CHAPTER 5

STRATEGIC PLANNING FOR TOURISM ENTERPRISES

5.1 Introduction

The previous two chapters described how tourism demand and supply have increased in South Africa, particularly over the past three to four years. They reflected on the challenges for tourism marketing and promotion associated with this phenomenon. In this chapter, demand, supply and marketing are integrated into a strategic format to reiterate the significance of using strategic planning procedures in the tourism industry.

Strategic planning requires the creation of alternative courses of action in the form of 'strategic alternatives'. The ever-rising demand for tourism services can only be met satisfactorily with the formulation and implementation of the best and most up-to-date market-based strategic plan. The literature reviewed shows that strategic management embraces a strategic plan. This is necessary because it is used when determining the mission, vision, values and the goals of an organisation, while the strategic plan is rather a management tool to effect decisions that will guide organisations towards their intended focus. Therefore, the two concepts tend to be different but intertwined. Pearce and Robinson (1997:3) define strategic management as "*the set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives.*" Normally, the company's objectives would be to achieve high productivity and to gather a competitive edge over competitors.

Olsen, West and Tse (1998) look at strategic planning and strategic management as almost one and the same thing. They refer to the ability of a firm's management structures to align themselves properly with the forces driving

change in the environment in which it competes. This suggests that strategic planning is an order or a set of actions that are organised to shape and guide what an organisation stands for, what it is and why it does what it does (ibid.).

Ulwick (1999) brings a unique perspective to strategic management in the sense that a strategic plan can be used as a mechanism to respond to organisational circumstances in a particular environment at a specific time or stage of organisational growth. This is linked somehow to the endorsement by De Bruyn (cited in Bennett, 2000: 139) that a "*strategic plan is concerned with an organisation's basic direction for the future, its purpose, its ambitions, its resources and how it interacts with the world in which it operates.*" Therefore, for tourism accommodation enterprises, a strategic plan will include activities or actions that enhance the enterprise's mission, matching intentions with resources, and forecasting future direction in terms of customer demands and the necessary steps to meet these through supply.

5.2   The Purpose of a Strategic Plan

The purpose of an organisation's strategic plan could differ slightly from enterprise to enterprise. However, the overall intention is aimed at assisting an organisation improve its work output, focus its workforce and resources and to achieve better levels in terms of performance and market competition. Every strategic plan comes from an effectively functioning process. The strategic planning process would vary according to the size and type of organisation. Thus, it does not follow a definite sequence or hierarchy. It is thus certain that the process has to do with planning, setting goals and deciding on the approaches to be used in order to achieve the set organisational goals.

Different levels of strategy formulation, development and implementation exist. These levels relate to the intention of the strategy. Alberts (2004) identifies three levels of strategic planning, namely, corporate, functional and business (dealt

with in paragraph 5.5). The alternative strategies for an enterprise are typically combinations of these levels. Each level of a strategic plan strives to gain competitive advantage in the market. NSMTA enterprises are driven by the dynamics of market demand. This is particularly necessary because tourism enterprises are exposed to a vibrant market where they need to survive through innovative techniques that will create a sustainable competitive advantage. Innovative action is one of the main sources of sustainable competitive advantages and is achieved through a well-designed strategic plan.

The importance of creativity in the particularly competitive service business environment, where customers cannot experience the quality of service unless they visit the destination, has already been discussed (Chapter 3 and Chapter 4). A further purpose of the strategic plan is also to find some way of managing the uncertain environmental aspects of scenario planning.

5.3   Theories of Strategic Planning

A myriad of business strategy formulation methods, models and theories exist. For example on one hand Smith (2001) suggests that the best way of formulating a strategic plan is for it to be derived from problem identification, meaning that the approaches should be problem based. This is one approach. On the other hand, Oldham, Creemers and Rebeck (2000) regard the purpose and objectives of the enterprise as the foundation for strategic formulation. Their approach is more model-orientated as it brings in a process that is more of a flow chart or a series of rational steps. Pazstor (2001) concurs with Hamel and Prahalad (1994) who stress that different circumstances call for different types of strategic plans. This is where the idea of a strategic plan theory comes in, with the identification of two specific concepts, described as, a 'formal strategic plan' and an 'informal or emergent strategy'.

If one considers the traditional description of a theory as a set of connected statements that are intended to simplify the complexity of reality, the implication is that a strategic plan is not a simple, straightforward management tool that can be easily understood. This is based on the fact that several theories that attempt to explain *how* and *why* a strategic plan is formulated and implemented have been put forward. A few examples are Porter's generic theory (Porter 2001) and Ansoff, (2006) matrix theory (http://www.learnmarketing.net/), which has played a very influential role in the process of strategic planning.

The most recent theory for strategic planning is the so-called 'competency theory' of a corporate strategic plan. It embraces three distinct perspectives of strategic planning, namely, the resource-based, market-based and the competence viewpoints. In simple terms, this means that theories can be considered as yardsticks in the process of strategic planning. A thorough understanding of business, in the context of both its internal and external environments, is basic to the process of formulating a strategic plan that is to be workable. The interaction of the various factors, namely, resources, personnel, target market, competitor and the overall business environment, is crucial for the proper and adequate functioning of an enterprise and for the strategic process planning to succeed.

Theories are based on particular assumptions and as such they have limitations or constraints. They may not always be of general applicability because of the dynamism within the environment in which they are supposed to be adopted. Porter's 1980s model, for example, is one of the most important groundbreaking models used for strategy formulation. However, in some instances, it could be labelled as one of the classical theories that are no longer relevant to contemporary trends and management patterns. This model was based on the manufacturing industry, which was dominant in that era. Recently, services like marketing find they cannot use such a theory in its totality even though the theory still partly retains some of the fundamental principles of strategic planning, as the

market dynamics of demand and supply render part of the theory irrelevant. Yet it cannot be completely ignored.

Traditional strategic planning theories assume that a strategy is a result of an analytical process. In that way, the process of strategic planning develops in phases from the top-down rather than the contemporary trend of the bottom–up approach.

The resource-based view advocated by several scholars (e.g. Hampton, 2003; Lawson, 2003; Kozal and Louisa, 2006) arose as an alternative to the industrial organisation model (Porter, 2001). The resource-based view looks at an enterprise in terms of capacity by assessing the levels and the potential of the enterprise to improve within the ambit of available resources. Resources are defined as a group of possessed or controlled factors presently available or within the reach of an enterprise that can be used to improve performance or enhance progress.

Market-view strategic theories attempt to expand operations but still rely on other traditional models like Heyes and Wheelwright (1985). The traditional models lay the foundation for the market based strategic theories in terms of value chain analysis, benchmarking and SWOT analysis. David (1997) considered different configurations of operations and generic strategies to conclude that market-based strategies are adjustable and able to respond to the rules dictated by market demand. It involves identifying the relevant product mix, aligning the supply to satisfy the customer and sustaining the demand of a product in the market. In this light, competitiveness of a tourism enterprise would therefore depend on the manager's ability to make appropriate choices of business and operational objectives, based on knowledge of market trends. The overall market-based approach can easily link business strategy and marketing strategy in terms of customers' demands and the business' capabilities.

From the literature reviewed it became clear that several scholars see the market-based view and the resource-based view as the two "schools of thought" that form the basis for strategic plan formulation. Both are connected to the theory of strategic formulation (Onkvisit and Shaw, 2004).

A framework for Limpopo's generic tourism strategic plan should thus attempt to integrate traditional theories with contemporary models in order to gain provincial competitive advantage. The best practices in terms of strategic planning can therefore be inferred with the view to maximising success. An integrated approach to a tourism accommodation strategy would yield high returns.

5.4   The Process of Strategic Planning

It has already been eluded that strategic planning is a process and this process does not take a single sequential or hierarchical form. In an environment that is highly competitive, like the tourism business environment, enterprises have no choice but to engage in the complex process of strategic planning. Morgan and Smith (1996:297) define strategic planning as "*the process of formulating and implementing strategies in response to the changed environment so as to ensure the survival and success of an organisation*". Similarly, Pearce and Robinson (1997:17) see strategic planning as "*a process that involves a set of decisions and actions that lead to the formulation and implementation of plans designed to achieve a company's objectives*". Robson (1997:17) sums it up as "*a process of developing and maintaining consistency between the organisation's objectives and resources in a changing environment*".

The recurring emphasis is on the observation that strategic planning is a process. It is a process that is geared toward the future of an organisation, taking cognisance of resources and the surrounding changes from both the macro- and micro-environment. Reviewed literature seems to suggest that NSMTA operators do not regard the process of strategic planning very highly. Jennings and Beaver

(2002) argue that the management process of small firms or enterprises is comparatively unique and bears little or no resemblance to management processes found in larger organisations on which most of the reviewed literature is based.

Issues of cost-effective planning or future forecasting based planning methods are not very popular with survivalist enterprises like NSMTA facilities. On a similar note, Pearce and Robinson (1997) point out that a host of small business plans suffer from the 'little big business' syndrome, which results from applying concepts related to large enterprises on small business applications. This implies that the process of strategic planning should be individualised for each particular business. In other words, a plan for backpacker accommodation may not necessarily be the same as a plan for a lodge or a B&B for that matter. Individual businesses engage in strategic planning that clearly define their own objectives, assess both the internal and the external situation to formulate the strategy, implement the strategy, evaluate the progress, and make adjustments as necessary to stay on track in accordance with individual needs.

