

**INFLUENCE OF PRODUCT STRATEGIES ON MARKET SHARE. SURVEY OF THE
TOURISM INDUSTRY, ARUSHA, TANZANIA**

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**A Thesis Submitted to the School of Business and Economics in Partial Fulfillment for the
Requirement of the Conferment for the Degree of Masters in Business Administration
(Marketing Option) of Kenya Methodist University**

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DECLARATION

The thesis is my original work and has not been submitted for a degree award in any university.

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DEDICATION

I dedicate this work to my husband Rumeet Shah, for supporting me through my education journey. I also dedicate this work to my mother-in-law and brother-in-law for supporting me and encouraging me. Most importantly, I dedicate this to my parents for giving me life and for constantly being supportive and not to forget my brothers who I give my life to.

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Lastly, I extend my gratitude to the tourism industry in Arusha for their cooperation, allowing me to conduct my research at their establishments. The support and assistance from all these individuals and organizations have been instrumental in the successful completion of my research work.

ABSTRACT

Companies should use competitive product-market tactics to ensure their continued existence and viability in the market. They should also outperform competitors who employ other generic strategy forms or those caught in the mediocre zone. Although several studies have been conducted in the tourism industry, very little is known about the marketing strategies Tanzanian tour companies use. The study's goal was to find out how Arusha travel companies' use of market-product strategies affects their ability to capture market share. The investigation's particular goals were to ascertain how approaches to market penetration affect the growth of market share for travel agencies located in Arusha and to investigate the relationship between approaches to product development and the growth of market share for those same agencies; determine the extent to which market development strategies influence travel agencies in Arusha by increasing their market share; and determine the link between strategies of diversification and the growth of marketplace proportion for travel agencies situated in Arusha. Strategies for expanding market share in the hospitality business include market penetration, diversification, market expansion and development of products. This study is of benefit to various stakeholders in the hospitality industry, including tours and travel companies, Ministry of Tourism, and policymakers. The study was grounded on three theories, that is, endogenous growth, neo-classical growth, and resource advantage theories. A survey research design was employed in the study, targeting marketing managers from tour companies in Arusha. To determine the sample size, the researcher utilized basic random sampling. The data was gathered from a sample of 44 respondents. The marketing managers were handed a questionnaire with 17 questions to complete. Quantitative techniques were used to analyze the information gathered. When the data was acquired, it was cleaned, coded, categorized, and sorted. Information was then computed both by computations of deductive and expressive nature. Results indicate that market penetration strategy ($\beta = .732$, $p = .000 < .05$), strategy of product development ($\beta = .446$, $p = .015 < .05$) and market development strategy ($\beta = .346$, $p = .030 < .05$) significantly influence market share at 95% confidence level while diversification strategy does not ($\beta = .209$, $p = .174 > .05$). Results from the R square values further show that market penetration strategy, strategy of product development, market development strategy and diversification strategy contribute to 46.8% of the variations in market share, while the remaining 53.2% is extra variables not considered for under the current regression framework. The conclusion of the study is that a statistically substantial linkage exists between market share in Arusha's tourism sector and market penetration approach. It is also inferred that a statistically substantial linkage exists between strategy of product development was substantially linked with share of the market in the tourism industry in Arusha. The study further concludes that there exists a substantially notable link between market development strategy was substantially linked with share of the market in the tourism industry in Arusha. The study is also of the conclusion that diversification strategy does not have a statistically significant relationship with market share in the tourism industry in Arusha. It is recommended that in addition to sustaining and improving current practices under the strategy, tour companies in the country ought to continue to embrace the market-product penetration strategies.

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CHAPTER ONE: INTRODUCTION

1.0 Introduction

This chapter includes all conceptual and contextual information, the research problem, the study's goals, research questions, the study's importance, scope, premises, and limitations. It is via these features that product-market tactics are created and developed.

1.1 Background information

In many emerging economies possessing notable points of interest, vacations have become a new source of revenue for the economy because of its ability to create jobs and foreign exchange. Policy that seeks to develop tourism and boost its impact on the economy must be guided by a brief analysis of the financial effects of tourism and boost its impact on the economies of developing nations (Dwyer & Forsyth, 2016). Because visitors spend money on a variety of (mostly non-traded) goods and services, tourism has an impact on the economy (Carelo & Turner, 2019). Therefore, tourist spending might be seen as an FDI inflow, which could lead to an increase in the value of currency. As a result, local and international prices decline, discouraging exports (Adeleye & Eboagu, 2019). More broadly, the financial growth of tourism can be investigated by examining its impact on output growth, component use and the country's payment balance.

In the last four years, the number of tourists visiting Tanzania has risen notably. Many tourists visit throughout the year, especially in the months of June, July and August being the busiest because of the wildlife migration that tourists get to witness. Tour companies are up against fierce competition because of the rise in tourists (Calero & Turner, 2019). By providing the best services and building customer satisfaction, they aim at satisfying their customers as much as they increase their marketplace proportion. Leading businesses in the tourism sector have

additional room to grow their market shares. A tiny increase in market share can result in significant increases in sales in several markets. According to Armstrong and Kotler, (2017), research have shown that on average growing market share boots profitability. As a result of these findings, numerous businesses have tried to grow their clientele to boost sales.

Diverse tactics can be employed by a sector to grow its market share. Among them are two things: being creative and obtaining a competitive edge. Among Tanzania's most prominent travel agencies is Leopard Tours. This company has an edge over rivals because of their knowledgeable and experienced drivers. The business is slightly less costly than its rivals in terms of making reservations. In addition to having top-notch cars on hand, they also have a back-up car in the event of those individuals breaks downward (Nyerere, 2020).

Numerous academics have identified different strategies for increasing market share. The Endogenous Growth Hypothesis asserts that internal factors directly drive a system's business growth. Another way to gain market share is to implement Igor Ansoff product-market tactics, which is the focus of the present study is (Aaker, 2017). Companies assess and plan their expenditures using the Ansoff matrix, also known as the market- product development grid. The matrix shows four ways to support a company's expansion along with the risks involved (Helpman, 2016).

Diversification, which penetration into the market, market growth, and creation of goods are the four tactics (Haller & Butmaru, 2020). The aim of penetration into the market is to boost sales of current offerings to a developed market. Wide-ranging advertisements, including advertising, could achieve this. The tour enterprises can also reduce prices for those individuals or groups that they regularly serve. Market share can also be brought about by enhancements in a product as well as service. (Stainton, 2020).

The goal of product development is to introduce a new product into an existing market. By updating to a VIP car and introducing new amenities, the tourism business can adapt. These advantages include having a fridge with edibles in the vehicle, free WIFI, and the ability to charge electrical devices including laptops and mobile phones (Pilcher, 2020). Each car comes equipped with a binocular for the passengers. A new product may potentially be a corporation that owns its own resort or hotel, which could provide a benefit to frequent consumers in the form of discounts. Because the administrators know exactly what their clients require, the service provided will also make a difference (Stefănică et al., 2021).

The goal of market development is to bring an existing new product to the market. This could be accomplished by providing free excursions to the niche venture, allowing the person or group to see what the company has to offer. Individuals traveling alone or in groups who are visiting Tanzania for the very first time might be included in this new organization. They could possibly be locals making their first trip to the national parks (Stefănică et al., 2021).

The final method is diversification, which might be related or unrelated. When a corporation brings a new product to the market, this is referred to as related diversification. Mountain climbing might be a new product in the tourism sector for those people or groups who only wish to go mountain climbing and not visit a nature reserve. Unrelated diversification might include creating a new market for camping in national park campgrounds (Stefănică et al., 2021).

The real problem warranting the study is that whereas the application of the foregoing strategies has been widely studied in empirical literature (Hayes, 2020; Hunt & Madhavaram, 2019; Pilcher, 2020; Pride & Zemanek, 1996); the focus has been on industries other than hospitality, and much less in Arusha Tanzania. Further, although several investigations have been carried in the tourist sector (Dwyer & Forsyth, 2016, Stefănică et al., 2021) there is scanty literature on the

advertising methods employed by Tanzanian tour firms. Against this backdrop, the research purpose was to analyze the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector.

1.2 Problem Statement

The operational context has a significant impact on the efficacy of the product strategies Firms' successful product approaches vary greatly based on the operating context. The current operating set-up in the Arusha hospitality business is vibrant and extremely competitive, particularly in the tourism sector, where many private tours and travel companies have emerged (Stefănică et al., 2021). Organizations must implement successful product approaches to secure their survival and sustainability in the marketplace. They must surpass rivals that follow other generic strategy types or those who are trapped in the middle (Ferdinand, 2016). Advertising catalogues with enough resources, social good activities, product image, convenient retailing, marketing share positioning, and duration in the sector are among the competitiveness. Arusha boasts approximately 100 tour firms, all of whom are eager to expand their market share and compete (Dwyer & Forsyth, 2016).

COVID-19, a virus outbreak, had an impact on Tanzania's and the world's economies in 2020. In Tanzania, this notably impacted the hospitality industry the most, in comparison to other sectors. Many nations were put on lockdown because of this. Flights had ceased, and no visitors had arrived as a result. Local tourists were the only source of revenue for the tour firms. Small tour firms were also affected, and several were forced to close (Ministry of Tourism, 2020). Many individuals lost their jobs because of the procedure and had to find alternative ways to survive. Tanzania resumed normal operations in June 2020, with schools, as well as international and domestic aircraft, reopening. Tourists began to travel after borders and international flights were

allowed, however they had to take all steps to stay safe. Few tour firms are currently operating, as many were shut down during the Coronavirus outbreak, which led in international travel restrictions (Aviation Authority of Tanzania, 2020).

Although several investigations have been carried in the tourist sector, there is scanty literature on the advertising methods employed by Tanzanian tour firms. Against this backdrop, the research purpose was to analyze the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector. Companies can expand market share by innovating, improving client relationships, employing smart hiring methods, and purchasing rivals, as per Arfi et al. (2018). The share of the market of a single business is the proportion of that very market that it dominates.

1.3 Objectives of the Study

1.3.1 General Objectives

The study's general objective was to analyze the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector.

1.3.2 Specific Objectives

The following specific objectives guided the research.:

- i. To determine the influence of market penetration strategy on market share expansion in the Arusha tourism sector
- ii. To establish the influence of product development strategy on tourism industry's market share expansion in Arusha.
- iii. To assess the extent of how market development strategy influences the tourism industry's extension of market share in Arusha.

- iv. To establish the influence of diversification strategy on market share expansion in the tourism sector in Arusha.

1.5 Research Hypotheses

H₀₁: Market penetration strategy does not have a significant influence on market share in Arusha's tourism industry

H₀₂: Strategy of product development does not have a significant influence on market share in Arusha's tourism industry

H₀₃: Market development does not have a significant influence on market share in Arusha's tourism industry

H₀₄: Diversification strategy does not have a significant influence on market share in Arusha's tourism industry

1.6 Limitations and Delimitations of the study

The main limitation faced in the study is that data collection was conducted at the height of COVID-19, and many businesses are closed as a result of Corona's impact on the economy. Some businesses have indeed been forced to shut down as a result of a lack of business. As a result, not all businesses were able to complete the survey. The generalizability of the study findings was also limited to only the hospitality industry in Arusha, as other industries may be operationally different. To counter this, the study made suggestions for future studies in other industries.

Employees' aversion to being interviewed stems from their fear of change. The study accomplished this by assuaging their anxieties by regular visits and making it obvious what the study was all about, as well as assuring them that their information was kept private and only utilized for academic purposes. Provided that employs may be requested to decide on their

performance, it is understood that participants' partiality may be an unavoidable aspect of the study. Nevertheless, this was mitigated by promoting anonymous answers.

1.7 Scope of the study

The study set out to analyze the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector. To this end, the conceptual scope of the study includes four product-market strategies, including diversification, market penetration, market expansion and development of products. The study's focus is on the tourism business in Arusha city. This entails gathering data from the marketing professionals. This is important while collecting data because distance and time are the limiting variables that prevent data from being collected from most of the tour and travel institutions around the country. Because the study is exclusively confined to marketing executives, a personal interview technique is used. Due to a major lack of understanding of marketing techniques, other ministries such as Human Resources and Finance are abolished. It took roughly two months to finish the investigation.

1.8 Significance of the study

This study is important for policymakers in the hospitality industry because it shows them exactly how market-product strategies shape their operations and how they affect performance, as well as which tactics to employ in order to stay competitive and grow its market share. Other divisions in an institution, such as Human Resources, Accounting, and others, can benefit from this research since they have a better understanding of product-market approaches as well as how they are used to growing their share of the market.

Even though tour firms in Arusha are privately held, the findings of this study can aid the government by illuminating the numerous market-product approaches that institutions might employ to help them enlarge their share of the market. The information acquired through this

study will assist the government in determining how companies may grow their share of the market, which will aid in tax collection.

Furthermore, the investigation not only adds to the body of literature in management of marketing, but it also assists other researchers in developing additional provided suggestions for additional study as well as going a step further to investigate underlying relationships and other key constructs, resulting in better information on product offerings. Lastly, civilization will be more equipped to accept components of the tourism company's product-market strategy for increasing market share. This research is also of benefit to other sectors in the manufacturing and service sectors. Despite the fact that the younger generation is educated and taking over the companies begun by their forefathers, intensity of rivalry nowadays. This research offers clarity light on tactics of product-market nature and how they are implemented to gain market dominance. It shall teach them how to gain competitiveness and expand their proportion of the market.

1.9 Justification/Rationale of the Study

The study's goal of analyzing the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector. More precisely, the investigation seeks to determine the influence of market penetration strategy, product development strategy, market development strategy and diversification strategy. The foregoing is justified owing to the fact that whereas the application of the foregoing strategies has been widely studied in empirical literature, the focus has been on industries other than hospitality, and much less in Arusha Tanzania. Further, although several investigations have been carried in the tourist sector, there is scanty literature on the advertising methods employed by Tanzanian tour firms. The research purpose was to see if

companies are still using Igor Ansoff's product-market strategies to grow their market share. Different tactics are employed to expand market share in the current marketplace.

1.10 Assumptions of the study

The branch manager is assumed to be the marketing executive in this investigation. Employees are expected to provide accurate information when gathering data, and the appropriate authorities award consent for data gathering. It was also believed that the study would get resources aimed at making data collecting easier, but that the data obtained would be representative of the entire sector for interpretation.

This research presupposes that the tour companies adapt to these techniques, which is why this topic of investigation was selected to bridge the gap and reach a deduction. The current study is ongoing because the same subject can be surveyed at different points in time, despite the fact that, since Tanzania's market is unstable, and employment are insecure, new samples can take over more than time. New management may join the company and have a completely different perspective, making the research a cross-sectional investigation. This study looks into the managers' perceptions and sees if they actually use product-market approaches to enhance their share of the market or if they have their own.

1.11 Operational definitions of operational terms

Market penetration: Improve existing sales volume to a current market (Arfi et al., 2018).

Product development: Product development is defined in the research design as the process of improving a current product or producing new types of products (Pilcher, 2020)

Market Development: A strategic decision made by businesses to expand their present markets instead of seeking out new ones (Chen, 2019).

Market development Strategy: This means introducing new consumers or applications to the potential market. Different geographical sections, demographic segments, organizational sections, and psychographic sections are all new consumer examples. Finding fresh offerings is yet another way to boost sales (Hayes, 2019)

Diversification strategies: A company's diversity occurs when it creates a new item or enters a new market. Diversification can help a company manage risk by reducing the amount of damage it suffers during market crises. The main concept is to diversify into a company activity that is unaffected by the same market crises as your existing one. There are two types of diversification strategies: conglomerate and concentric expansion (Aaker, 2017).

Diversification that is concentric: A business's diversification strategy involves the addition of related product lines. In this case, diversification is being done to discover a strategic alignment (Calero & Turner, 2019).

Diversification that is conglomerate: When a company diversifies into sectors that are unconnected to its existing type of work, it is known as diversification that is conglomerate in nature. Although synergy can be achieved through the use of management experience or financial resources, the fundamental goal of diversification of conglomerate is to increase the acquisition firm 's financial performance (Chen, 2019).

Market share: It refers to the percentage of a market that is dominated by a single firm or product. The proportion of total sales in an industry or market is calculated by adding the sales volume to the firm's revenues over the same time period. This indicator is used to estimate a firm 's growth in relation to its competitors and market (Hayes, 2019)

Service sector: A sector made up of businesses that primarily make money by selling intangible goods and services. The third part of the economy, also called the service industry, is one of 3 major industries, with the secondary sector, which includes the core sector, which comprises producing goods, mining and fishing, being the other two. Consideration, advice, expertise, and debate are examples of services, sometimes known as intangible products (Aaker, 2017)

Tourism industry: Tourism is the term used to describe and classify the practice of travel and sight-seeing. It is a network of interrelated tourism activities that take place whilst visiting an area. From a fiscal and operational sense, the tourism sector refers to and incorporates the same features. All enterprises that provide items / solutions to tourists at various stages of their journeys are included in the tourism industry (Stefănică et al., 2021).

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The organization of this chapter is based on the study's specific objectives. It contains a literature review compiled from a variety of sources, including websites, books, research papers, and journals. The review looks at both theories and empirical studies to see how product-market strategies affect share of the market. The chapter begins with a theoretical outline, trailed by a scholarly review that includes a critical examination of published studies with regard to each survey's goal, a conceptual model, a basis, and a summary of the chapter.

2.2 Theoretical orientation

This is utilized to back up the idea that was utilized in the study. The hypotheses that were used in the study are as follows: Endogenous Growth, Neo-Classical Growth and Resource Advantage Theory. The modes serve as a foundation for understanding market growth theories.

2.2.1 Resource Advantage Theory

This is the result of the development of two basic hypotheses. Conner introduced the first hypothesis in 1991, stating that organizations should be able to explain elements that restrain them and also justifications for their presence. This perspective is based on resource-based theory, which emphasizes changing resources and varied requirements. The second hypothesis is a differential advantage competitiveness theory developed by Alderson in 1965 and Alderson in 1957.

Resource advantage, according to Hunt and Madhavaram, (2017), can describe important organizational strategies such as resource-based tactic, competence-based approach, industrial-based approach, market-oriented approach, brand equity tactic, effective segmentation approach, and relational promotional strategies.

The assets that are used to allude to resource advantage are those that are available, whether real or intangible, and are created promptly and productively to be provided to specific market groups (Hunt, 2017). This thesis is based on blunders in the pursuit of organizational advantage by focusing on organizational strategy. Historically, the organization's concentration has been on competitiveness. Organizational current leaders have just recently begun to focus on distinctive service and product development strategies that rivals are unable to mimic as a result of Hunt and Morgan (2017) research. According to Ferdinand (2016), the ability to generate these three conditions will lead to a competitive advantage and organizational efficiency.

