.61			
Total Variance explained			**51.5%**	

The factors for touristic attractiveness in Africa are shown in Table 17. Three main factors emerged, namely (1) natural resource factors (2) cultural ethnic factors and (3) activity factors. The percentage variance explained for all factors totaled 51.5% with relatively high reliability coefficients, except that of activity factors (.3821).

The independent variable of political risk events emerged with two factors: (1) regionalized political risk factors, and (2) globalized political risk factors (Table 18). The factor loadings were very high, and all factors account for 70.8% of the total variance, with very high reliability coefficients of .9430 and .9265 respectively.

Table 18

Factor Analysis of Political Risk Events in Africa Using Factor Names

Factor Names	Factor Loading	Eigen value	% Variance	Reliability Coefficient
Regionalized Political Risk Events		**7.96**	**49.8**	**.9430**
1. Civil wars	.93			
2. Revolution	.91			
3. Coups d'etat	.90			
4. Widespread riots and terrorism	.85			
5. Cross-national guerrilla warfare	.83			
6. Factional conflicts	.74			
7. Nationwide strikes/protests/boycotts	.70			
8. Ethnic/religious turmoil	.65			
9. Border conflicts	.56			
Globalized Political Risk Events		**3.4**	**21.0**	**.9265**
1. High inflation rates	.86			
2. Political leadership struggles	.85			
3. High external debt service ratio	.84			
4. Profit reparation restrictions	.84			
5. Nationalization/expropriation	.84			
6. Bureaucratic politics	.76			
7. Negative world public opinion	.70			
Total Variance Explained			**70.8%**	

CORRELATION OF INDEPENDENT FACTOR SCORES AND THE DEPENDENT VARIABLES

This section analyzes the results of correlations of delineated factor groupings by combined dependent variables of performance and tests the first four hypotheses relating to the performance conceptual model developed in chapter two.

The purpose of this procedure is to examine the correlation that exists between the independent variable factors of channel power/control, destination touristic attributes and political risk events and the dependent performance measures. Each of the dependent performance variables (number of trips generated, repeat business, package tour sales, profits from tours, and number of new destinations) were correlated with each of the delineated factor variables constituting the independent variables of channel power, touristic attractiveness, and political risk events to assess their relationships with one another.

The following sections discuss the correlations of delineated factor groupings of channel power, touristic attractiveness and political risk by the dependent variables of percentages of trip generation, repeat business, package tour sales, profits and number of new destinations.

Channel Power/Control Factors and Performance Measures

The interrelationships among the channel power/control factor groupings and the five performance dependent variables are shown in Table 19. Overall, the table indicates that the implementation of technological power factors by channel firms appear to have positive influences on trip generation, repeat business, package tour sales and profits.

Specifically use of technological factors by United States- based tourism channel firms show moderately positive significant associations ($\geq .10$) with the percent of trips generated ($r = .185$) percent of increased package tour sales ($r = .236$) and percent of profits from tours to Africa ($r = .236$). However, there are weak or no relationships between internalization factors and performance. This finding suggests that there is a positive relationship/association, albeit a weak one, between the use of technology and profits. This view is supported by Sheldon (1984) who postulated that tour operators' efficiency and profits largely stem from their attainment of highly technological operations. Thus, power/control by channel firms in Africa through the use of technological factors help in increasing profits.

Table 19

Correlations[1] of Delineated Factor Groupings[2] by Combined Dependent Variables

Factor Grouping	Combined Dependent Variables				
	Trips Generated	Repeat Business	Package Tour Sales	Profits	Number of New Destinations
Channel Power					
Internalization Factors	-.013 p=.92	.126 p=.43	-.110 p=.47	-.089 p=.59	-.109 p=.51
Technological Factors	.185 p=.10	.010 p=.95	.236 p=.10	.236 p=.10	-.006 p=.97
Touristic Attractiveness					
Natural Resource Factors	.153 p=.10	.173 p=.10	.187 p=.10	.185 p=.23	-.132 p=.40
Cultural Ethnic Factors	-.020 p=.87	.161 p=.29	-.074 p=.61	-.087 p=.57	.024 p=.88
Activity Factors	-.161 p=.20	-.003 p=.98	-.146 p=.35	.219 p=.10	.219 p=.10
Political Risk					
Regionalized Risk Events	.065 p=.64	-.283 p=.08	-.088 .58	.098 p=.57	-.519 p=.00
Globalized Risk Events	-.286 p=.03	.079 p=.63	-.243 p=.10	-.295 p=.08	-.190 p=.10

[1]Correlations reflect averages of the three year performance (1992, 1993, 1994)
[2]p = Pob. Values

However, internalization factors such as - staffing key positions with company personnel and other vertically integrated practices (Table 16) appear to have relatively weak correlations and statistical significance to United States' based tourism channel firms' performance in Africa. Thus, the use of such power factors do not appear to be as crucial as the actual use of up-to-date technology through computerization. These findings provide partial support for the first

hypothesis which was stated in chapter 2 as follows :

H_1: there is a relationship between United States' tourism channel firms' power/control over African country destinations and channel performance.

Touristic Attractiveness Factors and Performance Measures

The perceived touristic attributes of Africa was hypothesized as having a relationship to United States'-based tourism channel firms' performance (H_2). The correlation results partially support this proposition (Table 19). On the one hand, natural resource factors were found to be moderately positively correlated with the percent of trips generated ($r = .153$; $p = \leq .10$), the percent of repeat business ($r = .173$; $p = \leq .10$) and the percent of packages tour sales to Africa ($r = .187$; $p = \leq .10$). On the other hand, activity factors were found to be moderately positively correlated to the percent of channel firms' profits ($r = .219$ $p = \leq .10$) and the number of new destinations entered ($r = .219$; $p = \leq .10$). However, cultural/ethnic factors do not appear to impact firms' performance in any significant manner. The implications of these correlations are not surprising. They confirm that individual factors like favorable climate, open air activities, clean natural beaches, plush natural vegetation and attractive scenery that Africa has to offer moderately contribute toward increased trip generation, hence package tour sales. Furthermore, the abundance of wildlife, opportunity for

safari participation and interaction with local tribes contribute fairly moderately toward firms' profitability and hence the opening up of new destination markets in Africa. However, participating firms in this study did not perceive Africa as offering a variety of ethnic groups and customs to observe and plenty of town visits and shopping to have important impacts on their performance. This last finding has been supported in the tourism literature by Saglio (1979) who argued that tourism in Africa consists mainly of "guided" tours, and that their impressions are often formed "behind air-conditioned cars", and therefore, do not interact enough with the locals in order to experience more of the cultural factors that the continent has to offer. Consequently, these findings lend partial support to the second hypothesis in this study which was stated as follows:

$\mathbf{H_2}$: There is a relationship between the perceived touristic attributes of tourism destinations and United states based tourism channel firm performance.

Political Risk Factors and Performance Measures

The factor groupings comprising political risk dimensions in Africa and their correlations with the various performance dependent variables are shown in Table 19. As the results indicate, the statistically significant relationships that are shown to exist between both factor groupings and the selected performance dependent variables are negative. These findings contrast to the positive

associations between the two previously discussed independent factor groupings (channel power/control and touristic attractiveness). These findings are not surprising, since political risk perception by any business undertaking is likely to result in various risk averse reactions.

It is also not surprising that the strongest negative correlation emerged between regionalized political risk events and the number of new destinations entered by firms

($r = -.519$; $p = \leq .00$). This indicates that firms perceive risk factors such as civil wars, coups d'etat, cross national terrorism and border conflicts within countries in Africa as likely to have spillover effects on other countries, especially ones in the immediate region. As a result, they may not be motivated to enter into new destinations within the region due to those images formed.

A similar correlation, although relatively weak, can be seen between regionalized risk events and repeat business ($r = -.283$; $p = \leq .08$). Here also, the results indicate that the percent of repeat business is only moderately affected by perceptions of political risk events pertaining to these risk factors, and that it also negatively affects channel firms' performance.

The percent of trips generated ($r = -.286$; $p = \leq .03$), package tour sales ($r = -.243$; $p = \leq .10$), profits from tours ($r = -.295$; $p = \leq .10$) and the number of

new destinations (r= -.190; p = ≤.10) show moderate negative correlations with the factor grouping of globalized political risk events. Since these risk events mostly involve negative perceptions dealing with international financial transactions, such as inflation, profit repatriations restrictions and also involve negative world public opinions, these findings are not too surprising and are consistent with the literature indicating that political risk events have negative significant impacts on firm performance.(Baglini, 1976; Bunn and Mustafaoglu, 1978; Brewer, 1981; Richter, 1992). Thus the findings in Table 20 lend strong confirmatory support to the third hypothesis in this study, which was stated as follows:

H_3: There is a relationship between the perceived political risk events in African destinations and United States based tourism channel firms' performance.

Summary of Bivariate Analyses

The above bivariate results suggest that tourism channel power/control (technological), destination touristic attractiveness (natural resource and cultural) and political risk (regionalized and globalized) factors are associated with United States-based tourism channel firms' performance in African tourist destination markets. However, internalization factors of channel power/control and cultural/ethnic factors of touristic attractiveness appear to have little or no relationship to dimensions of their performance.

In the area of channel power/control, utilizing computers and other expert systems to track sales/accounting/finance and to develop international communications and reservations network helps in increasing trip generation, package tour sales and profits in African tourist destinations. Internalization factors, which are associated with vertical integration practices do not seem to play a major role in performance.

The percent of trips generated and package tour sales as performance measures is positively associated with the natural touristic endowments and the availability of activities for tourists' participation (such as hunting safaris and other wild life activities) African destinations. However, cultural/ethnic factors appear not to be important considerations except in the area of repeat business.