The reviewed literature did not conclusively indicate why some organisations experience a reasonably smooth and successful process of strategic planning while others are mostly involved in a daunting process that fails to meet their particular business challenges. Instead, literature reveals that, over the past decade, researchers investigating the effects of formal planning on the financial performance of small- to medium-sized enterprises (SMMEs) have concluded that there is no consistent association between the planning process and performance. However, common knowledge suggests that failure to plan has unwanted implications, not only for business, but also for any other human venture. Therefore, no matter how complex or demanding the process of strategic planning might be, it is necessary for the managers of all enterprises to engage fully in the process.

Mintzberg (1987) indicates that the business environment has shifted from 4S (static, single, simple and safe) to 4D (dynamic, diverse, difficult and dangerous). Thus the need for strategising in a business environment is more important today than previously. Enterprises have to take strategic initiatives like researching and partnering with the best for future success. This can only be achieved by opening up for deliberation without inhibition from any quarter. Business stakeholders should interact freely and discuss business issues without any tension or reserve. Obviously this could sound like a taboo for some tourism accommodation operators who run their operation single-handedly, doing everything by themselves for themselves. Employees are still meant to take instructions rather than be incorporated as stakeholders in the business. In a simplified version, the strategic planning process can be illustrated as follows:
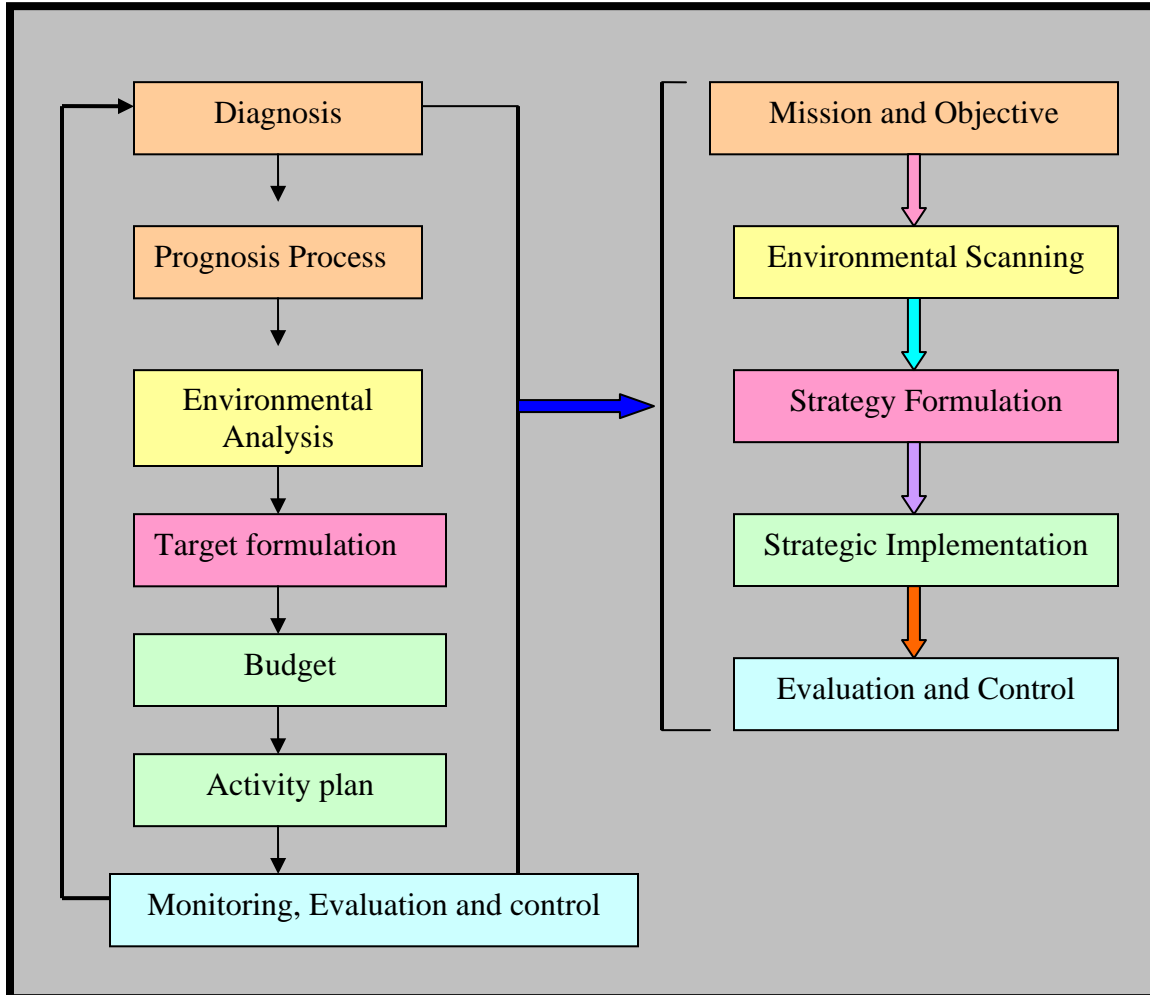
Figure 5.1:   The strategy planning process
Source: Middleton, 2001:205

According to Figure 5.1, the process of strategic planning can take different forms. There are different phases of a process that may not necessarily be applicable to all enterprises. The diagnosis phase is designated as an initial phase where the need for adjustment or change is perceived on the basis of demand and supply. In-depth research has to be undertaken in order to diagnose the developing trends in industrial or organisational context to meet the perceived or envisaged demands. After the identification of said trends or patterns in the market or macro-environment, managers have to get a relevant and clear focus

or direction for a business in the form of a prognosis. This will in turn lead to the establishment of the mission and the objective of the organisation. The mission statement would thus describe the company's business vision in terms of direction, values and the purpose of the business. Normally, the vision should be in line with future goals that guide the pursuit of future opportunities. The CEO can thus develop measurable financial and strategic objectives. Immediate financial intentions of almost every business have to do with improving the business profit through target sales and growth earnings. In some instances, strategic financial objectives relate to the enterprise's repositioning, and may include measures such as market shares and reputation (Middleton, 2001).

Analysis incorporates both internal and external environmental scanning. The internal analysis of a company entails the assessment of the inner circles of the company or business and its capabilities in terms of available human resources, service provision, the present position and the power of the brand used. The internal environment analysis can therefore identify the business's strengths and weaknesses.

The external analysis entails a look at external factors that influence a business. It looks at the market, its trends and contemporary demands, profiles of potential customers, their expectations and demands and the outside settings of the business in general. Bennett (2000:231) talks of the so-called "*PEST (Political, Economic, Social and Technological) analysis*" to denote external analysis. The external analysis enables a company to identify possible opportunities and threats. A SWOT analysis produces a profile of the strengths, weaknesses, opportunities, and threats. A SWOT analysis can easily provide an overview of the organisation's strategic needs. Thus it remains one of the best mechanisms for analysis.

After analysis, the next phase is the strategy formulation phase. As indicated in paragraph 5.1, strategic planning involves strategic analysis, strategic choice and

strategy implementation. Choice is about the formulation of a possible action plan for implementation. In the words of Thompson and Strickland (2001:35), "*Strategy making is all about how to get where the business wants to be (i.e. how to reach targets, how to out compete the competitors, how to attain competitive advantage, how to sustain business strength, how to establish a world-class brand; and how to achieve realistic management strategy for a company)*".

Strategy implementation deals with the actual deployment and management of the formulated strategy by means of programmes that are catered for in the budget. Certain implementation procedures have to be followed; otherwise the strategy could undeservingly be declared a failure. All necessary resources are to be made available on time for successful implementation of the chosen strategic plan. The manager has to allocate appropriate human, financial and physical resources to implement for success. Fortunately, for small to medium enterprises, people implementing the strategy are likely to be the ones who formulated it. As such, the chance of misunderstandings arising is minimal.

