

---

**TOUR COMPANY AND GROWTH OF THE TOURISM SECTOR IN UGANDA. A CASE STUDY AFRICA  
ADVENTURE VACATIONS**

**1 Najjuma Juliet, 2 Amana Gibson, 3 Musiimenta Nancy**

**1, 2, 3 Metropolitan International University**

**ABSTRACT**

This research report study aimed to investigate the “examining the impact of tour company on the growth of the tourism sector in Uganda. a case study Africa adventure vacations”. Questionnaires were used to collect data under a case study research design. Qualitative and quantitative means were used to analyze the data. The objectives of the study used were; to find out the positive contribution of Tour company towards the growth of tourism in Uganda, to determine the challenges faced by Tour company in the tourism industry, to establish strategies used by Tour companies in the tourism industry to cope with challenges arising from government regulations. To achieve this objective, the study sampled 60 respondents because it is large enough compared to the study population, the respondents were selected using simple random sampling method, It was important because it gave the researcher freedom to select certain respondents with in-depth knowledge regarding the issue under investigation. On economic development, 57% strongly agreed that tour companies had led to economic development through creation of wealth from which community benefits are realized, 25% to agreed, while 5 % were undecided and 8% disagreed while 5% strongly disagreed with the statement. The researcher recommended that despite tour company’s’ positive contributions and challenges that they face in the process of promoting tourism in Uganda, they would also use the following measures in order to avoid these challenges and also maximize the positive contributions.

Key words: **TOUR COMPANY, GROWTH and TOURISM SECTOR**

**Background of the study**

Tourism is a sector of multiple, but related industries and so, by necessity; strategy operates at different levels (local, regional, national) (Frank et al., 2023). In turn, it can be analyzed for the school of strategy adopted, its focus and content, its governance including the structures in which it occurs (Hall, 2000), the processes employed, the participants in these processes and timeframes (Ivan & Kazaara, 2023). The focus of strategy or „what it is about“ may be tourism infrastructure and land use; destination management or the corporate, business and functional activities of tourism organizations (Nicholas et al., 2023). According to the Uganda National Bureau of Statistics, UNBS (2012) there were 1.82 million visitor arrivals in 2011 with earnings of Ksh.97.9 billion from the tourists (Christopher & Micheal, 2022). Also in regards to the tourist numbers according to countries, the Uganda tourism ministry website, in 2010 United Kingdom was leading in terms of arrivals with 174,051 followed by United States 107,842 while Italy and Germany took third and fourth positions at 87,694 and 63,011. France took the fifth position with 50,039 visitors. Uganda topped the African market with 33,900 followed by South Africa 33,076 and Tanzania

**Received: 13.10.2023**

**Accepted: 17.10.2023**

**Published on: 30.10.2023**

---

***Corresponding: Author: [research.miu.ac.ug/publications](mailto:research.miu.ac.ug/publications)***

---

with 30,264 (Damasus et al., 2023). From Asian markets, India led with 47,611 arrivals followed by China 28,480 and UAE 14,874. This shows the importance of the sector towards the development of the country and the attainment of vision 2030. The then minister for tourism Hon. Balala lamented the decline of cruise tourism which recorded only 508 arrivals as compared to 12,096 received in 2009. He blamed insecurity along the Indian Ocean for this decline (Ntirandekura & Christopher, 2022).

**Statement of the problem;**

Despite the increasing emphasis on objective to put in place so as to improve on Tour Company's performance in Uganda, most of local government's had failed to perform to the public expectation (Emmanuel et al., 2023). Many tour companies and sites still face a bigger challenge like data duplication, reduced online credibility, less convenient booking procedures due to Covid 19 hence affecting their performance. The presence of tour companies failing to perform in Uganda is being manifested in poor working relations, among the government and tour operators, poor communication (Kazaara & Kazaara, 2023), low morale and high rate of labor turnover which in turn has affected the tourism sector in Uganda. Despite government's effort to put in place regulations to all stakeholders to govern the sector in order to ensure efficiency tour companies still face a lot of challenges. Thus, this research seeks to examine the impact of Tour Company on the growth of tourism sector in Uganda (Christopher & Felex, 2022).

**Specific objective of the study**

- To find out the positive contribution of Tour company towards the growth of tourism in Uganda.
- To determine the challenges faced by Tour company in the tourism industry.
- To establish strategies used by Tour companies in the tourism industry to cope with challenges arising from government regulations.

**Methodology****Research design**

The study used a descriptive design based on questionnaires that is a cross sectional design that was conducted at a single place in time and will focus on the research under study (Amin 2005). It also gives descriptive analysis of respondent's opinions. Data collection using questionnaires was considered important for the study in the area of practical work experience.