Political risk dimensions in Africa, from the standpoint of both regionalized and globalized factor dimensions appear to have negative significant effects on all aspects of tourism channel firms' performance. Most importantly, regionalized political risk events appear to have the most significant correlation to the number of new destinations tourism channel firms are willing to enter in a given regional market area.

MULTIVARIATE ANALYSES

Model of Tourism Channel Firm Performance

In order to obtain a better understanding of the independent factors groupings' explanation of the variance in tourism channel performance, stepwise multiple regression analyses were performed to obtain a model of channel performance. The formula for multiple regression is as follows (Lewis-Beck, 1980, p.48):

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + ... + b_k X_k .$$

Variables were selected for inclusion in the model using saved factor scores obtained during the factor analysis procedure described earlier in this chapter. According to Hair et al (1992), factor scores have the advantage of representing a composite of all variables loading on the factor. However, factor scores are based on correlations with all the variables in the factor, and these correlations are likely to be much less than 1.0, the scores are only approximations of the factors and, as such are error-prone indicators of the underlying factors[5] . All but one of the variables in the analytical model presented in chapter two were significant. Consequently, the model was slightly refined by dropping the variables with the weakest relative beta weights,

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[5]Because this study is exploratory, correlations and regression analysis were run using saved factor scores. The direction of the derived coefficients do not appear to be radically different from those obtained using regression raw scores. (See Appendix F and G)

examination of partial correlation coefficients and the statistical significance of each variable in the model. The following pages present both the refined model and the fourth and final hypothesis testing of the regression performance model.

MODELS OF TOURISM CHANNEL FIRMS' PERFORMANCE

The purpose of using multiple regression analysis is to analyze the relationship(s) between a single dependent variable and several independent variables. The principal advantage of this procedure is that it allows the researcher to utilize more information available to estimate the dependent variable. The following section highlights the multiple regression results of this study and refine the hypotheses already discussed, as well as a final model for the study.

The multiple regression model for performance included all independent factor variables having significant bivariate relationships with the dependent performance measure of percent of trips generated, repeat business, package tour sales, profits and number of new destinations entered (see Table 20 for the full model). The relative contribution of independent variables included in each model can be assessed by examining the adjusted r square and standardized beta coefficients assigned to each variable (Table 20).

With the exception of the repeat business dependent model, the overall models are highly significant with significance levels ranging between $\geq .01$ and .10, and

adjusted R squares of between .347 and .472. Since the study employed five dependent variables as a measure of performance, the following discussion covers each model individually.

Model 1: Trips Generated as a Dependent Variable

The overall model for the dependent variable of percentage of trips generated was found to be statistically significant ($F = \leq .02$). Furthermore, this model explains 34.7% of the total variance for trips generated by United States's tourism channel firms to Africa.

An examination of the dependent variables and the individual independent factor groupings comprising the model are shown in Table 20. The activity factors of destination attractiveness have the highest beta coefficient, and a negatively significant effect on trips generated (Beta = -.466; $p = \leq .00$). This negative relationship may either to be spurious, or attributed to the conservation and preservation awareness and practices in Africa which may prohibit tourists from engaging in hunting and poaching activities during safari trips in Africa.

As stated in chapter III, political risk are risks that arise from actions of governments or political forces which interfere with, or prevent, foreign business transactions, or change the terms of agreements, or cause the confiscation of wholly or partially foreign owned business property are called political risks

(Weston and Sorge 1972).Trip generation and the globalized risk factors exhibit a highly negative and statistically significant relationship (Beta = -.434; $p = \leq .01$). This finding raises the issue of how African countries that intend to increase inbound tourism can begin to address the controllable aspects of globalized political risk factors.

Another finding revealed by model 1 is that natural resource factors of destination attractiveness influence trip generation positively (Beta = .343; $p = \leq .02$). These findings offer evidence that the natural resource attributes of Africa (climate, beaches, diverse flora and fauna, scenery landscape and lush natural vegetation) are of significant importance in terms of trip generation business for United States' tourism channel members.

In terms of trip generation and the use of technological factors as a power/control factor, the results indicate both a positive and significant relationship (Beta = .324; $p= \leq .02$). This finding is not surprising, since it was noted earlier in this chapter (Table 18), that United States' tourism channel members may be motivated to both generate/promote more trips to Africa and focus on various kinds of packages, knowing that reservations and bookings, as well as administrative, accounting , finance sales tracking and other information can be quickly and efficiently processed, thus making labor more efficient. The

effects of trip generation on the independent variable of regionalized risk events is a relatively weak one, (Beta = -.245; p = ≤ .07). Thus, it appears that although regionalized risk factors might affect trip generation to Africa, their levels may not be significant enough to negatively affect United States' channel firms' performance.

Model 2: Repeat Business as a Dependent Variable

The model of the dependent variable of repeat business reveals that only 29.5% of the variance is explained by the dependent variable (Table 21). Furthermore, the model is not statistically significant (F = ≤ .31). The results indicate that only one aspect of political risk factors (regionalized political risk) was found to be statistically significant to the overall model (Beta = -.342; p = ≤ .06). This finding suggests that a negative statistically significant relationship between regionalized political risk events in Africa and repeat business of United States' tourism channel firms.

Model 3: Package Tours as a Dependent Variable

The model depicting the dependent variable of package tours and the individual independent variables are also shown in Table 21. Overall, this model explains 47.2% of the variance, and is statistically significant (F = ≤ .01).

The model demonstrates that the activity factors of destinations attractiveness exhibits the highest contribution towards package tours sales of United States' tourism channel firms (Beta = .721; p= ≤ .00). This finding raises the importance of the provision and availability of activities for tourists in Africa .

The technological factors of channel power/control moderately positively influence the model (Beta = .492 ; p = ≤ .00). This finding is not surprising since most tourists' reservations and bookings for both transportation to and accommodation at the destination are done in the countries of origin (Fall, 1978).

The globalized political risk factors collectively emerged as moderately negatively statistically significant in terms of their relationships with the dependent variable of package tours

(Beta = -.371; p = ≤ .03). This finding is also not surprising.

Model 4: Profits as a Dependent Variable

Overall, the dependent variable of percentage increase/decrease in profits explains 41.7% of the variance, and is statistically significant (F = ≤ .08).

Individually, activity factors of destination attractiveness appear to have exerted the most influence in explaining profits (Beta = .523; p = ≤ .01). The technological factors of channel power appear to have a moderately positive effect on profits (Beta = .429: p = ≤ .02). The factor of globalized risk is moderately

negatively related to profits and is statistically significant (Beta = -.371; $p = \leq .04$). This finding again suggests that globalized political risk factors are negatively related to profits of U.S. channel firms. In the case of the relationships between profits and destination attractiveness, natural resource factors show a relatively weak positive relationship (Beta = .330; $p = \leq .08$).

Model 5: New Destinations as a Dependent Variable

The multiple regression model for the dependent variable of number of new destinations entered in Africa. The overall model explains 45.85% of the total variance, and is highly significant ($F = \leq .04$). However, of all the factors included in the model regionalized political risk factors appears to affect new destinations negatively (Beta = -.553 ; $p = \leq .00$).

Table 20

Multiple Regression Models for Tourism Channel Firms' Performance*

	Independent Variables									
	Channel Power		Destination Attractiveness			Political Risk		F.Test	Sig. F ≥	Adjusted R^2
	Internalization Factors	Technological Factors	Natural Resource Factors	Cultural/ Ethnic Factors	Activity Factors	Regionalized Risk Factors	Globalized Risk Factors			
Dependent Variables										
Model 1										
Trips Generated	-.086 (.62)	.324 (.02)	.343 (.02)	-.140 (.32)	-.466 (.00)	-.245 (.07)	-.434 (.01)	2.59	0.02	.347
Model 2										
Repeat Business	.095 (.73)	.322 (.16)	.148 (.46)	.169 (.40)	-.126 (.15)	-.342 (.06)	.024 (.90)	1.25	0.31	.295
Model 3										
Package Tours	-.223 (.34)	.492 (.00)	.190 (.23)	-.118 (.43)	.721 (.00)	.082 (.58)	-.368 (.03)	3.13	0.01	.472
Model 4										
Profits	-.003 (.98)	.429 (.02)	.330 (.08)	-.173 (.36)	.523 (.01)	.189 (.27)	-.371 (.04)	2.06	0.08	.417
Model 5										
New Destinations	-.236 (.30)	-.040 (.82)	-.290 (.10)	.058 (.74)	.054 (.80)	-.553 (.00)	.121 (.49)	2.43	0.04	.458

* Table Represents Standardized Beta Coefficients. Associated Significance Levels (t - tests) are in Parenthesis

THE REVISED MODELS

As mentioned earlier, the models depicted in Table 21 are significant, with F-value significant levels ranging between $\geq .01$ and .08. Specifically, they reveal that there are strong interrelationships among some of the dependent variables of performance and some independent variables.

Since the objective of this study is to propose a conceptual model, a revision of the individual models was deemed necessary in order to achieve parsimony. Based on the low standard Beta coefficients and associated significance levels, certain variables appeared to be either weak or not statistically significant. They were thus eliminated from the final model. The discussion that follows explains the revised model.

The channel power internalization factor, the cultural/ethnic factor and the regionalized risk factors of political risk were removed from the model. The new model for trip generation now indicates that there are positive/negative and statistically significant interrelationships between trip generation and: the technological factors of channel power, the natural resource and activity factors of destination attractiveness, and a the globalized risk factors of political risk (Table 21).

