## THE INFLUENCE OF A CUSTOMER-CENTRIC APPROACH ON TOUR OPERATORS' UNDERSTANDING OF THE TOURIST PURCHASING DECISION-MAKING PROCESS IN ARUSHA, TANZANIA

#### $\mathbf{BY}$

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# A THESIS SUBMITTED TO THE SCHOOL OF TOURISM, HOSPITALITY AND EVENTS MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE OF MASTER OF SCIENCE IN TRAVEL AND TRANSPORT SERVICE MANAGEMENT

**MOI UNIVERSITY** 

#### **DECLARATION**

I hereby declare that this thesis is my original work and has not been presented for a degree in any other University. No part of this research thesis may be produced without the prior permission of the author and/or Moi University.

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#### **DEDICATION**

This work is dedicated to my lovely husband Julius Paul Nkanileka and my sons, Brian and Duncan for their constant support, encouragement, love and patience during my study period. The pursuit for my goals would not be possible without them.

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#### **ABSTRACT**

Every tour operator strives to increase the positive tourist experience as a key factor for business success. Despite advances in technology, tourists still rely on tour operators to turn their dream vacation into an unforgettable one. The best way is to have a thorough understanding of how tourists behave when making decisions about purchasing or using tourism products. A customer-centric is forecasted on the successful understanding and management of customer preference before, during, and after consumption. However, there is no credible information on the effectiveness of this approach, especially in the East African tourism market. This study examined the influence of this approach on tour operators' understanding of the tourist purchasing decision-making process. The specific objectives were to determine the influence of customer preference management, internal customer-business alignment and external customer-business alignment on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania. The study was anchored on the theory of market orientation and the Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making where both descriptive and explanatory research designs were utilized. The study target population was 446 licensed tour operators in Arusha from which a sample size of 210 companies, was examined through simple random selection. The primary data collection tool used was a questionnaire. The collected data was analyzed quantitatively using descriptive statistics such as percentages, means and standard deviations. Inferential statistics such as Spearman rank correlation and ordinal logistic regression analyses were used to test the relationship between the study variables whereby the Generalized Ordered Logistic Regression model was estimated. The regression findings indicated that a customer preference management and the understanding of the tourist purchasing decisionmaking process were positively and significantly related ( $\beta$ =0.568, p=0.048). In addition, internal customer-business alignment and the understanding of the tourist purchasing decision-making process were positively and significantly related  $(\beta=1.232, p=0.000)$ . The findings further indicated that external customer-business alignment and the understanding of the tourist purchasing decision-making process were positively and significantly related ( $\beta$ =0.548, p=0.024). The study concluded that customer-centric approach including customer preference management as well as internal and external customer-business alignment had a positive and significant influence on understanding the tourist purchasing decision-making process. The study recommended the application of this approach including customer preference management, internal customer-business alignment and external customer-business alignment to tour operators to enhance a constant and thorough understanding of tourists' purchasing decision-making process, leading to positive tourist experiences. The study makes significant contribution to the field of travel and tour operations, academics conducting research related to this study, as well as policymakers developing policies on price controls, subsidies and consumer protection.

#### TABLE OF CONTENTS

DECLARATIONii
DEDICATIONiii
ACKNOWLEDGEMENTSiv
ABSTRACTv
TABLE OF CONTENTSvi
LIST OF TABLESx
LIST OF FIGURESxi
OPERATIONAL DEFINITIONS OF TERMSxii
ABBREVIATIONS OF ACRONYMSxv
CHAPTER ONE1
INTRODUCTION1
1.0 Chapter Overview
1.1 Background of the Study
1.2 Statement of the Problem5
1.3 Objective of the Study5
1.3.1 General Objective5
1.3.2 Specific Objectives5
1.4 Research Hypotheses
1.5 Significance of the Study6
1.6 Scope of the Study8
1.7 Limitation of the Study9
CHAPTER TWO10
LITERATURE REVIEW10
2.0 Introduction 10
2.1 Review of Study Concepts
2.1.1 Customer-centric approach
2.1.2 Tourist purchasing decision-making process
2.2 Empirical Review
2.2.1 Customer preference management and understanding of the tourist purchasing
decision-making process
2.2.2 Internal customer-business alignment and understanding of the tourist
purchasing decision-making process22

2.2.3 External customer-business alignment and understanding of th	e tourist
purchasing decision-making process	22
2.3 Theoretical Review	23
2.3.1 Market Oriented Theory	23
2.3.2 Engel-Blackwell-Minard (EBM) Model	25
2.4 Research Gaps	27
2.5 Conceptual Framework	28
CHAPTER THREE	30
RESEARCH METHODOLOGY	30
3.0 Introduction	30
3.1 Research Design	30
3.2 Study Area	31
3.2.1 Location	31
3.2.2 Climate	32
3.2.3 Topography	34
3.2.4 Access	34
3.2.5 Culture and cuisine	35
3.2.6 Economic activities	36
3.3 Target Population	36
3.4 Sample and Sampling Technique	36
3.5 Data Collection Instrument	37
3.6 Data Collection Procedure	38
3.7 Reliability and validity of the research instrument	38
3.7.1 Reliability test of the research instrument	38
3.7.2 Validity test of the Research instrument	38
3.8 Measurement of Variables	39
3.9 Data Analysis and Presentation	40
3.9.1 Regression Assumptions	41
3.10 Ethical Considerations	42
CHAPTER FOUR	44
RESEARCH FINDINGS AND DISCUSSIONS	44
4.1 Introduction	44
4.2 Response Rate	44
4.3 Reliability Results	44

4.4 Demographic results
4.5 Descriptive Statistics
4.5.1 Customer preference management
4.5.2 Internal Customer-business alignment
4.5.3 External customer-business alignment
4.5.4 Understanding the tourist purchasing decision-making process
4.6 Diagnostic Tests
4.6.1 Normality Test53
4.6.2 Multi-collinearity Test
4.6.3 Parallel lines/Proportional odds Test
4.7 Correlation Results
4.8 Regression Results
4.9 Hypothesis Testing
4.9.1 Test of Hypothesis One 62
4.9.2 Test of Hypothesis Two
4.9.3 Test of Hypothesis Three
CHAPTER FIVE65
SUMMARY CONCLUSION AND RECOMMENDATIONS65
5.1 Introduction65
5.2 Summary of the Study Findings
5.2.1 Influence of Customer Preference Management on tour operators
understanding of the tourist purchasing decision-making process65
5.2.2 Influence of Internal Customer-business Alignment on tour operators
understanding of the tourist purchasing decision-making process66
understanding of the tourist parendsing decision making process
5.2.3 Influence of External Customer-business Alignment on tour operators
5.2.3 Influence of External Customer-business Alignment on tour operators
5.2.3 Influence of External Customer-business Alignment on tour operators understanding of the tourist purchasing decision-making process
5.2.3 Influence of External Customer-business Alignment on tour operators understanding of the tourist purchasing decision-making process
5.2.3 Influence of External Customer-business Alignment on tour operators understanding of the tourist purchasing decision-making process
5.2.3 Influence of External Customer-business Alignment on tour operators understanding of the tourist purchasing decision-making process
5.2.3 Influence of External Customer-business Alignment on tour operators understanding of the tourist purchasing decision-making process
5.2.3 Influence of External Customer-business Alignment on tour operators understanding of the tourist purchasing decision-making process

Appendix II: Plagiarism Awareness certificate	88
Appendix III: Research Letters	89

#### LIST OF TABLES

Table 2.1: Information gathering procedures in Tour operations	.13
Table 2.2: Tour operator's Products and Main Suppliers	15
Table 3.1: Climate data for Arusha	33
Table 3.2: Measurement of Variables	39
Table 4.1: Response Rate	.44
Table 4.2: Reliability Test	.45
Table 4.3: Demographic profile of the respondent	45
Table 4.4: Descriptive Results for Customer Preference Management	.47
Table 4.5: Descriptive Results for Internal customer-business alignment	.48
Table 4.6: Descriptive Results for External customer-business alignment	50
Table 4.7: Descriptive Results for Understanding the Tourist purchasing decision-	
making process	52
Table 4.8: Tests of Normality	53
Table 4.9: Collinearity diagnostics	54
Table 4.10: Test of Parallel Lines <sup>a</sup>	54
Table 4.11: Correlation Matrix	55
Table 4.12: Case processing summary	57
Table 4.13: Model fitting Information	58
Table 4.14: Goodness of Fit	58
Table 4.15: Pseudo R-Square	59
Table 4.16: Parameter Coefficients	.61
Table 4.17: Summary of Hypothesis Test	64

#### LIST OF FIGURES

Figure 2.1: Tourist purchasing decision-making process	20
Figure 2.2: Market Oriented Theory	24
Figure 2.3: The Engel-Blackwell-Minard (EBM) model of consumer purchase	
decision-making	26
Figure 2.4: Conceptual Framework depicting influence of customer-centric appro	ach
on understanding the tourist purchasing decision-making process	29

#### **OPERATIONAL DEFINITIONS OF TERMS**

The terms are defined based on their use in this study.

Customer-centric Approach: It is a marketing strategy that puts the customer at the centre of all a company's operations, built on a deep understanding of how tourists behave when making their decisions to purchase or use tourism products before, during, and after consumption. Firstly, this is done through the collection and arrangement of information and data on individual tourists' insight items (known as "Customer preferences management"). Then, effectively working on the information collected to customize service, targeting existing customers enabling them to adapt and match their own needs and expectations (known as "customer-business alignment"). The customer-centric approach seeks to respond to ever-changing tourists' needs and priorities while ensuring a mutually profitable relationship and enhancing positive tourist experiences (Schober et al., 2003; Niininen et al., 2006; Lamberti, 2013).

Customer preference management: It is the first of the two fundamental parts of the customer-centric approach (Niininen *et al.*, 2006; Lamberti, 2013), which involves collecting and organizing information and data on individual tourists: tourist profile, travel patterns, leisure/recreation interests, Spending habits and priorities, and sources of information aimed at gaining a deep understanding of how tourists behave when making their decisions to purchase or use tourism products before, during and after consumption in order to improve the positive tourism experience improve (Jain, 2005; Sun, Li & Zhou, 2006).

**Customer-Business Alignment:** This is the second of the two fundamental parts of the customer-centric approach (Niininen *et al.*, 2006; Lamberti, 2013), which involves

using collected information about customer preferences to target and enable the customer to existing customers to adapt and personalize the Service to their own needs and preferences. It does this by integrating the company's business strategy, internal resource management decisions and all activities related to tourist satisfaction, which are then supported with the integrated information system (Shrage, 1990; Lamberti 2013), as well as by collaborating and coordinating with a key external actors (Transport, accommodation and activities) from companies to the requirements, goals and measurements of tourist satisfaction and to achieve tourist satisfaction together (Yeung *et al.*, 2009; Flynn *et al.*, 2010). The customer-business alignment aims to gain a deep understanding of how tourists behave when making their purchasing or usage decisions of tourism products before, during and after consumption in order to enhance the positive tourism experience.

Tour Operator: A tour operator is a key factor in the success of the tourism industry. He/she arranges and books trips, then combines various components of a tour such as hotel, transport, meals, guides, optional tours and sometimes flights and sells a package either directly to a client or indirectly through a travel agent at a flat rate (Holland & Leslie, 2017). Tourists count on tour operators to turn their dream vacations into unforgettable experiences. The best way is to understand how tourists behave when making their decisions to buy or use tourism products that meet their needs and expectations. A customer-centric approach that puts the customer first requires a successful understanding of the touristic purchasing decision process before, during and after consumption Tour Operator: A tour operator is a key factor in the success of the tourism industry. He/she arranges and books trips, then combines various components of a tour such as hotel, transport, meals, guides, optional tours and sometimes flights and sells a package either directly to a client or indirectly

through a travel agent at a flat rate (Holland & Leslie, 2017). Tourists count on tour operators to turn their dream vacations into unforgettable experiences. The best way is to understand how tourists behave when making their decisions to buy or use tourism products that meet their needs and expectations. A customer-centric approach that puts the customer first requires a successful understanding of the tourist purchasing decision-making process before, during and after consumption

Tourist purchase decision-making process: The tourist purchasing decision-making process is the state in which a tourist finds a product or service, evaluates it and decides whether or not to buy it, driven by their needs and desires and influenced by the tour operators' marketing strategies. This falls under Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making well described by Engel *et al.*(1995) which consists of five (5) phases: problem identification (needs identification) phase; information search phase; evaluation of the alternative phase; purchase decision and action phase; and post-purchase evaluation phase (Blackwell *et al.*, 2001; Karimi, 2013). The customer-centric approach that puts the customer first ensures tour operators constantly understand how tourists behave when making their decisions to purchase or use tourism products before, during and after consumption, thereby providing a positive tourism experience is improved

#### ABBREVIATIONS OF ACRONYMS

**BCG** - Boston Consulting Group

**CNA** - Capacity Need Assessment

**CCM** - Customer Centric Marketing

**EBM** - Engel-Blackwell-Miniard model of consumer decision-making process

**EPS** - Extended Problem solving

**GDP** - Gross Domestic Product

**HDI** - Human Development Index

**IBM** - International Business Machine

**LPS** - Limited Problem solving

MNRT - Ministry of Natural Resources and Tourism

NCAA - Ngorongoro Conservation Area Authority

**SPSS** - Statistical package for social sciences

**SWOC** - Strengths, weaknesses, opportunities and challenges

TANAPA - Tanzania National Parks

**TATO** - Tanzania Association of Tour Operator

**TZS** - Tanzanian Shillings

TTB - Tanzania Tourist Board

**USD** - United Stated Dollars

**VAT** - Value Added Tax

VIF - Variance Inflation Factor

**WD** - Wildlife Division

WTTS - World Travel & Tourism Council

#### CHAPTER ONE

#### INTRODUCTION

#### 1.0 Chapter Overview

This chapter provides background information on this topic on a global scale from the African continent to our country, Tanzania, and the northern tourism circuit, especially in Arusha City. It describes the problem statement, purpose, goals, hypotheses and significance of the study. In addition, it covers the scope and limitations of the study.

