



## THE EFFECT OF MARKETING MIX ON INTERNATIONAL TOURIST SATISFACTION IN AMHARA REGION, ETHIOPIA

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**Abstract:** *This study aims to determine the effect of tourism marketing mix elements on international tourists' satisfaction in the Amhara region. A quantitative research approach with explanatory research design was employed. Purposive sampling technique was used to select four tourist destination sites and sample tourists were selected through convenience sampling method. From 384 questionnaires distributed to international tourists' in the study area, a total of 346 completed questionnaires were returned for analysis. The descriptive and inferential statistics were computed after the survey data collected from respondents. The correlation result of the study revealed that tourism product, price, place, people, process and physical evidence have a statistically significant relationship with international tourists' satisfaction. But, the promotion has insignificant relationship with international tourists' satisfaction. The finding of the study also revealed that tourism product, place, people and physical evidence have statistically significant effect on international tourists' satisfaction at p-value less than 0.05. However, promotion, price, and process have insignificant effect on tourist satisfaction. The study has suggested that tourism product, place, people and physical evidence should be strengthen and the concerned body in the region should give due attention and improve the performance of price, promotion, and process to boost international tourists' satisfaction, which is crucial for the development of tourism sector.*

*Key words; Amhara region, Marketing mix, Tourists' Satisfaction.*

### 1.1 Background of the Study

Travel and Tourism is a dynamic engine of economic development and job creation throughout the world in 2017. It directly contributed US\$2.6 trillion and nearly 119 million jobs worldwide. Its direct and indirect impact was equal to 10% of the world's GDP and approximately 1 in 10 jobs (World Travel & Tourism Council, 2018). International tourist arrivals (overnight visitors) worldwide increased 6% in 2018 to 1.4 billion, based on data reported by destinations around the world. Available data from Africa points to a 7% increase in arrivals in 2018, the second highest growth next to Middle East, bringing the estimated number of international arrivals to 67 million. This represents 5% of the world's total (UNWTO, 2019).

Ethiopia's international tourism arrivals have more than trebled since 2005 from 227,000 to 681,000 in 2013. Remarkable growth of international arrivals was reported in 2015 as 900,000 and country's international tourist arrivals have been reached 934,000 and 3.5 billion receipts in 2018 (MoCT,

2015) (UNWTO, 2019). Ethiopia's one third international tourist arrivals (about 230,000 tourists) were contributed by Amhara region in 2013 (MoCT, 2015). International tourist arrivals to the region have been reached 235,253 in 2015/16. But it has been declined to 105,791 in 2016/17 and 209,642 in 2017/18 (CTBoA, 2018).

Even if the country has immense tourism potential, Ethiopia receives a small share of arrivals to Africa due to poor performance of the sector (MoCT, 2015). Amhara region too, is a home of abundant and diversified natural and manmade tourist attractions. However, the tourism industry remains in its infancy; unable to realize its potential due to a range of constraints including understanding difference on the concept of marketing (Yechale et al, 2017). Culture and Tourism Bureau of Amhara also give due emphasis to lack of proper marketing and promotion strategy for under performance of the sector (CTBoA, 2011)

In fact the realization of market needs of tourism sector, the key role belongs to marketing, which through its activities, primarily through marketing mix, identify and differentiate tourism product

(compared to competition) and thus implement its strategic objectives. Marketing in tourism has its own characteristics that derive from the fact that the product in tourism is a service (Cirikovic, 2014). Marketing is an inevitable aspect of tourism management. It is the total picture in getting goods and services from the producer to the user (Goeldner R. and R. Ritchie, 2003).

Tourism marketing involves discovering what tourists want. This is done through market research, which forms the base for the development of appropriate products and services (Jonsson, 2014). In understanding tourist's want, it is necessary to measure their satisfaction and factors affecting it (Shahrivar, 2012). Satisfaction of tourists with the different aspects of the tourism offer is crucial for profound understanding of the tourism demand (Paunovic, 2014). In tourism sector, marketing mix is not possible to be separated from customer satisfaction (Faris et al, 2016). Tourism marketing mix is the main foundation of tourism management and through strengthening all components of marketing mix such as product, price, promotion, place, physical environment, process, and people, some planning should be done to develop tourism industry in a balance way (Nouri and Soltani, 2015). These seven P's considered as tourism marketing pillars or mix elements (Sarker et al, 2012).