Hunt (2017) demonstrates that product attributes are extremely diversified, information is poor, and available resources are likewise heterogeneous in this theory. As a result, according to Hunt, innovation in a company is required to assist boost growth, sales, and profitability. Furthermore, growth can be achieved through the effectiveness and efficiency of innovation. Organizational growth is achieved by innovation, which entails increasing the attribute value provided by customers via value-added use. Customers should be offered more value by increasing the quality and quantity of resources available to them. By making greater use of organizational resources, a company should be able to reduce expenses while also increasing market development. An organization must be able to spot fresh market expansion prospects. This can be accomplished by a differentiation strategy or the introduction of new product offerings. It could be accomplished by expanding existing items into novel markets. All of the preceding will assist a company in improving its performance and expanding its share of the market (Hunt, 2010). It will also increase an organization's performance in the following ways: The quest of financial success will lead to the creation of outcomes; production increase shows the firm's presence and can even lead to the formation of a new company.

In order to achieve corporate success and benefit, a company must be able to invent things that are hard to reproduce for future competitors (Gupta, 2015). Successful firms, according to Wang, et al. (2014), have an advantage in spreading information and possessing high intellectual capital. The competitive advantage that a business has must be maintained over time in the form of unique, tough innovations that rivals will not be able to copy.

According to authors like Barney (2017), Pride and Zemanek, (1996), a firm's market dominance can be increased by competitiveness, which can be achieved by employing internal resources to provide added value to customers that can't be copied by competitors. An institution's competitive advantage is determined by the amount for which it does not replicate other organizations, not by how long it keeps the edge.

Pricing, volume, line of products, marketing and advertising, services, inventory levels, customer credits, and presentation are all strengths that a business can use to direct its customers. In order to sustain the advantage, the company is anticipated to make the best use of its resources (Pride & Zemanek, 1996). The resource advantage theory is pertinent to the current study because it explains how travel companies in Arusha use product-market strategies such as market penetration, product development, market expansion, and diversifying to grow market share.

2.2.2 Neo-classical Growth Theory

The theory shows how a consistent country's economy is achieved by combining several driving forces such as labor, capital, and technology. In the year 1956, Robert Solow and Trevor Swan created this hypothesis. Short-term equilibrium, according to Solow, is the result of variable amounts of investment and work in the production process. Economic growth is impossible to sustain without technological advancements, as technological progress has a significant impact on the economy (Banton, 2020). Labor, capital, and technology, according to this notion, are the three variables required for a rising economy. Temporary equilibrium is distinct from lengthy stability, that does not need most of these 3 components, according to neo-classical theory of growth (Schoeff, 2020).

Growth of the economy is only possible if there is investment in the market and how individuals utilize that investment is crucial to that progress. The output of an economy is determined by the relationship between labour and capital. Worker productivity is supposed to be enhanced by technology, which enhances labor output capacities. It has further been said that raising any of the contributions has an influence on GDP and, as a result, on an economy's balance. Nevertheless, if the three variables of neoclassical growth model are not all comparable, the benefits of both untrained capital and labour on an industry diminish.

According to Kulkarni et al. (2016), the neo-classical theory is inextricably linked to free market and economies ought to pursue liberalization, privatisation, and liberalisation policies with a view to attain superior growth of the economy. Too much interference and inadequate resource allocation by the government leads to underdevelopment due to erroneous pricing regulations. This hypothesis is founded on the premise that market economies would generate competitive situations that will encourage producers to participate in the global economy (Banton, 2020).

From aviation to health care, administrations must privatize sectors and services under their authority. The liberalization element requires that market forces decide pricing such as rate of interest, currency exchange, wages, and commodities costs absent government interference or support. The nation's economy will be deregulated by eliminating any challenges of global commerce and investments, according to the last element (Gershman, 2015). Neoliberal economists say that open international trade systems will enable developing nations to create items with that they have a comparative advantage, in line with Heckscher-theorem, Ohlin's which is based on the notion of factor abundances.

These commodities are often labor-intensive in developing countries with no or little additional value in manufacturing. The key components for progress, according to neoliberalist philosophy, are limited control by the government and higher dependence on the market economy (Tadoro, 2015). Another of the difficulties in employing this model of expansion to poor nations is that several less advanced world' markets are so distinct in organization and management from their western counterparts that traditional neoclassical theory's behavioral presumptions and policy principles are often dubious and often inaccurate (Tadoro, 2015). Whereas this model advocates for market economics, industrialized countries have financial, social, legal, and cultural systems that make it easier to apply the idea, which are not always present in developing countries. Numerous aspects of consumption and production occur in less advanced countries which might or might not occur to the same extent in rich economies.

The imperceptible hand achieves in misunderstanding most of the people, benefiting those that are better off, according to the experiences of systems application and goods around the globe (Schoeff, 2020). There is a propensity for capital to flow wherever it has been plenty, further marginalizing people who are poor.

The dependence on the marketplace is at the heart of non-liberalism; yet some marketplaces in less developed nations do not function on the same scale or show the same features.

Policymakers and economists often neglect significant factors influencing growth by assuming that market-driven development is effective in nations with imperfect markets, where consumers may lack information, and where supply and demand face unpredictability. Essential services like education and healthcare carry social value that isn't reflected in their market prices, allowing them to be offered at lower costs. When the government manages these social services, recognizing health and education as public goods encourages investment in these areas. However, if these services are privatized, and the responsibility falls on the private sector, there may be little financial incentive to provide them. This shift can lead to a substantial decline in the well-being of many individuals (Tadoro, 2015).

The Neo-classical growth model is relevant to this study because it explains how travel companies in Arusha use the 3 driving factors of labor, investment, and future technologies to create product-market strategies such as strategies for market penetration, strategies for product development, market approaches, and diversification strategies in order to gain market share.

2.2.3 Endogenous Growth Theory

This is a macroeconomic theory that says that growth of the economy is a straight result of a system's internal procedures. More precisely, the theory holds that increasing a country's human resources will result in economic growth via the development of new technology and improved production methods (Liberto, 2019).

Endogenous theory, according to Howitt (2015), is long-run economic growth determined by forces within the market structure, especially those determining the possibilities and motives to create technical capabilities. The pace of economic growth in the long run is defined by the

growth rate of the economy per individual, which is governed by the rate of factor productivity, which is controlled by the pace of technological advance. Solow and Swan's neo-classical growth theory argues that technological discovery drives the speed of technological development that is distinct from and unaffected by economic pressures. As a result, neoclassical economics suggests that experts could take the lengthy rate of growth as determined exogenously from outside of the economy (Liberto, 2019).

According to Howitt (2015), this hypothesis provides a new viewpoint on what causes growth of the economy. It claims that internal systems such as intellectual capital, invention, and capital investment, instead of external uncontrolled forces, are responsible for a stable rate of prosperity, contradicting neoclassical economics. Productivity gains, according to this hypothesis, can be directly linked to improving effectiveness and larger human financial assets. As a result, they urge for companies and government entities to foster innovation projects and provide benefits for corporations and individuals to be more innovative, such as R&D funding and proprietary rights. The theory is that in an experience and understanding economy, profits continue to be generated as a result of investment in new technology and personnel. Experience and understanding industries like telecommunications, computing, as well as other elevated industries play an essential role (Ahuja, 2015).

Government policies according to the endogenous growth theory, can boost a country's development rate by stimulating innovation and entrepreneurship and raising market competition. These are growing capital investment returns to scale, particularly in education and infrastructure, healthcare, and telecommunication. In terms of research and development, the commercial sector is an important part of technological progress. Patents and property rights must be protected if entrepreneurs and investors are to be encouraged to participate in research & innovation (Ahuja,

2015). Economic progress relies heavily on human capital. Government policy should support entrepreneurialism as a channel of initiation of new enterprises and, in turn, as a discovery of fresh jobs, investments, and creativity.

This idea first appeared in the 1980s as a counterpoint to neoclassical growth theory. It asks how wealth disparities between developing and wealthy countries can remain if such capital investments as infrastructure, offer diminishing revenues. An economist named Paul Romer argued that technological progress is not simply an external byproduct of independent scientific advancements. The economist wanted to show that government measures, such as intellectual property rules and R&D spending, contributed to stimulate endogenous invention and sustain economic growth. The findings were first dismissed, but over time, the idea gained traction, and he was awarded the Nobel Prize in Economics for his research on lengthy growth in the economy and its connection to technological improvements (Barro, 2014).

This hypothesis has both benefits and cons. To begin with, this theory is based in significant part on neo-classical premises, which have been shown to be unsuitable for emerging economies. The theory makes a mistake by assuming that the economy's sectors are symmetrical or that there is an individual product marketplace. Poor infrastructure, organizational flaws, and ideal markets, as well as institutional and transaction fees, are all factors that stymie growth of the economy. It also ignores the political dimension of innovation, in which countries erect barriers to new ideas (Helpman, 2016).

This theory has the advantage of providing a theoretical foundation for understanding the expansion. It aids policymakers by highlighting inter-relationships throughout society. These ideas are essential because they underline that wealth creation and invention can lead to

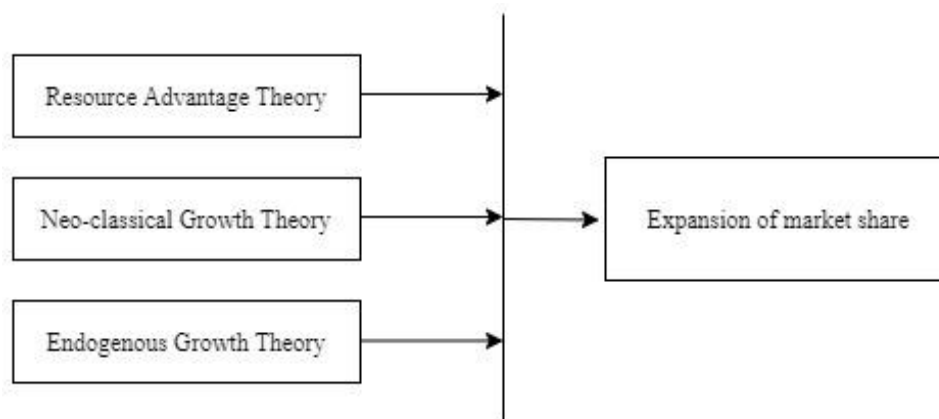
economic growth, whilst decreasing returns can lead to it being reduced. The theory demonstrates how spillovers and safe repercussions of research endeavors inside the economy can lead to long-term economic progress (Butmaru &Haller, 2020).

The hypothesis is pertinent to the current study because it explains how travel companies in Arusha gain their share of the market as a result of internal product-market strategies such as market expansion, the creation of products, diversifying tactics, and market growth. This is predicated on the assumption that improving a country's human resources will lead to increased market share through product-market strategies.

2.3 Theoretical framework

Figure 2.1

Theoretical Framework



Source: Author

2.4 Empirical Review

This section's primary goal is to review previous research which has been undertaken in relation to the topic under investigation, which are led by four goals: diversification, market penetration, market development, and product development.

2.4.1 Market Penetration and Market Share

The aim of Oke et al. (2022) study was to evaluate the effects of market penetration strategies on company performance in Nigeria. Utilizing a longitudinal approach, the researchers employed a regression model based on panel data to analyze supplementary information gathered from the referenced brewing industries. The findings revealed that market penetration strategies significantly influence brewery success, with pricing strategy alone accounting for ninety-one percent of a business's performance. This also highlighted the strength of the relationship between these two factors. In a related study, Bulle (2020) examined how market entry strategies impacted the performance of Telkom Kenya Limited in Nairobi City County, Kenya.

The study's foundations included the theories of market-based viewpoint, open-architecture systems, the lifespan of products, and dependent on resources view. A design for a descriptive survey was used for this investigation. 65 employees were the target audience, and they came from 4 departments: the computer technology departments, the corporation's units-mobile the division, the initial sales and post-sales the division, and the customer service office. A survey with 65 participants was conducted. Questionnaires were used in the study to gather primary data. The study found that the following strategies had a beneficial, substantial effect on company performance: price strategy, transportation channel plan of action, diversifying strategy, and the approach to differentiation.

A marketer has numerous options for conquering current product marketplaces and increasing market share, as per Aaker (2017). The much more obvious method is to boost market growth. However, one firm's gain is another firm's loss. As a result, the share of the market struggle may only intensify competition pressure, and any gains in market share may be quickly nullified or, at the very least, difficult to maintain. Increased product utilization is an alternative method that may offer less of a threat from rivals and, as a result, contribute to a rise in market share. The final of the three methods for increasing product utilization, namely regularity of use, amount of use, and new apps, could be the most successful. This includes gathering information on the uses of competitive brands and products that are alternatives.

To measure the cost efficiency of such initiatives, the expenses of such investigations or studies, as well as later promotional strategies, should be considered. As per Smith (2020), a company aims to expand its present product market by deeper penetrating it with its established products. This method of growth is referred to as concentrated growth. The strategy of market penetration carries the lowest risk because it takes use of several of the company's present capabilities and resources. Sustaining share of the market will lead to an expansion in a rising market, and there could be chances to gain market proportion if competitors reach capacity challenges (Kotler & Keller, 2017).

2.4.2 Product development and Market Share

With the example of Equity Bank Limited, Ulrich (2020) concentrated on the role that product diversification strategy plays in commercial banks' pursuit of a competitive edge. A representative sample of one hundred participants was chosen for the study using stratified sampling. The initial findings for the study were gathered using an informal survey. According to

the results, the financial institution has differentiated its goods and procedures so that they meet observable items or services with qualities that are important to consumer choices and decisions.

In his study from 2021, Otieno looked on how broadcasting stations in Nairobi could differentiate themselves and achieve a competitive advantage. Data collection involved using a survey to gather information. This qualitative study aimed to identify the differentiation tactics used by broadcasting organizations and the connection between strategy for differentiation and a competitive edge. Utilizing correlation and descriptive statistics, the information was examined. The research discovered a link between the broadcasting stations' differentiating approach and their competitive edge.

Development of products takes it a step farther than simply increasing product utilization. Updates to product features are an easy approach to develop a product (Aaker, 2017). Product line expansions are another method of product development. This could also mean creating new generation items in the same class, rendering older products outdated in terms of innovation or functionality. A few difficulties should be examined in product development via line extensions (extra features) or next generation products to make the plan feasible or successful.

The third and final aspect of product development involves launching a new product. To boost sales and foster growth, a company can leverage its core competencies or synergize its R&D, manufacturing, and marketing strategies. An effective approach to developing new products is to capitalize on existing brand reputation and recognition, using its market position to introduce a new product line. According to James (2013), a product development plan may be advantageous if the firm's strengths are linked to its specific customer base rather than solely the product itself. This allows the company to utilize its strengths to create a new offering targeted at its current clients. However, new product development, much like entering new markets, carries greater

risks compared to merely trying to increase market share. Kotler and Keller (2017) describe product development as a growth strategy that involves introducing new or modified products to existing market segments.

2.4.3 Market Development and Market Share

In their study from 2021, Adimo and Osodo (2021) used Sameer Africa Limited in Nairobi, Kenya as a case study to explore how market development affects company performance. 134 respondents were included in the sample, which was chosen using stratified and straightforward random selection methods. Questionnaires that were self-administered were used to gather primary data. Descriptive statistics were used to analyze quantitative information. The investigation discovered a surge in growth in markets, including the utilization of market dynamics to determine the best channel plan, the use of various channels to reduce distribution costs, the sale of certain services and goods through a link and supplementary companies, and the utilize of different methods of distribution.

Schoviah (2022) conducted a study on the impact of market expansion plans on the profitability of a company among Kenyan commercial banks. A design based on a descriptive survey was used for the investigation. All forty-three of the nation's commercial financial institutions served as the study's sample. Through surveys, the study collected primary as well as secondary information. The investigation discovered that banks utilized numerous distributions, internet banking, and the branch infrastructure. The financial institutions used aggressive advertising, extensive advertising, and valuable marketing for the expansion of the market.

There are two approaches to establish a market for an existing model (Aaker, 2017). The first method is to expand geographically in the current markets segment(s). The second option is to create new market segments. Graduation from a regional or local marketplace to a country's

market, or from a marketplace to a global market, would be considered geographic development in the same market or client group. Another future growth path is to move into new segments of the market. This could also be more difficult. The most typical method for expanding into new market sectors is to entice current non-users to join the fold through suitable marketing. Before investing in an expansion plan, firms should thoroughly examine market viability in terms of rival products and brands. Market development alternatives, as per Gillian (2018), include pursuing more segments of the market or geographical locations. Creating new marketplaces for the goods may be a good option if the company's underlying capabilities are more related to the particular item than its experience with a certain segment of the market. Since the business is entering a new, a market development strategy is costlier than a market penetration strategy. Market development, according to Kotler and Keller (2017), is a strategy for corporate expansion that involves discovering and creating new market categories for today's products of the market.

2.4.4 Diversification and Market Share

Oyedijo (2022) conducted empirical research on several Nigerian organizations to evaluate the effects of product-market diversification strategies on corporate financial performance and growth. The study found a significant and positive relationship between financial outcomes and relevant diversification strategies, utilizing a triangular analytical approach that included association analysis, multiple regression, ANOVA, a separate sample test, and the Scheffe Ad Hoc test. The results indicated that organizations pursuing related diversification achieved better financial performance compared to those engaged in unrelated or heterogeneous diversification. Conversely, completely unrelated and mixed diversification strategies showed only a weak correlation with financial success and revenue growth.

The 2019 study by Yigit and Behram examined the link between company efficiency and tactics for diversification in frameworks of advanced and developing nations using data from Turkey and the Netherlands. Information from 154 company groups in the country of Netherlands and 125 companies in Turkey between 2007 to 2011 were examined. The findings show that in Turkey, where single enterprises without any diversification have high corporate performance values, the biggest companies in the Netherlands have higher organizational effectiveness values.

The impact of diversification policies on the earnings of Kenyan business banks was the subject of a research by Mwangi (2020). The 42 authorized commercial financial institutions in Kenya were the population of choice, and a census approach was utilized to determine the size of the sample. We utilized secondary as well as primary information. The investigation found that a 17-product diversification approach heavily utilizes mobile and internet-based banking services. Additionally, commercial financial institutions across Kenya can improve their performance by adding novel characteristics to the current ones (price), rebranding most of the existing goods, and reintroducing them on the public market.