The process of evaluation and control is crucial for strategic success. Strategy evaluation needs to be done through feedback from broader consultation. Its performance has to be measured against the predetermined objectives so that necessary adjustments can be made with ease. This also involves the monitoring of environmental changes. In a dynamic situation where environmental change could bring about new opportunities or threats, the process of strategic planning is a continuous one. Pearce and Robinson (1997) agree that successful strategy implementation largely depends on organisational structure and design. They go even further to suggest these steps for strategic plan evaluation and control:

- define parameters to be measured
- define target values for those parameters
- perform measurements
- compare measured results to the pre-defined standard
- make necessary changes

Different scholars propose different models for strategic formulation and implementation. Heath and Wall (1992) came up with an impressive model that can be adapted to different situations, including non-metropolitan, small to medium tourism accommodation facilities. The model is as follows:
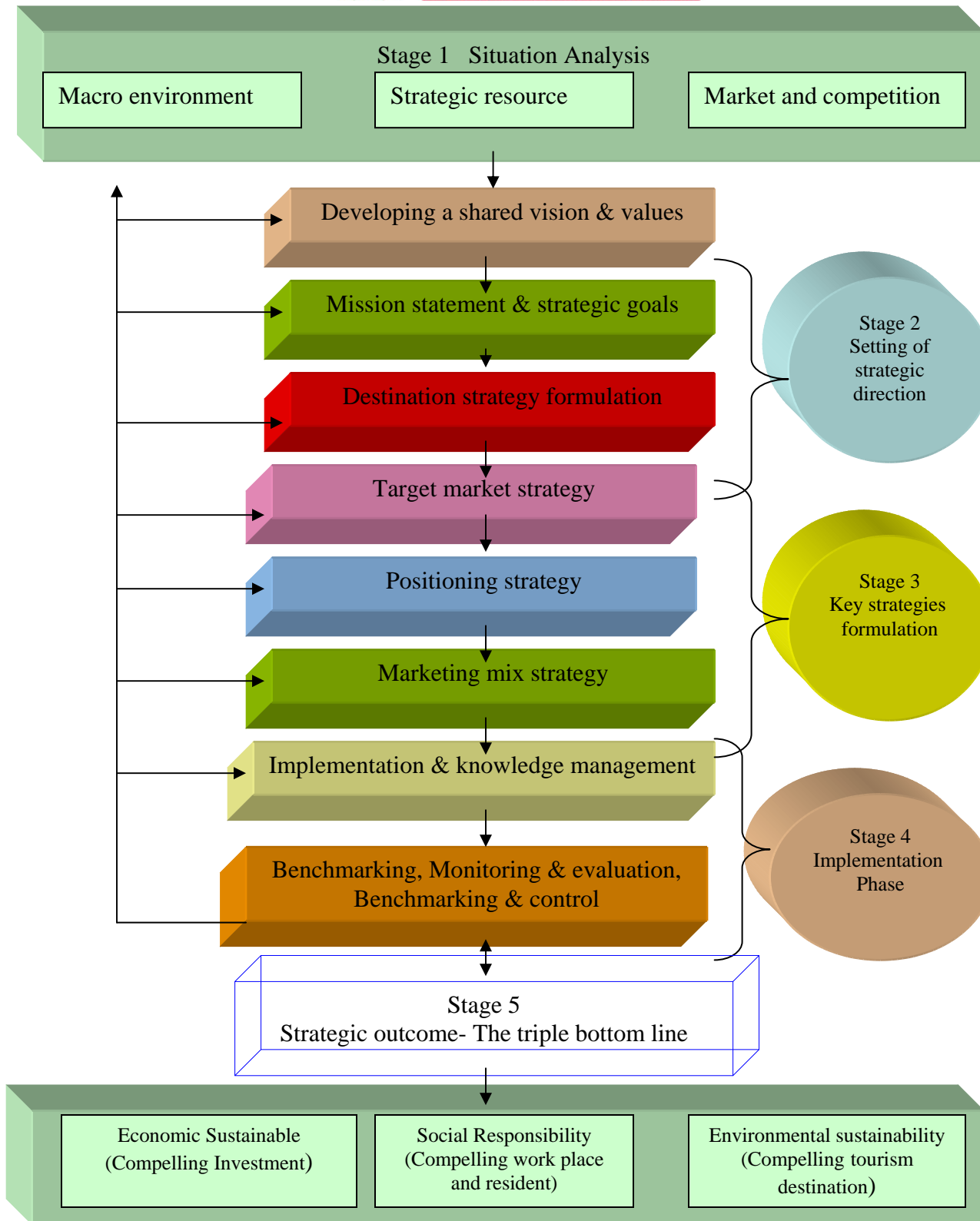
Stage 1   Situation Analysis

| Macro environment | Strategic resource | Market and competition |

Developing a shared vision & values

Mission statement & strategic goals

Destination strategy formulation

Target market strategy

Stage 2
Setting of strategic direction

Positioning strategy

Marketing mix strategy

Stage 3
Key strategies formulation

Implementation & knowledge management

Benchmarking, Monitoring & evaluation, Benchmarking & control

Stage 4
Implementation Phase

Stage 5
Strategic outcome- The triple bottom line

| Economic Sustainable (Compelling Investment) | Social Responsibility (Compelling work place and resident) | Environmental sustainability (Compelling tourism destination) |

Figure 5.2:   Framework for a generic strategic plan

Source: Heath (2004:19)

124

Figure 5.2 confirms that strategic planning is a process that is expressed in broad terms to accommodate an organisation's future direction. Phases one to five illustrate various inter-linked decision-making processes that constitute the overall planning process. These require considerable resources and key stakeholders' commitment. It emphasises the importance of strategic planning for small, medium and large organisations to sustain long-term growth.

Furthermore, it encapsulates the dynamism of strategic planning as well as an approach to effective benchmarking, monitoring and evaluation. Even though macro-environmental factors will always pose great challenges for successful strategic implementation, the need for ongoing assessment against world best practitioners is still vital, not only for larger enterprises but also for the small ones.

Figure 5.2 takes differences in business settings, their size, locality and the service offered, into account. On the basis of situation analysis, the availability of resources and the relevance in terms of business growth marketing and competition is linked to the overall environment (macro-environment). This has been designated as the first stage in the setting of strategic direction.

The second stage embraces the development of a shared vision and values for a specific operation as well as the business at large. This stipulation would imply recognition of the individual accommodation operation at a local level as well as incorporating a collective vision and values that would be applicable at provincial or regional levels. The mission statement comes with articulation of the strategic direction and the actual strategy formulation for accommodation facilities.

The third stage is based on key operation strategies like the market strategy, branding and positioning strategy. This is done in terms of current trends and patterns. The marketing mix, integration, alliance, joint venture and others as

indicated in Chapter 4 (Section 4.4) are some of the most fashionable strategies used. The fourth stage culminates in the implementation of strategies, monitoring and evaluating the progress in terms of spin-offs, relevancy and making necessary changes. This combines with stage five, where the strategic outcome is levelled in the triple bottom line of economic, environmental and social competitiveness. If the strategy can achieve the triple bottom line, it just needs to be well managed so that it can be sustained.

5.5   Levels of Strategy Development

Today's enterprises (especially service-based enterprises) operate in an environment that is characterised by vibrant customers who have unprecedented demands. How tourism demand has been growing in South Africa over the past few years was pointed out in Chapter 3. Bennett (2006) acknowledges that, nowadays, businesses operate in an era in which consumers pursue individualism in terms of their preferences and their ability to pay for what they want. Services are no longer meant for utilitarian values only, but reflect personal status, image and class or level in society.

The symbolic meaning of goods and services outweigh the use value. They strengthen personal associations and social bonds. As a result, customers become attached to a brand rather than to a product. The value of products is less associated with their ability to satisfy primary needs than the way they function within society to show who a person is and what he/she does, which is the more important criterion. These signs take on a life of their own, not referring to a real world outside themselves, but to their own "reality" - the system that produces the signs (Harvey, 1990; Grant, 1991).

Alberts (2004) identified three different levels for strategy development. The first level is the corporate level. This is the level where corporate goals are set, the target markets are identified and the terms and conditions of corporate strategies

are defined. It is at this level where corporations can create the real value for their business. In terms of NSMTA facilities, this level enables entrepreneurs to create or develop a brand for their business. Obviously, the need for business research is more than crucial at this stage, as this level appears to be the initial phase of strategy formulation. Success at this level will depend on management practices. If the management approach is firm in following a structured approach to strategic planning, the organisation could overcome key businesses challenges and achieve its organisational goals.

The second level is the business unit level. Here the business strategy level involves devising moves and approaches to compete successfully and to secure a competitive advantage over the competitors. It has already been noted (in the previous chapter) that competitive advantage is attained when a company achieves a higher rate of return than its competitors. It is at this level where responses to changing external environment are entertained. The generic means of attaining the company's ultimate market success are formulated at this level.

The third level is the functional level, also called the operational level of strategy formulation. Some of the issues addressed at functional or operational level of the strategy include value chain analysis, business processes reacting to marketing, resources allocation and management and research and development (R&D). The operations strategy is a result of organisations' reaction to changing market demand patterns. Such operation strategies are usually used as devices to integrate supply networks. They are much broader in their scope than a functional strategy. The above description can be summarised in tabular form as follows:

Table 5.1: Different levels of strategy development

Corporate level	Business level	Functional level
Mission of the organisation	Mission of the section of operation	Functional competencies
Strategic thrust	Broad and specific action plan	Programme of action
Budget requirements	Operational requirements	Functional budget requirements

Source: Compiled from Alberts' class notes, 2004

Table 5.1 shows the corporate strategy level as the driver of the entire organisation because it sets the focus for the pre-defined goals and objectives of the organisation. The corporate level addresses issues at the highest level of abstraction of an organisation. It defines the resultant outputs in the form of corporate goal, tone, priorities and approaches that will drive the strategy to the next level.

The business level, where the mission and the vision of the company come into play, succeeds the corporate strategy level. The business level strategy is the firm-specific strategy that facilitates its gaining a competitive advantage in the market.   At this level of strategy, the business portfolio outlines the methodologies of the organisation for competing with rival firms in the market.