So as to formulate well organized marketing practice and to pool resources towards developing an integrated marketing mix ministry of culture and tourism of Ethiopia has prepared a marketing strategy and tourism marketing plan for regions with significant international tourist arrivals like Amhara region in 2015. The overall goal of the marketing strategy is to provide the region with a practical marketing plan, which complements the national marketing strategy while enabling the Amhara region to achieve the best possible market advantage and growth in tourism revenues for five years, 2016-2020 (MoCT, 2015).

Despite regional tourism marketing plan has implemented since 2016, the effectiveness of the plan as well as the effect of marketing mix elements to tourist satisfactions assessment has not yet done in Amhara region. The success in marketing requires assessing and understanding wholly the elements of the marketing mix which must be managed and blended into well conceptualized marketing programs (Kamau et al, 2015). Therefore, this study focuses on the

evaluation of marketing mix elements effect on international tourist satisfactions in Amhara region.

## 1.2 Statement of the Problem

The government of Ethiopia has prepared and launched a five-year (2016-2020) tourism marketing strategy complemented with a marketing plan to the regions, which gives due emphasis to marketing mix integrations (MoCT, 2015). In a highly competitive tourism market, destinations must review and watch carefully the implementation of their marketing strategy to create long term market advantage. So far the study on the effectiveness of the Amhara region tourism marketing strategy was not conducted. Hence, it is imperative to study the effect of marketing mix elements on tourist satisfaction as an indirect attempt to assess the effectiveness of the marketing strategy in the region.

In the tourism sector, the marketing mix is not possible to be separated from customer satisfaction (Faris et al, 2016). Customer satisfaction has always been considered an essential objective in all market sectors because it is assumed that satisfied customers would repurchase the product/service and are more likely to develop loyalty (Valentina, Mauro, Clelia and Giovanna, 2015). Thus, in the aim of developing the tourism sector, we must concentrate on the activation of the tourism marketing process through studying the tourism marketing mix elements and satisfaction, which have great importance in achieving success for the tourism sector (Magatef, 2015).

The marketing plan of the Amhara region set a vision for 2025 to increase overall international tourist visits to 905,000 (MoCT, 2015). To enable the vision and achieve the best possible market advantage and growth in the tourism sector enhancing international tourists' experience is mandatory. Hence, to enhance tourists' experience and maximize the market share of tourism firms, there is a need to evaluate tourist satisfaction with the marketing mix and its effect on firms (Faris et al, 2016). Effect of marketing mix on tourists' satisfaction involves discovering what tourists want, which is done through market research (Jonsson, 2014) and such kinds of researches are very important to the sector.

However, there is a high research gap and effect of marketing mix on international tourists' satisfaction that has not received the focus it deserves. Most studies conducted in the region were focused on measuring the general satisfaction of international tourists' (Aschalew and Alemu, 2017; CTBoA, 2015; Behailu, 2016; Endalkachew and Demissie, 2018, Wassie and Dhaliwal, 2017). Hence, a holistic approach is inevitable to investigate all tourism marketing mix elements' effect on international tourist satisfaction.

Therefore, besides filling the gap in the research this study gives insight and used to develop the linkage between tourism marketing mix elements and tourist satisfaction (Faris et al, 2016). This could help to achieve a competitive position (Cirikovic, 2014) and boost tourism industry development (Kamau et al, 2015) by enhancing international tourists' experience in the Amhara region. The government or tourism stakeholders could use the study result to manage the effect of marketing mix elements on international tourists' satisfaction, to assess the effectiveness of the ongoing marketing plan (2016-2020) and to develop optimal tourism marketing strategy to maximize satisfaction and hence profitability.

### 1.3 General Objective

The general objective of the study was to determine the effect of tourism marketing mix elements on international tourists' satisfaction in the Amhara region.

### 1.4 Specific Objectives

The study aims to achieve the following specific objectives;

1. To identify the marketing mix elements that has statistically significant relationship with international tourists' satisfaction in the Amhara region.
2. To distinguish the marketing mix elements which has statistically significant effect on international tourists' satisfaction in the Amhara region
3. To identify the marketing mix elements which has a strong effect on international tourists' satisfaction in the Amhara region.