Diversity as a strategy can help you expand in a variety of ways. Diversification can be accomplished in two ways: research and development and market development. Diversity can also be achieved by introducing new products in the market. A firm's diversification plan may include a new business endeavor, a joint project, an acquisition, or a merger, whether through product development, market development, or both (Aaker, 2017). Diversification can take one of two forms: linked or unconnected business. Related diversification refers to the new business having similarities with the core competency or competences, and these similarities serve as the foundation or power for producing synergies, scale economies, or higher returns by leveraging

existing research and engineering skills and resources, distribution and the production process. On the other hand, unrelated diversification has little to do with current work and expertise resources, save from monetary backing, and may imply entering a whole new field. For this, the organization may need to acquire new talents and expertise. The major reason or motive for unconnected diversification could be high revenues, customer base, or profit growth potential (Aaker, 2017).

Diversification, as per Gillian (2018), is the biggest gamble of the four-business expansion since it necessitates both market and product expansion and may be from outside firm's core expertise. Some have even dubbed this section of the grid the "suicide cell." Diversification, on the other hand, may be a good idea if the risk is outweighed by the potential for large profits. Diversification can also help you establish a foothold in a lucrative industry while minimizing the overall volatility of your business portfolio.

2.5 Summary of Literature and Study Gaps

This chapter begins with a discussion of the Ansoff's Matrix, which includes diversification methods, market development, market penetration, and product development as identified by the study. As per Igor Ansoff, a company's growth occurs when it brings new products to existing markets, spends in product offerings and the existing customer, or invests in outgoing products to new markets. Companies must go beyond and concentrate on what would enable them to thrive out of the possibilities presented in each development strategy, with the goal of not only eliminating competition but also gaining market share. Much research has been conducted to determine the factors that influence a company's market share growth. However, the majority of them have focused on the broad challenges that underpin market expansion. However, none appear to examine the component of growth strategies as suggested by Igor Ansoff, the founder

of strategy formulation, and so this study will fill that gap by examining the impact of following Igor Ansoff principles on gaining share of the market in the hospitality business.

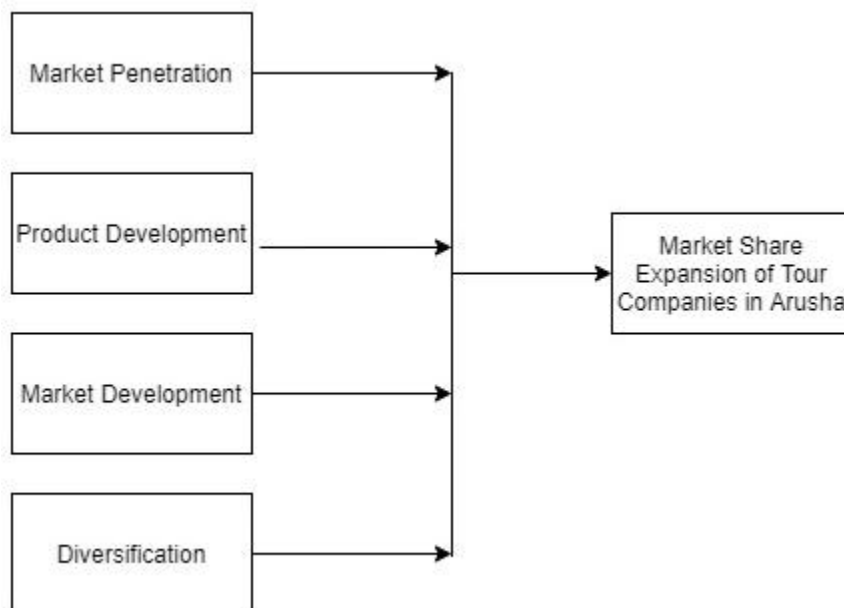
2.6 Conceptual Framework

Figure 2.2

Conceptual Framework

Independent Variables

Dependent Variables



Source: Author, 2022

A conceptual framework is a type of broad concept gathered from a variety of areas of study which are used to provide a framework for a dynamic structure. The terms in the model are depicted in the conceptual framework. The report's independent and dependent variables are depicted in the diagram above. A predictor variable is something that is changed during the study; it is what the investigator thinks will have an impact on the dependent variable. (Imenda, 2014). An outcome variable is something that will be evaluated; it's something that the researcher

believes will be influenced during the study. In this study the tour companies market share is the dependent variable (Creswell, 2018).

In this study product-market strategies make up the independent variables, diversification, product development, market penetration, and market development strategies. In market penetration the tour companies can increase market share by increasing product usage and increasing the quantity of products used. In product development the tour companies can increase market share by improving their products offered or extending their product line. They can also offer a new product for the existing markets. Market share can also be increased by market development. The organization can expand markets for the existing products. This can also be done by new target segments or geographic expansion. Diversification strategies can also be used to increase market share by forward and backward integration or related and unrelated businesses.

2.7 Operationalization

The operational structure depicts the study's elements and especially within the context. An organizational framework is a listing of all the elements and specific ideas that are being used in the study (Jabareen, 2018). It's a research implementation strategy. It outlines the steps involved in achieving the research goal. The proportion of a target audience that purchases a service or product is known as market penetration. A measurement of one income statement as a proportion of total sales for a product and services is known as market penetration.

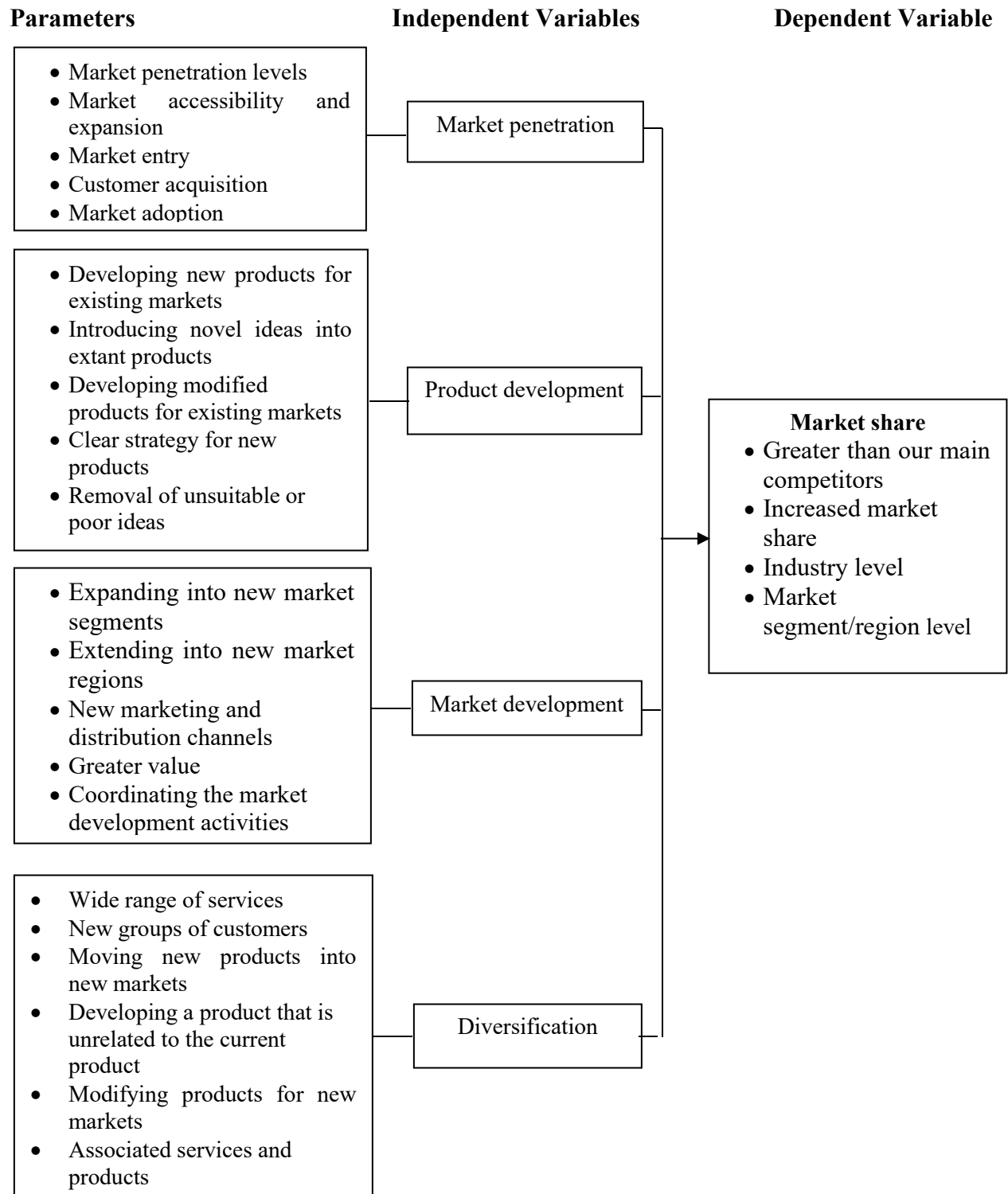
Product development is the process of refining an existing model or creating new ones. Providing the right services or products of the right quality price with effective marketing assistance ensures a company's competitiveness and market share growth. To do so, the company

must keep their offering fresh, which entails keeping abreast of industry trends, rising technologies, and modifications to existing items, as well as product development.

Market development is a growth approach for current products that develops and finds new market segments. The goal of a market development plan is to extend the market potential by adding additional users or uses. Personality segments, new geographic segments, institutional segments, and demographic segments are all examples of new consumers. Another way to boost sales is to come up with new ways to utilize the product.

Figure 2.3

Operational Framework



Source: Author

Whenever a firm produces a novel good or enters a novel marketplace, diversifying methods are implemented. Diversification can help a company manage risk by reducing the amount of damage it suffers in instances of downturns of the economy. The fundamental concept is to grow into a firm that is less susceptible to economic downturns than your present one.

CHAPTER THREE: METHODOLOGY

3.1 Introduction

The design of the research is covered in this chapter. It contains a summary of the research design, respondents of the study, sampling techniques and process, response rate, data collecting, data processing, and analysis.

3.2 Research design

A descriptive survey was utilized in this investigation. Descriptive survey study aims to collect data that characterizes current phenomena (Jaideep, 2018). In doing so, it sought people's exact preconceptions, attitudes, behaviors, and values in order to identify and report how things are, allowing for the description of features related to the target inhabitants, forecasts of numbers of individuals with these character traits, and the revelation of affiliations between multiple parameters. Exploratory method, as per Jaideep (2018), depicts a precise portrayal of people, events, or circumstances in their present standing.

3.3 Target population

In statistics, the target population is a set for which data is sought (Trochim, 2018). The tour firms in Arusha town were the study's target population (Appendix A). The major informants of the study were the advertisers make of tour firms, who were the primary audience. Because of their familiarity with the tourist firm's product-market strategies and how they aid expand market share, data was collected by mailing surveys to marketing executives from the 147 tour businesses. They also have in-depth understanding of the marketing methods to employ to attract tourists, particularly during the pandemic, as commerce in Tanzania restarted in June 2020.

Table 3.1

Target Population

Category	Population	% Proportion
Marketing Managers	147	100.0
Total	147	100.0

3.4 Sampling Procedure and Sampling Size

McCombes (2019) define sampling as how cases are drawn for representation purposes, from the population. Two types of techniques of sampling exist, that is non-probability and probability sampling. Probability sampling comprises cluster sampling and random sampling and is normally preferred since it employs random selection for all population cases to have an equal chance or probability of being sampled. Non-probability sampling on the other hand includes convenience and purposive designs and reduces sampling bias. In this study, simple random sampling was adopted in selecting the tour companies. Simple random sampling, as per Depersio (2018), is a strategy for taking a size of the sample from a bigger population and using it to investigate and generalization concerning the bigger population. A fundamental random sample is produced by compiling a large population's long list, from which a predetermined number of people are randomly selected to form the cohort. Each segment of the greater populace has a comparable opportunity of being picked in a basic random sampling (Depersio,2018).

Schindler and Cooper (2006) define a sample as a collection of cases comprising a share of the population of the study which the researcher selects carefully for analysis with a view to determine truths about the population. To obtain the sampling size, the study was guided by Mugenda and Mugenda (2003) who propose a sample of 10% from large population sizes and 30% from relatively smaller population sizes. As such, this research sampled 30% of the target

population which is 44.1. This number has been rounded to the nearest whole number, which really is 44. The researcher administered the questionnaires to selected tour companies' marketing managers.

Table 3.2

Sample Size

Category	Population	Sample	% Proportion
Marketing Managers	147	44	30.0
Total	147	44	100.0

3.5 Data Collection Sources and Procedures

The “drop and pick” method was used to acquire the present study's information. The first week was spent delivering surveys to tour company marketing managers. The authors investigated the study's goal to the participant and assured them that the information gathered would only be used for academic purposes. The information gathered was basic, and the study included both computations of deductive and expressive nature. Secondary data was gathered from journals and websites in the hospitality business, as well as papers, published research studies, and the internet. The goal of incorporating secondary information was to consider other people's perspectives on the subject.

3.6 Data Collection Instruments

Questionnaires were utilized to collect data for the study. These questionnaires were given out by the investigator herself in order to explain the goal of the study to the respondents and to obtain adequate and trustworthy information from individuals. This technique was utilized by the

researcher as a direct conversation with participants to obtain the information needed for the study.

Participants' primary data was gathered through the distribution of questionnaires. Because some of the participants were unable to read and follow the surveys, the researcher assisted them and provided the necessary data.

3.7 Test of Validity

The validity of this study's design was ensured by the thorough selection of indicators that guided the development of the interview and questionnaires schedules. The validity of the survey was further increased by conducting a trial survey before collecting the final information from the participants. Mugenda and Mugenda (2003) conceptualize validity as the correctness and importance of conclusions obtained from research outcomes. To avoid bias, the population that participated in the content validity was excluded from the final data collection process.

3.8 Test of Reliability

When used repeatedly, reliability refers to an instrument's capacity to produce consistent results. The interview and questionnaire protocols were put through a test-retest procedure, with data acquired with the tools from a few randomly chosen respondents of the community at first and then a week afterwards.

3.9 Data Analysis and Presentations

Questionnaires were entered into a computer and then analyzed using Spreadsheet. The Statistical Package for Social Science was utilized to examine the tour industry's product-market strategies for increasing market share. The information was illustrated in the form of figures and tables after quantitative and qualitative analysis. Quantitative analysis involved computation of

both computations of deductive and expressive nature. Descriptive analysis was used to summarize data sets using mean scores, frequency distributions and standard deviations. Inferential statistics included both Pearson correlation and a multiple regression analysis. The regression model adopted is as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y = Market share

β_0 = Constant Term

$\beta_1, \beta_2, \beta_3$ and β_4 = Beta coefficients

X_1 = Market penetration strategy

X_2 = Product development strategy

X_3 = Market development strategy

X_4 = Diversification strategy

ε = Standard Error

To aid in the analysis, the variables will be measured as indicated in Table 3.3

Table 3.3

Variable Measurement

Type of variable	Variable	Measurement
Independent	Market penetration	• Market penetration levels • Market accessibility and expansion • Market entry • Customer acquisition • Market adoption
Independent	Product development	• Developing new products for existing markets • Introducing novel ideas into extant products • Developing modified products for existing markets • Clear strategy for new products
Independent	Market development	• Removal of unsuitable or poor ideas • Expanding into new market segments

Independent	Diversification	• Extending into new market regions • New marketing and distribution channels • Greater value • Coordinating the market development activities • Wide range of services • New groups of customers • Moving new products into new markets • Developing a product that is unrelated to the current product • Modifying products for new markets
Dependent	Market share	• Associated services and products • Greater than our main competitors • Increased market share • Industry level • Market segment/region level

3.9 Ethical considerations

The scholar followed the study procedure's ethical guidelines. The scholar delivered an official letter with the goal of gaining permission to carry out the study, which clarified the study's goal and purpose. Prior to collecting data, the researcher obtained agreement from participants, ensuring that the information is kept confidential and used solely for scholarly use. Only those who willingly agree to engage in the data gathering process received surveys. No one was coerced to fill out questionnaires if they did not want to. Only authorized persons had access to the data collected in the field, which was kept in a locked area.

Before proceeding to data collection, the researcher first got ethical clearance and an approval to perform the study from the University. This was in the form of an authorization letter. The researcher then used the authorization letter from the University to apply for a research permit from NACOSTI. Following licensing, the researcher followed proper protocol in obtaining permission and consent for data collection.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Introduction

The recorded information was statistically analyzed and integrated in this part. Graphs and tables were used extensively to aid in the interpretation and comprehension of the results and analysis. This chapter's first segment includes quantitative data, while the second half focuses on the qualitative aspects of the research results.

4.2 Response Rate

The study establishes that out of 44 marketing managers, a total of 35 were able to comprehend and forward their duly completed questionnaires for analysis and processing, as shown in Table 4.1. This constitutes 79.5% response rate which the researcher considers good enough to proceed with data processing. 3 companies did not return the questionnaire whereas 6 companies from the sample have not started operations due to the current outbreak of Corona virus. These 3 companies are small tour operating companies which have about three fleets of cars.

Table 4.1

Response Rate

	Frequency	Percentage
Response (Marketing Managers)	35	79.5
Non-Response	9	20.5
Total	44	100.0

Source: Survey Data (2021)

The established response rate of 79.5% was considered adequate for data analysis and did not in any way affect the results negatively. This is in line with Ghauri and Gronhaug (2010), who consider a return rate of 50 percentage points to 60 percentage points to be adequate, and a return rate of 70 percentage points or more to be good. In addition, Collis and Hussey (2009) believe

that a return rate of 60 percentage points is reflective of the study's sample. The response rate is further considered excellent by Clark and Creswell (2007) who postulate that for reporting and analysis, a return rate of 50 percentage points is sufficient; 60 percentage points is good; and 70 percentage points and higher is great.

4.3 Instrument Reliability

A pilot survey was conducted to determine the reliability of the questions. Cronbach's Alpha was used to determine internal consistency. Internal reliability is determined by determining whether the indicated objective functions the same concept. Nunnally (1978) set the Alpha value criterion at 0.7, which was used as a benchmark in this study. Cronbach Alpha was calculated for each objective to see if the scales (objectives) would provide consistent findings if the research was repeated later. As a result, Collis and Hussey (2009) propose that values around 0.4 and 0.7 are acceptable, with values above 0.7 being desirable, as Nunnally (1978) suggests. Furthermore, according to Ghauri and Gronhaug (2010), an item is considered “highly reliable” if the Cronbach Alpha coefficient is “between 0.82 and 1.00”; “sufficient reliability” if “between 0.64 and 0.81”; “low reliability” if “between 0.46 and 0.64”; and not reliable if “between 0.10 and 0.45”. Table 4.2 shows the outcome of the reliability assessment.

