THE EFFECT OF SELECTED TOURISM POLICIES ON THE GROWTH OF TOURISM INDUSTRY IN KENYA: A CASE OF LAKE NAKURU NATIONAL PARK

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Tourism growth is important for any organization that would want to remain competitive in the tourism industry as this will in the longrun enable the organization to attain its objectives to the fullest. Organizations dealing with tourists have realized the importance of tourism growth and have implemented some tourism policies to be strategic in the industry. The purpose of this study was to investigate the effect of selected tourism policies on the growth of the tourism industry by focusing on Lake Nakuru National Park. The park has a Tourism department whose goal is to ensure that the Tourism growth is achieved in the most effective and efficient manner. The park has established Tourism policies within its department; however, from reports generated from the park’s Tourism information system, the park still experiences decreased growth in Tourism. The policies selected; marketing and promotion, product development and diversification, community participation, governance and government support. Acensus of the 60 park staff was conducted using questionnaires. The response rate was 100%. Data was collected using questionnaires and analyzed (SPSS). Correlation analysis between the independent and dependent variables showed that there is a moderate positive relationship between marketing and promotion policy and tourism growth; there is a moderate positive relationship between product development and diversification and tourism growth, there is a weak positive relationship between community participation and tourism growth; there is a weak positive relationship between governance policy and tourism growth; and that there is a strong positive relationship between government support and tourism growth. The study recommends that the selected policies are relevant to tourism growth and should be implemented by the park.

Keywords: Tourism Policies, Tourism growth, Industry

INTRODUCTION

Background of the Study
Travel and tourism is an important sector of the Kenya economy and a key foreign exchange earner, contributing around 8.7% of the country’s GDP, 6.8% of total employment and 19.2% of total

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export earnings in 2002, according to estimates using tourism satellite accounting methodology (WTTC, 2002). Every year, Kenya receives over one million tourists and the majority of these tourists come from Europe and North America (Statistical Abstract of Kenya, 2003). Following substantial public sector divestiture in the 1990s, the sector is now largely owned and driven by private investors with the role of the public sector increasingly shifting to regulatory and facilitator functions (Ikiara, 2001). Various government ministries have had responsibility for tourism since Kenya’s independence. They include the Ministry of Tourism and Wildlife; Ministry of Wildlife and Natural Resources; Ministry of Tourism, Trade and Industry, and currently Ministry of Tourism. Sindiga (1999) notes that this regular ministerial restructuring has led to difficulties in coordinating tourism with other related sectors such as forestry, agriculture, transport and communications, departments of natural resources and cultural heritage. Policy implementation, however, is lethargic (Ikiara, 2001).

According to Okello (2005), the communities living near protected areas often get little economic benefit from tourist activities. Ikiara (2001) alludes that inadequate and inappropriate marketing and image-making efforts, including inadequate funding, the lack of a public-relations strategy, reliance on only two products (beach and safari holidays), poor coordination of public and private sector efforts, and the lack of recognition of strong industry fundamentals as the most important marketing strategy. Unlike countries such as Egypt, which was able to quickly counter negative publicity associated with the killing of tourists, Kenya is unable to counter much less serious and sporadic negative episodes. Inadequacy of resources is one of the major factors contributing to this various policy components are necessary to help people contribute to the growth of tourism. For Lake Nakuru National Park in Kenya, a starting point could be establishing a level playing field for all operators to remove cartels that hinder people from accessing tourists. This could be coupled with an affirmative action to educate private sector operators such as tour firms and lodges on the issues of poverty, and how their contribution in opening up opportunities for local community to participate more in tourism would make a difference on people’s lives. Work in The Gambia (Bah and Goodwin, 2003) on removing the barriers to market access for local producers has demonstrated that this can make a significant difference to the earnings of the community from tourism and will in the end assist growth of tourism. Russia has more recently been considered an emerging market for tourism and now more Russian citizens are being encouraged to holiday at home in order to maintain the struggling industry (Leisure Tourism, 2004). When drops in international tourist numbers occur, therefore, as was the case in Russia, a shift in focus towards domestic tourists becomes necessary for the sake of sustaining the country’s tourism industry.

It has been widely acknowledged that economic benefits arising from the tourism industry such as an increase in foreign exchange earnings, employment, and income generation, can overcome many resource problems as well as create opportunities and improve the quality of life of local populations (UNEP, 2001). As the global tourism industry continues to grow, African countries, particularly in sub-Saharan Africa, are also experiencing significant growth rates.
Tourism still remains one of the few viable industry options left for many African economies and must be maximized on in spite of the constraints experienced by, especially, the developing world (Christie and Crompton, 2001).