#### 1.1 Background of the Study

The tourism sector, which includes the main components of travel and tourism, contributes significantly to global economic growth. According to the World Travel and Tourism Council (WTTC) 2019 report, the tourism sector accounted for 10.3 percent of global GDP and supported the livelihoods of 330 million people, outpacing global economic growth for the ninth consecutive year. The sector contributed \$168.5 billion of GDP, or 7.1 percent of total GDP; \$61.3 billion or 10.4 percent of total exports; and 24.6 million jobs, or 6.8 percent of total African employment, while the sector contributed TZS 141.1 billion (US\$6,577.3 million) to the Tanzanian economy, or 10.7 percent of total GDP. In addition, the sector produced 6,138.6 billion TZS (\$2,666.6 million, 32.7 percent of total exports) in 2019. Due to various challenges faced by the sector including the recent ongoing COVID-19 pandemic, the world has seen a sharp drop in travel and tourism activities in many destinations including Tanzania. The contribution of the travel and tourism sector has fallen from 10.4 percent of global GDP in 2019 to 5.5 percent in 2020. Consequently, it was expected that 62 million jobs would be lost by 2020, a drop of 18.5 percent and only 272

million people would be working worldwide from 334 million in 2019 and 1,550.1 million jobs (000) or 11, 1 percent of total employment (WTTC, 2020).

Improving the positive tourist experience has been one of the most important factors in the success of a tour company (Batra, 2019), since tourists depend on tour operators to turn their dream vacations into unforgettable vacations (Wang *et al.*, 2017; Spielmann *et al.*, 2018; Buzova *et al.*, 2020; Chirakranont & Sakdiyakorn, 2022). The well-known Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making (Engel *et al.*, 1995) leads tour operators to a thorough understanding of how tourist behave when making decisions to purchase or use tourism products if they want to achieve more memorable experiences (Karimi, 2013). Knowing how tourists make their purchasing decisions and their expectations at each stage of decision-making process helps marketers decide what type of tourists to target, when, and with what type of tourism product. More importantly, tour operators understand how to get tourists to select goods tailored to their unique needs and preferences (Punnasuparom & Choibamroong, 2020). A customer-centric approach is the best tool to manage and understand consumer preferences before, during and after consumption (Niininen *et al.*, 2006; Lamberti 2013).

A customer-centric approach is a marketing strategy that puts the customer at the center of business plans and operations, keeping them in mind when making business-related decisions and actions, actively listening to them and making efforts to address their needs, address their problems, meet their expectations and provide them with positive experiences (Parniangtong, 2017). A Customer centricity is a new direction for the expansion of marketing from the 1990s to the present, based on a deep understanding of how tourists behave when making their purchase or use decisions of

tourism products before, during and after consumption. The focus is on identifying and meeting tourist expectations, rather than what was done previously, where the focus was on establishing selling points for existing goods (product-centricity) (Jaworski & Kohli, 1993). The customer-centric approach is a more advanced marketing philosophy than the product-centric approach in the sense that it really puts the customer first as it allows the organization to gather very detailed information about their customers and thus gain a very deep understanding of the served customers. It also allows for customer involvement in the actual product design, thereby achieving greater customization (Daniel *et al.*, 2003; OLeary *et al.*, 2004; Ballantyne & Vary, 2006). Networks, databases and data warehousing enable this and determine applications (Wang *et al.*, 2000).

The approach consists of two basic parts: the first is the collection and arrangement of information and data about individual customers, known as *customer preference management*. The second is the effective use of the information gathered to target existing customers and allow them to tailor the service to their own needs and preferences, known as *customer-business alignment*. The customer-centric approach aims to respond to the ever-changing needs and priorities of tourists while ensuring a mutually beneficial relationship (Niininen *et al.*, 2006, Lamberti 2013). In the last 20 years, several studies on the customer-centric approach have been conducted from different perspectives: customer-centric approach practices (Wagner and Majchrzak 2007), contextual factors facilitating the implementation of the customer-centric approach (Sheth *et al.*, 2000; Wind and Rangaswamy, 2001), Levers required to achieve a customer-centric approach in a (Galbraith, 2002:2011) and on the antecedents of customer-centricity in organizations or the characteristics of organizations that favor customer-centricity (Lamberti 2013).

In addition, with this approach, organizational design takes a significant effort for a company to constantly track and understand tourism dynamics, thereby enabling them to properly develop valuable and relevant solutions and products, thus promoting a positive tourism experience (Hemel and Rademakers, 2016). A clear understanding of tourist purchasing decision patterns helps operators to deepen their understanding of tourist choices of products and services, as well as the benefits they seek, including their unique selling proposition. It improves tourism demand forecasting, leading to efficiency gains; Targeting specific market segments, correct product positioning, designing effective marketing mixes and reflection (Kock *et al.*, 2018). The approach is therefore crucial for marketing teams in tour operators. However, there are gaps in its influence on the tour operators' understanding of the tourist purchasing decision-making process. Hashem's (2020) study only highlights the impact of customer preference management on a customer's purchase decision-making process. There is a lack of information in the literature to assess this famous approach in the East African environment blessed with a thriving tourism business

Customer-centric approach has given companies like Amazon, Southwest Airlines, IBM, JetBlue Airways, and Best Buy a competitive advantage (Lamberti, 2013; Weinstein, 2018). Multinational consulting firms such as Forrester, Boston Consulting Group (BCG) and McKinsey have emphasized the need for companies to adopt a customer-centric strategy in response to global competition (Lamberti, 2013). Various marketing scholars (Arora *et al.*, 2008 Juan, Shih & Pemg, 2006); organization (Galbraith, 2002; Kim, 2007); and information technology management (Stefanou *et al.*, 2003; Wagner & Majchrzak, 2007), have examined the customer-centric approach.

#### 1.2 Statement of the Problem

Every tour operator strives to improve the positive tourist experience as a key factor in business success (Batra, 2019). This is because despite advances in technology, tourists still rely on tour operators to turn their dream vacations into unforgettable vacations (Wang *et al.*, 2017; Spielmann *et al.*, 2018; Buzova *et al.*, 2020; Chirakranont & Sakdiyakorn, 2022).

The best way for a tour operator to create more memorable experiences is to have a thorough understanding of how tourists behave when making decisions about purchasing or using tourism products to meet their needs and expectations (Karimi, 2013). A customer-centric approach is based on the successful understanding and management of customer preferences before, during and after consumption. However, there is no credible information on the effectiveness of this approach, especially in the East African tourism market. (Mihajlovi & Koncul, 2016; Ihucha, 2018).

#### 1.3 Objective of the Study

#### 1.3.1 General Objective

The main aim of this study was to investigate the influence of a customer-centric approach on tour operators' understanding of tourist purchasing decision-making process in Arusha, Tanzania.

#### 1.3.2 Specific Objectives

Specific objectives of the study were:

 To investigate the influence of customer preference management on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania;

- To determine the influence of internal customer-business alignment on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania
- iii) To determine the influence of external customer-business alignment on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania

#### 1.4 Research Hypotheses

 $\mathbf{H}_{01}$ : Customer preference management has no influence on tour operators' understanding of the tourist purchasing decision-making process

**H**<sub>02</sub>: Internal customer-business alignment has no influence on tour operators' understanding of the tourist purchasing decision-making process

**H**<sub>03</sub>: External customer-business alignment has no influence on tour operators' understanding of the tourist purchasing decision-making process

#### 1.5 Significance of the Study

The aim of the study was to examine the influence of a customer-centric approach through its two fundamental parts: customer preference management and customer-business alignment on tour operators' understanding of the tourist purchasing decision-making process as the best way to improve positive tourism experiences in the midst of technological advances.

The findings show that understanding the tourist purchasing decision-making process regardless of technological advancements starts with the collection and arrangement of information and data on individual tourists' insight items (known as "customer preferences management"). Then, by effectively working on the information collected

to customize service, targeting existing customers, enabling them to adapt and match their own needs and expectations (known as "customer-business alignment")to respond to ever-changing tourists' needs and expectations, while ensuring a mutually profitable relationship and enhancing positive tourist experiences before, during, and after consumption. This implies that, for tour operators and other tourism service providers, such as accommodation facility managers, to create more memorable experiences, they need to implement a customer-centric approach by putting tourists at the centre of all aspects of business operations so as to have a thorough understanding of how tourists behave when making decisions to buy or utilize tourism products before, during, and after consumption.

The results tend to advance a market-oriented theory of Kohli & Jaworski (1990), which focuses on the three important ways of responding to market demands: broad generation of market information related to current and future customer needs (intelligence generation), dissemination of the cross-departmental intelligence (intelligence dissemination); and company-wide responsiveness to it (Intelligence Responsiveness). The customer-centric approach goes beyond that; it introduces external integration, which is largely absent from early definitions of market orientation theory.

This implies that for a customer-centric company, the integration of both internal and external customer-related key attributes as part of the approach is crucial. That said, Tour Operators should work with key external actors to process the information collected in the Customer Preferences Management part in order to customize the service, target existing customers and allow them to adapt to and meet their own needs and expectations. This also includes IT, data specialists and human behavior

specialists to effectively transform consumer data into knowledge that can be used to provide customer-centric rewards and improve positive tourism experiences. The results also serve as a point of reference for other academics conducting research related to this study, as well as a framework for policymakers developing policies on price controls, subsidies and consumer protection.

#### 1.6 Scope of the Study

The study was conducted in Arusha, Tanzania and included the selection of 210 out of 446 tour operators licensed in 2018; one respondent from each company participated in the survey, for a total of 210 respondents. Selection of tour operators was considered due to the fact that the study aimed to assess the influence of a customercentric approach on tour operators' understanding of the tourist purchasing decision-making process as the best way to improve a positive tourism experience. Only 185 (88%) of 210 questionnaires were returned. The list of tour operators was obtained from the Ministry of Natural Resources and Tourism of Tanzania in March 2018. The key informant was a sales/marketing director from each company.

Data collection was carried out from April to June 2019 by A questionnaire was used for data collection. The collected data was analyzed quantitatively using descriptive statistics and inferential statistics, whereby descriptive statistics such as percentages, means and standard deviations to explain the characteristics of the study variables. Since the study variables were measured on a five-point likert scale, inferential statistics such as Spearman rank correlation and ordinal logistic regression analyses were used to test the relationship between the study variables using a Generalized Ordered Logistic Regression model estimations aided by the Statistical Package for Social Sciences (SPSS) software version 25. Ordinal logistic regression was used to

determine the relationship between an ordinal dependent variable (tourist purchasing decision-making process) and an ordinal independent variable (customer-centric approach). The results were presented on tables and figures.

#### 1.7 Limitation of the Study

The study touched on the inner points of the operation of tour companies. As a result, respondents provided limited information to protect the company's reputation. Therefore, the researcher used a triangulation approach for five tourism regulators; Headquarters of Tanzania National Parks (TANAPA), Tanzania Tourist Board (TTB), Tanzania Association of Tour Operators (TATO), Ngorongoro Conservation Area Authority (NCAA) and Wildlife Division (WD) - Tourism Department Office) to ensure valid and reliable information is obtained. Additionally, as the data collection took place during the high/peak tourism season when most of the potential respondents were out of the office, the process took a long time to ensure the key respondents were engaged to the data collection process.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### 2.0 Introduction

This chapter examines an overview of previous research on the subject of the study. In this chapter, an overview of the concept of the customer-centric approach is provided, followed by a general introduction to the tourist purchasing decision-making process, before examining how the customer-centric approach can influence the tourist purchasing decision-making process. The chapter also establishes the study's theoretical review, empirical review, research gaps, and conceptual framework. The empirical literature reviews other related studies to identify what those studies have not addressed, and therefore justifies the need for the current research.

#### 2.1 Review of Study Concepts

This section provides an overview of the research concept. The concepts include a customer-centric approach and a tourist purchasing decision-making process

#### 2.1.1 Customer-centric approach

A customer-centric approach is a marketing strategy that puts the customer at the center of business plans and operations. This means keeping people in mind when making business-related decisions and actions, actively listening to them and making efforts to address their needs, address their problems, meet their expectations and provide them with positive experiences (Parniangtong, 2017). A company that values the needs and wants of its customers and works hard to meet them is said to be customer-centric. She knows her customers well beyond the surface. Likewise, companies that move in this way are aware of the most important problems and pain

areas for their customers and act to address these problems (Clark & Myers, 2018; Adrodegari *et al.*, 2017). Customers are now such an influence that they demand that their ideas, needs, wants and concerns be heard, considered and addressed in a logical way by companies (Ahuja, 2022; Gimnez, 2018).

It is a corporate strategy and culture that focuses on providing customers with the best possible experience both at the point of sale and beyond, resulting in increased profits and a competitive advantage (Batra, 2019; Fader, 2020; Vidili, 2021). Putting the customer at the heart of business strategy and decision-making, and focusing on what customers need and how they want to interact with the business, makes it a significant effort for a business to constantly track and understand the dynamics of tourism. to develop products, services and promotions for the Company's top customers; and to segment customers based on top spend. By designing the company from the customer perspective, it will be able to create value for customers by tailoring products to their needs and providing a positive experience (Reilly, 2018).

It is a strategy that ensures tourist satisfaction, loyalty and retention (Robson, 2012; Al Sayed *et al.*, 2022). By putting a customer at the center of business strategy and decision-making, the company can gather very detailed information about its customers and thus accumulate a very deep understanding of the customers served. It also allows for customer involvement in actual product design, achieving greater customization (Daniel *et al.*, 2003; OLeary *et al.*, 2004; Ballantyne & Varey, 2006), enabled by networks, databases, data warehousing, and governing applications (Wang *et al.*, 2000). This improves visitor convenience, expands potential value and strengthens customer loyalty. When customers encounter a quality customer interface,

it improves their loyalty to the business and consumer repeat purchase and repurchase rates.

Niininen *et al.* (2006) and Lamberti (2013) offer a more operational view of the constituent elements of the customer-centric approach: the collection and arrangement of information and data about individual customers, known as customer preference management; and effectively using the information collected to tailor the Service to existing customers and allow them to customize and customize their own needs and preferences, known as customer-business alignment. The aim of this study was to examine the influence of the individual components on the purchasing decision-making process of tourists in tour operators in Arusha, Tanzania.