Sequentially, the business strategy level is followed by the operation strategy level, which comes in the form of implementation. Functional units of an organisation are involved in higher-level strategies, such as providing information on resources and capabilities on which the higher-level strategies can be based. Once the higher-level strategy is developed, the functional units translate it into

discrete action plans that each department or division must accomplish for the strategy to succeed.

5.6   Strategy performance indictors

Most companies have a standard set of metrics and financial indicators for keeping track of the business and measuring a company's performance. Collectively these are known as measures. Historically, standard measures have been predominantly financial and single dimensional in nature. The measures for a business in today's world tend to focus on the critical success factors for each functional area, including additional parameters for measuring the broader strategies, goals, and objectives of the company as a whole. Ultimately, there must be a strong linkage between departmental performance indicators and top-level metrics for gauging the effectiveness of the company strategy and achieving goals and objectives.

There are several measures that scholars (e.g. Porter, 1985; Pearson, 1996; Jennings, 2002; Hampton, 2003) consider to be standard measures. These include Benchmarking, Value chain analysis, Balance scorecard analysis, SWOT analysis and Strategic evaluation. The use of these measures is considered important for this study because they indicate the level of strategy performance of business under investigation.

Value Chain Analysis is used to identify potential sources of a company's economic advantage in its industry. The analysis separates a firm into its major activities in order to understand the behaviour of costs, the associated value added, and the existing and potential sources of differentiation. It depends on an understanding of how the firms' own value chain relates to, and interacts with, the value chains of suppliers, customers and competitors. Companies gain competitive advantage by performing some or all of these activities at a lower cost or with greater differentiation than competitors.

The balanced scorecard is a strategic planning and management system that is used extensively in business to align business activities to the vision and strategy of the organisation. It helps to monitor the business performance against strategic goals. The balanced scorecard has evolved from its early use as a simple performance measurement framework to a full strategic planning and management system. The "new" balanced scorecard transforms an organisation's strategic plan from an attractive but passive document into the "marching orders" for the organisation on a daily basis. It provides a framework that not only provides performance measurements, but also helps planners identify what should be done and measured. It enables executives to truly execute their strategies.

SWOT analysis is a strategic planning tool that is used to evaluate the Strengths, Weaknesses, Opportunities, and Threats involved in a business venture. It involves specifying the objective of the business venture and identifying the internal and external factors that are favourable and unfavourable to achieving that objective. The strategy can be used in conjunction with other tools for audit and analysis such as PEST analysis and Porter's analysis as described in Chapter 3.

Strategic evaluation is very close to SWOT analysis. It encompasses the internal and external factors that affect the company's business strategy. The business strategy is compared to the industry's key success factors, competitive resource requirements and the firm's internal capabilities and resources. In essence, it is a systematic analysis of the implementation of goal-related impact that resulted from the assessment of different strategic options available for carrying out the future objectives of the organisation (Heath, 2000).

Benchmarking involves learning, comparing and sharing information and adopting best practices to bring about step changes in performance. This could

mean improvement through learning from others. It is a continuous process of measuring products, services and practices against the toughest competitors or the best performers in the industry. It allows for a positive and proactive process through which a company performs a specific function in order to improve its own performance in a similar function.

Of the described measures, none can fully achieve its objective in isolation. They are commonly used collectively in order to give consistent objective indications of true business value. Therefore, they are all considered important.

5.7 Overcoming some barriers to success

Knowing the characteristics of the various types of strategies at least makes a person aware of the fact that that there is no one single or simple way to develop or revise a strategy. Ulwick (1999) identified three major barriers to the proper development or revision of a strategy. Overcoming these barriers may contribute to a more systematic and proficient way of strategy formulation. A brief summary of these barriers and the ways to overcome them follows.

The three barriers to creating breakthrough strategies are the structure of most organisations, the nature and quality of information and the processing power of human beings. Often organisations lack a structure that will enable them to filter, organise, prioritise and manage all the information that enters the strategy formulation process. When engaging in the process of strategy formulation, organisations consider a number of pieces of information from multiple sources. Therefore, it is important for organisation to have structure and resources in place in order to deal with diverse information. According to Ulwick (1999:7) "*organisations must be able to determine, which information takes precedence and how one piece of information impacts another*". Most organisations in the world, and specifically in South Africa, do not have the necessary structure and infrastructure to capture, organise and interpret all the information for proper

decision-making and strategy formulation. This applies particularly to NSMTA enterprises, the subject of this investigation.

To overcome this barrier or constraint, to some extent necessitates the application of the so-called "Pareto principle". Firstly, determine, in advance, which 20% of the needed information will be applied to take 80% of the decisions. Secondly, to develop a systematic method and process that will ensure that information is captured on a continuous basis. Ulwick (1999:5) recommends that the following questions be asked to give the process of strategy formulation a better structure: "*What processes are to be used to formulate strategy? How is the strategy formulation process to be developed or selected? Is a formal process selected? What steps are to be taken to create the strategy? Do different parts of the organisation define the concept of strategy differently? Do they have different strategy formulation processes? Are they effective? Do they consistently produce breakthrough strategies*?" Answers to these questions and proper consideration of the findings could put the organisation on a better route to success in the formulation of successful strategies (Ulwick: 1999).

The availability and quality of information is the second barrier to creating successful strategies. Nowadays, individuals have access to large amounts of information, much more than ever before. This information overload as well as a lack of well-developed systems and criteria to analyse the information properly form major constraints to proper strategy development. To overcome some of these constraints, organisations can utilise up-to-date technology and models to analyse and prioritise gathered information. Measures to prevent managers and even computer systems from being overburdened during data collection and analysis are as follows:

- To develop a set of criteria according to which data and information should be collected;

- To categorise the various pieces of information into sensible sets related to the departments or sections of a firm;
- The models or simulation techniques should be applied to determine the relevance of the acquired information; and
- All staff members and other relevant collectors and providers of information must be trained in the most appropriate method of data collection.

The third barrier, that of processing power, refers specifically to the restricted ability of human beings to take a broad spectrum of information into account during data analysis as related to strategy formulation. The cause of this restricted ability is not contained in the quality of the human brain, but in inefficient development of holistic and encompassing thinking methods and processes. According to Ulwick (1999) the computer facilities that are nowadays available should be harnessed to assist strategists in analysing information and putting strategies together. The CD-MAP process developed by Ulwick over a period of years serves as one example in this regard. CD-MAP consists of nine steps to set up the strategy formulation equation, four steps to solve the equation and three steps to prepare for implementation. A variety of modelling options is available and various options can be tested artificially by means of simulation before the most appropriate strategy can be selected and prepared for implementation.

Wolfe (2000) also developed a computer-based programme, which can be used for both training and strategic planning purposes. The Global Business Game (GBG) itself is a simplified model of the structure and details of the television segment of the Household Audio and Video Equipment Industry. Because GBG is a simulation, it simplifies the real world and captures those elements essential to understanding how globally competitive industries operate and the options and operating methods allowed in such countries (Wolfe, 2000).

5.8   Tourism product development strategy

All indications are that a high level of tourism growth and development exists in South Africa. The support for tourism development requires that it be product-driven and aimed at existing tourist-source markets as opposed to the market-driven nature of the tourism industry, which can but deliver an increase in tourist numbers. The absence of a cohesive tourism strategy or master plan for the Limpopo province in particular, is believed to be a major hindrance to its general development opportunities. A need exists to develop and adopt a generic strategic framework for the province. Such a strategic framework should focus on infrastructure and products that will encourage a growth in tourist numbers. Strategic intervention by the provincial government would hopefully address the plight of NSMTA enterprises.

In the past it was commonly thought, "*as the world globalises, both products and services will become more and more ubiquitous*" (Bowerson, 2007:17). However, the opposite seems to be happening. It is through that, that the world seems to be getting smaller and the companies are operating all over the place, but competition for brand "headspace" has never been more intense. Companies spend more time and money than ever before on innovative and sophisticated branding techniques to stand out and earn a place in the consumer's mind. They do this by creating an image for their product or service that carries with it a promise of certain positive characteristics and qualities that make it unique.

5.9   Conclusion

Reviewed literature points to the fact that strategic planning is a process that is usually undertaken by most corporations but the survey reveals somewhat different position regarding NSMTA enterprises. It became clear that formulating a tourism strategy represents a key challenge to tourism operational managers because of the nature of products being sold and the complexities of the

environment in which the industry exits or operates. In particular, strategy is informed by the fact that most travel and tourism products are services rather than goods (i.e. they are intangible). The number of stakeholders in the industry also affects the strategic planning of a tourism business. It is imperative that the essence of the devised strategic direction is explained to all stakeholders, in order to guarantee their commitment and support for the bold initiatives to be undertaken. A decision-making process has to be undertaken at the level of unique products, services and customers.

The decision-making process involved in creating an operational strategy reflects both the resource-based and the market-driven views of strategy. If the strategic developmental process is indeed rational, at least to a degree, a person could expect distinctive managerial activity to exist that would be witnessed within the enterprise. Having conceptually identified various strategic building blocks, further research might well concentrate on the various internal and external forces that dictate and select the use of particular decisional elements over and above any other. It may well be that a strong correlation exists between particular forces and the use of certain strategic components.