Table 21

Final Multiple Regression Models for Tourism Channel Firms' Performance*

	Independent Variables							
		Destination Attractiveness		Political Risk		F. Test	Sig. F ≥	Adjusted R^2
Dependent Variables	Technological Factors	Natural Resource Factors	Activity Factors	Regionalized Risk Factors	Globalized Risk Factors			
Model 1								
Trips Generated	.324 (.02)	.343 (.02)	-.466 (.00)		-.434 (.01)	2.59	0.02	.347
Model 2								
Repeat Business				-.342 (.06)		1.25	0.31	.295
Model 3								
Package Tours	.492 (.00)		.721 (.00)		-.368 (.03)	3.13	0.01	.472
Model 4								
Profits	.429 (.02)		.523 (.01)		-.371 (.04)	2.06	0.08	.417
Model 5								
New Destinations				-.553 (.00)		2.43	0.04	.458

* Table Represents Standardized Beta Coefficients. Associated Significance Levels (t - tests) are in Parenthesis

In the model for repeat business, all the independent factor grouping variables except regionalized political risk factors were dropped from the model. Thus, the revised model reveals that there is a statistically significant relationship between repeat business and regionalized political risk factors.

After elimination of variables from the package tour model, only the independent factor groupings of Channel power technological factors; activity factors of destination attractiveness and the globalized risk factors of political risk are included in the final model.

The technological factors of channel power; natural resource and activity factors and the globalized risk factors of political risk remained in the profits model after revision.

From the results of the final model for new destinations, it appears as if only the Regionalized factor grouping of political risk has a significant relationship with the number of new destinations .All the others were thus eliminated from the final model.

However, even with these modifications, the final tourism channel performance model (Table 21) (Sig. $F = \geq 0.08$) still substantiates the fourth hypothesis for this study , which postulated that:

H_4 Tourism channel power/control, destination touristic attractiveness and destination political risk events collectively affect channel firms' performance.

Table 21 above shows the results of the final multiple regression model as discussed above. The final tourism channel firm conceptual analytical model is presented in Figure 4.

Multiple Regression Summary

The overall model for tourism channel firms' performance in Africa is presented in Figure 4. The regression models reveal that with trips generated as the dependent variable there are strong relationships between the technological factor of channel power; the natural resource factor of destination attractiveness, and the globalized risk factor of political risk events.

With repeat business as the dependent variable, statistically significant relationships exist between the regionalized political risk factor of political risk events.

In terms of package tours, relationships exist with the technological factor of channel power; the activity factors of destination attractiveness and the globalized risk factor of political risk events. The dependent variable of profits shows moderately strong relationships with the technological factor of channel power and the natural resource factor of destination attractiveness, whilst the

relationship between the globalized political risk factor is a negative one.

The regression results of number of new destinations as a performance measure reveal a moderate but very significant statistical relationship with the regionalized risk factor of political risk events.

In conclusion, the independent factors of channel power, destination attractiveness and political risk collectively affect the dependent variables of percentage of trips generated, repeat business, package tours, profits and the number of new destinations as measures of channel firm performance. The overall findings suggest a number of implications for both tourism channel firms and other constituencies at which this research is directed. The implications and conclusions drawn from the study are presented in chapter VI.