### 1.5 Hypothesis of the Study

This study investigates the extents to which the explanatory variables (tourism marketing mix) explain the outcome variable (international tourists'

satisfaction) in the Amhara region. Further to address the effect of each marketing mix variable on international tourists' satisfaction in the region the following seven hypotheses were developed.

H<sub>1</sub>: Product has statistically significant effect on international tourists' satisfaction.

H<sub>2</sub>: Price has statistically significant effect on international tourist satisfaction.

H<sub>3</sub>: Place has statistically significant effect on international tourists' satisfaction.

H<sub>4</sub>: Promotion has statistically significant effect on international tourists' satisfaction.

H<sub>5</sub>: People have statistically significant effect on international tourists' satisfaction.

H<sub>6</sub>: Process has statistically significant effect on international tourists' satisfaction.

H<sub>7</sub>: Physical evidence has statistically significant effect on international tourists' satisfaction.

## 2. Literature Review

### 2.1 International Tourism Trends in Ethiopia

Ethiopia is committed and recognizes tourism as a vital sector in creating more jobs and alleviating poverty. It has a large number of unique and iconic tourist sites. However, its tourism market share in Africa remains limited in tourist arrivals and revenues. Tourism is also unequally spread through the country with Addis Ababa and three other regions receiving the bulk of tourists (MoCT, 2015).

Ethiopia's international tourist arrivals have more than trebled since 2005 from 227,000 to 681,000 in 2013. The country receives a small share of arrivals to Africa and is ranked 12th in terms of tourist arrivals in 2013 (MoCT, 2015). The remarkable growth of international arrivals in Ethiopia was reported in 2015 as 900,000 and the country's international tourist arrivals have been reached 934,000 and 3.5 billion receipts in 2018 (UNWTO, 2019; MoCT, 2015). According to world travel and tourism council report, Ethiopia stands out not only as Africa's fastest growing travel and tourism economy but indeed the world's, growing by 48.6% in 2018; driven mainly by international visitor spending. Growth can be attributed, in part, to Ethiopia's improved

connectivity as a regional transport hub and recent visa relaxation policies (WTTC, 2019).

## 2.2 International Tourism Trends in Amhara Region

Ethiopia's most popular tourist attraction sites lie in the Amhara region. The region is endowed with untapped natural, historical and cultural attractions. Three unique World Heritage Sites –

Lalibela, Gondar and Simien mountains national park are found in this region. A person traveling in any direction of the region will rediscover age-old attractions, natural wonders and outstanding cultural events that could leave an everlasting memory (CTBoA, 2019). Generally, as compared to other places of Ethiopia, the Amhara region is by far the richest region in natural, wildlife and historical attractions (Girma, 2013).

The region is the second-largest receiver of tourists and tourism revenue behind Addis Ababa in the country. Ethiopia's one-third international tourist arrivals (about 230,000 tourists) were contributed by the Amhara region in 2013 (MoCT, 2015). International tourist arrivals to the region have been reached 235,253 in 2015/16. But it has been declined to 105,791 in 2016/17 and 209,642 in 2017/18 due to political unrest at a time. In international tourist arrivals to the

Amhara region Lalibela has been so far the leading destination, followed by Bahir Dar, Gonder and Debarq/SMNP/ (CTBoA, 2018).

## 2.3 Marketing in Tourism

Marketing is an inevitable aspect of tourism management (Goeldner R. and R. Ritchie, 2003). Tourism is unique among industries and the application of marketing principles to the industry need to address at least seven important sub-sectors or dimensions; travel, transportation, accommodation, food-service, tour operators, attractions and merchandisers. Each of these requires the employment of marketing functions, in whole or in part, which are different yet they must be coordinated and integrated one with the other (Jonsson, 2014).

Marketing in tourism has its own specificity, which arises from the fact that the tourism product is a service. Such a defined tourism product is offered in the trade of tourism. The tourism product is a complex product, because it consists of goods and services in different activities. The aim of marketing in tourism is information gathering and

analysis, based on which the tourism offer is built as an integrated tourism product to permanently communicate with customers in order to inform them about the current and future offers. All these activities are an integral part of the marketing policy, aimed at defining measures and strategies for achieving those objectives (Cirikovic, 2014).

The tourism market is not a single mass group of holiday revelers looking for a fun haven but rather is comprised of hundreds of different individuals each with their own particular objective and need-satisfaction goal. Each of these has their own perception of their needs and wants and each acknowledge some value in the product/service being offered. The strategy that each dimension in the tourism industry must apply is that of creating value in the perception of customers about their particular offering. Generally, tourism marketing involves discovering what tourists want. This is done through market research, which forms the base for the development of appropriate products and services (Jonsson, 2014).