The literature reviewed indicates that the components of an operational strategy also reflect market forces. If an enterprise uses more than one operational strategy, and they tend to be tailored to a particular situation, it may well be possible to assess each of these strategies and their decisional building blocks in terms of performance. For example, some may be "world class", others merely efficient, or some sub-optimal or even dysfunctional.

Slack and Lewis (2002) addresses the notion of a "doctrine of competitiveness" as far as an operational strategy is concerned. Competitiveness, in his view, can be achieved through service diversification to create strategic advantage. In this context, the author refers only to a narrow range of operational strategies that could be expatiated. Nevertheless, it is contended that good operations have

impact on business success. The contention that "making things better" can achieve competitive advantage *has clear resonance for operational strategies in general and is a good point of departure for considering their competitive priorities* (Slack, 2007:33).

The concept of "non-metropolitan" as applied in this study embodies the notion that enterprises are either of small to medium size. Generally, such enterprises are family enterprises. Operators are either searching for new kinds of businesses to supplement family income or as a prime source of income. Many different types of businesses such as tourism-related services or processing food or general service industries can be developed successfully in a rural environment. However, for any such businesses to flourish there is a need to develop a strategic plan for their efficient and successful operations.

CHAPTER 6

METHODOLOGY

6.1 Introduction

This chapter describes the procedure used for sampling, data collection, analysis, interpretation and discussion. The main objective is to lay the basis for a clear and precise research methodology that will address the expressed aims of the study and their associated objectives (Section 1.4), and expose answers to the research questions as stated in section 1.5, formulated to effect the aims and objectives of the study (Section 1.4).

The overall aim of the study is to present a generic strategic plan that could be used to ensure a prompt response to tourism change and demand in the accommodation sector. In order to achieve this, specific objectives covering three particular aspects were set. The first group concerned the distinguishing characteristics of the enterprise, the second had to do with how it operated and the third group related to an investigation regarding the degree to which strategic planning featured in their business. The research methodology adopted in this study was aimed at ensuring the attainment of the study objectives. The grouping of these as given in Chapter 1 (Sections 1.4 and 1.5), is reiterated.

6.1.1 Distinguishing characteristics of the enterprises

The first aim is to determine the nature of the enterprises in terms of their locality, size, ownership and management styles. The following objectives were set:

(iv) to identify the preferred areas where NSMTA facilities are positioned in the Limpopo province.

(v) to establish the range of enterprises in terms of their type and size.

(vi)   to determine the types of ownership and management styles commonly used amongst NSMTA operators.

6.1.2   The operational nature of the business

The second aim is to assess the operational nature of the business in terms of professionalism in operation, self-evaluation of business performance and collaboration between stakeholders. This was enhanced by the following objectives:

(i)   to establish the level of professionalism within Limpopo's NSMTA sector.

(ii)   to determine if Limpopo's NSMTA operators use strategic business assessment mechanisms to assess their business performance.

(iii)   to determine the kind (if any) of working relationship that exists amongst Limpopo's NSMTA operators and their contribution to tourism growth.

6.1.3   The extent to which strategic planning is considered

The third aim is to determine the extent to which strategic planning is considered and used by Limpopo's NSMTA facility providers. The following objectives were set to assist in that regard:

(i)   to determine the extent to which strategic plans are used and valued in the operation of NSMTA establishments.

(ii)   to present a generic strategic plan that could be used to ensure a prompt response by the accommodation sector to changes in the tourism demand and supply situations.

6.1.4 Research questions

The research questions were used as the frame of reference for the investigation. As the main research instrument, the structured survey questionnaire sought answers to the research questions as given in Chapter 1:

It emerged from the literature review that the accommodation sector is a very broad and important part of the tourism industry. This had a direct bearing on the scope of the study. In particular, it necessitated special mechanisms to control the sample size and choice of techniques in terms of data collection. Hence, a sampled number of establishments were selected to form part of the study. Purposive stratified sampling (as indicated in Section 6.3.) was used to ensure that the sample gave a reasonable representation (Table 3.2.) of different types of NSMTA enterprises as identified in the reviewed literature (Figure 2.2).

The diversity of data required had to be collected through a range of methodologies. The first stage took the form of a survey. This involved a reconnaissance trip undertaken to visit an accessible part of the study area. The next step was a follow-up "armchair survey" by computer navigation. Although the researcher is aware of the limitations associated with using the Internet, in this case, its use was indispensable because the actual study area is so large and diverse that it was physically not possible to cover it in its entirety. However, the Internet did afford the researcher the opportunity to familiarise himself with the wider study area and to establish contact with potential key informants from various tour operators and tourism business establishments.

The study adopts a scientific survey method for data collection based on the ethos of the exploratory research method, as limited information about the research topic was available. Jennings (2007) indicates that exploratory research is most appropriate when the researcher knows little about the issue being investigated. Exploratory research relies more heavily on qualitative techniques,

although quantitative techniques are also useful (Cooper *et al.,* 1998). This advice is followed in the methodology adopted for this research. The theory of qualitative primary research is depicted as a flow chart (Figure 6.1) and drives the final interpretation of the results that integrate both primary and secondary data sources. The theories of supply and demand, marketing and strategic planning design were applied when interpreting the data.
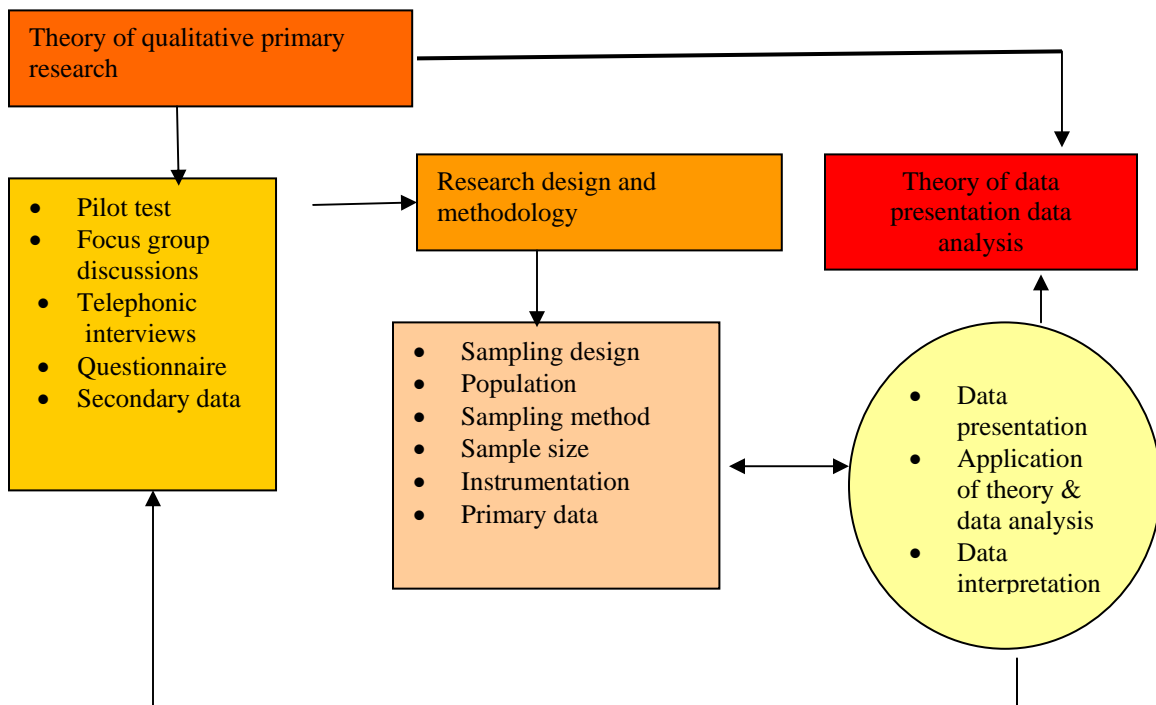

Figure 6.1: Methodology flow chart
Source: Modified from Alberts (2004) class notes

6.2   Pilot survey

A pilot survey relating to the research problem and its objectives was conducted in all four tourism regions of Limpopo to test the appropriateness and feasibility of the study. It helped detect the weaknesses of the selected research design and main research methods and provided proxy data for probability sampling**.** The target population for the pilot survey comprised managers of tourism

destinations, tour operators and, to a lesser extent, a few on-the-spot tourists, a small number of employees and some neighbouring community members. The composition of the target population was based on David's (2000) postulate that the success of a tourism-related initiative would depend on the involvement and participation of all stakeholders at all levels of development. From the findings of the pilot survey, the research problem and objectives were rephrased to accommodate the stated focus of the research. The intention was to interrogate the discrepancy between demand and supply, the invasion of disguised large accommodation operators in the peripheral areas and the general absence and application of a strategic business plan in the operation of the NSMTA enterprises.