Final Tourism Channel Firm Performance Analytical Model

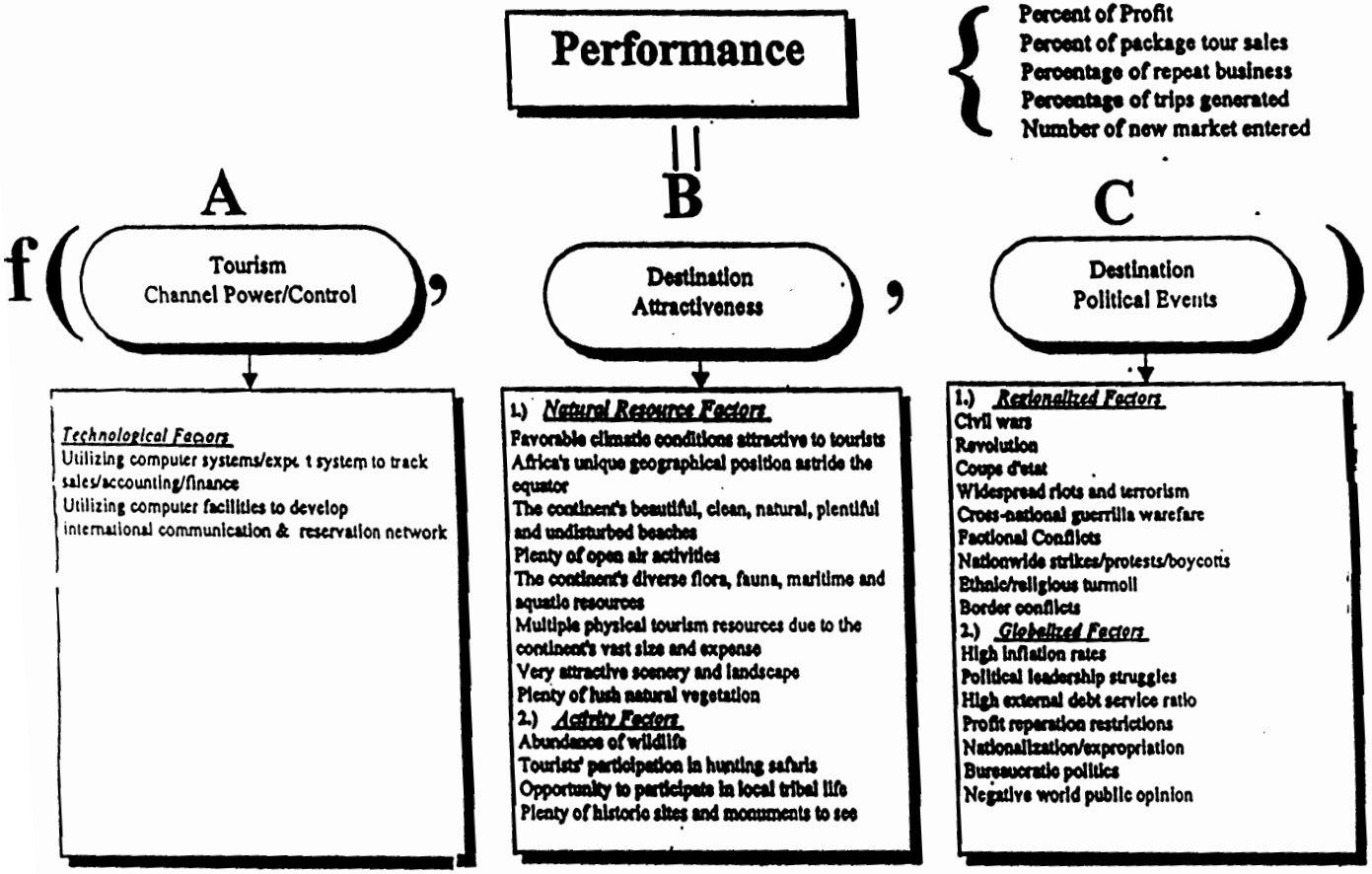


Figure 3

FINAL TOURISM CHANNEL FIRM CONCEPTUAL ANALYTICAL MODEL

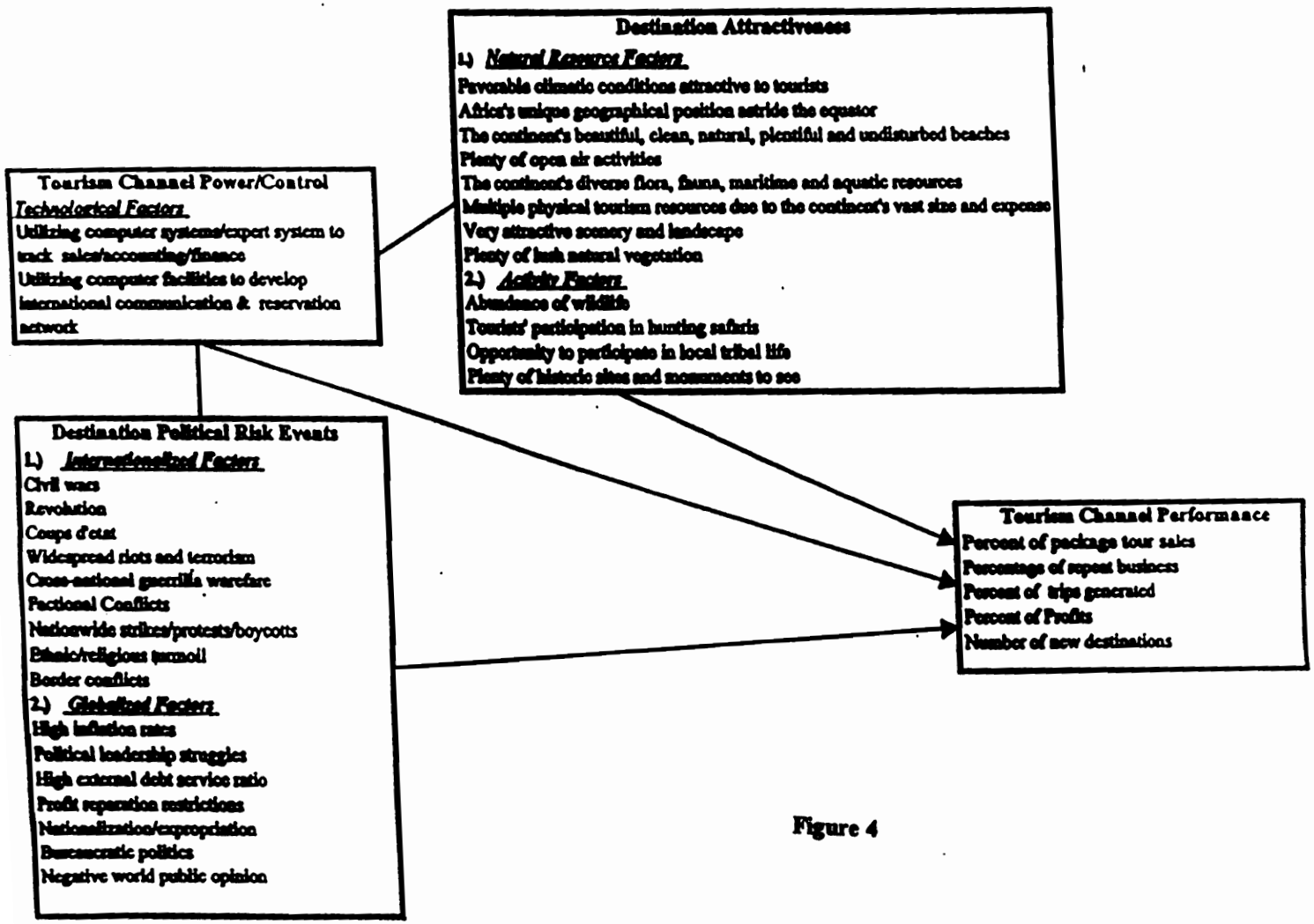


Figure 4

CHAPTER VI

CONCLUSION AND IMPLICATIONS

This chapter begins by drawing basic conclusions from the research study and examining their implications for United States' tourism channel firms' performance. Key contributions of the study are then summarized and areas for future research highlighted. The chapter ends with some concluding comments.

Overall Conclusions and Implications

The final models presented in the previous chapter delineate key variables that help explain tourism channel firms' performance in package tour sales, repeat business, trip generation, profits and new destinations. The findings show that in terms of trips generated to Africa, four factor groupings best explain and account for 34.7 percent of the variation in tourism channel performance. These factor groupings are: the technological power factors of channel power/control, the natural resource factors and activity factors of African countries' destinations, and the globalized political risk factors of political risk events in Africa.

One factor grouping variable is specifically implicated in repeat business as a performance measure: the regionalized risk variables of political risk events. This variable accounts for 29.5 percent of the variation in performance in profits.

Three dimensions help explain 47.2 percent of the variation in performance in package tours. These dimensions are the technological factors of power/control, the activity factors of destination attractiveness and the globalized risk factors of political risk.

Profits as a performance dependent variable accounted for 41.7 percent of the variation of the final model. The factors which are significant in this model are : the technological factors of channel power, the activity factors of destination attractiveness and the regionalized political risk factors of political risk events.

One dimension helps explain 45.8 percent of the variation in performance in the amount of new destinations entered in Africa: the regionalized risk factors of political risk.

The variety of factors that could conceivably have an impact on channel firms' performance in Africa suggest that these models contribute to our understanding of the predictors that help explain tourism channel firms' success in a politically volatile market place. The conceptual model provides a framework for empirically addressing the interrelationships among tourism channel power/control, a destination's touristic attractiveness and political risk events. This orientation has led to several conclusions and implications to be drawn from the study as follows:

United States' tourism channel firms' performance does not appear to be directly linked to tourism channel power/control internalization factors, but is strongly influenced by the dominance of their technological power. This finding is not surprising since most tourists' reservations and bookings for both transportation to and accommodation at the destination are done in the countries of origin (Fall, 1978). This also indicates that actions such as staffing key positions in Africa with company personnel, managing through contracts and joint ventures do not necessarily by themselves ensure or guarantee United States' tourism channel firms an increase in trip generation, repeat business, package tour sales, profits and new destinations in Africa. These findings also offer indicative evidence that the need for internalization power factors by tourism channel supply firms to Africa might have been diminished, and have been replaced by technological factors. Hence the relatively negative relationship and low significance level mentioned for this relationship in the previous chapter.

Except for political risk factors, United States tourism channel firm's repeat business as a performance measure in African markets is not strongly influenced by the touristic attractiveness. This finding lends support to Esh and Rosenblum (1976) who suggested that because the tourists usually demand warm climates and wide stretches of beaches, they are usually indifferent with regard to a specific

destination, since they are more influenced by the the advertizing campaigns of the travel agents and tour operators. Furthermore, because these campaigns are usually advertized with "favorable factors" and "a good price", these tend to become the major considerations of destination choice, and thus choice of country becomes secondary.

The prevailing political risk events in Africa contribute negatively to United States' tourism channel firms' performance in Africa.

MARKETING IMPLICATIONS

From a marketing standpoint of the above discussion, these results may mean that even though power/control the factors of channel power and destination attractiveness were perceived as contributing highly to their profits (Tables 15 and 16), African countries may need to promote their destination attractiveness factors to their fullest potential in order to influence repeat business.

Strategic marketing planning involves decision-making in two major areas: product positioning and market segmentation (Calantone, diBenedetto and Bojanic, 1989). They refer to developing product attributes which are expected to establish a competitive advantage, and therefore may be transformed into valuable arguments and appeals in advertising and personal selling. Thus, the information

revealed in this research have many practical uses in the marketing of African destinations to United States' pleasure travelers. Through factor analysis, significant groupings were delineated in the areas of channel power, touristic attractiveness and political risk in Africa.

The purpose of much destination marketing is to alter the existing image held by the target market segment so that it fits more closely with the destination's desired position (Ahmed 1991). However, the concept of destination image is still in its infancy and needs additional refinement and research to improve its marketing usefulness. Although image research has been extensively applied in marketing (e.g., corporate image, brand image etc.,), there has been limited research to date focussed on correcting negative destination images. This research suggests that the emphasis on specific tourism product attributes as destinations products (such as natural resource and activity factors) can help African destination marketers strategically offset present and potential damage from negative images. Widespread marketing research determines what this image should be, matching aspects of local identity with the desires of potential clients. As Carpenter (1973) states, this fabrication of identity defines the seductive attributes and crystallizes them in an advertising image such that even the local may eventually recognize themselves in it. Thus, the product strategy challenge for

African tourism planners through this research should be redesigning of the tourism experience so that it satisfies not only perceived customer desires, but also specific development demands at the same time.

Finally, this research shows that tour operators are important intermediaries in the tourism channel business between the United States markets of origin and Africa, particularly since it is not practical for African tourism promoters to sell to distant customers directly.

CONTRIBUTIONS OF THE STUDY

This study makes several contributions to the travel and tourism literature.

1. The research empirically implicates several specific performance measures of trip generation, repeat business, package tour sales, profits and number of new destinations in tourism channel firm performance, a focus which has not previously been addressed.

2. The study examines features of channel power, destination attributes and political risk in tourism, areas in which little empirical research have been conducted.

3. The study offers an empirically tested conceptual framework for understanding how channel power, destination attractiveness and political risk factors may have an impact on tourism channel firms'(travel agents, tour operators and other destination marketing firms) performance.

4. The study focusses on tourism channel firms' performance measures (trip generation, repeat business, package tours, profits and new destinations) which have not collectively been examined to date in the literature.

5. In the tourism literature, little published research addresses international tourism image as a marketing problem. This study has helped shed some light in this area by empirically demonstrating that the political risk factors in Africa as perceived by United States' tourism channel firm, contribute negatively to firm performance, and thus to the image formation.

6. Finally, the study offers insights to both managers of tourism channel firms and African destination tourism planners in selecting appropriate strategies for increased performance in an intensely competitive environment.

AREAS FOR FUTURE RESEARCH

As previously stated, this study is exploratory in nature. Consequently, it points to several potential future research areas:

1. The incorporation of the five performance measures (trips generated, repeat business, package tour sales, profits and new destinations) may create a definitional dependence. Consequently, these measures need to be validated.

2. Additionally, the other variables included in the questionnaire (i.e. political risk, channel power and destination attractiveness measures) need to be validated.

3. The length of package tours offered by United States tourism channel firms to Africa needs to be incorporated in the list of performance measures to assess whether this dimension has any impact on performance.

4. It is highly unlikely that the list of variables describing channel power, destination attractiveness and political risk is exhaustive. Additional research is needed into the nature of the perceptions of these dimensions by tourism channel firm members.

5. Finally, Africa is a vast continent. Some destination regions of Africa are geographically and culturally different from other regions of Africa in many respects. In this research, it has been assumed that the touristic potentials of all the regions are similar to or comparable with each other. Future research is needed to validate or delineate similarities and differences among regions for study results to be generalized.

CONCLUDING COMMENTS

This document provides an overview of the effects of channel power, destination touristic attractiveness and political risk on United States' tourism channel firms' performance. The dissertation identifies several factors implicated in performance that should be of major importance to researchers, channel firms, destination marketers, policy makers and industry managers.

Although the study is limited to United States' tourism channel firms, its findings have industry-wide significance and do suggest that there are numerous variables at play that are critical for developing and improving the tourist market in Africa during the next coming decades.

Finally, one basic conclusion that can be drawn is the need for more frequent use of and improvement in research about strategic tourism marketing and management in Africa. It is clear that a more thorough understanding of these areas will be key factors in preparing emerging destinations in the continent for survival in the decades ahead.

APPENDICES

Appendix A

Cover Letter and Mail Survey Instrument

October 19, 1995

Dear Africa Travel association Member:

Re: Africa Travel Intermediaries Survey

Enclosed you will find a survey seeking your opinion on various aspects of tourism promotion to Africa. Please spare some time to respond to the questions asked. The information you provide will be used for a dissertation that attempts to assess some of the management and marketing factors that contribute to the successful operation of tour operation and destination development in Africa.