Table 4.2

Reliability Analysis

Variable	Cronbach's Alpha	No of Items	Decision
Market Penetration	0.794	10	Sufficient Reliability
Product development	0.825	10	High Reliability
Market Development	0.887	9	High Reliability
Diversification	0.799	7	Sufficient Reliability

Source: Survey Data (2021)

Table 4.2 shows that the alpha coefficients for all of the concepts were higher than 0.70, with the highest at .887 and the lowest at 0.794. The market development strategy recorded the highest reliability ($\alpha = .887$) followed by the strategy of product development ($\alpha = .825$). Diversification strategy had a reliability coefficient of .794 while Market penetration recorded the least reliability coefficient at 0.799. The results meet Cronbach's (1951) threshold of 0.7, suggesting that all of the scales used to create the survey questions were trustworthy. The findings led to the conclusion that the investigation instrument used for this study had satisfactory reliability coefficients and was thus suitable for the research. Nunnally (1978) set a coefficient of 0.7 as the criterion for reliability based on the findings.

4.4 Instrument Validity

In the current study, a complementary combination of face, concept, and content convergent validity were used. Expert advice was sought to evaluate both content and face consistency of the data collection tools with the objective to increase face legitimacy and material. The university supervisors accepted the instruments for fieldwork once they passed the validity testing.

4.5 Preliminary Diagnostic Tests

In order to prepare for inferential analyses, the investigation performed different diagnostic tests prior to data analysis in order to verify data quality and eradicate any errors. Initial tests would ensure the output quality as well as the accuracy of the sort of research to be used. The section contains the diagnosis test results for the premises tests, which included testing for normalcy, linearity, multi-collinearity, and homoscedasticity. It's vital to validate regression analysis hypotheses to avoid scale back or underfitting of regressors, which can lead to Types 1 and 2 mistakes if left unchecked.

Additionally, testing for these assumptions is beneficial since it aids in identifying the best effective statistical approach. As a result, the study evaluated regression analysis assumptions and verified that it was not prone to infringement. With the premise that the information is distributed regularly, statistical procedures such as analyses of variance, t-test analysis, and means of regression are used. As a result, diagnostic tests were carried out in order to discover and repair statistical flaws.

4.5.1 Analysis of Missing Values

Missing Value Analysis (MVA) was used in this study to look for any missing data patterns and the incomplete data's magnitude. The technique was designed to highlight missing value patterns and restore them in the given dataset. There were no missing values in the subsequent univariate statistics computations reported in Appendix X.

4.5.2 Test for Outliers

Outliers are a portion of data that deviates from the hypothesis while the remainder of the data falls within the scope and appears remote from the rest (Collis & Hussey, 2009). In statistical analysis, identifying outliers can result in the detection of truthfully surprising information. Such points, on the other hand, can have a detrimental impact on the regression equation, as well as the skewness and kurtosis of the data. As a result, detecting outliers is critical for effective modeling and presenting the correctness of results.

Following the standards of Collis and Hussey (2009) the information was evaluated to discover the multivariate outliers' presence. Mahalanobis distance was used to identify multivariate outliers (D2). If the probability associated with a case's (D2) is 0.001 or below, it is considered an outlier (Collis & Hussey, 2009). Only one (1) anomaly was found in this investigation, as all other assertions had probability associated with them (D2) that were greater than 0.001. The

outlier was removed from the dataset, bringing the total sample size to 60, from the initial 61. The SPSS output to this influence is presented in Table 4.3.

Table 4.3

Residuals Statistics for Mahalanobis Distance Test

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	12.8011	16.8523	15.2286	.95479	35
Std. Predicted Value	-2.542	1.701	.000	1.000	35
Standard Error of Predicted Value	.195	.820	.379	.158	35
Adjusted Predicted Value	12.5341	17.2072	15.2428	.95396	35
Residual	-3.17216	1.82294	.00000	1.01715	35
Std. Residual	-2.929	1.683	.000	.939	35
Stud. Residual	-3.014	1.747	-.006	1.005	35
Deleted Residual	-3.35731	2.19621	-.01422	1.17669	35
Stud. Deleted Residual	-3.549	1.812	-.019	1.070	35
Mahal. Distance	.136	18.515	3.886	4.484	35
Cook's Distance	.000	.270	.033	.063	35
Centered Leverage Value	.004	.545	.114	.132	35

a. Dependent Variable: Market Share

4.5.3 Test for Normality

The presumption that data are regularly distributed is verified using statistical techniques. The normality of ranges was determined graphically by looking at plots and graphs, and mathematically by employing statistical tests such as the Kolmogorov-Smirnova and Shapiro-Wilk tests, as well as looking at kurtosis and skewness. As per Collis and Hussey (2009), the Shapiro-Wilk test is better for small sample sizes of fewer than 50 but can manage sample sizes as large as two thousand, whereas the Kolmogorov-Smirnov test is better for high sample numbers. Values higher than 0.05 at the 95 percent confidence level show the significance of the test of normality (Ary et al., 2010; Collis & Hussey, 2009). Table 4.4 presents outcomes for the test of normality.

Table 4.4*Tests of Normality*

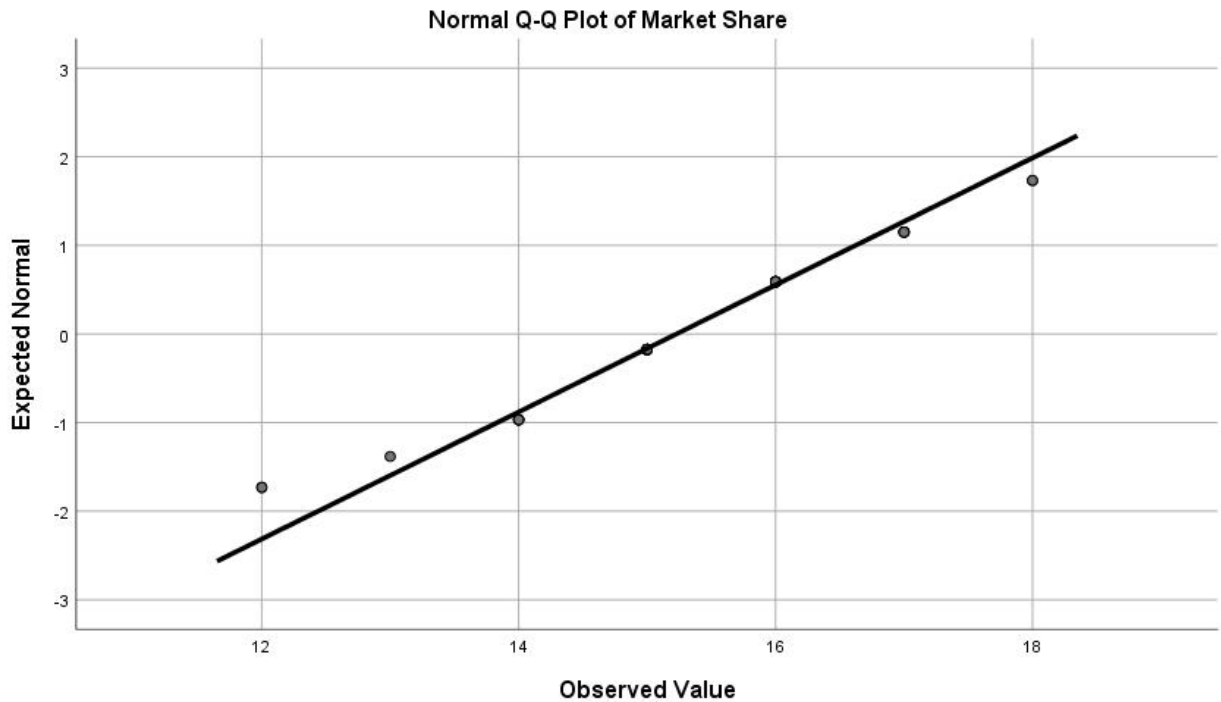
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
Market Share	.206	35	.001	.930	35	.028
Market Penetration Strategy	.206	35	.001	.776	35	.000
Product development Strategy	.207	35	.001	.891	35	.002
Market Development Strategy	.172	35	.010	.923	35	.017
Diversification Strategy	.143	35	.068	.967	35	.371

Source: Survey Data (2021)

As presented in Table 4.4, both results showed that based on the Shapiro-Wilk test, normality assumption was met only for Diversification Strategy ($p=.371>0.05$) while the assumption was violated for Market Share ($p=.028<0.05$), Market Penetration Strategy ($p=.000<0.05$), Strategy of product development ($p=.002<0.05$), and Market Development Strategy ($p=.017<0.05$). To corroborate the results, a visual inspection of quantile-quantile (Q-Q) plots was performed to assess the distribution of the data and further check for normality. Because the study is only concerned with normal distribution, the Q-Q plot is an appropriate approach for determining whether or not the information deviates from other scatterings (Collis & Hussey, 2009). Figure 4.5 presents the yield of a Q-Q plot for Market Share.

Figure 4.1:

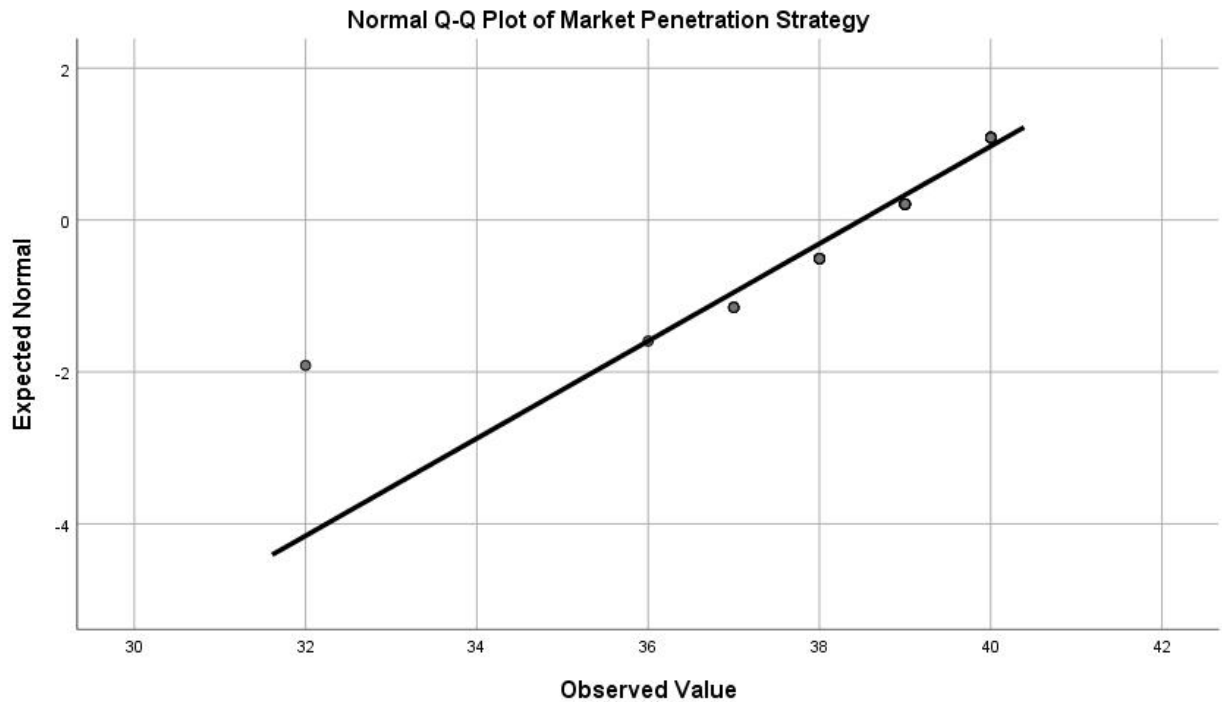
Q-Q Plot for Market Share



Source: Survey Data (2021)

Figure 4.1 presents the yield of a Q-Q plot for market share which revealed that the plots were near the 45-degree line, therefore the data was distributed normally. The observed values were within the expected values and no outliers were identified. Therefore, data on strategic planning was normally distributed and had no outliers that needed to be excluded from the data before analysis. Further, Q-Q plot for Market Penetration Strategy was conducted, results of which are presented in Figure 4.2.

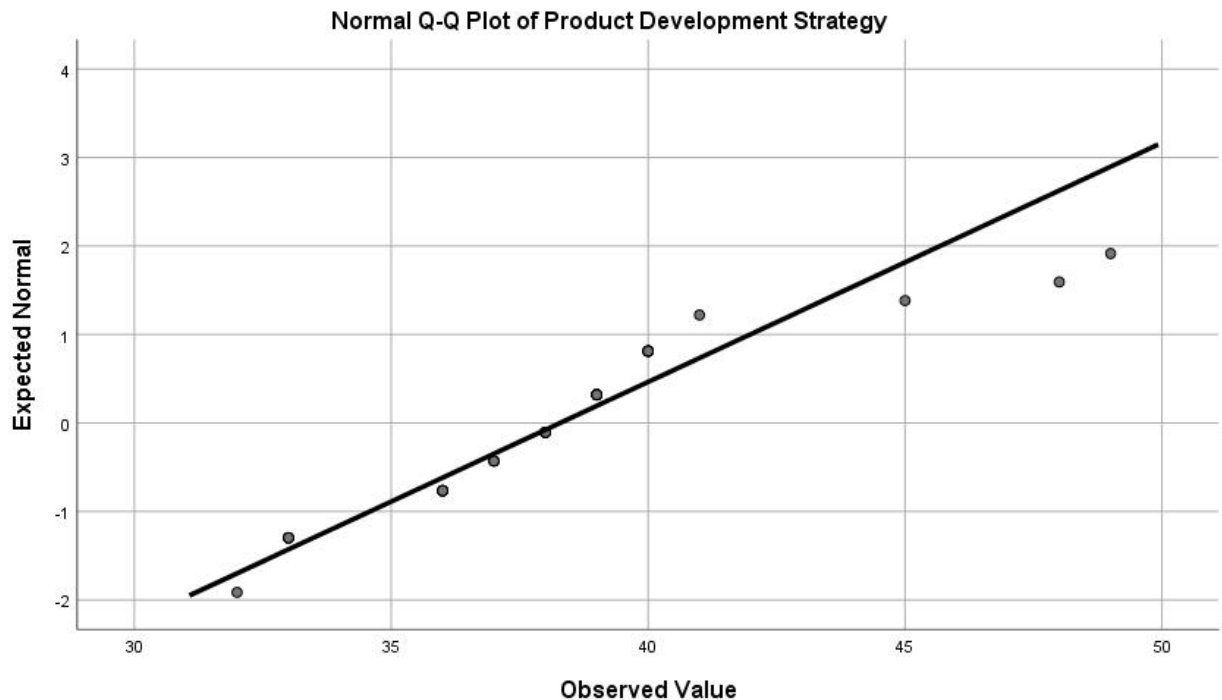
Figure 4.2
Q-Q Plot for Market Penetration Strategy



Source: Survey Data (2021)

As portrayed in Figure 4.2, a majority of the rings are distributed close to the diagonal line, an indication that the information displays a normal spread. The data in the Q-Q plot displayed is normally distributed as the observed values were within the expected values and no outliers were identified. Therefore, data on Market Penetration Strategy was normally distributed and had no outliers that needed to be excluded from the data before analysis. Further, Q-Q plot for Strategy of product development was conducted and the result is presented in Figure 4.3.

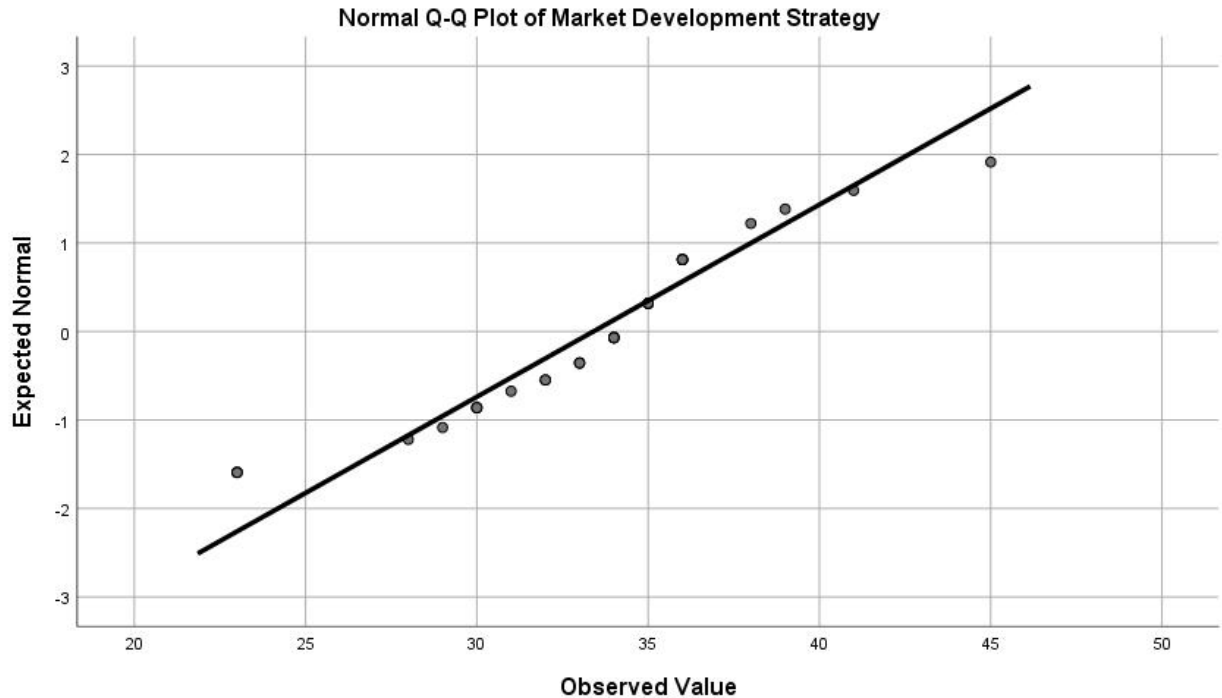
Figure 4.3
Q-Q Plot for Product development Strategy



Source: Survey Data (2021)

As portrayed in Figure 4.3, a majority of the rings are distributed close to the diagonal line, a show of how the information projects a normal spread. The data in the Q-Q plot displayed is normally distributed as the observed values were within the expected values and no outliers were identified. Therefore, data on Strategy of product development was normally distributed and had no outliers that needed to be excluded from the data before analysis. Further, Q-Q plot for Market Development Strategy was conducted and the result is presented in Figure 4.4.