6.3   Primary data collection

Leedy (1995) maintains that primary data are sought for their closeness to the truth and control over possible error. The main aim of data collection is to find information that addresses the research questions. Generally, when collecting relevant data, a choice has to be made between quantitative and qualitative data collection techniques, depending on the nature of the study and the suitability of the selected method. When planning the research design for this study the researcher took cognisant of the fact that a combination of quantitative and qualitative research methods was necessary, hence they were both adopted. The benefits of using both quantitative and qualitative methods were immense.

Limpopo's NSMTA facilities were identified, classified according to types and numbered for sampling purpose. Purposive stratified sampling method was used because it allowed the researcher to get proportional representation from different types of accommodation facilities. The use of purposive stratified sampling was particularly necessary as researching non-metropolitan tourism accommodation encompassed a wide range of many and different situations. It was actually impossible to involve every operation in the whole study area.

Purposive stratified sampling method was used for the selection of different tourism accommodation sites within the study area. This procedure was more cost effective than other sampling methods since the kind of accommodation being researched is widely diverse, both in terms of size as well as the nature and number of services on offer. Samples from each sub-segment within the target population were taken using stratified purposive sampling techniques from Table 3.2. A questionnaire was used to collect data from the representative samples of the different sub-sectors of NSMTA enterprises (hotel, guesthouse, B&B establishments, lodge and resorts). The numeration and numbering processes and coding of issues were carefully monitored and ultimately facilitated analysis of the research findings. This reduced subjectivity and non-systematic representation of the findings. Furthermore, the quantitative and qualitative research methods were accompanied by a document search and relevant literature was used to support of the methodology. This approach was decided upon because tourism focuses on phenomena that occur in a real world setting and also because it involves studying tourism accommodation in the context of its complex dimensions. Statistics on their own are unable to convey the emotions and the feelings of real world experiences and phenomena, leading to findings that might appear to be inconclusive (Leedy and Ormrod, 2001).

6.4   Secondary Data collection

Secondary data were acquired using documented material relevant to the study's needs. Dillon and Murphy (2008: 62) state, "*Secondary data refers to the recorded information made by other experts for purposes other than the specific research need at hand*". This suggests that the data was collected for another project and has not been widely published. In this instance, the secondary data came from the records and files of operators and other corporate sources, reviewed literature and government information services, like Stats SA, and conference and workshop reports.

6.5   Key research method

The choice of research methodology was primarily based on the scope that embraced only NSMTA facilities. However, due to the exploratory nature of the study, the researcher identified the following factors as possible key strategies for classifying the database: the large size of the Limpopo province and the diverse characteristics of the tourism sector. The large size and the diverse characteristics necessitated the use of purposive stratified sampling strategy so that database could be manageable.

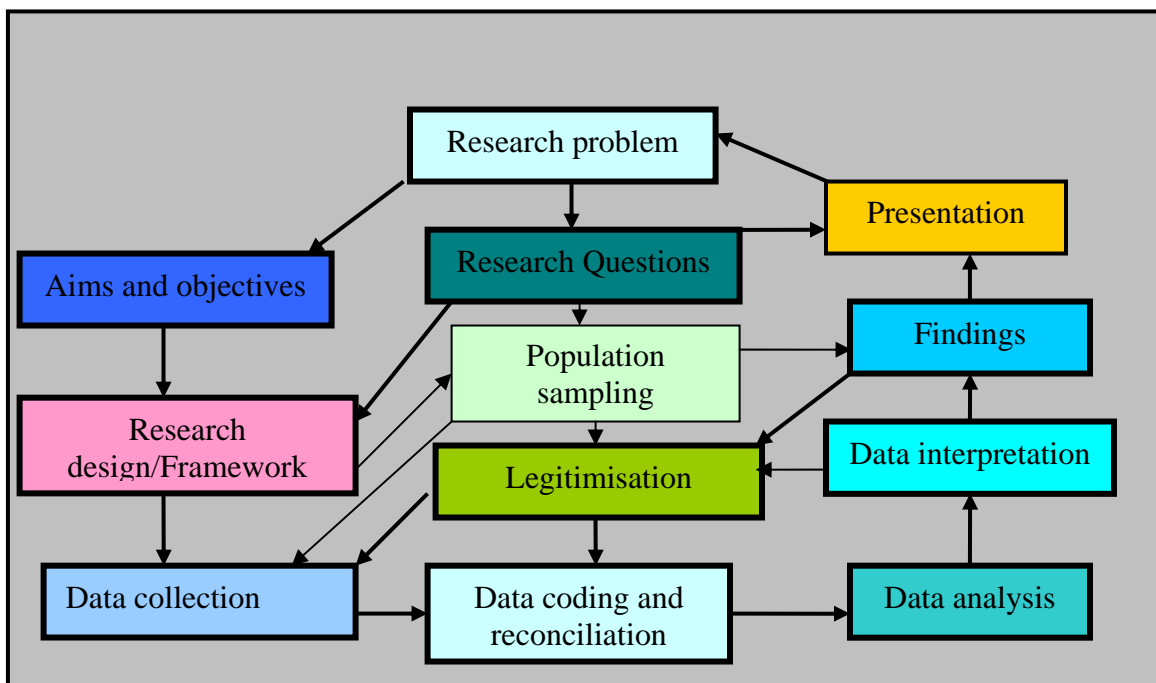Figure 6.2 represents the summary of research process as followed in the study.

Figure 6.2: A model for the research methodology
Source: Author

Figure 6.3 summarises the research process as followed in the study.   The statement of the problem as indicated in Chapter 1 (Section 1.3) motivated the researcher's aim and objectives. This was strengthened by research questions

that shaped the research design and framework. Different modes of data collection were used to ensure validity and reliability of the findings. Data was coded and ratified before analysis and interpretation. The findings are presented against the pre-determined research problem, questions and the aim of the

6.5.1 Qualitative methodology

Qualitative research shares the theoretical assumptions of the interpretative paradigm, which is based on the notion that social reality is created and sustained through the subjective experience of people involved in communication (Oppenheim, 2000). In their research, qualitative researchers are concerned with attempting to accurately describe, decode and interpret the meanings of phenomena occurring in their normal social contexts (Fryer, 2004). In this study, the researcher operated within the framework of the interpretative paradigm because the focus of the study investigation touched on the complex, authentic contextual issues that were sometimes considered personal by the respondents. For example, the majority of sampled enterprises were individually owned and, as such, the management styles tended to reflect some personal attributes. Qualitative approaches, in this context, could not be completely removed from the shared subjectivity of the researcher and the researched, but it certainly minimised the illusions and assumptions.

Qualitative methods were deployed in this research for the following reasons (adapted from Kirk and Miller, 2004) that were seen to strengthen the data collection procedure and were considered important for the study:

- The need to obtain and understand the operators' management styles that could not be ascertained from the numerical data
- To have flexible ways in which to execute data collection, subsequent analysis and interpretation of collected information
- To provide a holistic view of the investigated business approaches, philosophy and intentions

- The ability to interact with the research subjects in their own locality on their own terms
- Offering descriptive capability based on primary and unstructured data

Despite the inherent and accepted weaknesses such as subjectivity and lack of consistency of the qualitative approach in research, the researcher felt it necessary to use these methods because they facilitate summarising the mass of words generated from interviews and other observed data. Furthermore, qualitative methods would allow the researcher to incorporate relationships between factors that generally operate in the accommodation sector. With the ultimate intention of the study being to formulate a generic strategic plan, the qualitative data could be analysed and tested using grounded theory to enhance the validity of the assumptions made. Cooper and Schindler (2006) strengthen the researcher's view by stating that qualitative research techniques allow the researcher to explore ideas and gain insight about the research topic, with limited use of quantitative techniques.

The following recognised qualitative techniques were applied in this study:

- Document analysis: Organisational reports from institutions like SA Tourism, Stats SA and others were read and evaluated.
- Observation: Site visits lasting several days in some of the sampled enterprises were undertaken in order to observe the scale and the magnitude of the different operations.
- In-depth interviews were held to complement questionnaire analysis to ensure consistency between questionnaire responses and information gleaned from structured interviews. Both structured and unstructured interviews added high value to the data collected for this study. Sixteen (16) in-depth interviews were held with the owners of the enterprises while fourteen (14) were held with employees on the sites.
- Telephonic interviews were particularly helpful in targeting people in areas that the researcher was not able to visit during the course of the study due to

constraints of time, distance and availability of interviewees. Eleven (11) managers provided required information in telephone interviews.

6.5.2 Quantitative methodology

Norusis (2000) avers that the functional or positivist paradigm that guides the quantitative mode of inquiry is based on the assumption that social reality has an objective ontological structure and that individuals are responding agents to this objective environment. This particular research deals with the way people take decisions on how to run and manage their businesses. Quantitative research involves the counting and measuring of events and performing the spreadsheet analysis of a body of numerical data (Smith, 1998). The assumption behind the positivist paradigm is that there is an objective truth existing in the world that can be measured and explained scientifically.

This study looks at NSMTA facilities. The size of the facility can only be determined through some kind of measurement. The quantification of size has to do with quantitative research. The main concerns of the quantitative paradigm are that measurement is reliable and valid, with the ability to generalise in its clear prediction of cause and effect (Cassell and Symon, 1998). Although the sample for this study was not that large, the researcher wanted the findings to be valid and reliable so that reasonable generalization can be acceptable. Thus, it was important to adopt quantitative research methods as well.