## 2.4 Tourist Satisfaction and Tourism Marketing Mix Elements

### 2.4.1 Satisfaction

Satisfaction is the distinctive feeling for the acquirer as a result of comparing the achieved performance of the product with what the customer expected (Magatef, 2015). Mohammad cited Baker and Crompton to describe tourist satisfaction as the psychological and emotional state of the tourist after or during experiencing his/her visit or trip. He added tourist's satisfaction is the social and behavioral judgment provided by the tourists as a feedback to overall tourism performances which comprise the tourism environment, infrastructure, social services, facilities, safety, etc provided at the destination. It is the best indicator to show the quality of the services provided by the tourism activities (Sarker et al, 2012). From the point of view of marketing researchers too, the satisfaction of the tourist is one of the most indicators that show the success and the continuation of the tourism sector development for the country. It is an essential primary factor that will encourage tourists to come. Therefore, every country aims to enhance tourist's satisfaction to achieve the desired goals (Magatef, 2015).

Based on the aforementioned, it makes necessary to measure tourist's satisfaction and the factors affecting it. Measurement of satisfaction helps the

tourism industry managers to understand the motivations and behaviors of visitors and use it to increase industry performance (Shahrivar, 2012). In tourism sector, customer satisfaction is highly linked with marketing mix elements (Faris et al, 2016). As a result, tourism economy become the subject of interest by marketers, as they direct all the examined activities and efforts towards tourism marketing mix elements which leads to the satisfaction of the tourist.

Marketing mix is a set of marketing tools that the company uses to pursue its marketing objectives in the target market (Lim et al, 2009). Tourism marketing mix is the main foundation of tourism management and through strengthening all components of marketing mix some planning should be done to develop tourism industry in a balance way (Nouri and Soltani, 2015). The chosen marketing strategy varies through a specific elements' combination of the marketing mix (Cirikovic, 2014). As mentioned by Sarker et al.(2012) and Kotler (2007) considered four P's as marketing mix which has significant impact on marketing for tourism services. These marketing mix elements are product, price, place and promotion. In case of service organization, they added extra three P's. These are: people, physical evidence and process (Sarker et al, 2012). In this study, the seven P's are considered as tourism marketing mix elements which are discussed below:

#### **2.4.2 Product**

Tourism product in marketing is referred to as any product or service related to tourism like transportation, accommodation, restaurants, attractions, shops, landscapes and etc. The 5 A's (attractions, accommodation, amenity, accessibility and awareness) plays an important role in explaining the product. Attractions are the most important tool in tourism product as these are only factors by which tourists travel to particular destinations. Destination places must have their own historic monuments, museums, gardens, landscapes, carnivals, cultural events, national parks and forests and all activities which are carried out by tourists in those particular destinations which differentiate the destination from other destinations. In addition to attractions good transportation system, availability public toilets, restaurants, cafes, retail shops, standard quality hotels, hostels or restaurants and other facilities,

near to tourist attractions are examples of tourism products (Kaur, 2014).

Tourism product can be also defined as the sum of various details, goods and services, which serve to satisfy the travel needs of customers out of their travel places and residence in resting places. It is an excellence, and the presence of the factors that helped to excellence; such as climate and diversity of terrain nature, archaeological sites and historical site (Cirikovic, 2014).

#### **2.4.3 Price**

In tourism price is defined as the combination of monetary and non monetary prices. Monetary prices are the prices for entrance to destinations, donations for local and environment causes and etc while on the other hand non monetary costs are costs other than money example how much time it was taken to reach that destination, risks during the journey, future benefits etc. Main objectives of price setting are survival, target return on investments, increase market share, price and profit stabilization, profit maximization and maintaining the image of the organization or destination. Sometimes in tourism, products are free of cost as compared to other fields as natural beauty of one's country, friendliness of local peoples and participation in the local festivals are free of cost for tourists (Kaur, 2014).