**Received: 13.10.2023****Accepted: 17.10.2023****Published on: 30.10.2023**

---

***Corresponding: Author: [research.miu.ac.ug/publications](mailto:research.miu.ac.ug/publications)***

**The population size and area of the study**

According to Borg et al (1996), population refers to the biggest cluster that researchers desire to study. The target population of the research proposal was 90 respondents in and around Africa Adventure Vacations Kamwokya, Kampala, Uganda. The sample included both men and women Tour company in that organization.

**Sample size determination**

According to Cochran (1963), a sample size is determined by the level of precision, the confidence level, and the degree of variability. The samples comprised of 60 respondents in total and was divided as follows. 10 managers, 40 staff personnel and 10 drivers.

**Sample technique**

The researcher implied three sample techniques to carry out this research proposal such as purposive sampling, quota sampling and non-probability technique to get information from the respondents.

**Methods of data collection****Instruments of data collection.**

Both primary and secondary data collection were used to collect data for example questionnaire which means a set of questions were organized in order to obtain information from the respondents. Alternatively, the researcher used questionnaires in the personal interviews as guide to the questions relevant to the study.

**Questionnaires**

This researcher used self-administered questionnaires for the respondents. These were distributed among the staff in their respective departments. The justification for using this instrument was that questionnaires are easy to quantify and analyze. In addition, the questionnaire was used because the study focused on opinions, attitudes, feelings and perceptions of the respondents. Top managers also prefer questionnaires which they could respond to instead of interviews

**Interview guide**

Interview guides were also used especially with the secretariat coordinator, administrative officer and the employees. In this method, the researcher interviewed the employees who are working in Africa Adventure Vacations, Kamwokya Kampala Uganda. The interview focused on influence of tour agent's performance. The written reports, speeches and minutes of the company were given to the researcher to analyze them.

### Validity and Reliability

#### Reliability

Reliability refers to the consistence, stability, or dependability of the data. The reliability of an instrument is increased by identifying the precise data needed and repeated use of the instrument in field testing. In order to ascertain reliability of this study a pilot study will be conducted to administrators whereby questionnaires were distributed to respondents. This was done in order to identify questions that might be unclear to them. The questions that gave ambiguous answers were revised and formatted again so that they can give reliable answers during the final process of data collection.

#### Validity

Validity refers to the extent to which a measurement does what it supposed to do (Kothari, 2003). Data needs not only to be reliable but also true and accurate. If a measurement is valid, it is also reliable but if is reliable, it may or may not be valid. In this study data was computerized and checked for its accuracy to make sure that they gave valid results. Questionnaire that was not correctly filled were dropped out so that they do not give wrong conclusion.

#### Data analysis

Data was analysed in form tables, frequencies and percentages using SPSS (Nelson et al., 2022)

### RESULTS

**Table 1: Positive contributions of tour companies on the growth of tourism**

| Statement            | F  | SA  | F  | A   | F | NS  | F | D   | F | SD  |
|----------------------|----|-----|----|-----|---|-----|---|-----|---|-----|
| Employment           | 25 | 42% | 12 | 20% | 6 | 10% | 8 | 13% | 9 | 15% |
| Economic development | 34 | 57% | 15 | 25% | 3 | 5%  | 5 | 8%  | 3 | 5%  |

|                                      |    |     |    |     |   |     |    |     |    |     |
|--------------------------------------|----|-----|----|-----|---|-----|----|-----|----|-----|
| Promotion of international relations | 26 | 43% | 20 | 33% | 4 | 7%  | 5  | 8%  | 5  | 8%  |
| Foreign exchange earnings            | 17 | 28% | 10 | 17% | 3 | 5%  | 20 | 33% | 10 | 17% |
| Promotion of technology              | 10 | 17% | 15 | 25% | 6 | 10% | 25 | 42% | 4  | 7%  |
| Promotion of infrastructure          | 27 | 45% | 13 | 22% | 2 | 3%  | 12 | 20% | 6  | 10% |

*Source; Primary data, 2022*

In their response as to whether tour companies have contributed positively on the growth of tourism sector, 42% of the respondents strongly agreed to the statement, 20% to agreed, 10% remained undecided, while 13% disagreed and 13% strongly disagree (Tasha et al., 2023b). This is an indication that majority of respondents are in agreement that tour companies have created employment opportunities to people who in turn pay taxes that eventually help in the development of the economy thus leading to the growth of tourism sector (Tasha et al., 2023a). On economic development, 57% strongly agreed that tour companies have led to economic development through creation of wealth from which community benefits are realized, 25% to agreed, while 5 % were undecided and 8% disagreed while 5% strongly disagreed with the statement.