Customer preference management is the collection and assessment of customer needs and preferences and the forces that influence the creation and refinement of those needs. It is known as customer preference management (Kohli *et al.*, 1993). According to all respondents, customer orientation requires a deep understanding of the customer; Understanding its market is a critical element of any company's business, requiring proactive data collection and analysis from corporate documents, information systems, and employees (Day, 1994). In travel operations, information gathering strategies may be implemented through surveys and questionnaires (completed in person, online, by telephone, direct mail or direct email), travel journals, field tests, observations, comment cards, guest books, visitor profile tracking, web analytics, interviews (by telephone or in person) and focus groups (Table 2.1). Government agencies, tourism industry associations, academic institutions, national and local press industry magazines and newspapers, informal contacts and collaborators, business directories, business and academic libraries,

professional institutes and organizations, previously collected market research, public records and private consultants sources of information (TBE, 2015).

**Table 2.1: Information gathering procedures in Tour operations** 

<b>Collection Method</b>	Description
Surveys and questionnaires (completed in-person, online, by telephone, direct mail, or direct email)	A survey is the process of describing some aspect(s) of a population or group of people based on a sample of the total. Visitor surveys (questionnaires) are the most common type of tourism research.
Trip diaries	Visitor recordings of trip details, such as expenditures, travel routes, sightseeing, highlights and other activities.
Field tests	Assessing a situation under the conditions it is actually being used, such as distributing questionnaires while people are using the product/experience.
Observations	Watching or observing a situation to record relevant facts, actions and behaviours (e.g. watching which exhibits guests choose first after entering an attraction, or observing audience members during a performance).
Comment cards	An informal way of soliciting feedback and information from visitors/customers.
Guest books	Informal recording of guest details on a voluntary basis; often designed like a tally sheet to record basic visitor profile information such as origin and party size.
Visitor profile tracking	A structured approach to provide a description of visitors based on demo- graphic and behavioural characteristics (e.g. origin, party size, length of stay, frequency of visit).
Web-analytics	The measurement, collection, analysis and reporting of Internet data for the purpose of understanding and optimizing web usage.
<b>Interviews</b> (completed by telephone or face-to-face)	A way to capture in-depth and insightful information; interviews enable the interviewer to be flexible to "probe" the interviewee for additional information, as needed.
Focus groups	Through a discussion led by a moderator a sample gathering of respondents to get their direct feedback such as perceptions, opinions, beliefs and attitudes on an issue(s).

Source: TBE – Research guide for tour operators, 2015

Customer-Business Alignment is the section for managing customer preferences; It involves the use of customer preference management information to target current customers more efficiently and to allow customers to tailor and personalize the service to their own needs and desires through customer-centric business alignment, internal customer-business alignment and external customer-business alignment

Internal customer-business alignment refers to the collaboration, interaction, and communication between new product development functional departments in organizations (such as marketing, manufacturing, and research and development) and the new product development team (Alghisi et al., 2015). Lamberti (2013) emphasizes the relevance of internal integration and coordination as key to developing a customer-centric approach. In customer-facing organizations, the focus is on fully integrating all customer-facing activities by better aligning all business activities with value-added customer activities. Internal customer business alignment includes customer-centric business strategy and customer-centric internal resource management decisions.

External customer-business alignment is the collaboration, interaction, and communication between external groups related to new product development (customers and suppliers) and the new product development team. It refers to the integration of organizations with formal boundaries; external integration upstream with suppliers and downstream with customers. It is the degree to which companies can work with their key suppliers to develop strategies, practices, procedures, and behaviors that are both collaborative and easy to use to meet customer needs (Yeung et al., 2009; Flynn et al., 2010). It involves exchanging information on tourist satisfaction requirements, tourist satisfaction goals, tourist satisfaction measurement,

and joint tourist satisfaction achievement and product development (Lau *et al.*, 2010). Integration with suppliers includes activities such as product design with suppliers and involving suppliers in the company's internal processes. Benefits of this integration include time-to-market for new products; product quality; development costs; product cost; fast delivery; (Wagner, 2003). If a company's supplier or distributor does not commit to a long-term partnership, it will be difficult for the company to achieve the responsiveness required to meet the customer's needs. Table 2.2 below shows the products and main suppliers of tour operators.

**Table 2.2: Tour operator's Products and Main Suppliers** 

<b>Elements of Tourism Products</b>	Suppliers
	Hotels, bed & breakfasts, self-catering,
Accommodation	(serviced) apartments, campsites, cruise ships
	Public transport (e.g., trains), airports,
Transport to and from	scheduled air carriers, air charters, scheduled
destinations	sea passages, chartered sea passages, coaches, cruises
	Restaurants and bars, grocery stores, farmers,
Catering and food and	fishermen, local commerce/markets, bakers,
beverage	butchers, food wholesalers
	Car rentals, boat rentals, fuel providers, gas
Ground transport	stations, taxis
	Agents, handlers, or inbound operators in the
Ground services	destination
	Excursion and tour providers, sports and
Cultural and social events	recreation facilities, shops and factories
Environmental, cultural and	Public authorities, protected site managers,
heritage resources of	private concessionaires and owners
destinations	

Source: Three Steps toward Sustainability (2004)

#### 2.1.2 Tourist purchasing decision-making process

According to Karimi (2013), the tourist purchasing decision process is the state in which a tourist finds a product or service, evaluates it and decides whether to buy it or

not; it falls under the consumer buying process, which is well described by the complete Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making (Engel *et al.*, 1995). The decision-making process varies depending on the customer, their purchasing power and the context in which they find themselves. The process is divided into five stages, starting with problem identification, followed by information search, evaluation of alternatives, purchase decision and action, and finally post-purchase evaluation.

Problem or need recognition in the consumer's decision-making process is the first stage of the model. Arnould et al. (2002) define need as the difference between an actual state and a desired state. According to Agwaral (2006), a need can be identified based on internal or external stimuli. Problem recognition arises in a situation in which an individual recognizes the difference between the current and desired states depending on different situations and circumstances, such as the emergence of a purchase idea (Neal et al., 2004). Solomon et al. (2014) classify human needs into two distinct categories based on their nature: psychological and functional or physical needs. Psychological needs are the result of consumers' emotional feelings, while functional or physical needs are usually the result of necessities. Identification of needs at different levels often occurs during the process of encountering the product under different circumstances. In other words, a person may not be aware of the need for a particular product until he or she comes across the product as a result of media advertising (Tyagi, 2004). Human needs know no boundaries. Therefore, problem detection is repetitive in nature. When one need of an individual is satisfied, another will arise, and this trend continues repeatedly.

The next stage of the model is information search. Once the need is identified, the consumer is likely to seek additional product-related information before making a direct purchasing decision. However, different people are involved in the search process differently depending on their knowledge of the product, their previous experiences or purchases, or some external information such as feedback from others. Majumdar (2010) divides information sources into four categories: personal, commercial, public, and experiential sources. Personal sources of information can be family members, friends, colleagues, and others. The degree of influence of the source of personal information is greater compared to other sources. Commercial information sources refer to marketing communication messages in various formats. Consumers are usually exposed to sources of commercial information through media advertising, direct marketing, viral marketing, commercial events, etc. Public information sources refer to the mass media in print, television, radio, and digital formats. Another important public source, according to Batra and Kazmi (2012), is consumer rating groups. Experience-based sources of information about products and services refer to the opportunities to examine and use products and services for a specific period of time. According to i Furnols et al. (2011), the search for information process itself can be divided into two parts: the internal search and the external search. When searching internally, consumers compare the alternatives with their own experiences and memories, depending on their own past experiences and knowledge. On the other hand, the external search ends with larger purchases such as household appliances or gadgets. Winer (2009) argues that as the role of the internet has increased in people's professional and personal lives, more and more people are turning to various resources on the internet when looking for information about product categories or specific brands. In particular, the author highlights the role of online user reviews and

forums in terms of their significant impact on the information-seeking phase in the consumer decision-making process among Internet users. Kahle and Close (2006) highlight colleagues, peers, friends, and family members as other important sources of information. In general, their influence depends on a number of factors, such as the type of relationships, the level of personal influence, and the extent of opinion leadership associated with certain individuals.

The evaluation of alternatives in the consumer decision-making process is the third stage of the model. After the consumer has gathered enough information in the first phase, he begins to compare and evaluate this information in order to make the right choice. In this phase, the consumer analyzes all the information obtained through the search and considers different alternative products and services and compares them according to their needs and desires. Alternatives are typically evaluated against a set of criteria that depend on consumer value preferences. Specifically, consumer value preferences can be based on price, quality, or additional features and capabilities of products and services (Blythe, 1997). Neal et al., 2004) discuss this issue with greater clarity, specifying quality, price, and features as product attributes and indicating the level of importance of each attribute as the most important factor influencing the outcome of the evaluation of alternatives. Furthermore, according to Ha et al. (2010), the process of evaluating alternatives can sometimes be difficult, time-consuming, and stressful for a consumer. This is because it is quite difficult to find an ideal product or service that satisfies the needs of the customer as there are numerous factors that hamper the consumer's purchasing decision-making process. Factors such as age, culture, taste, and budget all have an impact on the consumer evaluation process.

The purchase decision and action in the consumer decision-making process is the fourth stage of the model. After completing the information search and evaluation process, the consumer makes the purchase decision, and this stage is considered to be the most important stage of the whole process. At this stage, the consumer makes the decision to make a final purchase as he or she has already considered all the alternatives and has come to a final decision point. There are two components that can intervene between purchase intention and purchase decision, the state of mind of others and unforeseen situational factors. Munthiu (2009) also mentioned that consumers are undoubtedly influenced by blogs and diaries that disseminate their feedback, such as Amazon.com customer reviews, web journals, and publication sheets). For example, a shocking purchase might come that is more urgent than the purchase the buyer was originally authorized to make. Therefore, purchasing propensities and purchase expectations cannot be filled out as absolutely reliable indicators for purchasing behavior.

The final phase in the consumer's decision-making process is the post-purchase evaluation phase. This stage reflects the consumer's experience of purchasing a product or service. This view is further supported by Ofir (2005) who mentions that the consumer's decision-making process is a repetitive action and a good experience is crucial to reduce uncertainty when making the decision to buy the same product or products service will be considered next time. According to Martin and Webb (2009), the perceived performance of products from the customer's perspective can lead to customer satisfaction and dissatisfaction, with a direct and immense impact on the level of customer loyalty. The opinions of colleagues, friends, and family members about product reviews and comparing their own expectations, regardless of their objectivity, tend to affect customer satisfaction (Perrey and Spillecke, 2011; Trehan

and Trehan, 2011). The result is the customer's experience, and this experience is believed to have a direct impact on the consumer's next decision to buy the same product from the same seller. If the consumer is satisfied with the purchase, it is likely that the purchase will be repeated, while the consumer is unlikely to make the decision to buy the same product from the same seller, or not if they have a negative experience with the purchase makes buy the product at all (figure 2.1).

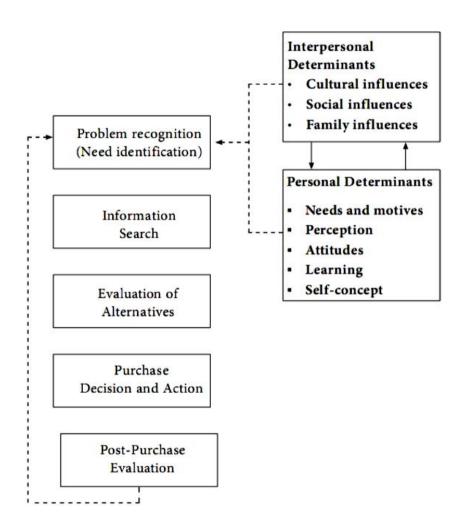


Figure 2.1: Tourist purchasing decision-making process Source: Blackwell et al., (2001); Karimi, (2013)

#### 2.2 Empirical Review

This section provides an overview of previous studies on research variables to identify existing research gaps.

### 2.2.1 Customer preference management and understanding of the tourist purchasing decision-making process

Kütük (2016) examined the role of customer preference management through social media platforms in understanding tourist purchasing decisions. The results show that social media networking sites are very important in understanding the consumer decision-making process, as consumers can make a decision about their travel preferences or change their choice after reading the entire comments on social media platforms. With efficient tools for managing customer preferences, the company is constantly informed about customer needs. The company can understand the internal as well as social determinants that influence tourist expectations, such as personality, attitude, readiness, cultural climate, basic needs and requirements, and values. Effective customer preference management allows the employee to be aware of the changes and factors influencing tourist purchasing decisions, such as technological advances, rising standards of living, changing values and norms, and geographic diversity.

From the perspectives of Kaushik & Xu (2016) and Hashem (2020), when managing customer preferences, the company essentially tries to collect as much data as possible about the customer. It seems that the company creates its own customer database based on its customers' interests and knowledge through data collection, so it can be considered as a kind of data and information collection for a target audience. As a result, a tour operator can use customer preference management tools to search

through any data they want about their customers' insights, rate them, and understand their purchasing decision-making process.

# 2.2.2 Internal customer-business alignment and understanding of the tourist purchasing decision-making process

Shah *et al.* (2006) examined the potential of a customer-centric organizational culture for customer loyalty. The results show that internal customer-business alignment improves visitor convenience, creates more potential value, and increases customer loyalty as well as consumer repurchase and repeat purchase rates, all of which impact understanding of the tourism purchasing decision-making process at all organizational levels. According to Smith & Bolton (1998) and Gallouj (2002), internal integration helps a company achieve better communication and information integration and the development of new products and services. Internal integration largely ensures effective use of customer knowledge created to target current customers and allows customers to tailor and personalize the service to their own needs and preferences through customer-centric business collaboration on business strategy and internal resource management. customer loyalty According to Griffin (1997) and Chang & Chen (2009), customer loyalty is linked to the customer's purchasing decision, and when consumers experience a quality customer interface, it helps improve their loyalty to the company and their consumer buyback and recurring purchase rates.