A further justification for the inclusion of some quantitative analyses was because the researcher wanted to be sure that his values, biases and subjective preferences did not influence any aspect of the research procedure. Many scholars caution about this possibility, declaring categorically that such partiality has no place in the quantitative approach. However, in this study, the researcher also appreciated the need for information from a concrete and tangible data collection process that could be analysed without further contact

with respondents. Accordingly, the researcher assigns the following strengths and considerations to the use of quantitative methods suggesting that they are useful for:

- Tackling the research problem in precise terms
- Following firmly the original set of research goals, arriving at more objective conclusions and determining the issue of causality
- Achieving high levels of reliability of gathered data which May (2001) attributes to controlled observations, mass surveys or other forms of research manipulations
- Facilitating clear and precise specification of the variables under investigation
- Eliminating or minimising subjectivity of judgement as particularly mentioned by Kealey and Protheroe (1996)
- Use in situations where the respondents provide the answers to the questions in the survey making it impossible to control the environment
- Limiting outcomes to only those outlined in the original research proposal as respondents complete a questionnaire with a structured format and mostly closed type questions have to be answered.
- Discouraging the evolving and continuous investigation of a research phenomenon but disallowing flexibility and adaptation. This means the researcher did not have the opportunity to probe for more information and add/subtract questions as data collection process continues.

The nature of the problem statement of this investigation led to the adoption of a quantitative approach as a support method because it is more direct and assists in the quantification of data, this has been viewed as necessary for ensuring validity.

In summary, a variety of approaches were used for collecting data. Combining quantitative and qualitative methods was necessary to restrict possible bias or

subjectivity and to accommodate the view of many scholars (Strauss and Corbin, 1998; Silverman, 2000; Lee, 2003) who recognise the two traditional approaches to research, the qualitative and the quantitative, on the basis of their distinctive characteristics.

On one hand, quantitative research was associated with features like 'hard', 'fixed', 'objective' and 'thin', whereas qualitative research tends to be characterised as 'soft', 'flexible', 'subjective' and 'rich' (Silverman, 2000; Robson, 2003). They both have strengths and weaknesses but, if combined, the results tend to be more reliable. Qualitative approaches tend to be more open and gather primarily non-standardized data. On the other hand, quantitative approaches are less flexible and mainly collect highly standardised, quantitative data. Silverman (2000) points out that, for a long-time, quantitative research was considered to be the 'golden standard' for research with qualitative research, at best, suitable only for preliminary exploration. Moreover, the reliability of the interpretation of qualitative research data has often been questioned because there is no standardised method for analysis (Robson, 2003), thus contributing to the perceived inferiority of qualitative research. The use of questionnaires elicited objective responses that were quantitatively analysed. Secondary information came from desktop research, data related to the tourism industry, analysts' reports, the Internet, newspaper articles and academic journals.

6.5.3 Questionnaire

The questionnaire survey was the major way through which quantitative personal information, management data and socio-economic data were collected. The data gathered in this way dealt with different variables that related to strategic business planning and included the number of services, level of the facilities, coping strategies and perceptions of individuals regarding the accommodation sector of the tourism industry. Questionnaires and value-laddering interviews were two necessary methods to triangulate the study. The questionnaire survey

was a "blanket survey" in which different types of accommodation were exposed to the same questionnaires that were completed by knowledgeable personnel. This was deemed necessary because of the paucity of tourism data. Although every effort was made to encourage completion of the delivered questionnaires, several remained outstanding.

The questionnaire used was divided into three sections (A, B and C), to address the hypotheses of the study. Each section was prefaced with detailed instructions to the respondents on the actions required to complete the questionnaire properly. Section A concerned general questions aimed at addressing the problem statement on tourism accommodation supply and demand. Section B looked at operational questions concerning the tourism industry's challenges and opportunities. The final section of the questionnaire dealt with the strategic issues. The core of the researcher's intended contribution to the field of tourism pertained to the adoption of a strategic plan, the establishment of partnerships and the promotion of co-operation between enterprises offering different types of services to the tourist. See Appendix 1 for the questionnaire.

6.5.4 Interviews

Interviews were conducted with people at strategic levels (chief executive officers, managers and owners) of the operations. Both structured and semi-structured interviews were used to elicit relevant information. Basically, face-to-face thematic interviews were conducted and listening and taking notes were very important aspects of this method. These facilitated the posing of follow-up questions. The conversation followed a prepared structure by introducing the areas being considered, exploring the options and relating them to each other, then revisiting the main issues to secure the depth of information required for better analysis. Interviews were considered important in this study because they allowed participants to give detailed comments and a thorough account of their own situation, often raising unanticipated points and giving additional information.

The duration of the in-depth interviews ranged from 30 minutes to an hour. A comprehensive written record was kept throughout the discussion.

In the instances where it was difficult to meet personally with the management, receptionists were interviewed but with a less structured schedule. In particular, the problem-centred interview (PCI) technique was used to integrate the qualitative interviewing; the personal more private viewpoints and the topical interviewing that appertained to specific operational issues. Interviews proved to be the most flexible method although it was easy to get off the topic or when the interviewee supplied irrelevant or unexpected information. Interviews did, however, generate descriptive data and enabled the researcher to deduce hidden realities within the operation by looking at the facial expression and the tone of voice of the respondent.

However, information from different interviews was often hard to bring together. Thus, it was helpful to bear some of the recognised pitfalls associated with interviews in mind. Examples are:

- There is potential for interviewer bias
- Certain areas of the work may fail to be picked up
- In an interview one area may be more emphasised than others suggesting bias
- In stressing one particular issue, others could be neglected or totally ignored
- Problems with interpretation and analysis could create the possibility of distorted impressions
- The subjectivity of the data captured would need to be considered

6.5.5 Triangulation

The use of triangulation in this study was considered the best strategy to achieve credibility and reliability of data collected. Wheeler, Shaw and Barr (2004) and Patton (1990) described triangulation as methodology integration, whereby both quantitative and qualitative methods are used. On the other hand, Burns (2000) describe triangulation in terms of land surveying with the aid of trigonometry. Methodologically speaking, triangulation, in this regard, has more to do with hybridisation and a holistic process in which a multi-faceted approach constitutes the basis for investigation. This is based on Cresswell (2003) argument stating that the livelihood diversity cannot be captured using a single data collection method. Recognising that this study looks at the diversity of tourism accommodation as a livelihood, triangulation was used to good effect. As Babbie and Moutour (2001) claim, with the aid of triangulation, a researcher could endeavour to achieve objectivity, reliability and validity in both quantitative and qualitative research.

According to Leedy and Ormrod, (2001), there are eight different types of triangulation techniques and these were considered when deciding on the methodology for this study. They are:

- Space triangulation, which helps overcome the limitations of tourism studies that are conducted within a single locality
- Data triangulation, which involves the use of two or more data sources, e.g. interview data or dossiers
- Method triangulation entails the use of two or more methods, like interviews and questionnaires
- Research triangulation - collaboration amongst researchers
- Theoretical triangulation - elucidating research materials starting from different ideas, assumptions, hypotheses and interpretations and seeing where data fits in

- Multiple triangulation which refers to a situation where more than one form of triangulation was applied

- Mental triangulation is the situation where the researcher endeavours to establish different ways of thinking and creates effective relations with regard to the research object

- Time triangulation uses cross-sectional and longitudinal approaches.

The multiple triangulation (combining data and method triangulation and to some extent space triangulation) was used in this study to achieve a balanced approach. Triangulation played an important role in enhancing the reliability and validity of the derived findings of this study. Qualitative research is often blamed for lacking tenets of good science (Gillham, 2000). However, the triangulation technique draws on a variety of professional perspectives to interpret a single set of information. In this case, accommodation, as a component of the tourism industry, was investigated and subjective opinions and official quantitative data sources were the prime sources of information. Combining data accessed from the literature review, the survey, questionnaires and interviews, allowed triangulation to develop robust analysis of the data to guarantee meaningful findings. Since qualitative methods were particularly useful for eliciting the participants' views, care was taken to address the issue of validity that could well arise, particularly as a negative criticism of the methodology.

6.6 Data presentation

The primary data was presented in tabular, graphic and chart form to summarise responses within all the categories, incorporating the opinions of everyone who had participated in the study. The intention was to use all gathered data so that the resultant analysis would be representative and reliable. However, there were a few responses that were completely out of context and these had to be eliminated. Although there were some technical problems when correlating the findings for instance from in-depth interviews, telephonic survey and

questionnaire survey, the findings were reconciled. In-depth interviews proved the researcher wealth of information that could not be ignored but at the same time does not fall within the framework of data analysis due its scope. Telephonic survey had its own limitations, which were mainly technical (recording information while keeping the communication lines alive).