**Table 2: strategies used by Tour companies in the tourism industry to cope with challenges arising from government regulations.**

| Strategies adopted by tour company | F  | SA  | F  | A   | F | NS | F | D  | F | SD |
|------------------------------------|----|-----|----|-----|---|----|---|----|---|----|
| Strategic response                 |    |     |    |     |   |    |   |    |   |    |
| Innovation strategy                | 30 | 50% | 25 | 42% | 5 | 8  | 0 | 0  | 0 | 0  |
| Diversification                    | 25 | 42% | 35 | 58% | 0 | 0  | 0 | 0  | 0 | 0  |
| Vertical integration               | 30 | 50% | 20 | 33% | 5 | 8% | 5 | 8% | 0 | 0  |

According to the table above 50% of the respondents strongly agreed that the most used strategy is innovation strategy, 42 agreed with the statement, 8% were not sure while none neither disagreed nor strongly disagreed. 42%

**Received: 13.10.2023**

**Accepted: 17.10.2023**

**Published on: 30.10.2023**

**Corresponding: Author: [research.miu.ac.ug/publications](mailto:research.miu.ac.ug/publications)**

---

strongly agreed that tour companies use diversification to cope up with the challenges arising from government regulations, while 58% agreed with the statement. While 50% strongly agreed that the most used strategy was vertical integration, 33% agreed, 5% were not sure while 8% disagreed with the statement. However, in conclusion therefore that most used strategy was diversification with 100% of the respondents agreeing with the statement.

### Conclusion

The research shown in the tables and figures above revealed that there are tour companies that are found in Uganda and the major tour companies include Africa adventure vacations, followed by mass market tour operators, domestic tour operators and lastly specialist tour company. The research findings also revealed that there were positive contributions of tour operators in the site including promotion of small-scale business, employment, economic development, promotion of international understanding, foreign exchange earnings, promotion of technology and promotion of infrastructure although the major contribution was employment (Frank et al., 2023). Apart from contributions there are also challenges that tour operators face including political instability, insecurity, lack of awareness, inflation fragility of the site and the major challenge faced by tour operators was the fragility of the site.

### Recommendations

The researcher recommended that despite tour company's positive contributions and challenges that they face in the process of promoting tourism in Uganda, they would also use the following measures in order to avoid these challenges and also maximize the positive contributions.

Poor working relations. This condition can be improved by providing a basis of good communication skill at the tour site and encouraging team work in order to facilitate interactions between the tour operators and the government.

### References

- Christopher, F., & Felex, N. (2022). *Eco-Tourism and Economic Development of People Surrounding Bwindi Impenetrable National Park in Kanungu District*. 6(6), 93–96.
- Christopher, F., & Micheal, M. (2022). *The Role of Tourism on Poverty Reduction of People : A Case Study of Magambo Sub County in Rubirizi District*. 6(5), 23–29.
- Damasus, M., William, O. J., & Sarah, A. (2023). *IMPACT OF SOCIAL MEDIA MARKETING ON THE BUSINESS PERFORMANCE A CASE*. 2(4), 203–212.

Emmanuel, E., Rebecca, N., Kazaara, A. G., & Nicholas, K. (2023). *The Effects Of Job Training On Performance*

Received: 13.10.2023

Accepted: 17.10.2023

Published on: 30.10.2023

---

**Corresponding: Author: [research.miu.ac.ug/publications](mailto:research.miu.ac.ug/publications)**

---

*Of Local Government Employees In ganda : A Case Study Of Molo Sub- County , Tororo District . 7(2), 65–73.*

Frank, M., Nelson, K., Kazaara, A. G., Deus, T., Christopher, F., & Catherine, M. (2023). *The Macroeconomic Determinants of Economic Growth in Uganda a Case Study Of Wakiso Distict. 7(2), 147–159.*

Ivan, N., & Kazaara, A. G. (2023). *The Transport Network System And The Development Of The Tourism Sector A Case Study Of Isingiro District. 7(3), 327–334.*

Kazaara, A. G., & Kazaara, A. I. (2023). *Evaluating The Influence Of Radio Broadcast Media On The Implementation Of Government Programs In Communities . A Case Study Of Top Radio , Kampala. 7(3), 318–326.*

Nelson, K., Christopher, F., & Milton, N. (2022). *Teach Yourself Spss and Stata. 6(7), 84–122.*

Nicholas, K., Nelson, K., Kazaara, A. G., Deus, T., & Moses, N. (2023). *Examining the Influence of Climatic Change Patterns on Tourism Activities in Uganda . A Case Study of Bududa District . 7(2), 72–79.*

Ntirandekura, M., & Christopher, F. (2022). *Impact of Batwa Settlement Patterns on Their Social Economic Development : A Case Study of Kisoro Municipality. 6(6), 2–16.*

Tasha, N. A., Kazaara, A. G., Deus, T., Ismail, L., & Micheal, T. (2023a). *The Impact of Taxation on Small Scale Businesses on Performance of Small-Scale Businesses in Namungoona Parish , Kampala Uganda . A Case Study of Namungoona Parish. 7(3), 174–182.*

Tasha, N. A., Kazaara, A. G., Deus, T., Ismail, L., & Micheal, T. (2023b). *The Impact Of Taxation On Small Scale Businesses On Performance Of Small Scale Businesses In Namungoona Parish , Kampala Uganda. 7(3), 17–26.*