# 2.2.3 External customer-business alignment and understanding of the tourist purchasing decision-making process

The studies by Berger *et al.* (2005) and Rinder & Moorman (2003) examined the impact of business external integration on customer satisfaction. Findings show that external integration emphasizes the importance of supply chain alignment and

collaboration (including co-design) in ensuring customer satisfaction. Lau *et al.* (2010) rather verify that external integration ensures that customer knowledge is used effectively to achieve current goals and allows customers to tailor and personalize the service to their own needs and preferences by providing information about tourist satisfaction requirements, sharing tourist satisfaction objectives and tourist satisfaction measurement The joint development of strategies, practices, procedures, and behaviors between companies and their main suppliers ensures easy management to meet customer expectations. According to Gupta and Stewart (1996), customer satisfaction is related to the customer's purchasing decision. The level of satisfaction or dissatisfaction is based on past experiences, perceptions, and attitudes that influence the customer's purchasing decision. Understanding customer purchasing decisions, service, and technology are three key factors that impact customer satisfaction. Therefore, it is possible for a business to provide positive, consistent customer experiences and build genuine customer loyalty by leveraging these factors.

#### 2.3 Theoretical Review

This research was guided by Kohli & Jaworskis' (1990) market-oriented theory on the concept of the customer-centric approach, as well as the Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making (Engel *et al.*, 1995) on the concept of the tourist purchasing decision process

## 2.3.1 Market Oriented Theory

The concept of marketing, the philosophical basis of a market orientation introduced by Kohli and Jaworski (1993), is a new direction to extend marketing from the 1990s to the present day to focus on identifying and meeting customer needs or desires. According to Kohli & Jaworski (1990), it is the company-wide generation of market

information related to current and future customer needs, the dissemination of the information across departments, and the company-wide response to it (Figure 2.2)



Figure 2.1: Market Oriented Theory

Source: Kohli and Jaworski (1990)

The theory, through its three important ways of responding to market demands: starting with a wide generation of market intelligence related to current and future customer needs (intelligence generation), then disseminating the information across departments (intelligence dissemination), and finally to the organization-wide responsiveness to it (Intelligence Responsiveness), provides a theoretical basis for the customer-centric approach and its components as a viable solution for tour operators to thoroughly understand the tourist purchasing decision-making process in order to create more memorable experiences (Sheth *et al.*, 2000).

However, the customer-centric approach goes beyond market orientation (Gummesson, 2008; Parasuraman & Grewal, 2000). The approach focuses more on the management of individual customer preferences and the nature of dialogic contact

(Ramani & Kumar, 2008; Shah *et al.*, 2006), while the market orientation focuses more on information exchange within functions (Narver & Slater, 1990). Additionally, the approach introduces an external integration that is largely absent from early definitions of market orientation. While market orientation emphasizes the importance of companies that respond to market demands (Kohli & Jaworski, 1990), the customer-centric approach emphasizes the importance of developing customer intimacy (Antikainen *et al.*, 2011; Dekel *et al.*, 2007; Parasuraman & Grewal, 2000), that is, a collaborative dialogue to jointly create customer experiences that are valuable for both the company and the customer. The customer-centric approach thus goes beyond market orientation; it applies the principles of customer centricity and interfunctional coordination (Narver & Slater, 1990) in a more customer-centric and personalized way, and introduces co-creation and supply chain integration as innovative constituent elements.

## 2.3.2 Engel-Blackwell-Minard (EBM) Model

Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making (Engel et al., 1995) was originally referred to Engel-Blackwell-Kollat (EKB) model and put forth by Engel, Blackwell and Kollat (1968). The model went through certain revisions and later was renamed as Engel-Blackwell-Miniard (EBM) to recognize the influence of another colleague Miniard. The elements of the model share a close proximity with the Howard-Sheth model of buyer behavior. However, EBM differs from the Howard-Sheth model in terms of structure of presentation and the relative association between various elements. The model is considered to be one of the most popular models, depicting the consumer's decision-making process in five steps: problem identification stage (need identification); information search phase;

evaluation of the alternative phase; purchase decision and action phase; and postpurchase evaluation phase.

These decisions are influenced by two main factors. On the one hand, stimuli in connection with memories of previous experiences are received and processed by the consumer, on the other hand external variables in the form of environmental influences or individual differences. Identified environmental influences include: culture; social class; personal influence; family and situation. While the individual influences include: consumer resource; motivation and commitment; Knowledge; Settings; Personality; Values and lifestyle (Blackwell *et al.* 2001). The EBM model depicts the consumer as a logical decision maker moving through a linear process (Figure 2.3).

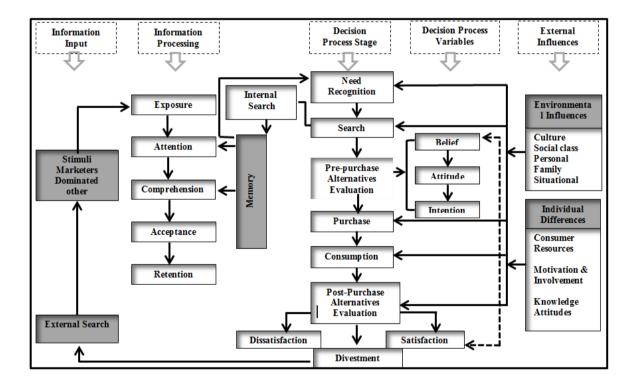


Figure 2.2: The Engel-Blackwell-Minard (EBM) model of consumer purchase decision-making

Source: (Engel et al.,1995)

In this study, the model through the five decision-making stages contributes significantly to an understanding of how tourists behave when making their decisions to purchase or use tourism products before, during, and after consumption. This includes various components and interactions between variables, including information processing, inputs, and external influences on the decision process. Furthermore, Blackwell *et al.* (2006) highlight the argument why this model is more precise and clear compared to the other similar models, because this model's core focus is on motivational factors, which helps the user to understand the reasons behind the purchasing decision easily.

## 2.4 Research Gaps

Improving the positive tourist experience has been one of the most important factors in the success of a tour operator. The best way is to have a thorough understanding of how tourists behave when making decisions about purchasing or using tourism products to meet their needs and expectations. A review of the empirical literature on the customer-centric approach describes it as the best business strategy for successfully understanding and managing customer preferences before, during, and after consumption. Nevertheless, there are some research gaps in the existing studies that make it necessary to carry out this study.

The studies on the customer-centric approach from different perspectives: customer-centric approach practices (Wagner and Majchrzak 2007), contextual factors facilitating the implementation of the customer-centric approach (Sheth *et al.* 2000; Wind and Rangaswamy 2001), required levers to achieve the customer-centric approach in an organization (Galbraith 2002, 2011), and the forerunners of customer-centricity in companies or the characteristics of companies preferring customer-

centricity (Lamberti 2013) reveal gaps in terms of its impact on tour operators' understanding of tourism decision-making processes. Hashem's (2020) study only highlights the impact of customer preference management on customers' purchasing decision-making process.

# 2.5 Conceptual Framework

The aim of the study was to examine the influence of the customer-centric approach on tour operators' understanding of tourist purchasing decision-making process in Arusha, Tanzania. Particularly, (i) to assess the influence of customer preference management on tour operators' understanding of tourist purchasing decision-making process in Arusha, Tanzania; (ii) to assess the influence of internal customer-business alignment on tour operators' understanding of tourist purchasing decision-making process in Arusha, Tanzania; and (iii) to assess the influence of external customer-business alignment on tour operators' understanding of tourist purchasing decision-making process in Arusha, Tanzania.

The relationship between the customer-centric approach and the tourist purchasing decision-making process is explained using a conceptual framework (Figure 2.4). The independent variable (IV) for this study was the customer-centric approach, while the dependent variable (DV) was the tourist purchasing decision-making process. The framework was based on some of the researchers' ideas on customer centricity (Niininen, 2006; Lamberti, 2013); the purchase decision process (Karimi, 2013; Engel *et al.*, 1995); and related literature. This was therefore an extension of the already existing body of knowledge, which puts the focus on the approach as a viable solution to understand the tourism purchasing decision process in order to create a positive tourism experience.

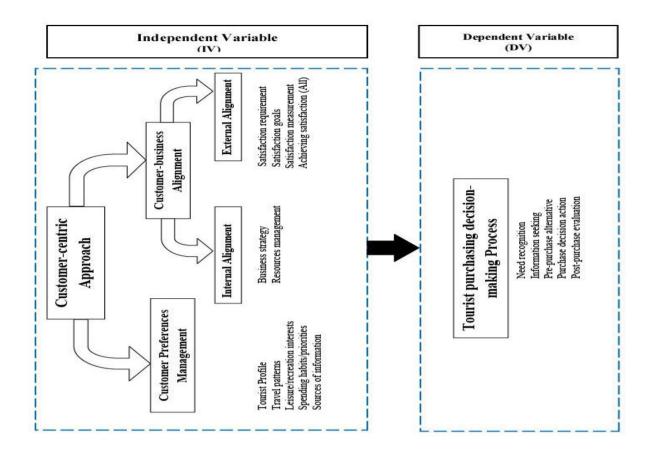


Figure 2.4: Conceptual Framework depicting influence of customer-centric approach on understanding the tourist purchasing decision-making process

Source: Research Data (2022)

#### **CHAPTER THREE**

#### RESEARCH METHODOLOGY

#### 3.0 Introduction

The chapter outlines the study area and introduces the methodology used in the study. Research design, demographics, sample size and methodology, data collection tools and methodology, reliability and validity, data analysis and presentation, and ethical considerations are covered.

#### 3.1 Research Design

A research design can be defined as the scheme, sketch, or plan used to generate answers to research problems (Orodho, 2005). The choice of a research design was determined by the research purpose, the categories of data needed the data sources, and the cost Mohan (2004). The study employed a descriptive and explanatory research design. The design helped the researcher to examine the relationship between the variables studied: customer-centric approach (independent variable) and the tourist purchasing decision-making process (dependent variable). The descriptive research design, according to Kothari & Garg (2014), guides the study on which elements to measure in order to discover causes for the current situation of the phenomenon under study.

The research philosophy applied was positivist as the study attempted to predict the influence of the customer-centric approach on tour operators 'understanding of the tourist purchasing decision-making process through quantifiable observations and reasons leading to statistical analysis. Positivism holds that only factual knowledge gained through observation, including measurement, can be trusted (Ryan, 2018). A

cross-sectional design was also used as the data were all collected at one point in time, the design allowed the researcher to analyze, compare and assess the samples.

# 3.2 Study Area

#### 3.2.1 Location

Arusha is one of Tanzania's 31 administrative regions and is located in the north of the country. The capital is the largest city, Arusha, which is located at 3 23 12.9300 S and 36 40 58.7820 E. The region is bordered by Kajiado and Narok counties in Kenya to the north; the Kilimanjaro region to the east; the Manyara and Singida regions to the south; and the Mara and Simiyu regions to the west. Major cities that play a large role in tourism include Monduli, Namanga, Longido, and Loliondo to the north; Mto wa Mbu and Karatu to the west; and Usa River to the east. (Figure 3.1)

The choice for the study was made due to the fact that the city of Arusha is a global tourist destination and serves as a hub for the safari circuit in northern Tanzania. The Ngorongoro Conservation Area, Arusha National Park, the Loliondo Game Controlled Area and part of Lake Manyara National Park are among the most important protected areas in the northern tourism circuit. The remains of a 600-year-old stone structure lie just off the gravel road between Mto wa Mbu and Lake Natron. Arusha is one of the most developed areas in Tanzania with a Human Development Index (HDI) of 0.721 (Chacha *et al.*, 2018).

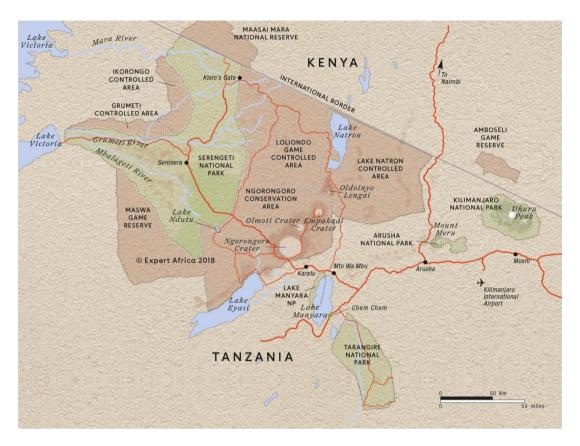


Plate 3.1: A map showing Arusha as a tourist hub on Tanzania's Northern Circuit

Source: Chacha et al., 2018

## **3.2.2 Climate**

Arusha's elevation of 1,400 meters (4,600 feet) on Mount Meru's southern slopes keeps temperatures low and humidity in check despite its proximity to the equator. Cool, dry air prevails for most of the year. The average annual high temperature is around 25 °C or 77 °F, with a temperature range of 10 to 30 °C (50 to 86 °F). It has distinct wet and dry seasons and is bounded on the east by the Indian Ocean, which is only a few hundred miles away. It has a subtropical highland climate according to the Kppen climate classification system (Cwb). The climate in the areas south and west of Arusha is known as tropical savannah (Aw) see Table 3.1

**Table 3.1: Climate data for Arusha** 

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Average high	28	28	27	25	22	21	20	22	24	26	27	27	25
°C (°F)	(82)	(82)	(81)	(77)	(72)	(70)	(68)	(72)	(75)	(79)	(81)	(81)	(77)
Daily mean °C	19	19	19	19	16	14	14	15	16	18	18	18	17
(° <b>F</b> )	(66)	(66)	(66)	(66)	(61)	(57)	(57)	(59)	(61)	(64)	(64)	(64)	(63)
Average low	10	10	11	13	11	8	9	8	8	10	10	10	10
°C (°F)	(50)	(50)	(52)	(55)	(52)	(46)	(48)	(46)	(46)	(50)	(50)	(50)	(50)
Average	<b>~</b> 0	0.0	1.70	2.50	210	20	10	10	20	20	110	100	1 100
rainfall mm	50	80	170	360	210	30	10	10	20	30	110	100	1,180
(inches)	(2.0)	(3.1)	(6.7)	(14.2)	(8.3)	(1.2)	(0.4)	(0.4)	(0.8)	(1.2)	(4.3)	(3.9)	(46.5)
(menes)													

Source: Rowhan et al; 2011

Since records began in 2000, the highest temperature has been 39 degrees Celsius (102.2 degrees Fahrenheit). The lowest temperature ever recorded was 7 degrees Celsius (44.6 degrees Fahrenheit). Between November and March, Arusha has an average of 29.8 days a year with temperatures above 32 C (89.6 F). The average annual rainfall in Arusha is 1,180 millimeters (46.46 in), with most of the rain falling between March and May. Due to the influence of Mt. Meru, whose rain shadow extends to the southeast side of the mountain, areas immediately north and northeast of Arusha may experience more rain and cooler temperatures.