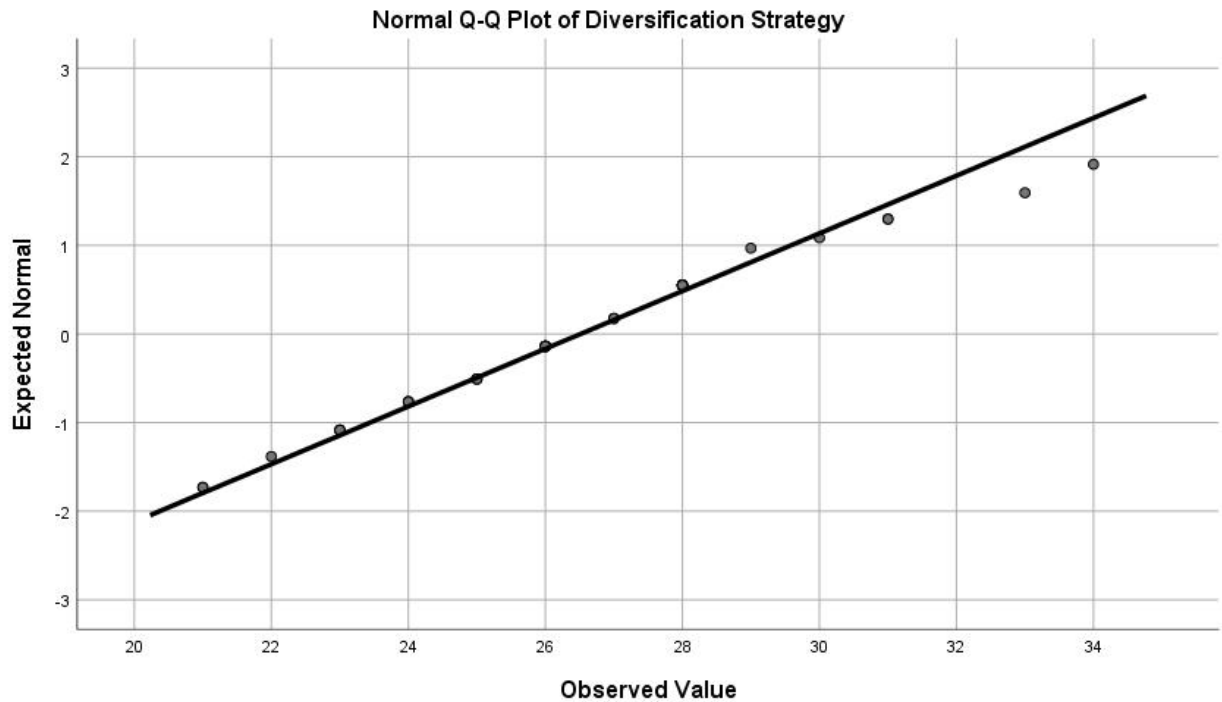
Figure 4.4
Q-Q Plot for Market Development Strategy



Source: Survey Data (2021)

Many of the circles are dispersed towards the center line as shown in Figure 4.4, indicating that the results show a typical dispersion. The data in the Q-Q plot displayed is normally distributed as the observed values were within the expected values and no outliers were identified. Therefore, data on Market Development Strategy was normally distributed and had no outliers that needed to be excluded from the data before analysis. Further, Q-Q plot for Diversification Strategy was conducted and the result is presented in Figure 4.5.

Figure 4.5
Q-Q Plot for Diversification Strategy



Source: Survey Data (2021)

All of the rings are dispersed close to the perpendicular line in Figure 4.5, indicating that the data has a normal spread. The data in the Q-Q plot displayed is normally distributed as the observed values were within the expected values and no outliers were identified. Therefore, data on Diversification Strategy was normally distributed and had no outliers that needed to be excluded from the data before analysis.

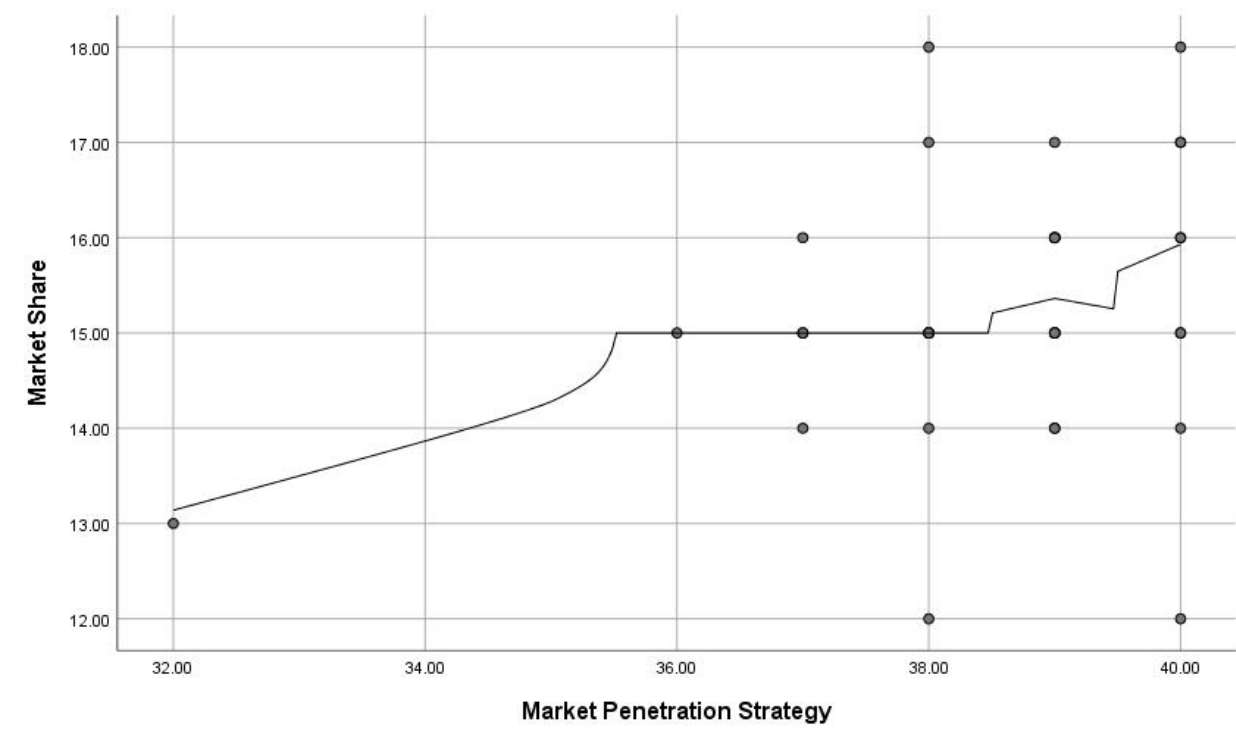
4.5.4 Linearity Diagnostics

To test linearity, a visual inspection of scatter diagrams for the independent and dependent variables was used. Whereas the datapoints appear scattered, loess curve employs locally weighted smoothing to depict the general trend in the dataset. According to Montgomery et al.

(2012), in the field of regression analysis, the loess curves is a frequently employed instrument that draws a straight line through an interval plot or dispersed-value plot that assists you understand relationships between characteristics and predict developments. Scatter diagram for strategic planning and service delivery shown by Loess curve is presented in Figure 4.6.

Figure 4.6

Scatter Plot on Market Penetration Strategy and Market Share

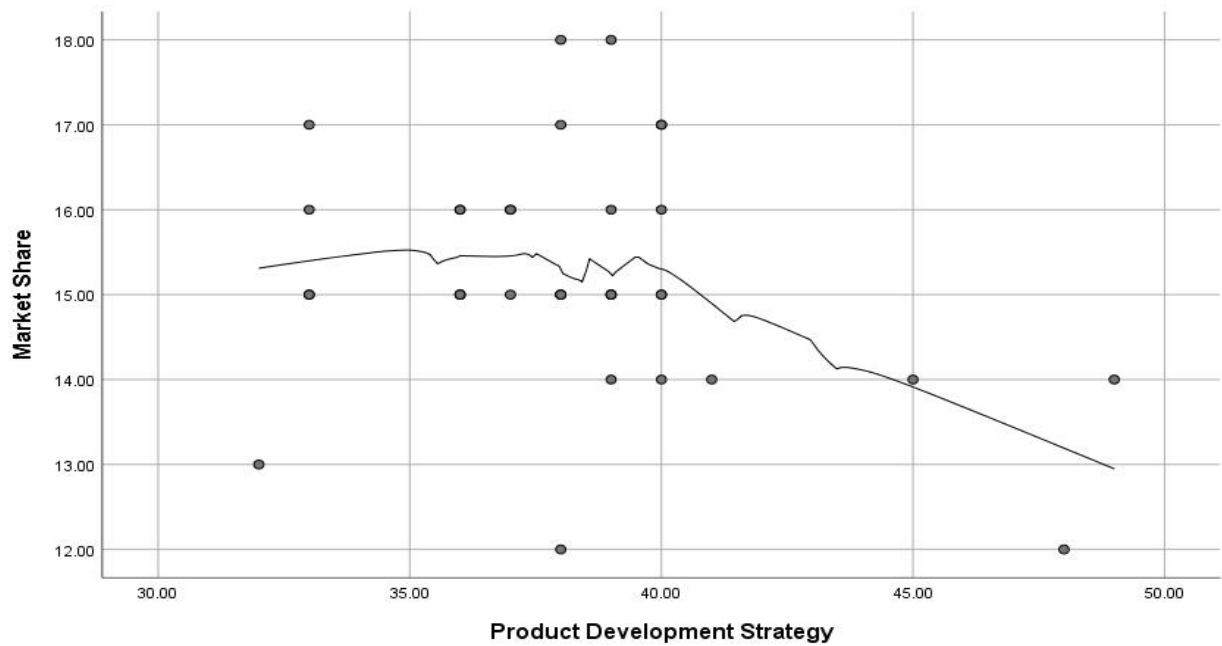


Source: Survey Data (2021)

Figure 4.6 shows that the line of best fit shown by loess curve is linear. Therefore, the relationship between market penetration strategy and market share was linear. Figure 4.7 presents the line of best fit for the relationship between product penetration strategy and market share.

Figure 4.7

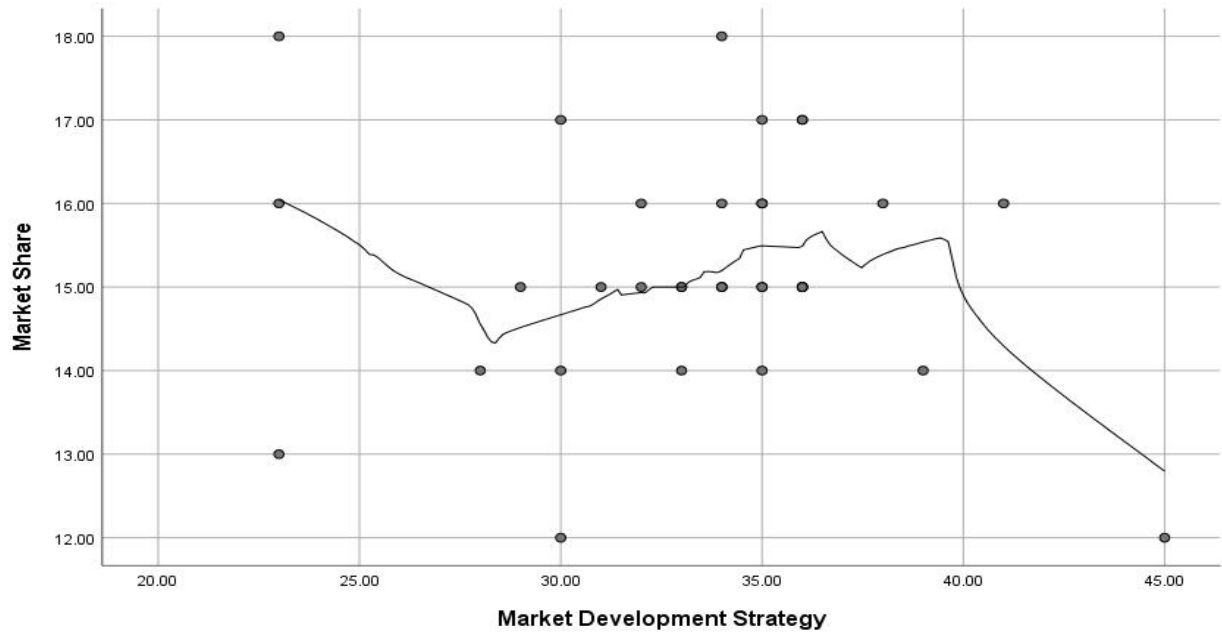
Scatter Plot for Strategy of product development and Market Share



Source: Survey Data (2021)

Figure 4.7 shows the line of best fit between strategy of product development and market share takes a linear relationship, albeit negative. Thus, linearity assumption was met. Figure 4.8 presents the scatter diagram on the link between strategy on market development and market share.

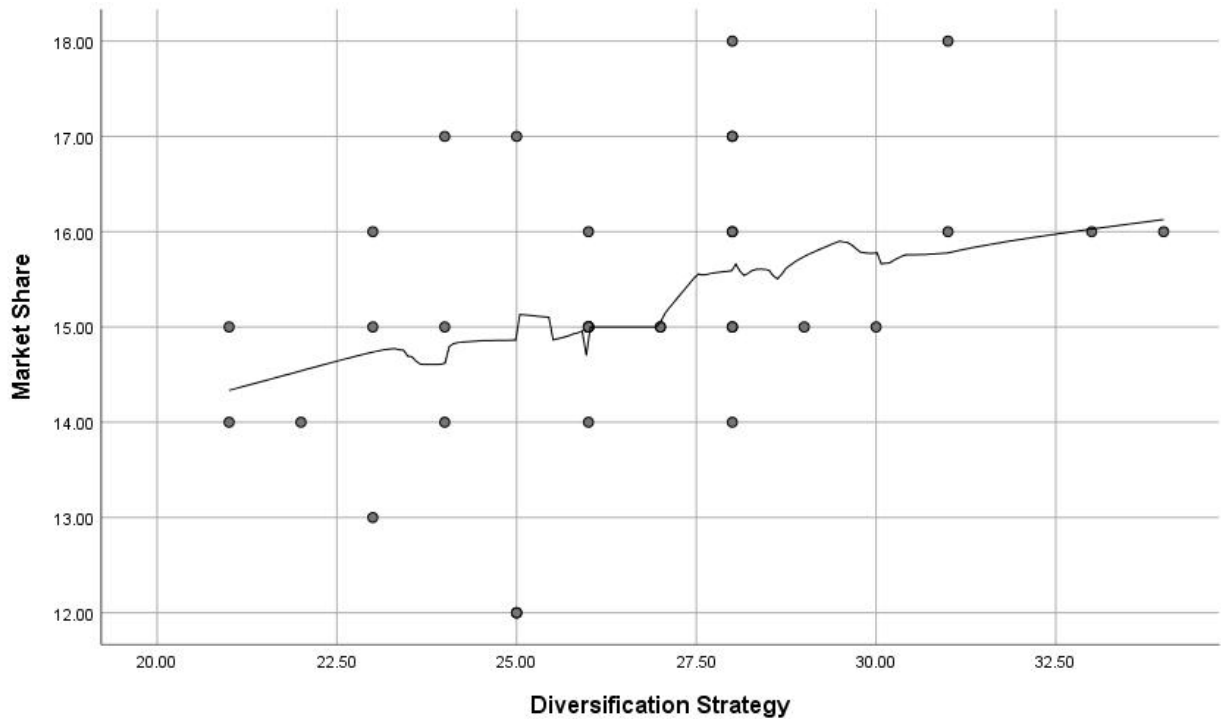
Figure 4.8
Scatter Plot on Market Development Strategy and Market Share



Source: Survey Data (2021)

Figure 4.8 shows that the link between market development strategy and market share had a linear relationship as shown by Loess curve, albeit weak. Thus, linearity assumption was met in the study. Figure 4.9 presents the scatter diagram on the relationship between diversification strategy and market share.

Figure 4.9
Scatter Plot on Diversification Strategy and Market Share



Source: Survey Data (2021)

Figure 4.9 shows that the relationship between diversification strategy and market share had a linear relationship as shown by Loess curve, albeit weak. Thus, linearity assumption was met in the study.

4.5.5 Multicollinearity Diagnostics

Multicollinearity is a phenomenon in which the independent variables have a high degree of correlation. It arises in a multiple regression analysis when there is a strong correlation between the regressors, resulting in incorrect regression coefficient estimations. When attempting to establish the extent to which different explanatory variables contribute to the comprehension of the dependent variable, this produces unexpected findings (Doe & Smith, 2020).

Multicollinearity has the effect of increasing the standard error of Beta estimates, resulting in lower reliability and often puzzling and misleading results. The multicollinearity test was used to see if there was a strong connection between one or all of the study's factors and one or more of the other regressors.

The Variable Inflation Factor (VIF) calculated the inflated variations due to linear dependency with other explanatory factors by measuring the connection between the predictor variables. It was put to the test by computing the VIF and the tolerance, which is the inverse of the VIF. Unlike VIF, which measures how much multicollinearity exaggerates the regression coefficient, inflating the systematic deviation, tolerances are the degree of variability in the exogenous characteristics that the additional predictor elements do not adequately describe. The maximum tolerance limit score is usually 1.0, but the VIF number should not exceed 10. (Montgomery et al, 2019). The outcomes of multicollinearity tests are shown in Table 4.5.

Table 4.5

Test of multi-collinearity

Variable	Tolerance	VIF
Market Penetration Strategy	.511	1.957
Product development Strategy	.586	1.706
Market Development Strategy	.620	1.613
Diversification Strategy	.789	1.267

Source: Survey Data (2021)

Source: Survey Data (2021)

As portrayed in Table 4.5, the VIF values were all below 5 indicating absence of multicollinearity and the tolerance values were also all below 1.0: Market Penetration Strategy (Tolerance = .511; VIF = 1.957); Strategy of product development (Tolerance = .586; VIF = 1.706); Market Development Strategy (Tolerance = .620; VIF = 1.613); and Diversification

Strategy (Tolerance = .789; VIF = 1.267). The statistics depict an absence of the problem of multicollinearity and therefore the variables, creation of products, market expansion, penetration into the marketplace, and tactics for diversification are fit to be explored in the model.