The RESULTS of this study can BENEFIT your operation by pinpointing management and marketing factors, which could have significant effects on your future profits. These results will be made available to members of the Africa Travel Association who request it directly from us. In this regard, your timely response is requested.

The questionnaire will take about 20 minutes to complete. Some of the questions require estimates on your part----please respond to them to the best of your ability. Should you have any questions about the survey, please call us at the number listed on this letterhead.

We want to emphasize that ALL RESPONSES ARE COMPLETELY CONFIDENTIAL. RESULTS will only be used for the purpose of this study and only to compile aggregate responses. Your company name will NEVER be associated with your answers.

The success of this project depends on your responses. Please complete and return in the enclosed self-addressed postage paid envelope within the next two weeks. Thank you in advance for your support.

Sincerely,

D. Omotayo Brown
Research Associate

Muzaffer Uysal
Professor
(540) 231-8426

THE FUTURE OF YOUR COMPANY AND TOURISM IN AFRICA

Your Opinions Do Count!

SURVEY OF UNITED STATES BASED TRAVEL INTERMEDIARIES TO AFRICA

Virginia Tech
VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

INTRODUCTION

This survey asks several questions about your OPERATION and is divided into SIX sections. All answers are COMPLETELY CONFIDENTIAL. Some questions ask for information over a three-year period. Please answer all questions as completely and accurately as possible, even if your operation is newly formed.

PART I: GENERAL INFORMATION

This section of the survey deals with general information about your company.
Please CHECK the answer(s) below that applies to your company.

1. How would you classify your business?

   a. Tour Operator ___
   b. Travel Agent ___
   c. Airline ___
   d. Hotel ___
   e. Destination marketing company ___
   f. Other (Please specify) _____

2. What YEAR did your business begin?

   _____

3. Please list the individual country(ies) in AFRICA that your company promotes tourism to from the UNITED STATES, and the year since business has been conducted.

   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19____
   Country _____ Since 19_

4. (a) What is the percentage of your total tours to Africa ? _____%

(b) How are they sold?

Through travel agents_____
Directly to customers (no travel agents used)_____
Other(s) (Please specify): _____

PART II. YOUR PERCEPTIONS/OPINIONS OF CHANNEL POWER/CONTROL

This section relates to your OPINIONS and PERCEPTIONS of power/control over tourism related firms in tourism destinations in Africa.
Please CIRCLE THE ONE answer for EACH question below that applies to your company.

5. IN ORDER TO ENSURE A STRONGER MARKET SHARE AND PROFITABILITY IN THE AFRICAN TOURISM MARKET, MY COMPANY HAS UNDERTAKEN OR HAS FUTURE PLANS TO:

a. Acquire ownership equity or partnership in one or more of the supply firms that also has operations in African markets (i.e., hotels/lodges/country clubs; airline/cruise ship company; a tour operating company; safari club; national park or game reserve; retail travel agency etc.)

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

b. Manage tourist facilities in Africa through a management contract, a joint venture agreement, and/or a franchise leasing Agreement

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

c. Staff key positions in our major company offices in Africa with our company personnel whenever we can.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

d. Fill senior management personnel positions in our offices in Africa by promoting only from within our company whenever possible.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

e. Utilize our computer facilities to our advantage, in order to pursue international communications and reservations network.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

f. Utilize our computer system to keep track of sales, accounting, finance and other expert systems.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

g. Make sure that market information on African destinations uncovered through our research efforts is strictly proprietary, and is not shared with other tourism firms in the African destination countries themselves

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

h. Make sure that we constantly develop and protect our technology so that they are difficult for firms in African destinations to copy.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

PART III: YOUR PERCEPTIONS/OPINIONS OF AFRICA'S TOURISTIC ATTRACTIVENESS

This section relates to your PERCEPTIONS/OPINIONS of the effects of several touristic attractions (destination attributes) of Africa on the profitability of your firm.

Please CIRCLE THE ONE answer for EACH question below that applies to your company.

6. **MY COMPANY'S PROFITABILITY FROM THE AFRICAN TOURIST MARKET CAN MAINLY BE ATTRIBUTED TO THE FACT THAT THE CONTINENT IS ENDOWED WITH:**

a. Multiple physical tourism resources due to the continent's vast size and expanse.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

b. A unique geographical position, being the only continent positioned astride the equator

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

c. Favorable climatic conditions that are attractive to United States tourists

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

d. Very attractive scenery and landscape.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

e. The continent's diverse array of flora, fauna, maritime and aquatic resources.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

f. The continent's beautiful, clean, plentiful and undisturbed natural beaches.

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

g. Plenty of open air activities

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

h. Tourists' participation in hunting safaris

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

i. Plenty of lush natural vegetation

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

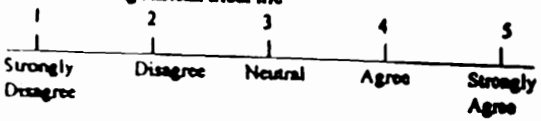
j. Abundance of wildlife

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

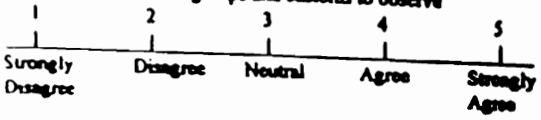
k. Plenty of historic sites and monuments

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

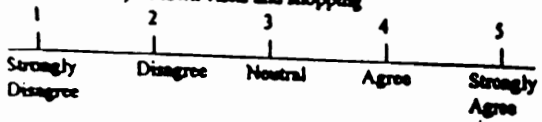
l. Interesting African tribal life



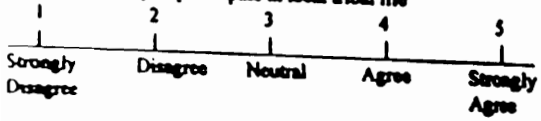
m. Variety of ethnic groups and customs to observe



n. Vast array of town visits and shopping



o. Opportunity to participate in local tribal life

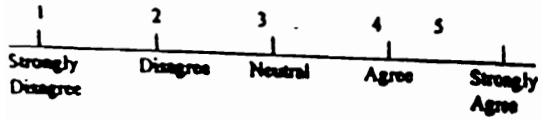


PART IV. YOUR OPINIONS/PERCEPTIONS OF THE EFFECTS OF POLITICAL RISK EVENTS IN AFRICA ON YOUR BUSINESS

This section relates to your **PERCEPTIONS/OPINIONS** of the effects of several macro political risk event factors in Africa on the profitability of your firm.

7. *Please indicate whether you agree or disagree with the following statement concerning political instability in Africa.*

Even though the continent is endowed with touristic attributes, Africa is too politically unstable to do business



8. *Please CIRCLE THE ONE number which closely approximates your perception in EACH case below as it applies to your company.*

What negative effects do the following political risk events have on the profitability and financial performance of your company?

	Very Insignificant Effect	Somewhat Insignificant Effect	Neutral Effect	Somewhat Significant Effect	Very Significant Effect
a)Revolution	1	2	3	4	5
b)Coups d'etat	1	2	3	4	5
c)Civil Wars	1	2	3	4	5
d)Factional conflicts	1	2	3	4	5
e)Ethnic/religious turmoil	1	2	3	4	5
f)Widespread riots & terrorism	1	2	3	4	5
g)Nationwide strikes protests/boycotts	1	2	3	4	5
h)Cross-national guerrilla warfare	1	2	3	4	5
I)Negative world public opinion	1	2	3	4	5
j)Nationalization/ expropriation	1	2	3	4	5
k)Profit repatriation restrictions	1	2	3	4	5
l)Political leadership struggles	1	2	3	4	5
m)High inflation rates	1	2	3	4	5
n)Bureaucratic politics	1	2	3	4	5
o)Border conflicts	1	2	3	4	5
p)High external debt service ratio	1	2	3	4	5

PART V. YOUR BUSINESS PERFORMANCE IN AFRICA

This section requires that you provide us with some information on the operating result of your business. You have our assurance that this information will be held in strictest confidence.

9 Please CHECK the range which represents the **TOTAL GROSS SALES** of your operation TO AFRICA during 1994 (In U.S. dollars)

_____ Less than $249,999
_____ $250,000 - $749,999
_____ $750,000 - $ 1.749 million
_____ $1.75 - $3.449 million
_____ $3.5 - $7.49 million
_____ $7.5 -$15.49 million
_____ $ 15.5 million or over

10 This question consists of five parts.

a) Part A Please CHECK (√) to indicate whether your operation had an INCREASE or a **DECREASE** in the number of **TRIPS GENERATED** from the previous year (% increase or decrease) to Africa over the years listed below.

	(Please check only ONE box) DECREASE		INCREASE	% INCREASE or DECREASE
1994	__	OR	__	_____%
1993	__	OR	__	_____%
1992	__	OR	__	_____%

b) Part B Please CHECK (√) to indicate whether your operation had an INCREASE or a **DECREASE** in the number of **REPEAT BUSINESS** from the previous year (% increase or decrease) to Africa over the years listed below.