Almost invariably in tourism there is a published/regular price for a product and one or more discounted or promotional prices. Promotional prices respond to the requirements of particular market segments or the need to manipulate demand to counter the effects of seasonality or competition resulting from overcapacity (Middleton and Clarke, 2001). In tourism there are two pricing strategies profit and nonprofit oriented. Non profit oriented strategy is further divided into two types status oriented and status quo oriented. In status oriented normally prices are kept very low to get the attention of vast people and to attract tourists to particular destinations in large numbers while in status quo oriented prices are kept by companies which are very stable and when there are changes in the wants and needs of customers (Kaur, 2014).

#### **2.4.4 Place**

For marketing purposes, place does not just mean the location of a tourist attraction or facility. It means the location of all the points of sale that

provide prospective customers with access to tourist products. Convenience of place for a self-catering operator, for example, includes direct mail to the homes of prospective buyers, using free-phone numbers and easy access to products via computerized reservation/booking systems. Since the late 1990s, for most travel and tourism businesses, the internet has literally revolutionized and globalized the concept of convenient access by bringing it directly into millions of homes of prospective tourists (Middleton and Clarke, 2001).

Place is the important marketing mix element as before traveling to other destinations tourists perceive the image of the destinations in their minds. The main variables of place are transportation, merchandising and channels of distribution. Transportation is important in particular destinations so that tourists can easily travel from one part of attraction to another. There should be proper, economical, rapid and dependable mode of transportation for them. Rails, roads, motor trucks, inland water ways, railway express and airways should be developed according to easily mobility from one tourist place to another. Easily allocation of shopping malls, restaurants and cafes should be located near to tourism attractions to fulfill the needs of tourists. People are traveling to particular destinations only when those places meet their interests and it's the duty of government, tourism board and local peoples to create and to provide those facilities so that travelers not only remember the experience but also finds a chance to travel to same destinations next time. Destination places must possess trade intermediates like travel agents and tour guides to access tourists in their journeys and to provide them information and other materials like maps, booklets during their journeys so they can aware of their destinations. Volunteer services must be included in the places just to assist the tourists if they have any problems (Kaur, 2014).

#### 2.4.5 Promotion

Promotion is the main element of marketing mix. It is defined as the deliberate strategies or activities that an establishment holds to communicate the merits of its product-service mixes in order to gain awareness, acceptance or desired response from its target market. In other words, promotion is the art of persuading your current and potential guests to buy more and more of your products and services (Lim et al, 2009). It is the way in which the tourism organization communicates in an effective

way with its target customers (Nouri and Soltani, 2015). The main role of promotion is to communicate with individuals, groups or organizations. Through promotion, message such as information about products or services can be communicated to existing and potential guests. Promotion has its own mix elements. It is the combination of promotional tools that a company uses to influence demand and to achieve its marketing and communication objectives. Each promotional tool has its own advantages and disadvantages and different organization will require different promotional tools to achieve its communication objective. The main promotion mix elements include Advertising, Sales promotion, Public Relation and Publicity, and Personal selling (Lim et al, 2009).

Promotion as a marketing mix element is intended to provide support for the placement of product in the tourism market and to create awareness about it, create the image, and finally and most importantly to conduct it's positioning in the market. In a word, the goal of the promotional mix is to provide a favorable image of the tourism product to potential tourists and thus enable it to be their first choice. The aim of promoting tourism is to create a positive image of tourism organization and destination, thereby improving the position in tourist market (Cirikovic, 2014).

#### 2.4.6 People

People in tourism refer to all people and workers whom tourists interact during their visit to particular destinations. When tourists travel any destination the first thing upon arriving there is their interaction with local people. Behavior of local people has directly influence on the minds of tourists. The way they were treated and served during their journeys plays important role in shaping the particular destination's image. Destinations require particular skills, manners and polite behavior in handling the tourists- that's why lots of restaurants and hotels are employing those people who are skilled, groomed and clean. Tourists generally share their experiences about their visits and their services and how they were being treated by local people during their journeys (Kaur, 2014).

#### 2.4.7 Process

Process in tourism means to implement such strategies to make the life of any business easier so that people can get what they want in easy manner.