4.5.6 Homogeneity of Variances

The Levene statistic was also used to check for homogeneity of variance. As per Field (2018), Levene's test confirmed equality of variance in aggregated samples with a $p > .05$ acceptable criterion. As a result, the Levene's test of equality of variance is substantial at 0.05, implying that the data do not have equal variances. Table 4.6 shows the results of the uniformity of variances test.

Table 4.6

Test of Homogeneity of Variances

Variable	Levene Statistic	df1	df2	Sig.
Market Penetration Strategy	1.152	3	29	.345
Product development Strategy	1.173	5	24	.351
Market Development Strategy	1.757	6	21	.157
Diversification Strategy	.747	7	22	.636

Source: Survey Data (2021)

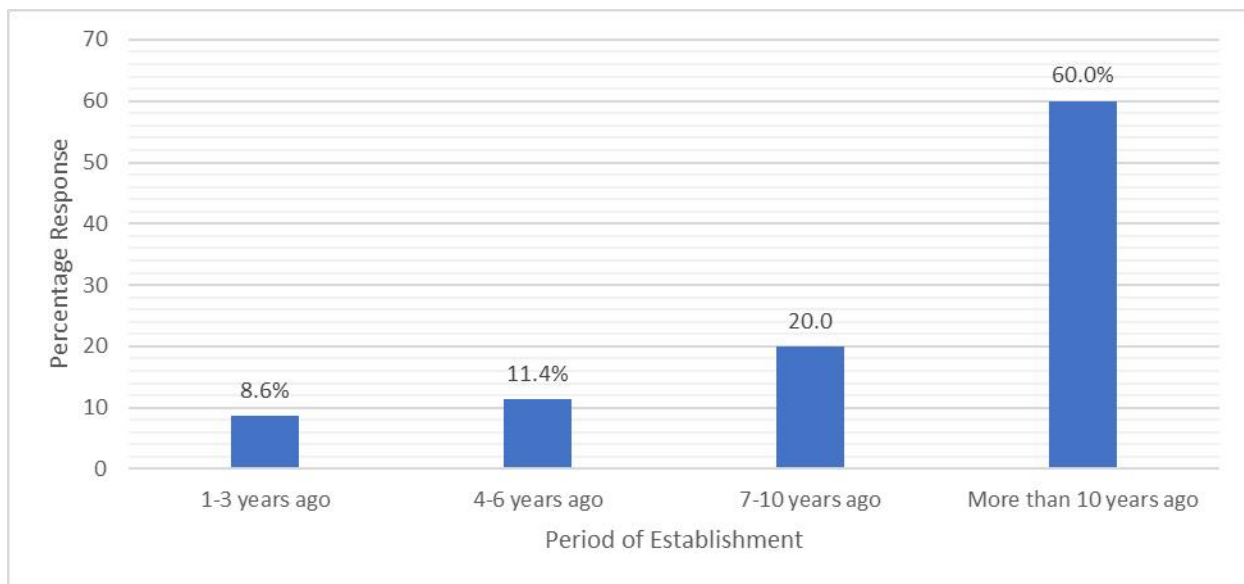
All of the variables had P-values of greater than 0.05 for Levene's test of homogeneity of variances, as shown in Table 4.6. These include Market Penetration Strategy (Sig.= .345>.05); strategy of product development (Sig.= .345>.05); market development strategy (Sig.= .345>.05); and diversification strategy (Sig.= .345>.05). The test thus confirmed homogeneity of variance.

4.6 Company Profile

The study sought to find out the duration in years, the respective companies had been in operation. This was judged vital because it would affect the variables investigated in the study,

such as the accumulated practical experiences informing the product-market strategies adopted and the acquired market share over time in the hospitality industry in Arusha, Tanzania. The results are as presented in Figure 4.10.

Figure 4.10
Establishment of Tour companies



Source: Survey Data (2021)

As illustrated in Figure 4.10, a majority of the companies (60.0%) were established over 10 years ago, followed quite distantly by 20.0% having been established between 7 and 10 years ago. A further 11.4% indicated that their respective companies were established 4 to 6 years ago, while only 8.6% affirmed being established less than 3 years ago. The conclusion is based on the inference that collectively, a majority of the tour companies reached have been in operation for at least 7 years. This suggests that most the respondent companies are well experienced and therefore adequately versed in the subject matter, including how the various the product-market strategies adopted have performed in their respective organizations and how the same has influenced their market share over time.

4.7 Market Penetration Strategy

The study sought to determine the impact of market penetration tactics on market share expansion in the Arusha tourism sector. The variables were then subjected to a descriptive analysis using a “five-point Likert scale”. To this end, the respondents were required to assess the presented statements using a 1 to 5 scale. The descriptive analysis on the variables entailed the use of means and standard deviations, results of which are presented in Table 4.7.

Table 4.7

Descriptive Statistics for Market Penetration Strategy

	Mean	Std. Dev
In our firm, we work towards increasing our market penetration levels	4.000	.542
In our firm, we work towards enhancing market accessibility and expansion	3.771	.843
In our firm, we work towards discouraging competitors from entering the market	4.000	.343
In our firm, we work towards enhancing early market entry	3.943	.539
In our firm, we work towards customer retention	4.200	.6774
We devote sufficient resources towards increasing our customer acquisition	3.743	.505
We adopt product promotions to convert potential customers	3.771	.547
We adopt pricing strategies to convert potential customers	3.857	.430
In our firm, we work towards enabling rapid market adoption and dispersion of the organization’s goods	3.857	.648
We achieve market access through strategic alliances or partnerships	3.629	.490
Composite	3.877	0.556

Source: Survey Data (2021)

The results presented in Table 4.7 indicate an overall mean of 3.877 (SD=0.556), suggesting that a majority of respondents reached highly affirm to statements pertinent to their application of market penetration strategy, their opinion on market penetration strategy, and whether or not in their experiences, market penetration strategy helps in increasing market share through market

penetration. A majority of respondents particularly highly affirmed that their respective firms' work towards customer retention (4.200); they work towards increasing our market penetration levels (4.000); they work towards discouraging competitors from entering the market (4.000); they work towards enhancing early market entry (3.943); they adopt pricing strategies to convert potential customers (3.857); and that they work towards enabling rapid market adoption and dispersion of the organization's goods (3.857).

4.8 Product development Strategy

The study sought to find out how strategy of product development affects the tourism industry's market share expansion in Arusha. The variables were then subjected to a descriptive analysis using a "five-point Likert scale". The descriptive analysis on the variables entailed the use of means and standard deviations, results of which are presented in Table 4.8.

Table 4.8

Descriptive Statistics for Product development Strategy

	Mean	Std. Dev
Our firm introduces new products on a regularly basis	3.886	0.583
The firm has new product ideas to be introduced	3.829	0.664
There is always prompt introduction of novel ideas into the extant products	3.914	0.562
The firm carries out systematic, continuous search for opportunities for new products	3.800	0.677
There is constant improvement in extant product design in the firm	3.857	0.550
The firm's new products are always of good quality	4.000	0.642
The firm dedicates sufficient resources to novel products	3.686	0.900
The firm has a well-communicated and clear strategy for new products	3.743	0.505
After determining new prospective products, the firm weeds out unattractive, unsuitable or poor ideas	3.971	0.747
The firm normally asks prospective consumers to respond to our novel products prior to launching them to market	3.600	0.775
Composite	3.829	0.660

Source: Survey Data (2021)

The results presented in Table 4.8 indicate an overall mean of 3.829 (SD=0.660), suggesting that a majority of respondents reached highly affirm to statements pertinent to their application of the product market strategy, their opinion on product market strategy, and whether or not in their experiences, product market strategy helps in increasing market share. A majority of respondents particularly highly affirmed that in their respective firms, new products are normally of high quality (4.000); after identifying potential new products, they weed out poor, unsuitable or unattractive ideas (3.971); the introduction of new ideas into the existing products in their respective firms' is always prompt (3.914); new products are regularly introduced in the respective firms (3.886); There is constant improvement in extant product design in the firm (3.857); and that they have ideas on new products to be developed (3.829).

4.9 Market Development Strategy

The study sought to assess the degree to which strategy on market development influences the tourism industry's extension of market share in Arusha. The variables were then subjected to a descriptive analysis using a "five-point Likert scale".

Table 4.9

Descriptive Statistics for Market Development Strategy

	Mean	Std. Dev
In our firm, we work towards expanding into new market segments	3.514	.9194
In our firm, we work towards extending into new market regions	3.543	.9185
In our firm, we work towards selling to new group of customers that other companies in our industry are not selling to	3.914	.507
In our firm, we constantly develop new marketing and distribution channels	3.629	.910
We ensure our product offerings are deemed by markets to provide greater value compared to our competitors	3.771	.808

In our firm, we have a specific department to coordinate the market development activities	3.486	.981
We conduct market research to identify new markets	3.743	.780
Our company has increased its focus on creating new groups of people with the aim to attract more clients	3.571	.948
We seek to differentiate our products and services from competitors in the market	3.943	.802
Composite	3.679	0.842

Source: Survey Data (2021)

The results presented in Table 4.9 indicate an overall mean of 3.679 (SD=0.842), suggesting that a majority of respondents reached affirm to statements pertinent to their application of the market development strategy, the components of market development strategy used to increase market share, rating of market development strategy, discovering new markets for extant products, establishing new channels of distribution and whether or not in their experiences, market development strategy helps in increasing market share. A majority of respondents particularly highly affirmed that in their respective firms work towards selling to new group of customers that other companies in our industry are not selling to (3.914); seek to differentiate our products and services from competitors in the market (3.9429); ensure our product offerings are deemed by markets to provide greater value compared to our competitors (3.7714); conduct market research to identify new markets (3.7429); and that they constantly develop new marketing and distribution channels (3.6286).

4.10 Diversification Strategies

The study sought to evaluate the association between diversification tactics and market share expansion in the Arusha tourism sector. The variables were then subjected to a descriptive analysis using a “five-point Likert scale”. The descriptive analysis on the variables entailed the use of means and standard deviations, results of which are presented in Table 4.10.

Table 4.10*Descriptive Statistics for Diversification Strategies*

	Mean	Std. Dev
Our firm offers a wide range of services	3.800	.5841
We continuously market new service offerings which have commercial or technological synergies with latest products and that will attract new groups of customers	3.943	.639
We continuously market new service offerings which have no commercial or technological synergies with latest products and that will attract new groups of customers	3.686	.796
We continuously market new service offerings which are commercially or technologically unrelated with present products and that will attract new groups of customers.	3.657	.873
We adopt diversification to lower risk in our service offerings	3.914	.612
We diversify towards offering products and solutions in addition to services	3.629	.843
The firm uses the same skillset in the marketing and development of associated services and products	3.886	.631
Composite	3.788	0.711

Source: Survey Data (2021)

The results presented in Table 4.10 indicate an overall mean of 3.788 (SD=0.711), suggesting that a majority of respondents reached highly affirm to statements pertinent to their application of diversification strategy, including the application of diversification strategies, rating of diversification strategies, the components of diversification strategy used to increase market share, and whether or not in their experiences, diversification strategy helps in increasing market share. A majority of respondents particularly highly affirmed that in their respective firms continuously market fresh products that are appealing to novel customers and have technical or economic synergy with existing items (3.943); adopt diversification to lower risk in their service offerings (3.914); utilize the same proficiency in the creation and promotion of linked goods and/or services (3.886); offer a wide range of services (3.800); and continuously market

unrelated to present products scientifically or economically, yet potentially appealing to existing buyers, are fresh services (3.686).

4.11 Market Share

The study sought to investigate how market-product strategies used by Arusha travel firms influence their gain share of the market. The variables were then subjected to a descriptive analysis using a “five-point Likert scale”. The descriptive analysis on the variables entailed the use of means and standard deviations, results of which are presented in Table 4.11.

Table 4.11

Descriptive Statistics for Market Share

	Mean	Std. Dev
Our market share is greater than our main competitors in the industry as a result of our product-market strategies	3.543	.780
Our market share in the industry has increased as a result of our product-market strategies	3.743	.561
Our market share is greater than our main competitors in a market segment/region as a result of our product-market strategies	3.943	.684
Our market share in a market segment/region has increased as a result of our product-market strategies	4.000	.728
Composite	3.807	0.688

Source: Survey Data (2021)

The outcomes shown in Table 4.11 indicate an overall mean of 3.807 (SD=0.688), suggesting that a majority of respondents reached highly approve of statements pertinent to their respective market share. A majority of respondents particularly highly affirmed that in their respective firms’ market share in a market segment/region has increased as a result of our product-market strategies (4.000); market share is greater than our main competitors in a market segment/region as a result of our product-market strategies (3.943); market share in the industry has increased as a result of our product-market strategies (3.743); and that their market share is greater than our

main competitors in the industry as a result of our product-market strategies (3.543). It can thus be deduced that the respective market share for a majority of the tour firms surveyed has increased over time, which can be attributed to their respective product-market strategies which include strategies for product creation, market expansion, penetration into the marketplace, and diversifying.

4.12 Inferential Statistics

A regression analysis was conducted using inferential statistics to analyze the relationship among market-product strategies and test these hypotheses. This was done on the premise that the factors have a normal spread and that the input and output have a linear relationship for estimating precision.

4.12.1 Regression Analysis

The study advanced the null hypotheses that market penetration strategy is not substantially linked with share of the market in the tourism industry in Arusha (H_{01}). Both the Analysis of Variance (ANOVA) and determination coefficients were produced by regression studies. ANOVA was done to indicate whether there exists a significant mean difference between independent and dependent variables, at 95% confidence level. On the basis of the statistically significant nature of the expected values, the results of the prediction test were evaluated. Tables 4.12, 4.13 and 4.14 display the outcomes of the investigation.

Table 4.12

Model Summary (H_{01})

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.299 ^a	.089	.062	1.35133

The results in Table 4.12 show a correlation value (R) of .299 which shows that there is a solid, linear relationship between the variables, diversification, market penetration, market development and strategy of product development and market share. An R^2 value of .089 was further established indicating that market penetration strategy accounts for 8.9% of the variations in market share, while other parameters not included in the current regression model account for the remaining 91.1 percent. The results of the ANOVA test were then plotted in Table 4.13.

Table 4.13:

ANOVA (H_{01})

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.910	1	5.910	3.237	.081 ^b
	Residual	60.261	33	1.826		
	Total	66.171	34			

The model predicting the association between market penetration strategy and market share was substantial ($F = 3.237$, $p\text{-value} > 0.05$), according to the ANOVA test findings in Table 4.13. The findings show that the regression sum of squares is 5.910 when compared to the total sum of squares (66.171) at a 95% confidence level. This means that the regression model only explains around 8.9% of the variance in the data set, while the remainder sum of squares is 60.261, meaning that 91.1 percent of the variance in the information is unaccounted for. The results in Table 4.14 reveal that market penetration strategy ($\beta = .299$, $p = .081 > .05$), significantly influences market share at 95% confidence level.

Table 4.14

Coefficients (H_{01})

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			

1	(Constant)	4.943	5.722		.864	.394
	Market Penetration Strategy	.267	.149	.299	1.799	.081

The study advanced the null hypotheses that strategy of product development is not substantially linked with share of the market in the tourism industry in Arusha (H_{02}). Both ANOVA and determination coefficients were produced by regression studies. ANOVA was done to indicate whether there exists a significant mean difference between independent and dependent variables, at 95% confidence level. On the basis of the statistically significant nature of the expected values, the results of the prediction test were evaluated. Tables 4.15, 4.16 and 4.17 display the outcomes of the investigation.

Table 4.15

Model Summary (H_{02})

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.292 ^a	.085	.058	1.35419

The results in Table 4.15 show a correlation value (R) of .292 which depicts that there is a strong, linear dependence between the variables strategy of product development and market share. An R^2 value of .085 was further established indicating that strategy of product development accounts for 8.5% of the variations in market share, while other parameters not included in the current regression model account for the remaining 91.5 percent. The results of the ANOVA test were then plotted in Table 4.16.

Table 4.16

ANOVA (H_{02})

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.655	1	5.655	3.084	.088 ^b
	Residual	60.517	33	1.834		
	Total	66.171	34			

The model predicting the association between strategy of product development and market share was substantial ($F = 3.084$, $p\text{-value} > 0.05$), according to the ANOVA test findings in Table 4.16. The findings show that the regression sum of squares is 5.910 when compared to the total sum of squares (66.171) at a 95% confidence level. This means that the regression model only explains around 8.5% of the variance in the data set, while the remainder sum of squares is 60.517, meaning that 91.5 percent of the variance in the information is unaccounted for. The results in Table 4.17 reveal that strategy of product development ($\beta = .292$, $p = .088 > .05$), significantly influences market share at 95% confidence level.

Table 4.17

Coefficients^a (H_{02})

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	19.450	2.415		8.054	.000
	Product development Strategy	.110	.063	.292	1.756	.088

The study advanced the null hypotheses that market development strategy is not substantially linked with share of the market in the tourism industry in Arusha (H_{03}). Both ANOVA and determination coefficients were produced by regression studies. ANOVA was done to indicate whether there exists a significant mean difference between independent and dependent variables, at 95% confidence level. On the basis of the statistically significant nature of the expected values, the results of the prediction test were evaluated. Tables 4.18, 4.19 and 4.20 display the outcomes of the investigation.

Table 4.18***Model Summary (H₀₃)***

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.093 ^a	.009	.021	1.40998

The results in Table 4.18 show a correlation value (R) of .684 which depicts that there is a strong, linear dependence between market development strategy and market share. An R² value of .468 was further established indicating that market development strategy accounts for 9.3% of the variations in market share, while other parameters not included in the current regression model account for the remaining 90.7 percent. The results of the ANOVA test were then plotted in Table 4.19.

Table 4.19***ANOVA^a (H₀₃)***

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.566	1	.566	.285	.597 ^b
	Residual	65.605	33	1.988		
	Total	66.171	34			

The model predicting the association between market development strategy and market share was substantial (F = .285, p-value > 0.05), according to the ANOVA test findings in Table 4.19. The findings show that the regression sum of squares is .566 when compared to the total sum of squares (66.171) at a 95% confidence level. This means that the regression model only explains around 9.3% of the variance in the data set, while the remainder sum of squares is 65.605, meaning that 90.7 percent of the variance in the information is unaccounted for. The results in Table 4.20 reveal that market development strategy ($\beta = -.093$, $p = .597 > .05$), does not significantly influence market share at 95% confidence level.