6.7   Data analysis

Data were analysed according to quantitative and qualitative methodologies. Graphs and tables demonstrate principles of central tendency and frequency distribution patterns from which statistical inference was made. For interpretation, data was expressed on the nominal, ordinal, ratio and interval scales as appropriate to the quantitative aspects of the data analysis. The spreadsheet summarised the findings as readable tables with percentage values. Figure 6.3 illustrates the different levels of data used and their sources.
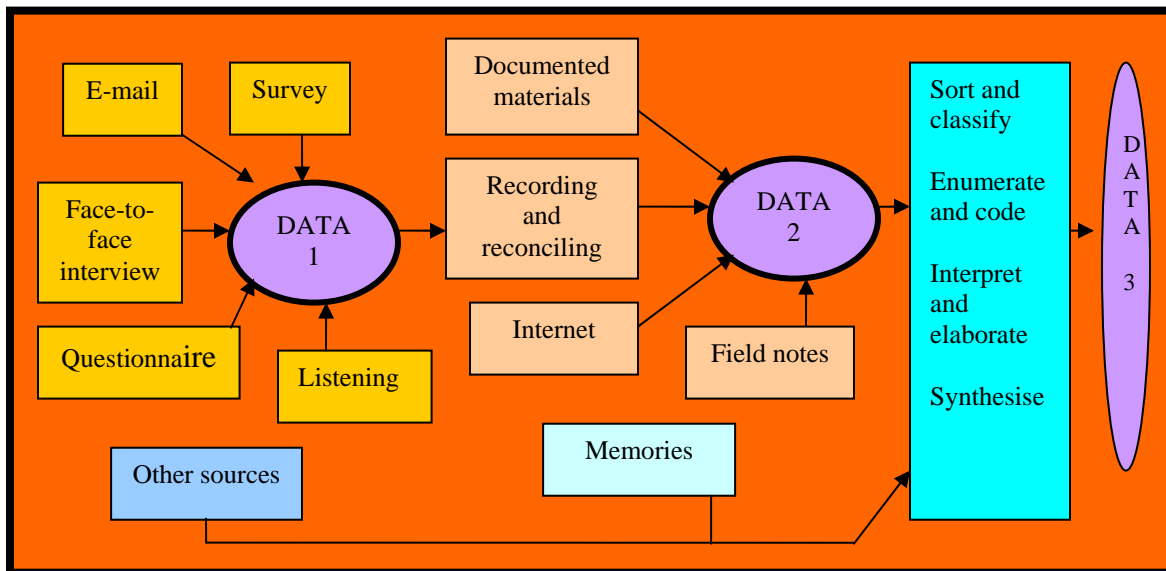

Figure 6.3: Data collection and analysis process
Source: Adapted from Govender-Van Week (2007)

Figure 6.3 illustrates that the process of data collection and analysis went through different phases, with each data level representing a particular phase. The first phase (Data 1) focused on primary data that was gathered either by survey, face-to-face interviews, questionnaire responses or e-mail communication. All the information at that level was recorded and reconciled in a template so that it could be sent for analysis. Data 2 represents the secondary information that was used. This information was sorted manually and classified into types and categories. Notes taken in the field, from the Internet and reviewed literature were synthesised. Data 3 represents the analysed and discussed information that led to the conclusions drawn and recommendations made from the findings of the study.

6.8   Problems encountered

As is the case with most academic research, data collection problems were encountered. These included resistance, deferring appointments and lack of availability of important stakeholders to supply information necessary for the study. Despite attempts to achieve both representative and diversity of NSMTA tourist operations in the survey, some degree of bias was inevitable. For example, Soutpansberg-based accommodation facilities appeared to be more heavily represented because the researcher was able to make several repeat visits, as the desired respondents were located in his home area. The Waterberg region posed problems due to owners'/managers' reluctance to give information even though the researcher had a letter from the University confirming the purpose of the research. As already indicated, not all questionnaires were returned. Managers had a tendency of taking a questionnaire with the promise of filling it in their own time but ended-up not doing anything about it. The researcher had a serious problem with regard to owners'/managers' absenteeism from their respective business premises. Most often, they were either on holiday, at work or just far away. As a result interviews could not be conducted timeously for inclusion in the study findings. This was disappointing.

Research on NSMTA operations was severely limited by a lack of understanding amongst operators with regard to the questions asked and by the challenges that the diversity of small tourism accommodation presented. A particular irritation was arranging an interview with an owner who was always away. Despite the large numbers of non-metropolitan small tourism accommodation businesses, it is only in recent years that researchers have started paying attention to this sector and the operators did not seem to be too keen to deal with academics.

The worst scenario was from institutions owned by the Limpopo Parks Board. Site managers were unable provide the researcher with primary data and required information because of the constraints imposed by a bureaucratic administration. The researcher was always referred to somebody else at the head office in Polokwane (the capital city of the province where the headquarters of the provincial administration and the tourism division is located). The frustrating part was that these operations were part of the most professionally managed group of enterprises in the province and, as such, a person could have expected much better co-operation from them. As a result they could not be incorporated in the sample.

Time constraints and the cost of running the research survey were pressing hard on the researcher. Despite all the disappointments and limitations, the research was done on a scientific basis.

6.8.1 Approaches to encountered problems

In dealing with the encountered problems like resistance to participate on research, deferring appointments and lack of availability of important stakeholders to supply information necessary for the study, the research had an alternative plan. Some of the establishments, which were originally not sampled, were used to substitute those, which could not participate due to above reasons.

The problem of unreturned questionnaire was such that of the initial 150 questionnaires distributed only a small number, 43 (29%), were returned within a reasonable period of time. A further 22 (15%) were returned after persistent follow-ups, even as long as two months after due date. As a result, the researcher had to negotiate with potential respondents to use a facsimile facility or post office service to return the questionnaire. Still this did not bear very good results and only another 17 (11%) were collected. To solve the problem another batch of 150 questionnaires was sent out using electronic mail. Forty-six (31%) responses were received from this initiative. Ultimately, of the 128 questionnaires received, 18 were either not filled in at all or only partly completed, so they could not be considered in the analyses. A total of 110 questionnaires were used as the survey's sample.

In cases where owners/managers were reluctant or unwilling to co-operate, the researcher approached another operator who was not part of the initially identified sample to get a replacement respondent. In other instances, the researcher requested the managers to mandate their receptionists to either allow them to be interviewed or to complete the questionnaire on behalf of their principals. This approach yielded some good results because 9 receptionists completed the questionnaire.

Despite the odds, the data collection process was completed. The sample size was regarded as adequate for valid research findings and representative of NSMTA enterprises in greater Limpopo.

6.8.2 Validity and reliability

There are four main criteria used in evaluating the validity and reliability of this research, namely, truth-value, applicability, consistency and neutrality. These criteria were taken into consideration when undertaking the research. A detailed

discussion of these elements will, however, not be pursued here. Suffice to say, and with confidence that, despite all the challenges faced by the researcher when conducting the survey the study presents satisfactory and trustworthy findings.

Obviously, the academic merit of this study cannot dispute the fact that there are constant tensions and conflicts that sometimes are necessary to generate further discussion and identification of gaps for further research or for implementation. The NSMTA sector is directly or indirectly influenced by a myriad of factors ranging from general and specific consumer profiles, supply and demand, management, marketing, public policies, locality attributes and many other business dynamics that cannot be held constant.

Due to the incredibly diverse nature of tourism within the different tourism regions in Limpopo and the impact that so many other factors can have on the quality and competitiveness of the regional tourism accommodation enterprises, individual operators are seen to be the ones who should accept responsibility for appropriate tourism development. The onus is on them to act as catalysts and facilitators to bring together all tourism influences and suppliers, to produce synergy in their efforts to create a viable tourism accommodation market. The adoption of a generic strategic plan is justified on these grounds as proven in the findings of this study.

The scope of the strategic plan needs therefore to be wide to accommodate a range of possibilities. It does not draw restrictive boundaries and consequently cannot easily be condensed into a few pages. Rather, it explores issues from various perspectives and proposes a strategy as well as operational plans that are flexible enough to provide a framework for all within the district to benefit from this fascinating industry.

The nature of tourism accommodation growth and development in Limpopo as a whole requires that considerable effective co-ordination and leadership take place between the public sectors, tourism suppliers, retailers and local community groups in order to achieve a balance and harmony between the competing needs of the visitor, the community and the local environment. Therefore, this particular study cannot be all-inclusive and focuses on a holistic approach highlighting selected supporting aspects. In this regard, it offers findings that are sound and authentic; findings that could guide further research on gaps specified or implied.

6.9   Conclusion

The deliberation on different research methodologies was included as falling within the ambit of scientific research. The use of both quantitative and qualitative techniques was an indispensable strategy in order to attain reliable and valid information that would contribute to the integrity of the research. The research methodology and all techniques used in the study have been fully described and justified in this chapter.

The next chapter provides the presentation and the discussion of the findings from the four tourism regions of Limpopo. The three major issues encompassed in the stated and explicated aims of the study are dealt with in detail. First, the nature of each enterprise is investigated, with particular reference to its setting, ownership status, management style, philosophy and performance. Second, various facets of the operation of the business are considered. The third focus falls on business strategies and challenges, leading to a discussion of the adoption of a formalised strategic plan and its implementation.

.