#### 3.2.3 Topography

The Arusha region has the most craters and extinct volcanoes. The Monduli Mountains, Loolmalasin Mountain, Longido Mountain, and Olduvai Gorge are among the other geographical features. The Great Rift Valley runs north-south through the heart of the area. North of the Ngorongoro Conservation Area is the active volcano Oldonyo Lengai (Maasai Mountain of God). The region's elevation varies widely, but most is between 900 and 1,600 meters (3,000 and 5,200 ft). The country's capital, Arusha, lies at the southern foot of Mount Meru. Mount Meru is the second highest mountain in Tanzania after Kilimanjaro, reaching a height of 4,655 meters (15,272 ft) (Laramee & Davis, 2013).

The rainfall pattern in Arusha and the northern highlands of Tanzania is bimodal with two rainy seasons. Many plants are sown twice a year. Due to the influence of Mt. Merus, the long March-May Masika rains are more reliable in Arusha than in the surrounding areas. The short Vuli rains, which typically occur in November and December, are less consistent. From June to October is the dry Kiangazi season. Farmers grow bananas, coffee, cabbage, potatoes, carrots, leafy greens, and other vegetables at higher elevations north and northeast of the city. Corn, beans, and wheat are the main crops grown in the Northwest, West, Southwest, South, and Southeast. The region has a thriving horticultural industry, with many companies growing flowers for export to Europe. (Rowhan *et al.*, 2011).

#### **3.2.4 Access**

**Roads:** The town of Arusha can be reached by a paved road (82 km) running eastwest via the A23 from the town of Moshi, near Kilimanjaro International Airport. This trail ends in the heart of Arusha where it joins the A-104 road. From Arusha, the

A-104 travels north, west of Mount Meru, to Longido and Namanga on the Kenyan border before continuing on to Nairobi. The A-104 runs west past Monduli until it meets the B-144 road at Makuyuni, which leads to Mto wa Mbu and the Ngorongoro Conservation Area. The A-104 then turns south-east of Lake Manyara before heading to Babati and Dodoma. Most overland trips are made by bus from Arusha. Privately owned and privately operated dala-dalas (minibuses) are used around the city and smaller towns. (Gakusi *et al.*, 2015).

Waterways: There are no navigable rivers in the area, and it is landlocked. The larger lakes of the Rift Valley are not used for transportation. Lake Eyasi, Lake Natron, Lake Duluti, Lake Empakaai, and the Momella Lakes are all in this area.

Airports: Kilimanjaro International Airport, located in Hai District of Kilimanjaro Region, serves the Arusha Region. Airkenya Express, Air Uganda, Condor, Edelweiss Air, Ethiopian Airlines, Kenya Airways, KLM, Precision Air, Qatar Airways, RwandAir, Safarilink Aviation, and Turkish Airlines are the country's twelve international carriers. Small, medium, and personal planes fly from Arusha Airport (Kisongo Airport) to famous tourist destinations such as Serengeti National Park, Seronera, Ndutu, and even Zanzibar. AMREF, Auric Air, Coastal Air, Flying Doctors, Grumeti Air, Other Personal Aircraft, Precision Air, and TFC are among the planes that use Kisongo Airport, (Gakusi *et al.*, 2015).

## 3.2.5 Culture and cuisine

Nyama choma, a northern Tanzanian barbecue, is a common dish among some communities in the Arusha region, particularly among the Maasai. (Macha, 2011) Nyama Choma is best enjoyed with a side of fries, pili pili sauce and a cold local beer or soda.

#### 3.2.6 Economic activities

The economy of the Arusha region is mainly based on agriculture and livestock. Both commercial and smallholder agriculture are practiced in the region. Other industries include manufacturing, tourism, and mining (which are all growing rapidly). The Arusha region has robust hospitality attractions, international conference facilities, financial institutions, and better communication and transportation networks.

# 3.3 Target Population

Population refers to a whole group of people or elements that have at least one thing in common. It also relates to the larger group from which the sample is drawn (Kombo & Tromp, 2006). The target group of this study included 446 licensed tour operating companies in Arusha, Tanzania (MNRT, 2018). The selection of tour operating companies as the target population based on the fact that tour operators work closely with tourists and visitors, they are the managers of tourist preference databases and are therefore well-informed about the tourist purchasing decision-making process.

# 3.4 Sample and Sampling Technique

According to Kothari & Garg (2014) a sample is a subset of a population used to represent the entire group. When researching, it is difficult to interview every member of a particular group because the number of people being researched is too large. A sample is a collection of entities chosen from the universe to represent it. The sample frame for this study was 210 selected tour operators based in Arusha. The sample size was determined using the Yamane's formula (1967) as follows:

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

Where;

n= sample size,

N= population size,

e = level of precision at 0.05 for CI at 95%

The arrival to the sample size was as follows:

$$\frac{446}{1 + 446(0.05 * 0.05)^2} \tag{2}$$

$$n = 210$$

As a result, the sample size of the study was 210 tour operators, one sales/marketing person from each company, totaling 210 respondents. The sample size was selected from the population using a simple random sampling technique. The choice of sampling method was taken into account as each company had an equal chance of being selected.

#### 3.5 Data Collection Instrument

Questionnaires were used to obtain primary data for this study. According to Orodho (2005), the questionnaire is an instrument for collecting data that allows measurement for or against a specific position. The survey questionnaire consisted of two sections: Section one of the survey asked questions about the demographics of the respondents. The research variables were the subject of the second part of the questionnaire. Closed-ended questions were included in the surveys, which were organized using a five-point Likert scale. The use of questionnaires is justified because they are easy to

understand and take less time to complete, allowing the researcher to ask multiple survey questions and collect data from a pool of tour operators and analyze the data to get numerical results.

#### 3.6 Data Collection Procedure

The researcher received university clearance followed by the study area permit to collect data for the study. The survey was conducted with 210 tour operators in Arusha from April to June 2019 between 10am and 4pm. Participants had 15 minutes to complete the survey. To increase the response rate, the drop-and-pick-later strategy was mostly used.

## 3.7 Reliability and validity of the research instrument

# 3.7.1 Reliability test of the research instrument

Reliability is a measure of the extent to which research produces consistent results or data after repeated attempts (Orodho, 2005). The reliability of an instrument depends on its ability to achieve the same score over repeated use. Cronbach's Alpha (Cronbach, 1951) was employed in this study where the recommended reliability cut—off value of 0.7 was adopted. For a research instrument to be dependable, its Cronbach alpha value must be at least 0.7 or greater.

## 3.7.2 Validity test of the Research instrument

A pre-test study was conducted with two (2) tour operating companies in Morogoro (Tamiwai Adventure Tours and Chilunga Cultural Tourism Company) in Morogoro Municipality to verify the validity of the data collection tool. Questions found to be ambiguous or irrelevant were modified. To test the validity of the information provided by destination participants, a triangulation was conducted with 5 tourism regulators; Headquarters of Tanzania National Parks (TANAPA), Tanzania Tourist

Board (TTB), Tanzania Association of Tour Operators (TATO), Ngorongoro Conservation Area Authority (NCAA), and Wildlife Division (WD)-Office of Tourism Department).

# 3.8 Measurement of Variables

Table 3.2 below summarizes the study variables and their measurements.

**Table 3.2: Measurement of Variables** 

Variable	Type of Variable	Indicators	Source	Measurement scale
Tourist purchasing decision-making process	Predicted	Need recognition Information search Pre-purchase evaluation of alternative Purchase decision action Post-purchase evaluation	Engel <i>et al.</i> (1995) Karimi (2013) Blackwell <i>et al.</i> (2001)	Ordinal
Customer Preference Management	Predictor	Tourist profile Travel patterns Leisure/recreation interests Spending habits/priorities Sources of information	Kütük (2016) Sarlak and Fard (2009) Kaushik and Xu (2016) Hashem (2020)	Ordinal
Internal Customer- business Alignment	Predictor	Business strategy Resources management	Smith & Bolton (1998) Griffin (1997) Gallouj (2002) Shah <i>et al.</i> (2006) Chang & Chen (2009).	Ordinal
External Customer- business Alignment	Predictor	Satisfaction requirement Satisfaction goals Satisfaction measurement Achieving satisfaction (All)	Berger et al. (2005) Rinder and Moorman (2003) Lau et al. 2010	Ordinal

Source: Research Data (2022)

#### 3.9 Data Analysis and Presentation

The study examined the impact of the customer-centric approach on understanding the tourist purchasing decision-making process at selected tour operators in Arusha. The study specifically aimed to examine the components of the approach: customer preference management and customer business alignment and their impact on understanding the tourism purchasing decision-making process.

Data from the questionnaires were checked for completeness before being coded, tabulated, and analyzed using the Statistical Package for Social Science (SPSS) version 25. To get a clear understanding of the population, descriptive statistics such as percentage, frequency, mean, and standard deviation are developed.

Because study variables were measured on a five-point Likert scale, inferential statistics such as Spearman rank correlation and ordinal logistic regression analyzes were used to test the relationship between study variables, to determine the relationship between an ordinal dependent variable (tourism purchasing decision-making process) and an ordinal independent variable (customer-centric approach) using a Generalized Ordered Logit Regression model (gologit2) estimates as follows:.

$$P(Y_i > j) = g(X\beta_j) = \frac{\exp(\alpha_j + X_i\beta_j)}{1 + \{\exp(\alpha_j + X_i\beta_j)\}}, \quad j = 1, 2, \dots, M - 1$$

Where:

αj - The intercepts or cut-points

 $\beta 1j$ ,  $\beta 2j$ , ...,  $\beta pj$  - Logit coefficients.

Y - Dependent variable (tourist purchasing decision-making process)

X<sub>1</sub> - Customer preference management

X<sub>2</sub> – Internal customer-business alignment

41

X<sub>3</sub> – External customer-business alignment

M - The number of categories of the ordinal dependent variable

The significance test of the relationship between the customer-centric approach (independent variable) and the tourist purchase decision-making process (dependent variable) was based on the interpretation of the significant p-value output. The interpretation was that if the p-value was less than the critical value of 0.05, the null hypothesis was concluded to be significant.

# 3.9.1 Regression Assumptions

The following assumptions were evaluated before to running the regression analysis to guarantee that the results were correct and free of bias.

**Type of measurement of variables**: the dependent variable should be ordered while; one or more of the independent variables should be continuous, categorical, or ordinal. All study variables were ordinal, measured on a five-point Likert scale:

- 1. Strongly Disagree (SD)
- 2. Disagree (D)
- 3. Neutral (N)
- **4.** Agree (A)
- **5.** Strongly Agree (SA)

**Test of Normality:** The model fits the variables with data that violate the assumption of normality. The Shapiro-Wilk test was used to determine whether the data were normal or not. The test is preferred when the number of observations is less than 2000. The results showed that the data variables were statistically significant but not normally distributed

**Test of Multi-collinearity:** there should be no multicollinearity. Multicollinearity occurs when the independent variables have a strong correlation that affects the importance of each variable. In this study, the variance inflation factor was used to check for multicollinearity (VIF). None of the VIF values were greater than 5, the values ranged from 1.175 to 1.365. Following the general rule of thumb for interpreting VIFs, a value of 1 indicates that there is no correlation between a particular predictor variable and other predictor variables in the model. Therefore, multicollinearity is not a problem in the regression model

**Test of Parallel lines/Proportional odds:** The model relaxes the proportional odds assumption by allowing the effect of each explanatory variable to vary across different intersections of the ordinal outcome variables without restructuring the data. Basically, this assumption means that the relationship between each pair of result sets need not necessarily be the same. Parallel line test results violated proportional odds assumptions (p=0.000)

#### 3.10 Ethical Considerations

After receiving a data collection permit from Moi University, Kenya, the researcher release letter was obtained by the Sokoine University Office of Agriculture on behalf of the Government of Tanzania and the Tanzania Science and Technology Commission and submitted to the Arusha Regional Administrative Secretary for data collection from the tour operators. The following ethical considerations were taken into account when collecting the data:

#### **Informed Consent**

All the respondents were fully informed about the procedures involved in research to allow them to understand the implications of participation and to reach a fully informed, considered and freely given decision about whether or not to do so, without the exercise of any pressure or coercion.

# **Voluntary Participation**

All respondents voluntarily participated in the study; nobody was forced to take part in the research. Participants were free to withdraw their participation at any time without adversely affecting their participation in future services.

# **Confidentiality and Anonymity**

All participants were protected from harm, both physically and psychologically, by maintaining their confidentiality and anonymity, i.e., the information given will not be made available to anyone not directly involved in the study, and the participant will remain so throughout the study and any publication of results from this study anonymously.

#### **CHAPTER FOUR**

#### RESEARCH FINDINGS AND DISCUSSIONS

#### 4.1 Introduction

The data analysis, conclusions and interpretation are all covered in this chapter. Tables and graphs are used to present the results. The data examined were organized into themes that corresponded to the study objectives

# 4.2 Response Rate

Out of 210 questionnaires, 185 were returned. The response rate results are as shown on the table 4.1 below.

**Table 4.1: Response Rate** 

Response	Frequency	Percentage
Returned	185	88%
Unreturned	25	12%
Total	210	100%

Source: Research Data (2022)

A total of 185 forms were filled out and returned. As shown in Table 4.1, the success rate was 88% since a 60% response rate is acceptable in survey studies (Sekaran and Bougie, 2010). Based on this statement, this response rate was very good and qualifies the analyzed data as reliable and valid.

# 4.3 Reliability Results

A reliability test was performed using Cronbach's alpha with a target reliability alpha of 0.7 to assess the internal consistency of the variables as measured using the five Likert scale. The reliability coefficients for each Likert-scaled item were calculated. The result showed a value of 0.873 as reliability for all items; for each scale it

appeared to range from 0.8 to 0.83 as shown in Table 4.2 below. This indicates that the questionnaire items were reliable.