Table 4.20***Coefficients^a (H₀₃)***

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.165	1.771		9.129	.000
	Market Development Strategy	.028	.053	.093	.534	.597

The study advanced the null hypotheses that diversification strategy is not substantially linked with share of the market in the tourism industry in Arusha (H₀₄). Both ANOVA and determination coefficients were produced by regression studies. ANOVA was done to indicate whether there exists a significant mean difference between independent and dependent variables, at 95% confidence level. On the basis of the statistically significant nature of the expected values, the results of the prediction test were evaluated. Tables 4.21, 4.22 and 4.23 display the outcomes of the investigation.

Table 4.21***Model Summary (H₀₄)***

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.418 ^a	.175	.150	1.28645

The results in Table 4.21 show a correlation value (R) of .418 which depicts that there is a strong, linear dependence between diversification strategy and market share. An R² value of .175 was further established indicating that diversification strategy accounts for 17.5% of the variations in market share, while other parameters not included in the current regression model account for the remaining 82.5 percent. The results of the ANOVA test were then plotted in Table 4.22.

Table 4.22***ANOVA^a (H_{04})***

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.558	1	11.558	6.984	.012 ^b
	Residual	54.614	33	1.655		
	Total	66.171	34			

The model predicting the association between diversification strategy and market share was substantial ($F = 6.984$, $p\text{-value} < 0.05$), according to the ANOVA test findings in Table 4.22. The findings shows that the regression sum of squares is 11.558 when compared to the total sum of squares (66.171) at a 95% confidence level. This means that the regression model only explains around 17.5% of the variance in the data set, while the remainder sum of squares is 54.614, meaning that 82.5 percent of the variance in the information is unaccounted for. The results in Table 4.20 reveal that diversification strategy ($\beta = .418$, $p = .012 < .05$), significantly influences market share at 95% confidence level.

Table 4.22***Coefficients^a (H_{04})***

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.195	1.917		5.319	.000
	Diversification Strategy	.190	.072	.418	2.643	.012

To determine the combined influence, both ANOVA and determination coefficients were produced by regression studies. ANOVA was done to indicate whether there exists a significant mean difference between independent and dependent variables, at 95% confidence level. On the

basis of the statistically significant nature of the expected values, the results of the prediction test were evaluated. Tables 4.23, 4.24 and 4.25 display the outcomes of the investigation.

Table 4.23

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.684 ^a	.468	.398	1.08284

The results in Table 4.23 show a correlation value (R) of .684 which depicts that there is a strong, linear dependency between the variables, diversification, market penetration, market development and strategy of product development and market share. An R² value of .468 was further established indicating that strategies for product creation, growth in markets, penetration into the market, and diversifying collectively account for 46.8% of the variations in market share, while the remaining 53.2% is extra variables not considered for under the current regression framework. ANOVA test results were further produced as depicted in Table 4.24.

Table 4.24

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.995	4	7.749	6.609	.001 ^b
	Residual	35.176	30	1.173		
	Total	66.171	34			

The model predicting the association between market share and product-market approaches was substantial (F = 6.609, p-value < 0.05), according to the ANOVA test findings in Table 4.25. The findings show that the regression sum of squares is 30.995 when compared to the total sum of squares (66.171) at a 95% confidence level. This means that the regression model only explains

around 46.8% of the variance in the data set, while the remainder sum of squares is 35.176, meaning that 53.2 percent of the variance in the information is unaccounted for.

Table 4.25

Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.517	5.126		.491	.627
	Market Penetration Strategy	.654	.167	.732	3.929	.000
	Product development Strategy	.168	.066	.446	2.567	.015
	Market Development Strategy	.105	.051	.346	2.048	.049
	Diversification Strategy	.095	.068	.209	1.393	.174

The results in Table 4.25 reveal that market penetration strategy ($\beta = .732$, $p = .000 < .05$), strategy of product development ($\beta = .446$, $p = .015 < .05$) and market development strategy ($\beta = .346$, $p = .030 < .05$) significantly influence market share at 95% confidence level while diversification strategy does not ($\beta = .209$, $p = .174 > .05$). Taking the following regression model:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

The summative regression model can be rewritten as follows:

$$Y = 2.517 + .732 (\text{market penetration strategy}) + .446 (\text{product development strategy}) + .346 (\text{market development strategy}) + .209 (\text{diversification strategy})$$

4.12.2 Hypothesis Testing

Statistical techniques were also used to test the research hypotheses provided in the null hypothesis. At the 95 percent confidence level, the coefficients related with each variable were assessed for statistical significance. As a result, the 0.05 confidence interval was used to

establish the statistical significance of the null hypotheses and, as a result, the decision to reject or accept them. The null hypotheses stated were rejected when coefficients connected with parameters with P-values less than the significance level ($P < .05$), whereas the null hypotheses stated were accepted when coefficients linked with factors with P-values larger than the significance levels ($P > .05$).

H₀₁: Market penetration strategy does not have a significant influence on market share in the tourism industry in Arusha

Market penetration strategy was substantially linked with share of the market in the tourism industry in Arusha ($\beta = .732$, $p = .000 < .05$). The foregoing outcomes uncover sufficient proof to reject the hypotheses that market penetration strategy was substantially linked with share of the market in the tourism industry in Arusha (H₀₁). It was thus inferred that a statistically substantial linkage exists between market penetration strategy was substantially linked with share of the market in the tourism industry in Arusha.

H₀₂: Strategy of product development does not have a significant influence on market share in the tourism industry in Arusha

Strategy of product development was substantially linked with share of the market in the tourism industry in Arusha ($\beta = .446$, $p = .015 < .05$). The foregoing outcomes uncover sufficient proof to reject the hypotheses that strategy of product development was substantially linked with share of the market in the tourism industry in Arusha (H₀₂). It was thus inferred that a statistically substantial linkage exists between strategy of product development was substantially linked with share of the market in the tourism industry in Arusha.

H₀₃: Market development does not have a significant influence on market share in the tourism industry in Arusha

Market development strategy was substantially linked with share of the market in the tourism industry in Arusha ($\beta = .346$, $p = .030 < .05$). The foregoing outcomes uncover sufficient proof to reject the hypotheses that market development strategy was substantially linked with share of the market in the tourism industry in Arusha (H₀₃). It was thus inferred that a statistically substantial linkage exists between market development strategy was substantially linked with share of the market in the tourism industry in Arusha.

H₀₄: Diversification strategy does not have a significant influence on market share in the tourism industry in Arusha

Diversification strategy was substantially linked with share of the market in the tourism industry in Arusha ($\beta = .209$, $p = .174 > .05$). The foregoing outcomes uncover sufficient proof to accept the null hypotheses that diversification strategy was not substantially linked with share of the market in the tourism industry in Arusha (H₀₄). The study therefore concludes that diversification strategy does not have a statistically significant relationship with market share in the tourism industry in Arusha.

4.13 Discussion

The finding implies that a majority of tour companies in Arusha Tanzania are market oriented and leverage their resources towards increasing their market penetration levels and enhancing an early market entry both locally and internationally with a view to grow their customer bases. A majority are also territorial, working towards discouraging competitors from entering the market. A majority further employs innovative strategies to enable rapid market adoption and dispersion

of the organization's goods, including adopting pricing strategies and product promotions to convert potential customers, achieving market access through strategic alliances or partnerships, by for instance not only booking tour trips in Tanzania but also in Kenya but also collaborating with Kenyan tour companies.

The market penetration strategies adopted are expected, as tourists stream into the country yearly from different parts of the world while local tourism potential remains largely untapped. The finding also implies that a majority of the tour companies reached the market penetration strategy has to a large extent adequately realized its intended objectives over time. It is also implied from the finding that to a notable extent, the market penetration strategy in a majority of the tour companies reached has had a significant and positive influence on market share among tour companies in Arusha Tanzania, resulting in increased market share.

The foregoing findings agree with Keller and Kotler (2017) who argue that the market penetration approach is the least hazardous because it utilizes many of the company's existing resources and competencies. A company wants to grow in its present product market by further entering the existing industry with its existing products or services. Similarly, Aaker (2017) found that a marketer has a number of ways of expanding market share by entering into extant product markets, including by increasing market growth and by increasing the product usage.

The results imply that across a majority of the firms surveyed invest significantly in product development, which is manifested in the perceived quality of their new products, phasing out of poor, unsuitable or unattractive ideas, prompt introduction of novel ideas into the extant products and the constant improvement of the design of the existing products in the firms. A majority of the firms further enrich the range of products they were offering, relative to what their rivals

were offering. This may include such innovative product improvement ideas as upgrading tour vehicles by adding a mini-fridge which has refreshments, and they offer free WI-FI and allowing clients to charge their mobile phones or laptops in the vehicles. Most companies also purchase vehicles that have good seats which are comfortable for clients.

It can be deduced from the finding that strategy of product development has a positive influence on market share among tour companies in Arusha Tanzania. The result indicates that among a majority of tour companies in Arusha Tanzania, the strategy of product development has achieved its intended purpose in respect to market share expansion, to a great extent. This may be largely attributed to product innovations and improved value propositions resulting in the acquisition of new customers. The foregoing findings agree with Aaker (2017) who observes that product development takes it a step farther than simply increasing product utilization and that updates to product features are an easy approach to develop a product. Similarly, Gillian (2018) argues that a product development plan could be suitable if the firm's capabilities are tied to its specific consumers rather than the given item. In this case, it can take advantage of its advantages by creating a new product aimed at its current clients.

The statistics show that the bulk of the businesses surveyed highly regard their respective market development strategies. In a majority of the firms, the market development strategies are geared towards establishing new markets by employing a range of innovative strategies including differentiating their products and services from competitors in the market and selling to new group of customers that other companies in the industry are not selling to. A majority also devote resources towards developing new marketing and distribution channels; venturing into new markets; ensuring their product offerings are deemed by markets to provide greater value compared to competitors; and conducting market research to identify new markets.

The results are of the implication that to a great extent, the market development strategy has resulted in the expansion of the market share for a majority of the tour companies reached. This can be attributed to the orientation of resources towards the creation and development of new psychographic segments, new geographic segments, new institutional segments or new demographic segments which result in the expansion of the market share. The findings further imply that to a majority of the tour companies reached the market development strategy has to a large extent adequately realized its intended objectives with regard market share growth. It is also implied from the finding that to a significant extent, the various components of market development strategy in a majority of the tour companies reached have effectively resulted in increased market share. It is also inferred from the results that strategy for market development has a positive influence on market share among tour companies in Arusha Tanzania.

The foregoing findings are in tandem with Aaker (2017) who observes that there are two approaches to establish a market for an existing model. The first method is to expand geographically in the current markets segment(s). The second option is to create new market segments. Graduation from a local or regional marketplace to a national market, or from a marketplace to a global market, would be considered geographic development in the same market or client group. Accordingly, Gillian (2018) agrees that market development options include pursuing more segments of the market or geographical locations. If the company's fundamental strengths are more tied to the specific item than its expertise with a certain market segment, developing new marketplaces for the item may be a beneficial strategy.

The findings are of the implication that a majority of the tour firms surveyed employ the diversification strategy to a large extent with a view to lower risk in their service offerings. This is manifested in the wide range of services they offer by utilizing the same expertise in the

development and marketing of related products and/services. Most of the firms also prefer employing a blend of new services, either with or without commercial or technological synergies with current products, provided they appeal to new customer groups. This includes addition of such services as offering balloon safaris and climbing Mt. Kilimanjaro in addition to excursions.

The results are of the implication that diversification strategy has resulted in the expansion of the market share for a majority of the tour companies reached, albeit not significantly. This can be attributed to offering diverse ranges of services and products, mitigating risks by reducing the impact of recessions on the business and expanding into sectors that are unconnected to its present line of activity which have resulted in reaching diverse markets hence market share growth. The finding implies that to a majority of the tour companies reached; the diversification strategy has to a large extent adequately realized its intended objectives with regard to market share growth. As such, it can be inferred that market development strategy positively influences market share among tour companies in Arusha, Tanzania.

The foregoing findings are consistent with Aaker (2017) who opines that diversification can be accomplished in two ways: business development and market development. Differentiation can also be accomplished through new emerging markets. Diversification might be a good idea if the risk factor is offset by the possibility of high returns. The findings support Gillian's (2018) observation that diversity has several advantages, including the ability to obtain a presence in a lucrative market and the lowering of total business investment risk.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The study's general objective was to analyze the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector. Propositions were developed and tested to determine the relationships between the aforementioned primary factors under examination. In chapter four, the hypothesis test findings were given and analyzed, and in chapter five, the subsequent debates were explored into. A brief description of the study's research takeaways, the study's logical conclusion, limitations to the study, and policy, management, and research recommendations are offered in this chapter.

The purpose of this chapter is to connect the research hypothesis to the results and analysis taken from the study findings, as well as to offer suggestions findings of the research and deductions drawn. To this aim, each goal and proposition are discussed, as well as the findings and hypotheses test results, which are then used to make relevant conclusions.

The provided findings and conclusions directly inform each research, practice and policy suggestion. The chapter concludes with recommendations for future study in order to demonstrate how the observed knowledge gaps and constraints might be solved.

5.2 Summary of Key Findings

The study's general objective was to analyze the market-product approaches' impact on share of the market in Arusha, Tanzania's tourism sector. The study developed four particular objectives and four associated hypotheses to fulfill the goal, which were subsequently tested. The target population comprised of 44 tour companies in Arusha, Tanzania, out of which 35 responded bringing the response rate to 79.5%. Data was collected and analyzed using a descriptive cross-sectional survey approach.

Structured questionnaires were used to collect raw data. The information was gathered by self-administered surveys sent to Managing Directors, Director Generals, Chief Executive Officers or their counterparts who are in control of and well-versed in their businesses' strategic direction. Diagnostics for homoscedasticity, multi-collinearity, normality and linearity were used before computations of deductive and expressive nature were used in data analysis.

Descriptive statistics on the other hand included standard deviations, frequencies, means and percentages, while inferential statistics included a multiple regression analysis which was utilized to assess the direct relationship between the product-market strategies and market share among tour companies in Arusha and therefore testing the four null hypotheses.

5.2.1 Influence of Market Penetration Strategies on Expansion of Market Share

The study sought to determine the impact of market penetration tactics on market share expansion in the Arusha tourism sector. The variables were then subjected to a descriptive analysis using a "five-point Likert scale". The results indicated an overall mean of 3.877 (SD=0.556), suggesting that a majority of respondents highly affirm to statements pertinent to their application of market penetration strategy. A majority of respondents particularly highly

affirmed that their respective firms' work towards customer retention (4.200); they work towards increasing our market penetration levels (4.000); they work towards discouraging competitors from entering the market (4.000); they work towards enhancing early market entry (3.943); they adopt pricing strategies to convert potential customers (3.857); and that they work towards enabling rapid market adoption and dispersion of the organization's goods (3.857).

5.2.2 Influence of Strategy of product development on Expansion of Market Share

The study also set out to find out how strategy of product development affects the tourism industry's market share expansion in Arusha. Descriptive analysis on the variables was then computed on a five-point Likert scale. An overall mean of 3.829 (SD=0.660) was established, suggesting that a majority of respondents reached highly affirm to statements pertinent to their application of the product market strategy. A majority of respondents particularly highly affirmed that in their respective firms, new products are normally of high quality (4.000); after establishing prospective new products, they weed out unattractive, unsuitable or poor ideas (3.971); the incorporating new concepts into established goods in their respective firms' is always prompt (3.914); new products are regularly introduced in the respective firms (3.886); There is constant improvement in extant product design in the firm (3.857); and that they have ideas on new goods to be introduced (3.829).

5.2.3 Influence of Market Development Strategy on Expansion of Market Share

The study further determined the degree to which market growth strategy influences the tourism sector's extension of market share in Arusha. The descriptive analysis on the variables was also computed on a five-point Likert scale. Results show an overall mean of 3.679 (SD=0.842), suggesting that a majority of respondents reached affirm to statements pertinent to their

application of the market development strategy. A majority of respondents particularly highly affirmed that in their respective firms work towards selling to new group of customers that other companies in our industry are not selling to (3.914); seek to differentiate our products and services from competitors in the market (3.9429); ensure our product offerings are deemed by markets to provide greater value compared to our competitors (3.7714); conduct market research to identify new markets (3.7429); and that they constantly develop new marketing and distribution channels (3.6286).

5.2.4 Influence of Diversification Strategies on Expansion of Market Share

The study finally sought to evaluate the association between diversification tactics and market share expansion in the Arusha tourism sector. The descriptive analysis on the variables was computed on a five-point Likert scale. Results indicated an overall mean of 3.788 (SD=0.711), suggesting that a majority of respondents reached highly affirm to statements pertinent to their application of diversification strategy, including the application of diversification strategies, rating of diversification strategies. A majority of respondents particularly highly affirmed that in their respective firms continuously new services to market that have technology or economic synergy with existing products and will attract new customer segments (3.943); adopt diversification to lower risk in their service offerings (3.914); utilize the same expertise in the development and marketing of related products and/services (3.886); offer a wide range of services (3.800); and market new offerings that are technically or economically unrelated to present products but could appeal to existing clients on a regular basis (3.686).

The descriptive analysis on the variable, market share, was computed on a five-point Likert scale, results of which indicated an overall mean of 3.807 (SD=0.688), suggesting that a majority of respondents reached highly affirm to statements pertinent to their respective market share. A

majority of respondents particularly highly affirmed that in their respective firms' market share in a market segment/region has increased as a result of our product-market strategies (4.000); market share is greater than our main competitors in a market segment/region as a result of our product-market strategies (3.943); market share in the industry has increased as a result of our product-market strategies (3.743); and that their market share is greater than our main competitors in the industry as a result of our product-market strategies (3.543).

Multiple regression analysis was performed under inferential statistics to assess the relationship between the market-product strategies and test the research hypotheses. The findings ($\beta = .732$, $p = .000 < .05$) provided sufficient proof to reject the hypotheses that market penetration strategy was substantially linked with share of the market in the tourism industry in Arusha (H_{01}). Findings ($\beta = -.446$, $p = .015 < .05$) also provided sufficient proof to reject the hypotheses that strategy of product development was substantially linked with share of the market in the tourism industry in Arusha (H_{02}). The findings ($\beta = -.346$, $p = .030 < .05$) further provided sufficient proof to reject the hypotheses that market development strategy was substantially linked with share of the market in the tourism industry in Arusha (H_{03}). The findings ($\beta = .209$, $p = .174 > .05$) additionally supplied sufficient proof to embrace the null hypothesis that diversification strategy was not substantially linked with share of the market in the tourism industry in Arusha (H_{04}).