	(Please check only ONE box) DECREASE		INCREASE	% INCREASE or DECREASE
1994	__	OR	__	_____%
1993	__	OR	__	_____%
1992	__	OR	__	_____%

c) Part C: Please CHECK (√) to indicate whether your operation had an **INCREASE or a DECREASE** in the number of **PACKAGE TOUR SALES** from the previous year (% increase or decrease) to Africa over the years listed below

	(Please check only ONE box) DECREASE		INCREASE	% INCREASE or DECREASE
1994	__	OR	__	_____%
1993	__	OR	__	_____%
1992	__	OR	__	_____%

d) Part D: Please CHECK (√) to indicate whether your operation had an **INCREASE or a DECREASE** in the number of **PROFITS FROM TOURS** from the previous year (% increase or decrease) to Africa over the years listed below

	(Please check only ONE box) DECREASE		INCREASE	% INCREASE or DECREASE
1994	__	OR	__	_____%
1993	__	OR	__	_____%
1992	__	OR	__	_____%

e) Part E: Please CHECK (√) to indicate whether your operation had an **INCREASE or a DECREASE** in the number of **NEW DESTINATIONS** from the previous year (# increase or decrease) to Africa over the years listed below

	(Please check only ONE box) DECREASE		INCREASE	INCREASE or DECREASE
1994	__	OR	__	How many? _____#
1993	__	OR	__	How many? _____#
1992	__	OR	__	How many? _____#

Appendix B

Dependent Variables used in the Study

Dependent Variable	Question #
PERFORMANCE: MEASURED BY:	
1. **Percent increase/decrease** (change) **in the number of trips generated** to Africa over the previous three years.	10a
2. **Percent increase/decrease** (change) **in the amount of repeat business** to Africa over the past three years.	10b
3. **Percent increase/decrease** (change) **in package tour sales** to Africa over the previous three years	10c
4. **Percent increase/decrease** (change) **in profits** form tours to Africa over the previous three years.	10d
5. **Number of new destinations entered** in Africa over the previous three years	10e

Appendix C (contd..)

Independent Variable	Question #
POLITICAL RISK EVENTS	8
Revolution	a
Coups d'etat	b
Civil Wars	c
Factional conflicts	d
Ethnic/religious turmoil	e
Widespread riots & terrorism	f
Nationwide strikes protests/boycotts	g
Cross-national guerrilla warfare	h
Negative world public opinion	I
Nationalization/ expropriation	j
Profit repatriation restrictions	k
Political leadership struggles	l
High inflation rates	m
Bureaucratic politics	n
Border conflicts	o
High external debt service ratio	p

Appendix D

Results of t-tests of Responses to Selected Survey Items by Respondents and Non-Respondents

Question #	Respon-dents' Mean	n	Non-Respondents' Mean	n	F value	Sig.
1. Business Classification	51.7	129	52.0	10	0.08	.951
2. Year in which business began	15.2	129	16.3	10	-0.63	.503
3(e). Perceptions of utilization of computer facilities as a power/control tool	4.1	129	3.5	10	-2.90	.009
4 (c) Perceptions of Scenery & Landscape of Africa as a Touristic Attraction	1.6	129	2.1	10	1.37	.089
5 (b) Perceptions of Coup d'etat in Africa as having a negative effect on profitability	23.9	128	25.0	10	-2.90	.007
10 (b) Perceptions of increase/decrease of trips generated to Africa from 1992 to 1994.	27.7	129	25.7	10	3.52	.013

Appendix E

Correlation Coefficients[1] for **Channel Power/Control** Characteristics and the Dependent Performance Measure of **Number of Trips Generated**[2]

Variable	Percent Increase/Decrease in Number of Trips Generated
	Pearson Correlation
Acquiring ownership in one or more supply firms that already has operations in African markets	-.142 (p=27)
Management through contracts/joint venture/franchising/leasing arrangements	.181 (p=16)
Staffing key positions with company personnel	.111 (p=.39)
Filling senior management positions in Africa by promoting only from within	.117 (p=.37)
Utilizing computer facilities to develop international communications & reservation network	.107 (p=.40)
Utilizing computer systems/expert systems to track sales/accounting/finance	.133 (p=.30)
Making sure that market information uncovered through research is strictly proprietary	-.134 (p=.29)
Making sure that technological innovations are difficult to duplicate	-.098 (p=.44)

[1] Two-tailed tests of significance

[2] Correlations reflect average of 3 years' performance for 1992, 1993 and 1994

Appendix E-1

Correlation Coefficients for Africa's Touristic Attractiveness Characteristics and the Dependent Performance Measure of Number of Trips Generated

Variable	Percent Increase/Decrease in Number of Trips Generated
Multiple physical tourism resources due to the continent's vast size & expanse	.155 (p=.21)
Africa's unique geographical position astride the equator	.166 (p=.18)
Favorable climatic conditions attractive to tourists	.161 (p=.20)
Very attractive Scenery and landscape	.076 (p=.55)
The continent's diverse flora, fauna, maritime & aquatic resources	.136 (p=.28)
The continent's beautiful, clean, natural, plentiful & undisturbed beaches	.049 (p=.70)
Plenty of open air activities	.062 (p=.63)
Tourists' participation in hunting safaris	-.134 (p=.29)
Plenty of lush natural vegetation	-.003 (p=.98)
Abundance of wildlife	-.388 (p=.02)
Plenty of historic sites and monuments to see	.006 (p=.97)
Interesting African tribal life	-.167 (p=.18)
Variety of ethnic groups and customs to observe	-.060 (p=64)
Vast array of town visits and shopping	.094 (p=.46)
Opportunity to participate in local tribal life	-.027 (p=.83)

[1] Two-tailed tests of significance

[2] Correlations reflect average of 3 years' performance for 1992, 1993 and 1994

Appendix E-2

Correlation Coefficients for Political Risk Event Characteristics and the Dependent Performance Measure of Number of Trips Generated

Variable	Percent Increase/Decrease in Number of Trips Generated
Political leadership struggles	-.279 (p=.02)
Revolution	.101 (p=.42)
Coups d'etat	-.034 (p=.78)
Civil wars	.070 (p=.59)
Factional conflicts	.170 (p=.18)
Ethnic/religious turmoil	.101 (p=.42)
Widespread riots and terrorism	.116 (p=.36)
Nationwide strikes/protests/boycotts	-.099 (p=.44)
Cross-national guerrilla warfare	-.016 (p=.90)
Negative world public opinion	-.134 (p=.29)
Nationalization/expropriation	-.246 (p=.05)
Profit reparation restrictions	-.198 (p=.10)
High inflation rates	-.223 (p=.08)
Bureaucratic politics	-.171 (p=.17)
Border conflicts	-.153 (p=.23)
High external debt service ratio	-.270 (p=.03)

[1] Two-tailed tests of significance

Appendix E-3
Correlation Coefficients for Channel Power/Control Characteristics and the Dependent Performance Measure of Package Tour Sales

Variable	Percent Increase/Decrease in Number of Package Tour Sales Generated
	Pearson Correlation
Acquiring ownership in one or more supply firms that already has operations in African markets	-.198 p=.18
Management through contracts/joint venture/franchising/leasing arrangements	.127 p=.39
Staffing key positions with company personnel	.130 p=.38
Filling senior management positions in Africa by promoting only from within	.066 p=.66
Utilizing computer facilities to develop international communications & reservation network	.097 p=.51
Utilizing computer systems/expert systems to track sales/accounting/finance	.202 p=.17
Making sure that market information uncovered through research is strictly proprietary	-.208 p=.15
Making sure that technological innovations are difficult to duplicate	-.202 p=.16

[1] Two-tailed tests of significance
[2] Correlations reflect average of 3 years' performance for 1992, 1993 and 1994

Appendix E-4
Correlation Coefficients for Africa's Touristic Attractiveness Characteristics and the Dependent Performance Measure of Package Tour Sales

Variable	Pearson Correlation
Multiple physical tourism resources due to the continent's vast size & expanse	.149 (p=.32)
Africa's unique geographical position astride the equator	-.129 (p=.38)
Favorable climatic conditions attractive to tourists	.136 (p=.35)
Very attractive Scenery and landscape	.010 (p=.94)
The continent's diverse flora, fauna, maritime & aquatic resources	.008 (p=.95)
The continent's beautiful, clean, natural, plentiful & undisturbed beaches	.049 (p=.74)
Plenty of open air activities	.098 (p=.50)
Tourists' participation in hunting safaris	-.181 (p=.22)
Plenty of lush natural vegetation	-.025 (p=.86)
Abundance of wildlife	-.445 (p=.02)
Plenty of historic sites and monuments to see	.063 (p=.67)
Interesting African tribal life	-.198 (p=.17)
Variety of ethnic groups and customs to observe	-.176 (p=.23)
Vast array of town visits and shopping	.111 (p=.45)
Opportunity to participate in local tribal life	-.049 (p=.73)

[1] Two-tailed tests of significance

[2] Correlations reflect average of 3 years' performance for 1992, 1993 and 1994

Appendix E-5
Correlation Coefficients for Political Risk Event Characteristics and the Dependent Performance Measure of Package Tour Sales

Variable	Percent Increase/Decrease
Political leadership struggles	-.265 (p=.06)
Revolution	-.043 (p=.77)
Coups d'etat	-..186 (p=.21)
Civil wars	-.161 (p=.29)
Factional conflicts	-.296 (p=.04)
Ethnic/religious turmoil	-.018 (p=.90)
Widespread riots and terrorism	.038 (p=.79)
Nationwide strikes/protests/boycotts	-.107 (p=.47)
Cross-national guerrilla warfare	-.068 (p=.64)
Negative world public opinion	-.154 (p=.29)
Nationalization/expropriation	-.279 (p=.05)
Profit reparation restrictions	-.170 (p=.24)
High inflation rates	-.140 (p=.35)
Bureaucratic politics	-.108 (p=.46)
Border conflicts	-.153 (p=.29)
High external debt service ratio	-.279 (p=.05)