**Table 4.2: Reliability Test** 

Scale	Reliability
Customer preference management	0.826
Internal customer-business alignment	0.803
External customer-business alignment	0.826

Source: Research Data (2022)

# 4.4 Demographic results

The data in Table 4.3 show that males, with a frequency of 114, made up more than half of the respondents (62%; n=185), compared to females, who made up 38% of the sample, with a frequency of 71. The highest percentage appears to be 47%, with companies having an operating life of 7 to 12 years, while the lowest percentage is 9%, with companies operating for less than 3 years. Finally, Tanzanian-owned companies appeared to be the most common, accounting for 60% of the total sample, followed by foreign-owned companies at 28%, and international joint-venture companies at the remaining 12%.

Table 4.3: Demographic profile of the respondent

Variable		Frequency	Percentage
Gender	Male	114	62
	Female	71	38
	Total	185	100
<b>Duration</b> of company	<3 years	16	9
operations	4 - 6 years	46	25
	7 - 12 years	88	47
	13+	35	19
	Total	185	100
Ownership of the company	Tanzania	111	60
	Foreign	52	28
	International Joint venture	22	12
	Total	185	100

Source: Research Data (2022)

## 4.5 Descriptive Statistics

In this section, the descriptive analysis is presented for both the independent (customer-centric approach) and the dependent (tourism purchase decision-making process) variables. A Likert scale was used with the following options: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. Percentages, mean values and standard deviations were used to present the results

# 4.5.1 Customer preference management

The results presented in Table 4.4 below show that 44.3% of respondents agreed that collecting and managing insights into tourist profiles helps uncover tourist needs and expectations. Additionally, 67.6% of respondents agreed that collecting and managing tourist insights about travel patterns helps uncover tourist needs and expectations. 80.5% of respondents agreed that collecting and managing tourist insights about leisure and recreation interests helps uncover tourist needs and expectations, while 64.8% of respondents agreed that collecting and managing tourist insights about spending habits and priorities reflect the needs and expectations of tourists. In addition, the results showed that 68.6% of respondents agreed with the claim that collecting and managing tourist insights about how they receive information helps uncover tourist needs and expectations.

Collection and managing tourism insights about leisure and recreational interests scored the highest mean (M = 4.11; SD = 0.702) in identifying tourist needs and expectations, followed by managing customer preferences related to spending habits and priorities (M = 3.86; SD = 0.743) and then in relation to travel patterns (M = 3.7; SD = 0.506), how they obtain their information (M = 3.7; SD = 0.493) and finally to tourist profile insights (M3, 54; SD = 0.667).

**Table 4.4: Descriptive Results for Customer Preference Management** 

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std Dev
Collecting and							
managing tourist	-	-	55.7%	34.6%	9.7%		
profile insights						3.54	0.667
uncovers tourist							
needs and							
expectations							
Collecting and							
managing tourist	-	-	32.4%	65.4%	2.2%		
insights on travel						3.70	0.506
patterns uncovers							
tourist needs and							
expectations							
Collecting and							
managing tourist	-	_	19.5%	49.7%	30.8%		
insights on						4 1 1	0.702
leisure/recreation						4.11	0.702
interests							
uncovers tourist							
needs and							
expectations							
Collecting and							
managing tourist	-	-	35.1%	43.2%	21.6%		
insights on						2.06	0.742
spending habits						3.86	0.743
and priorities							
uncovers tourist							
needs and							
expectations							
Collecting and							
managing tourists	-	-	31.4%	67.0%	1.6%		
insights on how						3.70	.493
they obtain their							
information							
uncovers tourist							
needs and							
expectations							

Source: Research Data (2022)

These results confirmed those of Kütük (2016); Naidu & Mashanda (2017) and Fader (2020) who reasoned that when a company uses a customer preference management approach it is simply trying to collect as much information as possible about the consumer and builds its own customer database based on the interests and the Build

knowledge about its consumers. With efficient tools for managing customer preferences, the company is constantly informed about customer needs.

# 4.5.2 Internal Customer-business alignment

The results presented in Table 4.5 below show that 87% of respondents agreed that their company's business strategy is focused on tourist satisfaction. In addition, 87.5% of respondents agreed that their company's internal resource management is focused on tourist satisfaction.

The mean score results show that the travel companies' business strategy (M = 4.51; SD = 0.716) and internal resource management decisions (M = 4.43; SD = 0.704) are effectively structured around tourist satisfaction, as table 4.5 shows.

Table 4.5: Descriptive Results for Internal customer-business alignment

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std Dev
Company's			100/	22.22			0.71
business strategy	-	-	13%	23.2%	63.8%	4.51	
is structured							6
around tourist							
satisfaction							
Company's							0.70
internal resource	-	-	12.4%	32.4%	55.1%		
management						4.43	
decisions is							
designed around							4
tourist							4
satisfaction							

Source: Research Data (2022)

These findings corroborated those of Middleton *et al.* (2009) that the travel and tourism industry has always been more customer-centric than any other business sector, as it is the most important feature in developing a truly "digital-native" brand, quite in line with However, it was noted that putting a customer-centric marketing

plan in place is challenging, especially for businesses that have already established a marketing culture.

# 4.5.3 External customer-business alignment

The results presented in Table 4.6 below show that only 7.6% of respondents agreed that their companies work with key external actors on tourist satisfaction requirements. In addition, 55.1% of respondents agreed that their companies work with key external stakeholders in relation to tourist satisfaction goals. Furthermore, 64.3% of respondents agreed that their companies partner with key external players to measure tourist satisfaction, while 72.5% of respondents agreed that their companies work with key external players to jointly measure tourist satisfaction reach.

The mean score results showed that working with external key stakeholders to achieve overall tourist satisfaction occupied the highest attribute (M=4.04; SD=0.769), followed by measuring tourist satisfaction (M=3.83; SD = 0.717) and sharing information about tourist satisfaction goals (M = 3.73; SD = 0.746) and tourist satisfaction requirements (M = 2.55; SD = 0.633)

Table 4.6: Descriptive Results for External customer-business alignment

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std Dev
Company							
integrates with	-	52.4%	40%	7.6%	-	2	0.600
key external						2.55	0.633
players on tourist							
satisfaction							
requirement							
Company							
integrates with	-	-	44.9%	37.3%	17.8%	3.73	0.746
key external							
players on tourist							
satisfaction goals							
Company			25.50	4 = 001	40.40		
integrates with	-	-	35.7%	45.9%	18.4%	3.83	0.717
key external						3.03	0.717
players on tourist							
satisfaction							
measurement							
Company			27.60/	41 10/	21 40/		
integrates with	-	-	27.6%	41.1%	31.4%	4.04	0.769
key external							5.7.02
players on achieving tourist							
satisfaction							
collectively							

Source: Research Data (2022)

These results confirmed those of Gupta and Stewart (1996). Lau *et al.* (2010) and Wagner (2003); Through external integration around customer satisfaction, it is possible for a company to create pleasant, consistent customer experiences and build genuine customer loyalty, thereby influencing customer purchase intentions. However, the results show that transparency and access to information related to tourism satisfaction requirements guaranteed by external integration are insufficient. This is because the tour operator business is highly competitive and its strength lies in the confidentiality of internal business operations in terms of tourist satisfaction.

Key external actors in Tanzania with significant influence on tour operators include: Tourism Regulators, Tanzania National Parks (TANAPA), Tanzania Tourist Board (TTB), Tanzania Association of Tour Operators (TATO), Ngorongoro Conservation Area Authority (NCAA), Wildlife Division (WD), Tourism Division Office, Hotel Association of Tanzania (HAT), Tanzania Air Operators Association (TAOA), Tanzania Forest Services Agency, and Tanzania Wildlife Authority (TAWA).

## 4.5.4 Understanding the tourist purchasing decision-making process

The results presented in Table 4.7 below show that 78.9% of the respondents seemed to have a general understanding of the tourist need recognition stage. In addition, 74.6% of respondents seemed to have a general understanding of the tourist information search phase. In addition, 46.4% of respondents seemed to have a general understanding of how tourists evaluate alternatives before making a purchase. In addition, only 29.2% of respondents had a general understanding of tourists' purchase decision and action stages, while 20% of respondents appeared to have a general understanding of tourists' post-purchase evaluation stages.

The mean score results showed that the majority appeared to have a general understanding of the tourist's need recognition stage (M = 4.17; SD = 0.753), followed by the tourist's information search stage (M = 3.92; SD = 0.65), the tourist's pre-purchase evaluation of alternatives stage (M = 3.55; SD = 0.65), the tourist's purchase decision stage (M = 3.34; SD = 0.569) and the tourist's post purchase evaluation stage (M = 2.86; SD = 0.721).

Table 4.7: Descriptive Results for Understanding the Tourist purchasing decision-making process

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std Dev
General understanding of	-	-	21.1%	40.5	38.4%	4.17	0.75
tourist's need recognition stage				%			3
General understanding of	-	-	25.4%	57.3	17.3%	3.92	0.65
tourist's information search stage				%		3.92	0
General			52.50V	27.0	0.60/		0.65
understanding of tourist's pre-	-	-	53.5%	37.8 %	8.6%	3.55	
purchase evaluation of alternatives stage							0
General			<b>5</b> 0.00/	242	4.00/		0.56
understanding of tourist's	-	-	70.8%	24.3 %	4.9%	3.34	
purchasing decision and							9
action stage General	-						0.72
understanding of tourist's post-		33.5%	46.5%	20%	-	2.86	
purchase evaluation stage							1

Source: Research Data (2022)

These results confirmed those of Kaushik & Xu (2016) and Hashem (2020). By effectively collecting and managing tourism insights at an enterprise-wide level through customer preference management technologies, it enables the employee to understand and appreciate changes and elements that influence the tourist purchasing decision-making process, such as attitudes and conventions as well as geographic diversity. The company can capture both the internal and social elements that influence tourist expectations, such as personality, attitude, readiness, cultural climate, basic needs and requirements, and values.

## 4.6 Diagnostic Tests

This section contains the results of the diagnostic tests.

# **4.6.1 Normality Test**

Normality of data was tested using the Shapiro-Wilk test as the test is preferred when the number of observations is fewer than 2000. Results are shown in Table 4.8 below.

**Table 4.8: Tests of Normality** 

	Shapiro-Wilk			
	Statistic	df	Sig.	
Customer Preference Management	.924	185	.000	
Internal Customer-Business Alignment	.736	185	.000	
External Customer-Business Alignment	.933	185	.000	
Tourist Purchasing decision-making Process	.950	185	.000	

Source: Research Data (2022)

The results show that all three variables are less than 5% (p = 0.000), so the null hypothesis of normality was rejected based on the facts stated above. This indicates that the data variables were statistically significant but not normally distributed. The condition for normally distributed data according to Saunders *et al.* (2012) is that the probability value must be greater than 0.05. This is because the dependent variable categories were ordinal (ranked). Ordinal data is frequently skewed or multimodal, so violates the assumption of normal distribution (Ghosh *et al.*, 2018). The dependent variable was measured on a five-point Likert scale.

# 4.6.2 Multi-collinearity Test

The Variance Inflation Factor was utilized to check for multi-collinearity (VIF).

Results are shown in Table 4.9 below.

**Table 4.9: Collinearity diagnostics** 

Mode	el	Tolerance	VIF
1	CprM	.795	1.259
	ICBA	.733	1.365
	ECBA	.851	1.175

a. Dependent Variable: TPP

Source: Research Data (2022)

The results show that none of the VIF values were greater than 5, the values ranged from 1.175 to 1.365. Following the general rule of thumb for interpreting VIFs, a value of 1 indicates that there is no correlation between a particular predictor variable and other predictor variables in the model. Therefore, multicollinearity is not a problem in the regression model

# 4.6.3 Parallel lines/Proportional odds Test

The data were checked for proportional odds assumptions. Results are shown in Table 4.10 below

Table 4.10: Test of Parallel Lines<sup>a</sup>

	-2 Log			
Model	Likelihood	Chi-Square	df	Sig.
Null Hypothesis	649.385			
General	382.380 <sup>b</sup>	267.006 <sup>c</sup>	27	.000

The null hypothesis states that the location parameters (slope coefficients) are the same across response categories.

Source: Research Data (2022)

Results of the test of Parallel lines (Proportional odds) indicate statistical significance (p=0.000), which indicates that the assumption is not satisfied. The generalized ordered logistic regression model relaxes the Proportional Odds assumption by

allowing the effect of each explanatory variable to vary across different cut points of the ordinal outcome variable without data restructuring (Williams, 2006). This assumption basically means that the relationship between each pair of outcome groups does not have to be necessarily the same.

#### **4.7 Correlation Results**

The result in Table 4.11 shows the correlation between the study variables.

**Table 4.11: Correlation Matrix** 

						ECB
			TPP	CprM	ICBA	A
Spearman's rho	Tourist purchasing decision-making process (TPP)	Correlation Coefficient	1.000	.298**	.413**	.313**
		Sig. (2-tailed)		.000	.000	.000
		N	185	185	185	185
	Customer preference management (CprM)	Correlation Coefficient	.298**	1.000	.284**	.225**
		Sig. (2-tailed)	.000		.000	.002
		N	185	185	185	185
	Internal customer- business alignment (ICBA)	Correlation Coefficient	.413**	.284**	1.000	.295**
		Sig. (2-tailed)	.000	.000		.000
		N	185	185	185	185
	External Customer- business alignment (ECBA)	Correlation Coefficient	.313**	.225**	.295**	1.000
		Sig. (2-tailed)	.000	.002	.000	
		N	185	185	185	185

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data (2022)

The correlation results in Table 4.11 above show that customer preference management had a statistically significant positive correlation with the tourist purchasing decision process (r = 0.298, p = 0.000). This is the least strong relationship (Cohen, 1988), but it does not alter the interpretation of the significant relationships in

a regression model. These results confirmed those of Kütük (2016), Kaushik & Xu (2016), and Hashem (2020), who discovered that with efficient customer preference management tools, the company can understand the internal and social determinants that influence tourist expectations, such as B. the personality, attitude, willingness, cultural climate, basic needs and requirements, values, and other factors that influence tourist purchasing decisions.

Furthermore, there was a moderate correlation (r = 0.413, p = 0.000) between internal customer-business alignment and tourist purchase decision-making process, but this does not alter the interpretation of the significant relationships in a regression model (Cohen, 1988). These results confirmed those reported by Shah *et al.* (2006), Smith & Bolton (1998), and Gallouj (2002) who found that internal customer business alignment improves visitor experience, creates more potential value, and increases customer retention and repurchase and repeat purchase rates by consumers, all associated with the purchase of the Customers communicate decision.