Generally talking process is the action applied by the companies to deliver and to provide information regarding their products in a relevant and easy manner (Kaur, 2014). It describes how the service is assembled, the actual procedures, mechanisms, and flow of activities by which the service is delivered including the service delivery and operating systems. Each of these elements is within the control of the services marketing manager, allowing service differentiation, and thereby providing customers attributes on which to compare and judge different service brands (Nouri and Soltani, 2015). The travel and tourism product experience consists of both process and outcome. For customers the outcome is often intangible benefits, such as a sense of well-being, mental and physical recuperation, development of personal interests such as culture, or revived relationships. For individual service providers the outcome is rather more prosaic, for example, arrival at the airport/destination at the specified time. For travel and tourism, perhaps more than for any other service products, the outcome is highly dependent on the quality of service delivery as perceived by the user. Tourism only exists through experience of its extended process of production and consumption. It is much harder to separate the outcome from the experience that delivered it (Middleton and Clarke, 2001).

#### 2.4.8 Physical Evidence

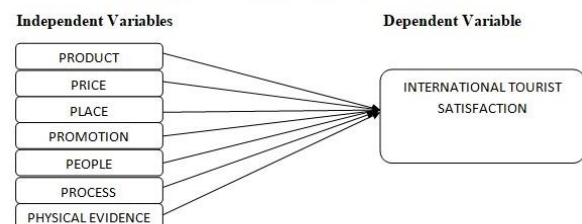
According to Rust et al., (1996) as mentioned by Nouri and Soltani, this components of the service experience are called the “services-cape”-that is, the ambience, the background music, the comfort of the seating, and the physical layout of the service facility, the appearance of the staff can greatly affect a customer’s satisfaction with a service experience (Nouri and Soltani, 2015). Physical evidence, rooted in the five senses of sight (especially color and aesthetics), sound, scent, touch and taste. Because tourism products are characterized by inseparability, visitors are present in the production premises and the design of the physical setting for the delivery process is a vital part of the product. Of course, the physical setting is sometimes the reason for tourism in the first place but here it refers to the design of the built environment owned and controlled by a tourism organization, for example, a theme park or hotel, or to the efforts of an organization to design a natural or built area to meet particular visitor management objectives. Because tourism products are also

characterized by intangibility, physical evidence is used additionally to ‘tangibilize’ the offer away from the place of consumption, especially at the point of sale, to influence purchasing. It is also used to reduce post-purchase anxiety, although with the notable exception of the brochure and more recently access to websites, the planning of remote physical evidence has often been overlooked (Middleton and Clarke, 2001).

#### Conceptual Framework/Model

The research model contains independent and dependent variables. Independent variables of the tourism marketing mix elements consists product, price, place, promotion, process, people and physical evidence. The dependent variable reflects the outcome of the research study, which is international tourist satisfaction.

Figure 2. 1 Independent and Dependent Variables



**Source:-** (Sarker et al, 2012; Kamau et al, 2015; Magatef, 2015; Sarker and Begum, 2015; Faris et al, 2016, Rahman et al., 2019)

#### 3. Research methodology

This study employed an explanatory research design. It is a research design emphasis on studying a situation or a problem in order to explain the relationship between variables (Saunders et al, 2007). It is a preferred research design to study cause and effect relationship of marketing mix and tourist satisfaction in the study case, than exploratory research design which explore or search through a problem or situation to provide insights and descriptive research design which describe something, usually market characteristics or function (Malhotra, 1996).

Due to available resource, knowledge of the target population and scope of research, this study used non probability sampling techniques. Purposive or judgment sampling was used to select four tourist destination sites such as: Lalibela, Bahir Dar, Gonder and Debark. The selected sites are the top four destinations and best representative of international tourist arrivals in the Amhara region.

Samples of international tourists who included in the survey were selected through convenience sampling method that relies on data gathering from population members who are easily available to participate in the study. Due to large number of customer population, would be using the equation developed by (Cochran, 1977) to determine the sample size of the population. Due to large number of customer population, would be using the equation developed by (Cochran, 1977) to determine the sample size of the population.

$$n_0 = Z^2 \cdot p \cdot q \div e^2$$

$$n_0 = (1.96)^2 \times 0.50(1-0.50)/(0.05)^2$$

$$n_0 = 3.8416 \times 0.25 \div 0.0025$$

$n_0 = 384.16$  means the sample size of the study equals 384

**Table 1. Sample Size in Destinations**

Destinations	Sample	Percent
Lalibela	134	34.8
Gondar	92	23.9
Bahir Dar	99	25.8

Debarq	59	15.5
Total	384	100

The study used primary data sources. Primary data was collected through self-administered questionnaires from 346 international tourists' in the top four tourist destination sites of the Amhara region, Ethiopia. This study has developed a structured questionnaire in closed questions. In the first part six questions were prepared to identify demographic characteristics of respondents and 48 questions were designed in five-point Likert scale, where the respondent was asked to respond to each of the statements in terms of five degrees from (5)strongly agree to (1)strongly disagree. In this research study quantitative research method was applied and thus, involved some quantitative analyses with the use of statistical tools (descriptive and inferential). While there are several Software packages for the analysis of quantitative data, the researcher utilized SPSS version 21.0.