[1] Two-tailed tests of significance

Appendix E-6
Correlation Coefficients for Channel Power/Control Characteristics and the Dependent Performance Measure of Profits from Tours

Variable	Percent Increase/Decrease
Acquiring ownership in one or more supply firms that already has operations in African markets	-.298 (p=.06)
Management through contracts/joint venture/franchising/leasing arrangements	.198 (p=.20)
Staffing key positions with company personnel	.158 (p=.32)
Filling senior management positions in Africa by promoting only from within	.125 (p=.43)
Utilizing computer facilities to develop international communications & reservation network	.151 (p=.33)
Utilizing computer systems/expert systems to track sales/accounting/finance	.171 (p=.27)
Making sure that market information uncovered through research is strictly proprietary	-.178 (p=.25)
Making sure that technological innovations are difficult to duplicate	-.183 (p=.24)

[1] Two-tailed tests of significance

[2] Correlations reflect average of 3 years' performance for 1992, 1993 and 1994

Appendix E-7
Correlation Coefficients for Africa's Touristic Attractiveness Characteristics and the Dependent Performance Measure of Profits from Tours

Variable	Percent Increase/Decrease Pearson Correlation
Multiple physical tourism resources due to the continent's vast size & expanse	.178 (p=.25)
Africa's unique geographical position astride the equator	-.231 (p=.13)
Favorable climatic conditions attractive to tourists	.173 (p=.27)
Very attractive Scenery and landscape	.113 (p=.47)
The continent's diverse flora, fauna, maritime & aquatic resources	.159 (p=.30)
The continent's beautiful, clean, natural, plentiful & undisturbed beaches	.095 (p=.54)
Plenty of open air activities	.143 (p=.36)
Tourists' participation in hunting safaris	-.116 (p=.45)
Plenty of lush natural vegetation	.053 (p=.73)
Abundance of wildlife	-.497 (p=.00)
Plenty of historic sites and monuments to see	.032 (p=.83)
Interesting African tribal life	-.236 (p=.12)
Variety of ethnic groups and customs to observe	-.129 (p=.40)
Vast array of town visits and shopping	.073 (p=.64)
Opportunity to participate in local tribal life	-.028 (p=.85)

[1] Two-tailed tests of significance

Appendix E-8
Correlation Coefficients for Political Risk Event Characteristics and the Dependent Performance Measure of Profits from Tours

Variable	Percent Increase/Decrease
Political leadership struggles	-.218 (p=.156)
Revolution	.146 (p=.35)
Coups d'etat	.040 (p=.79)
Civil wars	.130 (p=.42)
Factional conflicts	-.095 (p=.55)
Ethnic/religious turmoil	.129 (p=.41)
Widespread riots and terrorism	.128 (p=.41)
Nationwide strikes/protests/boycotts	-.088 (p=.57)
Cross-national guerrilla warfare	-.017 (p=.90)
Negative world public opinion	-.089 (p=.56)
Nationalization/expropriation	-.213 (p=.17)
Profit reparation restrictions	-.168 (p=.28)
High inflation rates	-.237 (p=.13)
Bureaucratic politics	-.123 (p=.43)
Border conflicts	-.197 (p=.20)
High external debt service ratio	-.201 (p=.19)

* **Note**: Two-tailed tests of significance

Appendix E-9
Correlation Coefficients for Channel Power/Control Characteristics and the Dependent Performance Measure of New Destinations

Variable	Amount of Increase/Decrease
Acquiring ownership in one or more supply firms that already has operations in African markets	-.100 (p=.53)
Management through contracts/joint venture/franchising/leasing arrangements	-.087 (p=.58)
Staffing key positions with company personnel	-.120 (p=.49)
Filling senior management positions in Africa by promoting only from within	-.269 (p=.08)
Utilizing computer facilities to develop international communications & reservation network	.182 (p=.25)
Utilizing computer systems/expert systems to track sales/accounting/finance	-.112 (p=.48)
Making sure that market information uncovered through research is strictly proprietary	.105 (p=.51)
Making sure that technological innovations are difficult to duplicate	.018 (p=.91)

[1] Two-tailed tests of significance

[2] Correlations reflect average of 3 years' performance for 1992, 1993 and 1994

Appendix E-10
Correlation Coefficients for Africa's Touristic Attractiveness Characteristics and the Dependent Performance Measure of New Destinations

Variable	Amount of Increase/Decrease
Multiple physical tourism resources due to the continent's vast size & expanse	-034 (p=.83)
Africa's unique geographical position astride the equator	-.169 (p=.29)
Favorable climatic conditions attractive to tourists	-.147 (p=.36)
Very attractive Scenery and landscape	-.074 (p=.64)
The continent's diverse flora, fauna, maritime & aquatic resources	-.009 (p=.95)
The continent's beautiful, clean, natural, plentiful & undisturbed beaches	-.037 (p=.81)
Plenty of open air activities	-.087 (p=.58)
Tourists' participation in hunting safaris	.199 (p=.21)
Plenty of lush natural vegetation	.099 (p=.53)
Abundance of wildlife	.198 (p=.21)
Plenty of historic sites and monuments to see	.097 (p=.54)
Interesting African tribal life	-051 (p=.74)
Variety of ethnic groups and customs to observe	-.021 (p=.89)
Vast array of town visits and shopping	.228 (p=.15)
Opportunity to participate in local tribal life	.106 (p=.50)

[1] Two-tailed tests of significance

Appendix E-11
Correlation Coefficients for Political Risk Event Characteristics and the Dependent Performance Measure of New Destinations

Variable	Amount of Increase/Decrease
Political leadership struggles	.042 (p=.79)
Revolution	-.475 (p=.00)
Coups d'etat	-.476 (p=.02)
Civil wars	-.526 (p=.00)
Factional conflicts	-.300 (p=.05)
Ethnic/religious turmoil	-.294 (p=.06)
Widespread riots and terrorism	-.375 (p=.02)
Nationwide strikes/protests/boycotts	-.126 (p=.43)
Cross-national guerrilla warfare	-.221 (p=.16)
Negative world public opinion	-.254 (p=.10)
Nationalization/expropriation	-.165 (p=.30)
Profit reparation restrictions	-.182 (p=.25)
High inflation rates	-.180 (p=.26)
Bureaucratic politics	-.109 (p=.50)
Border conflicts	-.273 (p=.08)
High external debt service ratio	-.003 (p=.98)

Appendix E-12
Correlation Coefficients for Africa's Touristic Attractiveness Characteristics and the Dependent Performance Measure of Repeat Business

Variable	Amount of Increase/Decrease
Multiple physical tourism resources due to the continent's vast size & expanse	.176 (p=.24)
Africa's unique geographical position astride the equator	.040 (p=.79)
Favorable climatic conditions attractive to tourists	.024 (p=.87)
Very attractive Scenery and landscape	.124 (p=.41)
The continent's diverse flora, fauna, maritime & aquatic resources	-.186 (p=.22)
The continent's beautiful, clean, natural, plentiful & undisturbed beaches	.124 (p=.41)
Plenty of open air activities	.238 (p=.11)
Tourists' participation in hunting safaris	-.189 (p=.21)
Plenty of lush natural vegetation	-.005 (p=.97)
Abundance of wildlife	-.021 (p=.88)
Plenty of historic sites and monuments to see	.140 (p=.35)
Interesting African tribal life	.083 (p=.58)
Variety of ethnic groups and customs to observe	.059 (p=.69)
Vast array of town visits and shopping	.191 (p=.20)
Opportunity to participate in local tribal life	.158 (p=.29)

[1] Two-tailed tests of significance

Appendix E-13
Correlation Coefficients for Political Risk Event Characteristics and the Dependent Performance Measure of Repeat Business

Variable	Amount of Increase/Decrease
Political leadership struggles	-.038 (p=.80)
Revolution	-.212 (p=.16)
Coups d'etat	-.232 (p=.12)
Civil wars	-.526 (p=.04)
Factional conflicts	-.084 (p=.58)
Ethnic/religious turmoil	-.124 (p=.41)
Widespread riots and terrorism	-.070 (p=.65)
Nationwide strikes/protests/boycotts	-.150 (p=.33)
Cross-national guerrilla warfare	-.068 (p=.65)
Negative world public opinion	-.044 (p=.77)
Nationalization/expropriation	-.146 (p=.33)
Profit reparation restrictions	-.188 (p=.21)
High inflation rates	.264 (p=.08)
Bureaucratic politics	.035 (p=.81)
Border conflicts	-.066 (p=.66)
High external debt service ratio	.073 (p=.63)

Appendix F

Correlations of Deleneated Factor Groupings by Combined Dependent Variables Using Regression Raw Scores