Furthermore, there was a low correlation between the external customer-business alignment and the tourist purchasing decision-making process (r = 0.313, p = 0.000). This does not change the interpretation of the significant relationships in a regression model (Cohen, 1988). The studies by Berger *et al.* (2005) and Rinder & Moorman (2003) show that external integration emphasizes the importance of supply chain alignment and collaboration (including co-design) in ensuring customer satisfaction. Customer satisfaction is related to the customer's purchasing decision, as is the level of satisfaction or dissatisfaction based on past experiences, perceptions, and attitudes that influence the customer's purchasing decision-making process

# **4.8 Regression Results**

Ordinal regression analysis was used to investigate whether the customer-centric approach through its components: customer preference management and internal and external customer business alignment can be used to explain understanding of the tourism purchasing decision process in tour operators. The summary of case processing, as shown in Table 4.12 below, clearly indicates the proportion of cases that fall into each level of the dependent variable (tourist purchase decision-making process).

**Table 4.12: Case processing summary** 

		N	Marginal Percentage
TPP	2.80	21	11.4%
	3.00	18	9.7%
	3.20	22	11.9%
	3.40	32	17.3%
	3.60	21	11.4%
	3.80	20	10.8%
	4.00	16	8.6%
	4.20	13	7.0%
	4.40	16	8.6%
	4.60	5	2.7%
	4.80	1	0.5%
Gender of the respondents	Male	114	61.6%
	Female	71	38.4%
Duration of company	<3 years	16	8.6%
operations	4 - 6 years	46	24.9%
	7 - 12 yers	88	47.6%
	13+	35	18.9%
ownership of the company	Tanzania	111	60.0%
	Foreign	52	28.1%
	International Joint venture	22	11.9%
Valid	185	100.0%	
Missing	0		
Total	185		

Source: Research Data (2022)

A customer-centric approach proved to be a good predictor for understanding the tourist purchasing decision-making process [ $x^2(3) = 64.289$ , p<0.001]. The p-value of 0.000 in the model fit information table 4.13 below was less than the threshold p-value of 0.05, indicating that the overall model was statistically significant.

**Table 4.13: Model fitting Information** 

	-2 Log			
Model	Likelihood	Chi-Square	df	Sig.
Intercept Only	713.674			
Final	649.385	64.289	3	.000

Link function: Logit.

Source: Research Data (2022)

Table 4.14 on the Pearson and Deviation Chi-Square test results below confirms more about how well the model fits the data set. The table shows that both the Pearson chi-square test  $[x^2(1027) = 1061.107, p= 0.547]$  and the deviance test  $[x^2(1027) = 561.486, p= 1.033]$  according to Field (2018) both were non-significant. and Petrucci (2009) non-significant test results are indicators that the model fits the data well

**Table 4.14: Goodness of Fit** 

	Value	Df	Value/df
Deviance	561.486	1027	.547
Scaled Deviance	561.486	1027	
Pearson Chi-Square	1061.107	1027	1.033
Scaled Pearson Chi-Square	1061.107	1027	
Log Likelihood <sup>b</sup>	-324.693		
Akaike's Information Criterion (AIC)	675.385		
Finite Sample Corrected AIC (AICC)	677.514		
Bayesian Information Criterion (BIC)	717.250		
Consistent AIC (CAIC)	730.250		

Dependent Variable: TPP

Model: (Threshold), CprM, ICBA, ECBA

Source: Research Data (2022)

The Nagelkerke value of 0.297 in Table 4.15 below, confirmed more about how effective the approach was as a good predictor for understanding tourists' purchasing decision-making process. This implies that the 29% change in understanding of the tourism purchasing decision process is the result of customer-centric approach, with the following components: customer preference management and internal and external customer business alignment.

**Table 4.15: Pseudo R-Square** 

Cox and Snell	.294
Nagelkerke	.297
McFadden	.077

Source: Research Data (2022)

The regression coefficients in Table 4.16 below indicated that customer preference management and understanding the tourist purchasing decision process were positively and significantly associated (=0.568, p=0.048). This implies that for every one unit increase in customer preference management on tourist insights, there is a predicted increase in understanding of the tourist purchasing decision process by 0.568 units. The results were consistent with those of Naidu and Mashanda (2017) and Fader (2020), who found that understanding the tourist purchasing decision-making process, begins with the firm's ability to identify tourists' needs and interests. Customer preference management on tourist insights all have a major impact on understanding the process, with the needs recognition phase being the most affected.

Furthermore, internal customer-business alignment and tourist purchasing decision-making process were positively and significantly related (=1.232, p=0.000). This implied that a 1-unit increase in internal customer business alignment would result in a 1,232-unit improved understanding of the tourist purchasing decision-making

process. These results confirmed those reported by Shah *et al.* (2006), Smith & Bolton (1998), and Griffin (1995) who found that internal customer-business alignment improves visitor experience, creates more potential value, and increases customer retention. Therefore, internal cross-departmental convergence would have an impact on understanding the tourist purchasing decision process as a result of customer loyalty and service inventiveness.

The results also showed that external customer-business alignment and the purchasing decision-making process for tourists were positively and significantly related (=0.548, p=0.024). This implies that for every one unit increase in external customer-business alignment, there is a projected increase in understanding of the tourist purchasing decision process by 0548 units. These results confirmed those of Berger *et al.* (2005) and Rinder & Moorman (2003) who found that the external integration of requirements, goals, and measures of tourist satisfaction has an impact on understanding the customer's purchasing decision-making process. Customer satisfaction is related to the customer's purchasing decision as a degree of satisfaction or dissatisfaction based on past experiences, perceptions and attitudes.

**Table 4.16: Parameter Coefficients** 

				95% V	Wald					95% Wal	d Confidence
				Confidence	e Interval	Нурс	othesis T	est		Interval	for Exp(B)
			Std.			Wald Chi-					
Parameter		В	Error	Lower	Upper	Square	df	Sig.	Exp(B)	Lower	Upper
Threshold	[TPP=2.80]	6.881	1.267	4.398	9.363	29.515	1	.000	973.290	86.210	10988.166
	[TPP=3.00]	7.956	1.309	5.389	10.522	36.915	1	.000	2852.106	227.021	35831.483
	[TPP=3.20]	8.850	1.346	6.213	11.488	43.252	1	.000	6976.715	508.733	95678.023
	[TPP=3.40]	9.754	1.375	7.059	12.449	50.336	1	.000	17224.617	1188.213	249692.158
	[TPP=3.60]	10.282	1.388	7.560	13.003	54.837	1	.000	29189.598	1969.426	432629.838
	[TPP=3.80]	10.829	1.401	8.084	13.575	59.766	1	.000	50467.662	3331.135	764599.647
	[TPP=4.00]	11.367	1.412	8.600	14.134	64.830	1	.000	86449.055	5586.954	1337658.905
	[TPP=4.20]	11.953	1.424	9.162	14.744	70.474	1	.000	155264.311	9810.581	2457245.564
	[TPP=4.40]	13.381	1.472	10.496	16.266	82.637	1	.000	647493.580	37266.254	11250069.087
	[TPP=4.60]	15.207	1.725	11.826	18.588	77.721	1	.000	4020473.002	138085.188	117059645.546
CprM		.568	.288	.004	1.131	3.895	1	.048	1.764	.986	3.155
ICBA		1.232	.236	.769	1.695	27.203	1	.000	3.428	2.155	5.453
ECBA		.548	.243	.072	1.024	5.095	1	.024	1.730	1.073	2.790
(Scale)		1 <sup>a</sup>									

Dependent Variable: TPP

Model: (Threshold), CprM, ICBA, ECBA

a. Fixed at the displayed value.

Column exp(B) in Table 4.16 above contains the odds ratio reflecting the multiplicative change in the probability of being in a higher category of the dependent variable for each unit increase in the independent variable, with the remaining independent variables held constant. The odds ratio indicates that the likelihood of being at a higher level in understanding the tourist purchasing decision process increases by a factor of 1.764 for each unit increased in customer preference management. According to Williams (2006) an odds ratio > 1, an increasing probability indicates that the dependent variable is at a higher level as the values of an independent variable increase

Furthermore, the odds ratio shows that the likelihood of being at a higher level in understanding the tourist purchasing decision-making process increases by a factor of 3.428 for each unit increased in internal customer-business alignment. Furthermore, the odds ratio indicates that the likelihood of being at a higher level in understanding the tourist purchasing decision process increases by a factor of 1.730 for each unit increased in external customer-business alignment.

### 4.9 Hypothesis Testing

### 4.9.1 Test of Hypothesis One

**H**<sub>01</sub>: Customer preference management has no influence on tour operators' understanding of the tourist purchasing decision-making process.

The regression results for the customer preference management and tourist purchasing decision process in Table 4.16 above showed that the p-value = 0.048. The decision rule for the hypothesis test was to reject  $H_{01}$  if p-value < 0.05. This hypothesis was rejected because the p-value was less than 0.05 (p<0.05). These results are consistent with Naidu and Mashanda (2017) and Fader (2020), who found a significant positive

statistical association between customer preference management and tourists' purchasing decision-making process

### 4.9.2 Test of Hypothesis Two

H<sub>02</sub>: Internal customer-business alignment has no influence on tour operators' understanding of the tourist purchasing decision-making process

The regression results for internal customer-business alignment and tourist purchasing decision making process on Table 4.16 above revealed that the p value =0.000. The decision rule for hypothesis testing was to reject  $H_{02}$  if p value<0.05. This hypothesis was rejected since the p value was less than 0.05 (p<0.05). These findings agreed with Shah *et al.* (2006), Bolton (1997) and Griffin (1995) who found a substantial positive statistical link between internal customer-business alignment and tourist purchasing decision-making process.

### 4.9.3 Test of Hypothesis Three

**H**<sub>03</sub>: External customer-business alignment has no influence on tour operators' understanding of the tourist purchasing decision-making process.

The regression results for external customer-business alignment and tourist purchasing decision making process on Table 4.16 above revealed that the p value = 0.024. The decision rule for hypothesis testing was to reject H<sub>03</sub> if p value<0.05. This hypothesis was rejected since the p value was less than 0.05 (p<0.05). These findings agreed with Berger *et al.* (2005) and Rinder & Moorman (2003 who found a substantial positive statistical link between external customer-business alignment and tourist purchasing decision-making process. Table 4.17 below shows the summary of the hypothesis tests results.

**Table 4.17: Summary of Hypothesis Test** 

Hypothesis	Accept/Reject
Customer preference management has no influence on	Reject
tour operators' understanding of the tourist purchasing	
decision-making process	
Internal customer-business alignment has no influence on	Reject
tour operators' understanding of the tourist purchasing	
decision-making process	
External customer-business alignment has no influence	Reject
on tour operators' understanding of the tourist purchasing	
decision-making process	
	Customer preference management has no influence on tour operators' understanding of the tourist purchasing decision-making process  Internal customer-business alignment has no influence on tour operators' understanding of the tourist purchasing decision-making process  External customer-business alignment has no influence on tour operators' understanding of the tourist purchasing

Source: Data Survey, 2022

### **CHAPTER FIVE**

### SUMMARY CONCLUSION AND RECOMMENDATIONS

### 5.1 Introduction

The purpose of this chapter is to provide, integrate, and discuss the results and relate them to previous research. A summary of the results of each of the variables related to the topic is also presented here. Concluding statements on the goals and corresponding hypotheses are made. Relevant recommendations for further studies are also made to fill observed knowledge gaps that are beyond the scope of this study in terms of text coverage and resources, including time. Further recommendations for raising awareness and capacity building for potential users of the customer-centric approach, mainly tour operators, are given in this chapter.

### 5.2 Summary of the Study Findings

## 5.2.1 Influence of Customer Preference Management on tour operators' understanding of the tourist purchasing decision-making process

Tourists have recently become active contributors to the items and services they buy and use. In order to better serve the market than the competition, tour operators need access to a wealth of data about customers' existing and latent needs and desires, and the factors influencing their fulfillment. Understanding its market is now a crucial part of any company's business, which requires proactive data collection and analysis. The results, which are confirmed by studies by Naidu & Mashanda (2017) and Fader (2020), showed that a customer-centric approach through the management of customer preferences had a positive influence on understanding the purchasing decision-making process of tourists, need recognition stage being the most affected. This illustrates the influence of customer preference management on the process of determining customer needs. The premise behind this notion is that when a company

uses a customer preference management approach, they are simply trying to gather as much information about the consumer as possible. It appears that the company is building its own customer database based on the interests and knowledge of its customers that it has gathered through data collection.

By using technology to manage customer preferences to collect tourist insights information on an enterprise-wide level, it allows the employee to understand changes and elements influencing the decision-making process for tourist purchases in the market, such as attitudes and conventions as well as geographic diversity. The company can capture both the internal and social elements that influence tourist expectations, such as personality, attitude, readiness, cultural climate, basic needs and requirements, and values. Since there are few research studies on customer intelligence strategies in tour operators, these results will be helpful to most tour operators who have found them difficult to apply.

### 5.2.2 Influence of Internal Customer-business Alignment on tour operators' understanding of the tourist purchasing decision-making process

The results showed that the customer-centric approach through internal integration had a significant influence on understanding the tourism purchasing decision-making process. Internal integration largely ensures that customer preferences are managed effectively to more effectively target current customers, and that consumers can customize and personalize the service to meet their own needs and preferences through customer-business alignment with corporate strategy and internal resource management. This improves visitor convenience, expands potential value and strengthens customer loyalty.

According to Griffin (1995), exposing customers to a high-quality customer interface improves their loyalty to the company and the repurchase and repurchase rate of consumers (Chang & Chen, 2009). Therefore, as a result of customer loyalty and service inventiveness, internal cross-departmental convergence would affect the tourist purchasing decision-making process.

The customer-centric notion is not new; most tour operators are familiar with it, and it's perhaps the most hotly debated marketing term. The problem lies in the implementation. The study identified some of the problems, including the existence of data silos, a business culture that is not aligned with customer expectations, a lack of proper customer data management systems, and insufficient competence in data analysis; On-site data specialists who can translate consumer data into knowledge that can be used for customer-centric incentives; and data experts who can transform consumer data into knowledge that can be leveraged for customer-centric rewards. If the company is able to overcome these obstacles, it will gain a competitive advantage.