**Table 2. Demographic characteristic of the sample respondents**

Variables		Frequency	Percent	Variables		Frequency	Percent
Gender	Male	229	66.2	Mean of transportation to the destination	Public bus	13	3.8
	Female	117	33.8		Tour operator car	130	37.6
	<b>Total</b>	346	100		Hired car	13	3.8
Age	18-29	75	21.7		Airline	185	53.5
	30-41	134	38.7		Private car	5	1.4
	42-50	97	28.0		<b>Total</b>	346	100
	>50	40	11.6	Did you Visit the destination before?	No	313	90.5
	<b>Total</b>	346	100		Yes	21	6.1
Origin of Tourists	Africa	26	7.5		Not responded	12	3.5
	Asia	59	17.1		<b>Total</b>	346	100
	Australia	34	9.8	Length of stay at destination	One night	114	32.9
	Europe	138	39.9		Two night	186	53.8
	North America	84	24.3		Three night	44	12.7
	South America	5	1.4		Not responded	2	0.6
	<b>Total</b>	346	100		<b>Total</b>	346	100

Survey result, 2019

**Table 3** descriptive statistics, correlations and reliability test

Variables	mean	SD	1	2	3	4	5	6	7	8	Cronbach's Alpha
(1) Product	3.45	.53	1								0.710
(2) Price	3.13	.58	.263*	1							0.726
(3) Place	3.41	.60	.543*	.209*	1						0.694
(4) Promotion	3.15	.61	.041	.045	.096	1					0.760
(5) People	3.95	.69	.511*	.176*	.516*	.066	1				0.849
(6) Process	3.40	.86	.218*	.089	.206*	.195*	.068	1			0.859
(7) Physical evidence	3.80	.69	.462*	.256*	.505*	.101	.486*	.091	1		0.839
(8) Satisfaction	3.98	.54	.553*	.241*	.599*	.072	.619*	.126*	.674*	1	0.738

\*. Correlation is significant at the 0.05 level (2-tailed).

**Table 4.** Multiple regression analysis

Variables	Satisfaction		Collinearity statistics	
	Beta	t-value	Tolerance	VIF
Product	0.129*	52.919	0.584	1.712
Price	0.022	0.608	0.906	1.104
Place	0.195*	4.368	0.574	1.743
Promotion	-0.010	-0.279	0.951	1.052
People	0.263*	6.102	0.615	1.626
Process	0.005	0.146	0.899	1.112
Physical evidence	0.383*	9.054	0.638	1.567
Model fit statistics, $R^2=0.614\%$ , $F=76.811$				

Dependent variable: Tourist satisfaction

\* Indicates variables significant at  $P<0.05$

#### 4. Result and Discussion

The hypotheses were tested by employing multiple regression analysis. Correlation analysis and degree of Multicollinearity in independent variables was assessed prior to the regression analysis. Reliability test has also been carried out to test the level of consistency among the items.

Cronbach's alpha was calculated to test the level of consistency among the items. Nunnally (1978) has stated that 0.5 is a sufficient value, while 0.7 is a more reasonable Cronbach's alpha and acceptable. Therefore, the scale used in the study was acceptable and reliable. Correlation coefficient indicated that there were some interesting positive and statistically significant relationships between the independent variables and dependent variables except promotion. Multicollinearity was not an

issue either as the Variance Inflation Factors for all the independent variables were under 2.0, far below the recommended cut-off level less than 5. The seven independent variables measuring were regressed against the dependent measure of tourist satisfaction.

As presented in Table 4, the regression coefficients of the study were computed using multiple linear regressions to determine the effect of marketing mix elements on international tourists' satisfaction in the Amhara region. The findings of the coefficients model show that price, promotion, and process were not statistically significant at alpha value 0.05. Whereas, tourism product, place, people and physical evidence have statistically significant effect on international tourists' satisfaction in the region at p-value less than 0.05.