The importance of tourism as an industry for developing countries, therefore, cannot be overemphasized. As Mitchell and Ashley (2006) assert, “tourism expansion is associated with accelerated economic growth, job creation and welfare, improved exports and public finances.” While many countries consciously select and implement tourism policies as a route towards economic development vs. other policies, it “appears to be one of few real policy choices left open to African decision-makers” (Poirier, 2000). Other researchers have called for the development of community wildlife sanctuaries (Okello, 2005) and diversification of tourism through the development of non-wildlife based tourism such as cultural tourism (Ondimu, 2002).

Policy initiatives should include the importance of domestic and regional tourism, creating a more sustainable industry. Over the years, due to several reasons including exile, educational and professional opportunities, and the recently identified “brain drain” of the continent, many Africans are living in the Diaspora. Members of the Diaspora can also contribute to and influence the policy framework of their respective countries, embracing their cultural heritage and reflecting a demand for domestic tourism. This has the potential to add more value to the tourism policy and create a wider market (Mwatsama, 2005). Overall, it is critical for African governments to develop a tourism policy that involves the coordination of different agencies working to ensure the successful implementation of suitable tourism strategies.

Community-based approaches are central to many tourism growth plans around the world and there is a growing realization that localized cooperation, trust, and networking are essential ingredients in providing the right mix for tourism growth outcomes. (Milne and Ateljevic, 2001). A recent review of World Bank involvement in the tourism industry (Hawkins and Mann, 2007) indicates that the lack of local level planning was part of the problem with the tourism sector in Kenya.

The Tourism Trust Fund was established in 2001 as a joint venture between the Government of Kenya and the European Union. Among the many objectives and programs launched by the TTF, the Tourism Recovery Management Plan (TRMP) began in 2003. The core of the plan involved simultaneously working with the international diplomatic core to address concerns of tourist-sending nations and to provide substantial resources for an international direct-to-consumer marketing campaign in 10 European markets designed to shed the negative image of the 1990’s. (Beirman 2008, TTF 2006). The recovery seen between 2003-2007, where tourist arrivals met or exceeded the 10% annual growth rate experienced in the sector prior to the late 1980’s, is largely credited to this program and other ongoing and similar efforts (Beirman, 2008, TTF, 2006). The great expansion of tourism in this period was accomplished without clearly laid out regulations and procedures related to location, environmental protection or distribution of facilities (Akama, 2002). The role of government is critical in managing the public policy process. Kerr (2003) argues that industry cannot survive without government since government has the necessary legitimate power to provide the political stability,
social infrastructure, security, and the legal and financial framework to smooth the progress and of tourism growth.

Based on the complexity of interests in the policy process and the need for governmental control, it is understood that the institutional framework to formulate and implement tourism policy is a significant part of the tourism growth process. For development projects to be effective there is a need for effective Governance: collaboration between governments, project stakeholders, and local community representatives (Dodson and Smith, 2003, Lindsay, 2004). For the case of Lake Nakuru National Park, the growth of tourism will be achieved when the participants come together and agree on how growth should be achieved. This brings each participants view on the tourism growth and as a result success will be achieved in the long run since decision making will be unified.

**PROBLEM STATEMENT**

The rapid and steady growth of the tourism industry has meant that many governments are recognizing the significance of tourism and are looking towards the benefits the industry can bring, and indeed, as a constant contributor to economies worldwide, tourism’s influence on a global scale needs to be acknowledged (NEPAD, 2004). In Kenya, tourism contributes around 8.7% of the country’s GDP, 6.8% of total employment and 19.2% of total export earnings in 2002, according to estimates using tourism satellite accounting methodology (WTTC, 2002). The effects of Tourism policies on the growth of tourism in Lake Nakuru National Park have not been studied. A clearly defined tourism institutional framework with stated roles and responsibilities for formulating and implementing tourism policy (Jordan, 2007) is a requirement for tourism growth. This study therefore sought to establish the effect of the selected Tourism policies on tourism growth in Lake Nakuru National Park.