## 5.2.3 Influence of External Customer-business Alignment on tour operators' understanding of the tourist purchasing decision-making process

The external integration ensures that customer preferences are effectively managed to target current customers, allowing customers to tailor and personalize the service to their own needs and preferences by providing information on tourist satisfaction requirements, the goals of the tourist satisfaction and the measurement of tourist satisfaction (Lau *et al.*, 2010). External integration is all about collaboration, engagement and communication between external groups (customers and suppliers) and the new product development team.

The level of satisfaction or dissatisfaction, based on previous experiences and attitudes, strongly influences customers' purchase intentions (Gupta and Stewart, 1996). With a customer-centric approach through external integration around customer satisfaction, it is possible to create pleasant, consistent customer experiences and build genuine customer loyalty, all of which require a thorough understanding of the tourism purchasing decision-making process.

The study results showed that the targeting of external companies had a significant impact on understanding the tourist purchasing decision-making process, however, the transparency and access to information related to tourism information management provided by the external integration are insufficient, which is a significant constitutes an obstacle to integration. Most tour operators fail to provide transparency and access to external key players in tourism information management as the tour operator business is extremely competitive; Its success is based on the secrecy of internal business processes related to tourist satisfaction.

### 5.3 Conclusion

According to the results, customer preference management has a favorable and significant influence on tour operators' understanding of the purchasing decision-making process of tourists in Arusha, Tanzania. In addition, managing customer preferences in terms of tourist profile insights, tourist insights into travel patterns, leisure and recreation preferences, spending habits, and destinations, and the way they source information, improves tour operators' understanding of the tourist purchasing decision-making process. The null hypothesis that there is no significant impact of customer preference management on tour operators' understanding of the purchasing decision-making process of tourists in Arusha, Tanzania, was rejected based on the

regression results. Therefore, it is likely that tour operators' understanding of the tourist purchasing decision-making process will increase as a result of the effectiveness of customer preference management based on tourism insights.

The study found that internal alignment between customers and companies has a favorable and significant influence on tour operators' understanding of the purchasing decision-making process of tourists in Arusha, Tanzania. In addition, aligning business strategy and internal resource management with tourist satisfaction improves tour operators' understanding of the tourist purchasing decision-making process. The null hypothesis that there is no significant impact of internal customer business orientation on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania, was rejected based on the regression results. Therefore, there is a likelihood that tour operators' understanding of the tourist purchasing decision-making process will increase as a result of the effectiveness of internal business alignment with tourists' satisfaction.

The study found that external alignment between customers and companies has a favorable and significant influence on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania. In addition, the company's alignment with external key stakeholders on tourist satisfaction requirements, tourist satisfaction goals, and tourist satisfaction measurement, and achieving tourist satisfaction together, improves tour operators' understanding of the tourist purchasing decision-making process. The null hypothesis that there is no significant impact of external customer business orientation on tour operators' understanding of the tourist purchasing decision-making process in Arusha, Tanzania, was rejected based on the regression results. Therefore, tour operators' understanding of the tourist purchasing

decision-making process is likely to increase as a result of effective external business targeting tourists' satisfaction.

### **5.4 Recommendations**

From the study findings, customer preference management has a positive and significant association with tour operators' understanding of tourist purchasing decision-making process in Arusha, Tanzania. Therefore, customer preference management on tourist insights should be efficient. Tour operators should invest in customer preference management tools so as to be able to collect tourist insight information on an enterprise-wide level. This will allow the employee to understand changes and elements influencing the decision-making process for tourist purchases in the market, such as attitudes and conventions as well as geographic diversity. The company should capture both the internal and social elements that influence tourist expectations, such as personality, attitude, readiness, cultural climate, basic needs and requirements, and values. This will enhance a thorough tour operator's understanding of tourist purchasing decision-making process.

The study results indicate that in Arusha, Tanzania, internal customer business alignment has a positive and significant association with tour operators' understanding of the tourist purchasing decision-making process. Therefore, the business culture of tour operators should be aligned with the satisfaction of tourists. In addition, tour operators should invest in proper customer data management and analysis systems. They should employ on-site data specialists who can translate consumer data into knowledge that can be used for customer-facing incentives and data experts who can transform consumer data into knowledge that can be leveraged for customer-focused

rewards. This will improve tour operators' thorough understanding of the tourist purchasing decision-making process.

The study results indicate that the external customer-business alignment in Arusha, Tanzania, has a positive and significant association with tour operators' understanding of the tourist purchasing decision-making process. Therefore, targeting external companies has a significant impact on tour operators' understanding of the tourist purchasing decision-making process. Tour operators and key external players should be transparent; all should have access to information on tourism insights to enable smooth integration into tourist satisfaction.

### 5.5 Recommendations for Theory, Policy and Practice

The results of this study recommend the implementation of a customer-centric approach in tourism companies, where the first step is to learn tourist preferences and special and important dates based on customer information from previous visits or stays. This includes entering into tourism partnerships and aligning the organizational culture with individualization. Each customer must be treated individually, with careful attention paid to the selection of the relevant information to be provided and collected for each of them, as well as the communication methods used. Although financial incentives seem to be the most common method of customer retention, it is crucial that retention strategies are based on the emotional and satisfied connection of customers.

The study results show that the integration of both internal and external customerrelated key attributes as part of the approach is crucial for a customer-centric company. However, tour operators should work with key external actors to process the information collected in the area of customer preferences in order to customize the service, target existing customers, and give them the opportunity to adapt to and meet their own needs and expectations. It also includes IT, data specialists, and human behavior specialists to effectively transform consumer data into knowledge that can be used to deliver customer-centric rewards and enhance positive tourism experiences. The results also serve as a point of reference for other academics conducting research related to this study as well as a framework for policymakers developing strategies on price controls, subsidies, and consumer protection.

### 5.6 Recommendation for Further Studies

Although the results of the study indicate that the customer-centric approach has a significant influence on tour operators' understanding of the tourist purchasing decision-making process through the management of customer preferences and the internal and external alignment between customers and companies, various gaps regarding its adoption and implementation remain. Therefore, further studies should be conducted to assess the strengths, weaknesses, opportunities, and challenges (SWOC analysis) inside and outside of travel companies in order to effectively implement the approach in the tourism industry in Tanzania. The study can further examine the capacity needs analysis (CNA) among the tour operators in Tanzania. The CNA report to be produced will be used for capacity building for some companies, followed by short- and long-term follow-ups that will form the basis for expansion for many other companies, both domestically and internationally.

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### **APPENDICES**

# Appendix I: Questionnaire for a Study on the Influence of Customer-Centric Approach on Tourist Purchasing Decision-Making Process

### Dear Respondent;

Request for research data

I am Blandina Shemwetta, a postgraduate student of Moi University Kenya, School of Tourism, Hospitality and Events management with a registration number STHE/PTT/001/18. I am carrying out a Master thesis research on the influence of Customer-centric approach on understanding tourist purchasing decision-making process. I hereby request for overall support from the respondents participating in the data collection process. The responses provided will be handled confidently and will be used for academic purpose only.

Qu	estionnaire No.:
SE	CTION A: DEMOGRAPHIC CHARACTERISTICS OF A RESPONDENT
Ple	ase tick in the appropriate box
1.	Gender: (1)Male (2) Female
2.	For how long has your firm being operating? (1) < 2 years 2) 2 –5 years
	(3) $6-10$ (4) $11-15$ (5) $16-20$ (6) $> 20$ years
3.	Type of ownership of the company: (1) State owned
	(3)Collectively owned (4) International joint venture (5) other

### SECTION B: CUSTOMER PREFERENCE MANAGEMENT

4. For each of the statements below, please indicate the extent of your agreement or disagreement by placing a tick in the appropriate column.

**KEY:** 1. Strongly Disagree (SD), 2. Disagree (D), 3. Neutral (N), 4. Agree (A) and 5. Strongly Agree (SA)

Statement::	1	2	3	4	5
i)Collecting and managing tourist profile insights uncovers tourist needs and expectations					
ii)Collecting and managing tourist insights on travel patterns uncovers tourist needs and expectations					
iii)Collecting and managing tourist insights on leisure/recreation interests uncovers tourist needs and expectations					
iv)Collecting and managing tourist insights on spending habits and priorities uncovers tourist needs and expectations					
v)Collecting and managing tourists insights on how they obtain their information uncovers tourist needs and expectations					

### SECTION C: INTERNAL CUSTOMER-BUSINESS ALIGNMENT

5. For each of the statements below, please indicate the extent of your agreement or disagreement by placing a tick in the appropriate column.

**KEY:1**. Strongly Disagree (SD), **2.** Disagree (D), **3**. Neutral (N) **4**. Agree (A) and **5**. Strongly Agree (SA)

Statement	1	2	3	4	5
i)Company's business strategy is structured					
around tourist satisfaction					
ii)Company's internal resource management					
decisions is designed around tourist satisfaction					

### SECTION D: EXTERNAL CUSTOMER-BUSINESS ALIGNMENT

6. For each of the statements below, please indicate the extent of your agreement or disagreement by placing a tick in the appropriate column.

**KEY:1**. Strongly Disagree (SD), **2.** Disagree (D), **3**. Neutral (N) **4**. Agree (A) and **5**. Strongly Agree (SA)

Statement:	1	2	3	4	5
i) Company integrates with key external players on tourist satisfaction requirement					
ii)Company integrates with key external players on tourist satisfaction goals					
ii)Company integrates with key external players on tourist satisfaction measurement					
iii)Company integrates with key external players on achieving tourist satisfaction collectively					

### SECTION E: TOURIST PURCHASING DECISION-MAKING PROCESS

7. For each of the statements below, please indicate the extent of your agreement or disagreement by placing a tick in the appropriate column.

**KEY:** 1. Strongly Disagree (SD), 2. Disagree (D), 3. Neutral (N), 4. Agree (A) and 5. Strongly Agree (SA)

Statement: :	1	2	3	4	5
i)General understanding of tourist's need recognition stage					
ii)General understanding of tourist's information search					
stage					
ii)General understanding of tourist's pre-purchase					
evaluation of alternatives stage					
iii)General understanding of tourist's purchasing decision					
and action stage					
v)General understanding of tourist's post-purchase					
evaluation stage					

Thank you for participating on this survey

### **Appendix II: Plagiarism Awareness certificate**

SR106



### THESIS WRITING COURSE

### PLAGIARISM AWARENESS CERTIFICATE

This certificate is awarded to

### BLANDINA DUNSTAN SHEMWETTA

### STHE/PTT/001/18

In recognition for passing the University's plagiarism

Awareness test with a similarity index of 08% and

Striving to maintain academic integrity.

Awarded by:



Prof. John Changách, CERM-ESA Project Leader

25th /08/2022

### **Appendix III: Research Letters**



M STEEL SOUTH OF SKILLER HE BOUNDED MOI UNIVERSITY

ISO 9001:2015 Certified Institution
SCHOOL OF TOURISM, HOSPITALITY & EVENTS MANAGEMENT

Telephone: 0771-296270/0790850990

Box 3900 ELDORET Kenya

Fax: (053) 43047 E-mail: deansthe@mu.ac.ke Ref: MU/STHE/SGS/23

3rd April, 2019

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TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RECOMMENDATION LETTER FOR BLANDINA DUNSTAN SHEMWETTA RE: -STHE/PTT/001/18

The above named is a bonafide student of Moi University, School of Tourism, Hospitality and Events Management. She is pursuing a Master of Science in Travel and Transport Service Management degree in the Department of Travel and Tour Operations Management.

She has successfully completed her course work and has defended her proposal titled "The influence of Customer -Centric Approach on Tourist Buying Behavior in Tour Operating Companies in Arusha, Tanzania". Ms. Shemwetta has been allowed to proceed to the field for data collection.

Any assistance accorded to her will be appreciated.

there that Yours faithfully, Total Manager of the

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SCHOOL OF TOURISM, HOSPITALITY
SEMENTS MANAGEMENT
PROF DAMOUNIVERSITY LETT

DEAN, SCHOOL OF TOURISM, HOSPITALITY & EVENTS MANAGEMENT



### MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY. SOKOINE UNIVERSITY OF AGRICULTURE OFFICE OF THE VICE-CHANCELLOR



Date: 28th March, 2019

P.O Box 3000, CHUO KIKUU, MOROGORO, TANZANIA. Phone: +255 (023) 2640006/7/8/9, Direct Line: +255 (022640023,Fax: +255 (023) 2640016, E-mail: vc@sua.ac.tz Website: https://www.sua.ac.tz

Please refer to:

Our Ref. SUA/DPRTC/R/8/10

The Regional Administrative Secretary, P. O. Box 650, ARUSHA.

### Re: UNIVERSITY RESEARCHERS CLEARANCE

The Sokoine University of Agriculture was established by Universities Act No.7 of 2005 and SUA Charter of 2007 which became operational on 1<sup>st</sup> January 2007 repealing Act No.6 of 1984. One of the mission objectives of the University is to generate and apply knowledge through research. For this reason the staff, students and researchers undertake research activities from time to time.

To facilitate the research function, the Vice Chancellor of the Sokoine University of Agriculture (SUA) is empowered to issue research clearance to staff, students, research associate and researchers of SUA on behalf of the Government of Tanzania and the Tanzania Commission for Science and Technology.

The purpose of this letter is to introduce to you Ms. Blandina Dunstan Shemwetta a bonafide MSc. student in Travel an Transport Service Management at Moi University, Kenya and Academic Staff of Sokoine University of Agriculture. By this letter Ms. Blandina Dunstan Shemwetta has been granted clearance to conduct research in the country. The title of the research in question is "The influence of customer-centric approach on tourist buying behaviour in tour operating companies in Arusha, Tanzania".

The period for which this permission has been granted is from April, 2019 to June, 2019. The research will be conducted in Arusha Region.

Should some of these areas/institutions/offices be restricted, you are requested to kindly advice the researcher(s) on alternative areas/institutions/offices which could be visited. In case you may require further information on the researcher please contact me.

We thank you in advance for your cooperation and facilitation of this research activity.

Yours sincerely,

Prof. Raphael T. Chibunda VICE CHANCELLOR

Copy to: Student - Blandina Dunstan Shemwetta - Researcher