The regression model table result also shows that keeping other variables constant a unit increases in the marketing mix element will bring a unit improvement in the international tourists' satisfaction. Based on the beta weight of the data analysis result, the strongest beta value 0.383 with a significant alpha less than 0.05 was found by physical evidence. That means a unit increase in physical evidence of destination could lead to a 38.3% enhancement in the satisfaction of international tourists' in the region. The beta value of people was found to be 0.263 with a significant p-value less than 0.05 made the second strong unique contribution in affecting satisfaction. That means tourism people can predict 26.3% of international tourists' satisfaction in the region. The beta values of tourism place and product were found 0.195 and 0.129 respectively with a significant alpha value less than 0.05. This implies place and product in the destinations of the Amhara region can increase 19.5% and 12.9% of tourists' satisfaction respectively.

The finding of the strongest beta coefficient by physical evidence in this study was also found by previous studies like Jain & Madan (2015), and Sarker & Begum (2015). However, in most previous studies different marketing mix element was found as the highest unique predictor of tourist satisfaction. For example, the product was found as the strongest unique predictor of tourist satisfaction in Faris et al., (2016), and Magatef (2015) studies. The place was also found as the strongest predictor in Muala & Qurneh (2012), and Rahman et al., (2019) studies. Sarker et al., (2012) was also found tourism people as the strongest predictor of tourist satisfaction. According to the findings of this study, price, promotion, and process were identified as a marketing mix element with no effect on the satisfaction of international tourists' in the Amhara region. Several of previous studies were also identified tourism marketing mix elements with an insignificant effect on tourists' satisfaction. For example, Process in Muala and Qurneh (2012) study, Price in Jain & Madan (2015), Sarker et al., (2012), and Magatef (2015) studies, Promotion in Rahman et al., (2019) study, Place and Price in Sarker & Begum (2015) study, were identified as a marketing mix element with no effect on satisfaction of tourist.

### Summary of Hypothesis Result

Hypothesis	Result	Decision
H <sub>1</sub> : Product has statistically significant effect on international tourists' satisfaction.	Beta=0.129; P< 0.05	Accepted
H <sub>2</sub> : Price has statistically significant effect on international tourist satisfaction.	Beta=0.022; P> 0.05	Rejected
H <sub>3</sub> : Place has statistically significant effect on international tourists' satisfaction.	Beta=0.195; P< 0.05	Accepted
H <sub>4</sub> : Promotion has statistically significant effect on international tourists' satisfaction.	Beta=-0.010; P> 0.05	Rejected
H <sub>5</sub> : People have statistically significant effect on international tourists' satisfaction.	Beta= 0.263; P< 0.05	Accepted
H <sub>6</sub> : Process has statistically significant effect on international tourists' satisfaction.	Beta=0.005; P> 0.05	Rejected
H <sub>7</sub> : Physical evidence has statistically significant effect on international tourists' satisfaction.	Beta=0.383; P< 0.05	Accepted

### 5. Conclusions and Recommendations

The general objective of this study was to determine the effect of tourism marketing mix elements on international tourists' satisfaction in the Amhara region. More specifically, the study aimed to determine marketing mix elements which

have a statistically significant effect on tourists' satisfaction. To realize the stated objectives, product, price, place, promotion, people, process and physical were selected as marketing mix elements or an explanatory variable to study their effect on tourists' satisfaction or response variables.

The correlation result of the study has confirmed that tourism product, price, place, people, process and physical evidence had a statistically significant relationship with international tourists' satisfaction. Whereas, the promotion had insignificant relationship with international tourists' satisfaction. The finding of the study also revealed that physical evidence, people, place, and product have statistically significant effect on satisfaction of tourists. While, the effects of promotion, price, and process on the satisfaction of tourists were insignificant.

The power of the independent variables in explaining international tourists' satisfaction in Amhara region in Ethiopia has found that the dependent variable was explained (61.4%) by the seven elements of marketing mix which are known.

According to this study the International tourists' satisfaction in the Amhara region relies on physical evidence, people, product, and place mix elements. However, the evidence from several studies has shown that the satisfaction of tourists is highly related to the seven marketing mix elements. Therefore, the concerned body in the Amhara region should give due attention and improve the performance of price, promotion, and process to boost international tourists' satisfaction, which is crucial for the development of the tourism sector.

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