**OBJECTIVES OF THE STUDY**

The general objective of the study was to establish the perception of the Lake Nakuru National Park staff on the effect of selected Tourism Policies on Tourism Growth. The specific objectives guiding this study were:

i. To establish the effect of Marketing and Promotion policy on Tourism Growth in Lake Nakuru National Park.

ii. To establish the effect of Community Participation policy on Tourism Growth in Lake Nakuru National Park.

iii. To establish the effect of Product Development and Diversification policy on Tourism Growth in Lake Nakuru National Park.

iv. To establish the effect of Governance policy on Tourism Growth in Lake Nakuru National Park.

v. To establish the effect of Government support policy on Tourism Growth in Lake Nakuru National Park.

vi. To establish the effect of selected Tourism policies on Tourism Growth in Lake Nakuru National Park.

**RESEARCH QUESTIONS**

i. Does Marketing and Promotion policy affect Tourism Growth in Lake Nakuru National Park?

ii. Does Community Participation policy affect Tourism Growth in Lake Nakuru National Park?
iii. Does Product Development and Diversification policy affect Tourism Growth in Lake Nakuru National Park?

iv. Does Governance policy affect Tourism Growth in Lake Nakuru National Park?

v. Does Government Support policy affect Tourism Growth in Lake Nakuru National Park?

vi. Is there a significant relationship between the selected Tourism policies and Tourism Growth in Lake Nakuru National Park?

**RESEARCH METHODOLOGY**

The study a descriptive survey at Lake Nakuru National Park which lies in Central Kenya, 140 km north-west of Nairobi, in Nakuru County of the Rift Valley Province. The park supports a wide ecological diversity with Flamingos (Greater and Lesser) and other water birds being the major attractions of the area. The ecosystem provides for about 56 different species of mammals including the white rhino and buffaloes and a variety of terrestrial birds numbering nearly 450 species. The target population was the entire staff at the Lake Nakuru National Park headquarters. This consists of a total of 60 staff members. The questionnaires were administered using drop and pick later method by the researcher in person to all personnel at the park headquarters in Nakuru. A period of 1 week was given for response. Multiple regression provided an equation that predicts one variable from two or more independent variables;

\[
Y = \beta_0 + \beta_1 MP + \beta_2 CP + \beta_3 PD + \beta_4 G + \beta_5 GS + \beta_6 ESP + \varepsilon
\]

where

- \(Y\) = Tourism growth (dependent variable).
- \(MP\) = marketing and promotion policy (independent variables) likely to bring about Tourism growth.
- \(CP\) = community participation policy (independent variables) likely to bring about Tourism growth.
- \(PD\) = product development and diversification policy (independent variables) likely to bring about Tourism growth.
- \(G\) = governance policy (independent variables) likely to bring about Tourism growth.
- \(GS\) = government support (independent variables) likely to bring about Tourism growth.
- \(\varepsilon\) = the error term.

In this case a significance level of alpha 0.05 was used in the study.

**RESEARCH RESULTS**

The results in Table 1 show that the correlation coefficient between marketing and promotion policy and tourism growth is 0.354. This is significant at \(\alpha = 0.01\) significance level as well as at \(\alpha = 0.05\) level. The correlation coefficient shows there is a moderate positive relationship between marketing and promotion policy and tourism growth.

The results in Table 1 show that the correlation coefficient between community participation policy and tourism growth is 0.205, which is significant at \(\alpha = 0.01\) level and at \(\alpha = 0.05\) level. This shows that there is a weak positive relationship between community participation policy and tourism growth.

The results in Table 1 show that the correlation coefficient between product development and diversification policy and tourism growth at the Lake Nakuru National Park is 0.439. This means that there is a moderate positive relationship...
between product development and diversification policy and tourism growth.

The results in Table 1 show that the correlation coefficient between governance policy and tourism growth is 0.186. The results show that there is a weak positive relationship between governance policy and tourism growth at the Lake Nakuru National Park. The results in Table 1 show that the correlation coefficient between government support policy and tourism growth at the Lake Nakuru national Park is 0.742. This means that

Table 3 Regression between Selected Tourism Policies and Tourism Growth
The model generated from the study is:
\[ Y = 2.026 + 0.211MP + 0.051CP + 0.151PD – 0.386GP + 0.724GS \]

The coefficient of determination \( R^2 \) value of 0.619 shows that the regression model generated from the study explains up to 61.9% of the variability in tourism growth (Table 3). Since the \( F \) test value = 56.514 is much greater than the \( F \) table value of 3.24, reject the null hypothesis that there is no significant relationship between the selected Tourism policies and Tourism Growth in Lake Nakuru National Park.

The beta coefficients show that the marketing and promotion policy contributes 21.1% to tourism growth, while community participation policy contributes 5.1% to tourism growth, and product development and diversification policy contributes 15.1% to tourism growth. Governance policy contributes –38.6% to tourism growth, while government support policy contributes 72.4% to tourism growth.