5.3 Conclusion

5.3.1 Influence of Market Penetration Strategies on Expansion of Market Share

It was thus inferred that a statistically substantial linkage exists between market penetration strategy was substantially linked with share of the market in the tourism industry in Arusha. A majority of tour companies in Arusha Tanzania are market oriented and leverage their resources towards increasing their market penetration levels and enhancing an early market entry both locally and internationally with a view to grow their customer bases. A majority are also territorial, working towards discouraging competitors from entering the market.

5.3.2 Influence of Strategy of product development on Expansion of Market Share

It was thus inferred that a statistically substantial linkage exists between strategy of product development was substantially linked with share of the market in the tourism industry in Arusha. A majority of the firms surveyed invest significantly in product development, which is manifested in the perceived quality of their new products, phasing out of poor, unsuitable or unattractive ideas, prompt introduction of novel concepts into the extant products and the constant improvement of the design of the existing products in the firms. A majority of the firms further enrich the range of products they were offering, relative to what the rivals were offering.

5.3.3 Influence of Market Development Strategy on Expansion of Market Share

The analysis concludes that there a substantially notable link between market development strategy was substantially linked with share of the market in the tourism industry in Arusha. As such, expansions to new market groups, such as acquiring customers who have never used the product before and extending out to new regions, can have an impact on tour businesses' market share. Opening up more distribution channels as the current method of acquiring new market

regions without requiring the opening of corporate shops has proven to be successful. A majority of the firms surveyed highly regard their respective market development strategies. In a majority of the firms, the market development strategies are geared towards establishing new markets by employing a range of innovative strategies including differentiating their products and services from competitors in the market and selling to new group of customers that other companies in the industry are not selling to.

5.3.4 Influence of Diversification Strategies on Expansion of Market Share

According to the investigation's findings, heterogeneity does not have a statistically significant relationship with market share in the tourism industry in Arusha. A majority of the tour firms surveyed employ the diversification strategy to a large extent with a view to lower risk in their service offerings. This is manifested in the wide range of services they offer by utilizing the same proficiency in the creation and promotion of linked goods and/or services.

5.4 Recommendations

5.4.1 Influence of Market Penetration Strategies on Expansion of Market Share

Based on the foregoing findings, the study recommends that tour companies in the country continue to embrace market penetration strategies. In addition to sustaining and improving current practices under the strategy, the study recommends inter-related marketing activities which include customer loyalty programs, dialogue approach to marketing to integrate customers' perceptions and views, free preview or free-to-air strategy, discount pricing strategy, effective distribution channels and deployment of social media tools to tie customers to the existing products. It is expected that the tour companies will not only retain its market share implementing a market infiltration plan of action, but also draw clients from other businesses, increasing its share of the market.

5.4.2 Influence of Product development Strategies on Expansion of Market Share

The study recommends that tour companies in the country continue to embrace product development strategies by improving their packing, branding and seeming new product development via rebranding to improve their market share by both retaining customers, and attracting new ones. The study also recommends that tours need to avoid going into negative territory, businesses restrict their pricing strategy. Tour companies must also improve their use of the marketing tools to promote their products and increase sales. and therefore, market share.

5.4.3 Influence of Diversification Strategies on Expansion of Market Share

To further create new markets, the study recommends that management of the various tour companies need to develop appropriate action plans to effectively implement their market development strategies. The tour companies ought to also try not to focus booking trips for tourists in Tanzania only. They are advised to go global, which be an added advantage to the local public as they are able to travel globally without going through the hustle of booking with different companies worldwide. They can book their itinerary with the help of local tour companies.

5.4.4 Influence of Diversification Strategies on Expansion of Market Share

It is further recommended that tour companies improve on their diversification strategies I order to expand their scope of markets and operations of their entities in order sustainably increase their market share. Tour companies should diversify their product offerings to effectively meet client requests, increase profits and growth, and improve performance, especially in the face of a downturn or fall in the product cycle inside the tourism business. Tour companies should implement a product diversification plan to make the best use of any shared resources and to

make effective use of any slack resources.

5.5 Suggestions for Future Studies

The intention of this research was to determine the impact of product-market strategies used by Arusha tour businesses to enhance market share. The extrapolation of results to all state firms in the country, well outside the purview of tour companies, was one of the major constraints. This is due to the fact that organizations may be affected by elements specific to their sectors and sub-sectors. Future research should investigate like that in other industries to see if there are any parallels or discrepancies with the current study's findings. Furthermore, the current study was mostly quantitative, applying quantitative procedures in sampling, data gathering, and data analysis, with quantifiable analysis tools. While these instruments are reliable and aid in the achievement of study objectives, certain qualitative notions and associations important to a fuller insight of the study's theorized linkages were not recorded and examined. Future study may use mixed techniques, combining quantitative and qualitative approaches and methods to provide broader analyses and insights, as well as to validate and reinforce previous research findings.

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APPENDICES

Appendix I: Letter of Introduction

USHMI RAJAN SHAH
P.O BOX 570,
ARUSHA,
TANZANIA

TO THE MARKETING OFFICER,
LEOPARD TOURS,
P.O.BOX 1638,
ARUSHA,
4th January 2021

Dear Sir/Madam,

**RE: INFLUENCE OF PRODUCT-MARKET STRATEGIES APPLIED BY THE
HOSPITALITY INDUSTRY IN EXPANDING MARKET SHARE**

I am a student at Kenya Methodist University, Nairobi Campus and currently undertaking research as mentioned above. This research will help me conclude that the hospitality industry adapts the product-market strategies to gain market share. The attached questionnaire is for the purpose of gathering information from your organization in relation to the research.

Kindly provide as much information as possible. The information provided will be treated in confidence and wish to assure you that it will purely be used for academic work. You will have the right to feedback after the study is complete. In case of any queries, please get back to me.

Your response will be highly appreciated.

Yours truly,

Appendix II: Questionnaire

The Influence of Product-Market Strategies on Market Share in the Hospitality Industry in Arusha, Tanzania

Instructions

- There is no wrong answer; each response will be treated as a correct one. Your opinion is what is required in this study.
- Do not think too long about each statement. It should take you around 10 minutes to complete

Part A: Company Profile

When was your Company established?

- a) 1-3 years ago
- b) 4-6 years ago
- c) 7-10 years ago
- d) More than 10 years ago

Part B: Market Penetration Strategy

This section is intended to determine the impact of market penetration tactics on market share expansion in the Arusha tourism sector. Please indicate your level of agreement with the following statements using the scale: **1= Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree**

Market Penetration Strategy	11	22	33	44	55
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In our firm, we work towards increasing our market penetration levels					
In our firm, we work towards enhancing market accessibility and expansion					
In our firm, we work towards discouraging competitors from entering the market					
In our firm, we work towards enhancing early market entry					
In our firm, we work towards selling to new group of customers that other companies in our industry are not selling to					
We devote sufficient resources towards increasing our customer acquisition					
We adopt product promotions to convert potential customers					
We adopt pricing strategies to convert potential customers					
In our firm, we work towards enabling rapid market adoption and dispersion of the organization's goods					
We achieve market access through strategic alliances or partnerships					

Part C: Product development Strategy

This section is intended to find out how strategy of product development affects the tourism industry's market share expansion in Arusha. Please indicate your level of agreement with the following statements using the scale: **1= Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree**

Product development Strategy	11	22	33	44	55
Our firm introduces new products on a regularly basis					
The firm has new product ideas to be introduced					

There is always prompt introduction of novel ideas into the extant products					
The firm carries out systematic, continuous search for opportunities for new products					
There is constant improvement in extant product design in the firm					
The firm's new products are always of good quality					
The firm dedicates sufficient resources to novel products					
The firm has a well-communicated and clear strategy for new products					
After determining new prospective products, the firm weeds out unattractive, unsuitable or poor ideas					
The firm normally asks prospective consumers to respond to our novel products prior to launching them to market.					

Part D: Market Development Strategy

This section is intended to assess the degree to which strategy on market development influences the tourism industry's extension of market share in Arusha. Please indicate your level of agreement with the following statements using the scale: **1= Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree**

Market Development Strategy	11	22	33	44	55
In our firm, we work towards expanding into new market segments					
In our firm, we work towards extending into new market regions					
In our firm, we constantly develop new marketing and distribution channels					
We ensure our product offerings are deemed by markets to provide greater value compared to our					

competitors					
In our firm, we have a specific department to coordinate the market development activities					
We conduct market research to identify new markets					
In our firm, there are enhanced tasks of developing new demographic segments in order to acquire more customers					
In our firm, we work towards customer retention					
We seek to differentiate our products and services from competitors in the market					

Part E: Diversification Strategies

To section is intended to evaluate the association between diversification tactics and market share expansion in the Arusha tourism sector. Please indicate your level of agreement with the following statements using the scale: **1= Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree**

Diversification Strategy	11	22	33	44	55
Our firm offers a wide range of services					
We continuously market new service offerings which have commercial or technological synergies with latest products and that will attract new groups of customers					
We continuously market new service offerings which have no commercial or technological synergies with latest products and that will attract new groups of customers					
We continuously market new service offerings which are commercially or technologically unrelated with present products and					

that will attract new groups of customers.					
We adopt diversification to lower risk in our service offerings					
We diversify towards offering products and solutions in addition to services					
The firm uses the same skillset in the marketing and development of associated services and products					

Part F: Market Share

This section is intended to investigate how market-product strategies used by Arusha travel firms influence their gain share of the market. Please indicate your level of agreement with the following statements using the scale: **1= Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree**

Market Share	1	2	3	4	5
Our market share is greater than our main competitors in the industry as a result of our product-market strategies					
Our market share in the industry has increased as a result of our product-market strategies					
Our market share is greater than our main competitors in a market segment/region as a result of our product-market strategies					
Our market share in a market segment/region has increased as a result of our product-market strategies					

Thank you for your co-operation

Appendix III: List of Tour Companies

1. 4*4 Adventures Ltd

2. AAA Express Adventure Ltd
3. Abercrombie & Kent
4. Active Tanzania Adventures Ltd
5. Adventure Aloft Ltd
6. Adventure Batch (T) Ltd
7. Africa Dream Safaris
8. Africa Safari Experts Ltd
9. Africa Travel Bureau Ltd
10. African Environments Ltd
11. African Horizons Ltd
12. African Trails Ltd
13. Air Excel Ltd
14. Alex Walker Safaris Ltd
15. Allen Tanzania Safaris
16. Alliance Franco Tanzanienne of Arusha
17. Arusha Art Ltd
18. Arusha Fortes Ltd
19. Arusha Medivac
20. Asilia Lodges & Camps Ltd
21. Augustine's Adventure Africa Ltd
22. Babji Tours & Safaris Ltd
23. Base Camp Site Ltd
24. Benson & Company Ltd
25. Betheli Expedition (T) Ltd
26. Beyond Experience Ltd
27. Blue Lotus Travels & Tours Ltd
28. Bobby Camping Safaris
29. Bobby Tours & Safaris
30. Bright African Safaris
31. Bushbuck Safaris Ltd
32. Bush Driffers Tanzania Ltd
33. Cheli & Peacock Safaris (T) Ltd
34. Congema Tours & Safaris Ltd
35. Corto Safaris Ltd
36. Cultural Arts Centre Tumaini University Makumira
37. Dashir Lodge & Safaris
38. Dhana Lodge & Safaris
39. Dorobo Tours & Safaris
40. E & H Blessed Safaris
41. East African Eagle (T) Ltd
42. East African Voyage
43. Eastern Sun Tours & Safaris Ltd
44. Easy Travels & Tours Ltd
45. Elyon Tours Tanzania Ltd
46. ET Investment Ltd

47. F.K Cultural Tours & Safaris Ltd
48. Faune & Flore Ltd
49. Flash Safaris & Photography Ltd
50. Galogo Expeditions Ltd
51. Galloping Safaris Ltd
52. Gecko Adventure Tanzania
53. Good Earth Safaris & Tours Ltd
54. Good Safari Arusha Villa Ltd
55. Gosheni Safaris Ltd
56. Green Footprints Adventures (T) Ltd
57. Green Hippo Travels
58. Grumeti Expeditions Ltd
59. Grumeti Reserves Ltd
60. Hanspaul Automechs Ltd
61. Hidden Treasures of Tanzania Safaris
62. High Peaks Expedition Ltd
63. Hoopoe Safaris (T) Ltd
64. I Dream of Africa Ltd
65. Intimate Places Ltd
66. Haka Safaris
67. Jaribu Africa Adventures Co. Ltd
68. Joash Africa Wilderness Insight Ltd
69. Karibu Camps
70. Kasc Ltd
71. Ker & Downey Tanzania
72. Kibo Guides (T) Ltd
73. Kilaweni Ltd
74. Kilidove Tours
75. Kilimanjaro Adventure Safari Club
76. Kilimanjaro Outfitters Ltd
77. Kiliwarrior Expeditions Ltd
78. Krisha African Safaris Ltd
79. Legendary Expeditions
80. Leopard Tours
81. Lifestyle Safaris & Holidays Ltd
82. Lion King Adventures
83. Louitanz Tat Safaris Ltd
84. Maape Tanzania Safaris Ltd
85. Maasai Magic Safari Co. Ltd
86. Maasai Wanderings Ltd
87. Migada Adventures Tours & Safaris
88. Mind & Soul Travel Ltd
89. Miracle Experience
90. Mount Kilimanjaro Safari Club
91. Multichoice Safaris Ltd

92.	Nature Discovery
93.	Ncamo Safari Adventure & Tours
94.	Ndutu Safari Lodge
95.	Ngorongoro Highlands Forest Ltd
96.	Niko & Smith Safaris Ltd
97.	Nomad Tanzania
98.	One Nature Hotels & Resorts
99.	Onsea House
100.	Pajota Safaris Ltd
101.	Paradise Safaris Ltd
102.	Parks Adventure Ltd
103.	Peacock Tours & Safaris
104.	Proud African Safaris. Ltd
105.	Pure Afro Travels
106.	R & M Tanzania Specialist
107.	RA Safaris Ltd
108.	Rangers Safaris
109.	Roy Safaris Ltd
110.	Safari Avventura (T) Ltd
111.	Safari Crew Tanzania
112.	Safarini Africa Ltd
113.	Safaris R- Us Ltd
114.	Savannah Tours Ltd
115.	Sed Adventures Tours & Safaris
116.	Serengeti Balloon Safaris
117.	Serengeti Big Cats Safaris Ltd
118.	Serengeti Select Safaris
119.	SG Northern Adventure Ltd
120.	Shaw Safaris Ltd
121.	Simba Safaris Ltd
122.	Singita Grumeti Reserves
123.	Sinyati Ltd
124.	Skylink Travel Ltd
125.	SOA Tanzania Ltd
126.	SpazioSafaris Ltd
127.	Summits Africa Ltd
128.	Sunny Adventure Safaris Ltd
129.	Sunny Safaris Ltd
130.	Swala Safaris Ltd
131.	Tandala Expeditions Ltd
132.	Tanzania Choice Safaris
133.	Tanzania Outfitter & Safaris
134.	Tanzania Roadside Expeditions
135.	Tanzania Serengeti Adventure Ltd
136.	The African Footprint Co. Ltd

137.	The African Walking Co. Ltd
138.	The Exclusive Portfolio Ltd
139.	Timeless Dream Travels
140.	Trip Quest Safaris Ltd
141.	Tyche Ltd
142.	Unique Safaris Ltd
143.	Vimat Safaris Ltd
144.	Wildlands Safaris Ltd
145.	Wilkinson Tours Ltd
146.	Itaka Safaris
147.	Parks East Africa Ltd

Source: www.tatotz.org

Appendix IV: NACOSTI Permit

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This is to Certify that Ms.. Ushmi Rajan Shah of Kenya Methodist University, has been licensed to conduct research in Nairobi on the topic: THE INFLUENCE OF PRODUCT-MARKET STRATEGIES ON MARKET SHARE IN THE HOSPITALITY INDUSTRY IN ARUSHA, TANZANIA for the period ending : 06/May/2022.	
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Appendix V: Missing Value Analysis

	Valid	Missing
How long has your business been in operation?	35	0
In our firm, we work towards increasing our market penetration levels	35	0
In our firm, we work towards enhancing market accessibility and expansion	35	0
In our firm, we work towards discouraging competitors from entering the market	35	0
In our firm, we work towards enhancing early market entry	35	0
In our firm, we work towards selling to new group of customers that other companies in our industry are not selling to	35	0
We devote sufficient resources towards increasing our customer acquisition	35	0
We adopt product promotions to convert potential customers	35	0
We adopt pricing strategies to convert potential customers	35	0
In our firm, we work towards enabling rapid market adoption and dispersion of the organization's goods	35	0
We achieve market access through strategic alliances or partnerships	35	0
Our firm introduces new products on a regularly basis	35	0
The firm has new product ideas to be introduced	35	0
There is always prompt introduction of novel ideas into the extant products	35	0
The firm carries out systematic, continuous search for opportunities for new products	35	0
There is constant improvement in extant product design in the firm	35	0
The firm's new products are always of good quality	35	0
The firm dedicates sufficient resources to novel products	35	0
The firm has a well-communicated and clear strategy for new products	35	0
After determining new prospective products, the firm weeds out unattractive, unsuitable or poor ideas	35	0
The firm normally asks prospective consumers to respond to our novel products prior to launching them to market.	35	0
In our firm, we work towards expanding into new market segments	35	0
In our firm, we work towards extending into new market regions	35	0
In our firm, we constantly develop new marketing and distribution channels	35	0
We ensure our product offerings are deemed by markets to provide greater value compared to our competitors	35	0
In our firm, we have a specific department to coordinate the market development activities	35	0
We conduct market research to identify new markets	35	0
In our firm, there are enhanced tasks of developing new demographic segments in order to acquire more customers	35	0
In our firm, we work towards customer retention	35	0
We seek to differentiate our products and services from competitors in the market	35	0
Our firm offers a wide range of services	35	0
We continuously market new service offerings which have commercial or technological synergies with latest products and that will attract new groups of	35	0

customers		
We continuously market new service offerings which have no commercial or technological synergies with latest products and that will attract new groups of customers	35	0
We continuously market new service offerings which are commercially or technologically unrelated with present products and that will attract new groups of customers.	35	0
We adopt diversification to lower risk in our service offerings	35	0
We diversify towards offering products and solutions in addition to services	35	0
The firm uses the same skillset in the marketing and development of associated services and products	35	0
Our market share is greater than our main competitors in the industry as a result of our product-market strategies	35	0
Our market share in the industry has increased as a result of our product-market strategies	35	0
Our market share is greater than our main competitors in a market segment/region as a result of our product-market strategies	35	0
Our market share in a market segment/region has increased as a result of our product-market strategies	35	0