Correlation Coefficients - -

	PR2	GEN	REPEAT	PACKAGE	PRO	NEW
CP1	.2563	.0087	.1276	-.0820	-.0574	-.1093
	(107)	(59)	(40)	(44)	(39)	(38)
	P= .008	P= .948	P= .433	P= .597	P= .729	P= .514
CP2	-.1104	.1432	-.0952	.1611	.1839	.0543
	(115)	(64)	(45)	(48)	(43)	(41)
	P= .240	P= .259	P= .534	P= .274	P= .238	P= .736
ATT1	.0348	.0214	.1154	-.0128	.0464	-.0636
	(116)	(64)	(45)	(48)	(43)	(41)
	P= .711	P= .866	P= .450	P= .931	P= .768	P= .693
ATT2	-.0922	-.1019	.1545	-.1298	-.1522	.0200
	(118)	(64)	(45)	(48)	(43)	(41)
	P= .321	P= .423	P= .311	P= .379	P= .330	P= .901
ATT3	.2386	-.0486	.0426	-.0687	-.0433	.2557
	(117)	(64)	(45)	(48)	(43)	(41)
	P= .010	P= .703	P= .781	P= .642	P= .783	P= .107
PR1	.4679	-.0203	-.2422	-.1445	.0140	-.4928
	(111)	(55)	(39)	(42)	(37)	(37)
	P= .000	P= .883	P= .137	P= .361	P= .935	P= .002
PR2	1.0000	-.2532	.0763	-.2331	-.2190	-.2319
	(121)	(61)	(44)	(46)	(41)	(39)
	P= .	P= .049	P= .622	P= .119	P= .169	P= .155
GEN	-.2532	1.0000	.5646	.8315	.9692	-.0294
	(61)	(64)	(44)	(46)	(41)	(38)
	P= .049	P= .	P= .000	P= .000	P= .000	P= .861
REPEAT	.0763	.5646	1.0000	.8474	.2028	.0347
	(44)	(44)	(45)	(36)	(33)	(27)
	P= .622	P= .000	P= .	P= .000	P= .258	P= .863
PACKAGE	-.2331	.8315	.8474	1.0000	.7750	-.0163
	(46)	(46)	(36)	(48)	(39)	(33)
	P= .119	P= .000	P= .000	P= .	P= .000	P= .928
PRO	-.2190	.9692	.2028	.7750	1.0000	-.0332
	(41)	(41)	(33)	(39)	(43)	(32)
	P= .169	P= .000	P= .258	P= .000	P= .	P= .857
NEW	-.2319	-.0294	.0347	-.0163	-.0332	1.0000
	(39)	(38)	(27)	(33)	(32)	(41)
	P= .155	P= .861	P= .863	P= .928	P= .857	P= .

(Coefficient / (Cases) / 2-tailed Significance)

Appendix G

Multiple Regression Results for Tourism Channel Firms' Performance Using Regression Raw Scores

* * * * MULTIPLE REGRESSION * * * *

Listwise Deletion of Missing Data

Equation Number 1 Dependent Variable.. GEN

Block Number 1. Method: Enter
CP1 CP2 ATT1 ATT2 ATT3 PR1 PR2 DESTATT4

Variable(s) Entered on Step Number
1.. DESTATT4 REGR factor score 4 for analysis 1
2.. PR1
3.. ATT2
4.. CP2
5.. CP1
6.. PR2
7.. ATT1
8.. ATT3

Multiple R .57324
R Square .32860
Adjusted R Square .19088
Standard Error 65.66843

Analysis of Variance

	DF	Sum of Squares	Mean Square
Regression	8	82312.06693	10289.00837
Residual	39	168181.34916	4312.34229

F = 2.38594 Signif F = .0337

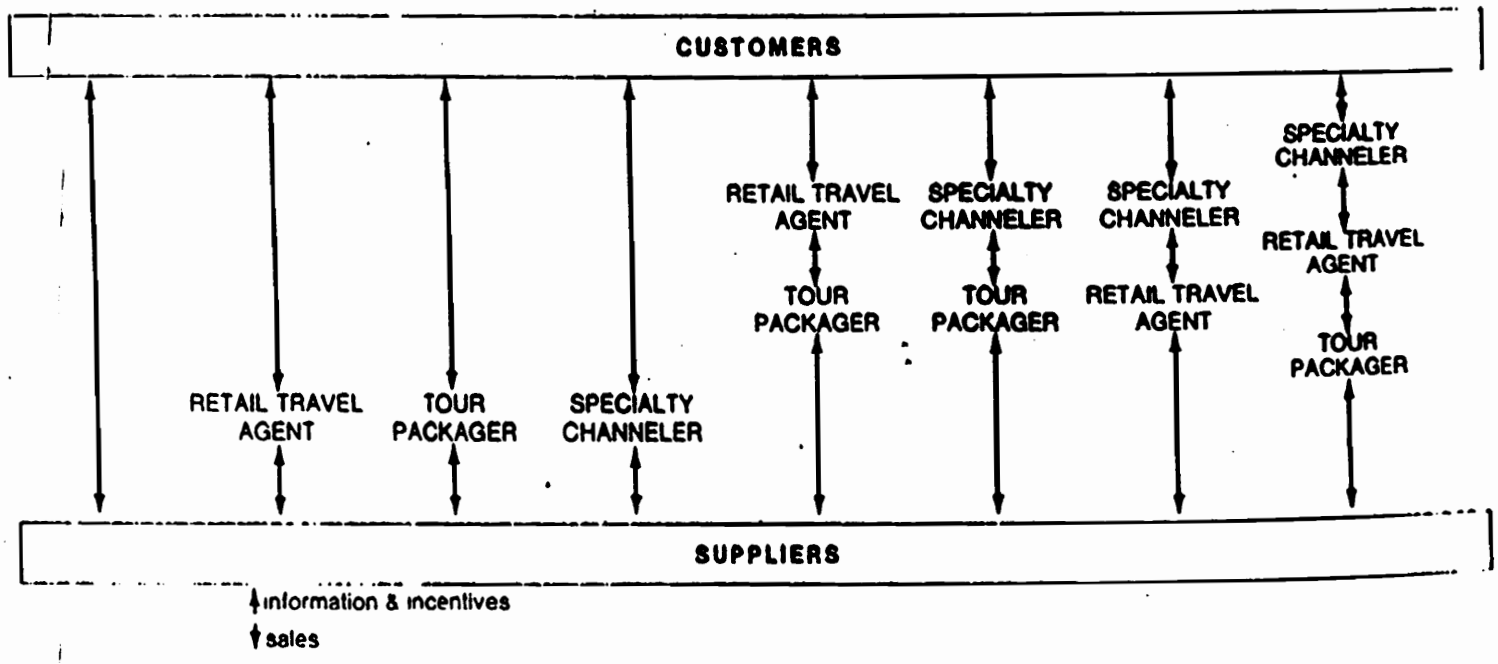
---------- Variables in the Equation ----------

Variable	B	SE B	Beta	T	Sig T
CP1	-16.184443	15.626088	-.211356	-1.036	.3067
CP2	30.997893	14.154153	.339201	2.190	.0346
ATT1	51.609652	24.956262	.375569	2.068	.0453
ATT2	-30.134864	20.933492	-.227067	-1.440	.1580
ATT3	7.689245	18.247020	.088392	.421	.6758
PR1	42.874896	18.746043	.389401	2.287	.0277
PR2	-40.998608	12.575094	-.574250	-3.260	.0023
DESTATT4	-43.620078	14.445309	-.631894	-3.020	.0044
(Constant)	-208.591529	150.168012		-1.389	.1727

End Block Number 1 All requested variables entered.

Appendix Q

Distribution Channels in the Tourism Sales Chain



Source: Bitner and Booms, 1982.

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CURRICULUM VITAE

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EDUCATION

Ph.D. Hospitality and Tourism Management,
Virginia Polytechnic Institute and State University, Blacksburg, VA. Major: Hospitality and Tourism Marketing and Planning. Dissertation Topic:

M.A. Master of Arts in Travel and Tourism Management and Planning, 1994, The George Washington University, Washington, D.C.

M.B.A. Master of Business Administration, 1988, University of New Haven, West Haven, Connecticut..
Major: Hotel, Restaurant and Tourism Management.

B.S. Bachelor of Science in Marketing, 1984, Morgan State University, Baltimore, MD.

ACADEMIC AWARDS

Recipient of the Patricia Robert Harris National Doctoral Fellowship 1992 award (for three years) to pursue Graduate studies at Virginia Tech.

Promethean Kappa Tau National Honor Society
Academic Excellence Award, 1982, Morgan State University.

ACADEMIC EXPERIENCE

University of Kentucky,
College of Human Environmental Sciences
Assistant Professor, January 1995 - present. Courses taught include: Principles of Travel & Tourism, Hotel Rooms Division Management, Introduction to Hospitality Management.

INDUSTRY EXPERIENCE

Lake Lanier Island Hilton Hotel and Golf Club, Buford, Georgia.
June 1989-November 1990:
Front Office Manager. Responsible for hiring, training and the overall supervision of the front desk, PBX, bell-stand, gift shop, concierge and night audit personnel; the development and implementation of various training programs for the entire front office.

Stratford Ramada Hotel - Stratford, Connecticut.
August 1988 - June, 1989
Assistant Food and Beverage Director. Duties included: training and supervision of restaurant, lounge, banquet and kitchen staff, controlling of food and liquor costs and implementing proper sanitation procedures.
Night Manager. Commenced employment in this capacity and was promoted to Assistant Food and Beverage Director. Duties included: training of all night personnel in the various aspects of their jobs including the use of computers, overseeing the night staff.

Holiday Inn - Milford, Connecticut.
August 1987 - August 1988
Assistant General Manager. Responsible for the supervision of the front office, housekeeping and maintenance departments. Also worked in close liaison with the sales and food and beverage departments; was in complete charge in the General Manager's absence.
Executive Housekeeper. Commenced employment in this capacity and was promoted to Assistant G.M.

Bridgeport Hilton Hotel - Bridgeport, Connecticut.
February 1987 - August 1987
Night Audit Supervisor. Duties included: computer administration of accounts, working at the front desk, reconciliation of transactions for the lounge, two restaurants and room service using computer software systems such as Lotus, and Lodgistics.

Stamford Marriott Hotel, Stamford, Connecticut
September 1986 - February 1987
Night Auditor. Gained front office exposure and operated Micros and Lodgistics software systems to perform night audit procedures. Became fully conversant with the Property Management System, the Whitney Board System and rooms allocation system.

British Caledonian Airlines 1978 - 1981