SUMMARY
The study results show that the correlation coefficient between marketing and promotion policy and tourism growth is 0.354. The correlation coefficient between community participation policy and tourism growth is 0.205. The correlation coefficient between product development and diversification policy and tourism growth at the Lake Nakuru National Park is 0.439. The correlation coefficient between governance policy and tourism growth is 0.186. The correlation coefficient between government support policy and tourism growth at the Lake Nakuru national Park is 0.742. This is significant at \( \beta = 0.01 \) significance level as well as at \( \beta = 0.05 \) level.

The model generated from the study is:
\[ Y = 2.026 + 0.211MP + 0.051CP + 0.151PD – 0.386GP + 0.724GS \]

The coefficient of determination value of 0.619 shows that the regression model generated from the study explains up to 61.9% of the variability in tourism growth. Since the \( F \) test value = 56.514 is much greater than the \( F \) table value of 3.24, null hypothesis that “there is no significant relationship between the selected Tourism policies and Tourism Growth in Lake Nakuru National Park” is rejected.

The above findings clearly and explicitly show that park staff members perceive that the selected tourism policies selected have a positive contribution on the growth of Tourism in Lake Nakuru National Park. Most significantly to note is the government support policy which has a strong positive relationship with Tourism Growth.

CONCLUSION
Tourism policies bring out tourism growth in Lake Nakuru National Park which has made a valuable contribution to the economy. The study selected a number of important tourism policies to bring
out tourism growth in the park and shown their positive results.

The study concluded that marketing and promotion policy affects tourism growth positively, there is a positive relationship between community participation policy and tourism growth, there is a positive relationship between product development and diversification policy and tourism growth, there is a positive relationship between governance policy and tourism growth, there is a positive relationship between government support policy and tourism growth at the Lake Nakuru National Park. Hence the government should put all the measures in place to ensure that tourism growth is achieved in the park. The value of $R^2$ statistic shows that the regression model explains up to 61.9% of the variability in tourism growth. This indicates that there are other factors that influence tourism growth that are not considered in this study. It can therefore be concluded that there is a positive and significant relationship between the selected tourism policies and tourism growth.

**RECOMMENDATIONS OF THE STUDY**

The study makes the following recommendations:

There should be increased efforts at implementing the marketing and promotion policy, there should be increased efforts at implementing the Community Participation policy, there should be increased efforts at implementing the product development and diversification policy, there should be increased efforts at implementing the governance policy on tourism and the government increases its support to the tourism sector as this is the most important factor that will result in increased tourism growth at the Lake Nakuru National Park. Thus this study recommends that the selected policies be implemented as they are important to realization of tourism growth at the Lake Nakuru National Park.

**REFERENCES**


APPENDIX

Table 1: Pearson’s Correlation of the Selected Tourism Policies with Tourism Growth

<table>
<thead>
<tr>
<th>Tourism Growth</th>
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<tr>
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<td></td>
<td>Sig. (2-tailed)</td>
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<tr>
<td></td>
<td>N</td>
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</tr>
<tr>
<td>Community Participation Policy</td>
<td>Pearson’s Correlation</td>
<td>0.205</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>60</td>
</tr>
<tr>
<td>Product Development and Diversification Policy</td>
<td>Pearson’s Correlation</td>
<td>0.439</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>60</td>
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<tr>
<td>Governance Policy</td>
<td>Pearson’s Correlation</td>
<td>0.186</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
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</tr>
<tr>
<td></td>
<td>N</td>
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<tr>
<td>Government Support Policy</td>
<td>Pearson’s Correlation</td>
<td>0.742</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
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Table 2: Regression Model Summary

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<th>Model</th>
<th>R</th>
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<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
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<tr>
<td>1</td>
<td>.787 (a)</td>
<td>.619</td>
<td>.608</td>
<td>.66647</td>
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</table>

Table 3: Regression Between Selected Tourism Policies and Tourism Growth

<table>
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<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
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<th>Sig.</th>
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<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
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<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.026</td>
<td>0.335</td>
<td>6.054</td>
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<tr>
<td></td>
<td>MP</td>
<td>0.191</td>
<td>0.062</td>
<td>0.211</td>
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<tr>
<td></td>
<td>CP</td>
<td>0.045</td>
<td>0.057</td>
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<td>PD</td>
<td>0.184</td>
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<td></td>
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<td>GS</td>
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